City of St. Helena
Regular City Council Meeting
Tuesday, November 28, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

PLEASE NOTE: Any person who wishes to speak regarding an item on the agenda or make a comment under the "Oral Communication" portion of the agenda may do so, but <u>please observe the time limit of three minutes.</u>

Page

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
Mayor: Alan Galbraith, Vice Mayor: Peter White, City Council: Paul Dohring, Geoff Ellsworth and Mary Koberstein

4. PUBLIC FORUM:
Members of the public are entitled to speak on matters of municipal concern not on the agenda during Public Forum. Each person's comments shall be limited to <u>3 minutes</u>. Each person is entitled to speak on any non-agendized item only once at any meeting. Brief questions by Councilmembers for clarifications may be posed and answered, and Councilmembers may make requests that items be placed on future agendas, but in accordance with state law, no substantive discussion or action may take place unless and until the matter properly appears on the agenda.

    4.1. Bobbi Monnette - Public Comment 7 - 9
    Anthony Micheli - Public Comment

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:
Reports by staff and/or Councilmembers on items of general interest. Brief questions for clarification may be posed and answered, and Councilmembers may request that items be placed on a future agenda. Except under certain circumstances, the Brown Act prohibits any other discussion or action by the City Council.

6. PRESENTATIONS AND PUBLIC RECOGNITIONS

    6.1. Proclamation- Arbor Day 2017 presented to Carlos Uribe, Public Works Manger and City Arborist 11
    Proclamation

7. STAFF BRIEFING
None

8. CONSENT ITEMS
Members of the Council or the public may ask that any items be considered individually for purposes of considering alternative action, for extended discussion, or for public comment. Unless that is done, one motion may be used to adopt all recommended actions. (Roll Call Vote)

8.1. Consideration and proposed approval of City Council Meeting Minutes of: 13 - 79

April 21, 2017 Special Meeting Minutes
July 11, 2017 Regular Meeting Minutes
August 8, 2017 Special Joint Meeting Minutes
August 8, 2017 Regular Meeting Minutes
August 22, 2017 Special Joint Meeting Minutes
September 6, 2017 Special Meeting Minutes
September 12, 2017 Regular Meeting Minutes
September 18, 2017 Special Meeting Minutes
September 26, 2017 Regular Meeting Minutes (~~To be provided prior to the meeting~~) Provided 11/21/17
October 4, 2017 Special Meeting Minutes (~~To be provided prior to the meeting~~) Provided 11/21/17
October 11, 2017 Special Meeting Minutes (~~To be provided prior to the meeting~~) Provided 11/21/17
October 24, 2017 Regular Meeting Minutes (~~To be provided prior to the meeting~~) Provided 11/21/17

CEQA Determination: Not a CEQA project
Prepared By: Cindy Tzafopoulos, City Clerk
Recommendation:
Staff recommends adoption of the minutes.

04-21-17 Special City Council Retreat - Minutes
07-11-2017 Regular City Council Minutes
08-08-17 Regular City Council Minutes
08-08-17 Special Joint City Council, Planning Commission, ATSC, Library Trustees and P&R Commission Meeting - Minutes
8-22-2017 Regular City Council Minutes
8-22-2017 Special Joint CC and PC Meeting Minutes
09-06-17 Special City Council Governance Meeting Minutes
09-12-17 Regular City Council Minutes
09-18-17 Special City Council Minutes
09-26-17 Regular City Council Minutes
10-04-17 Special City Council Goal Setting Minutes
10-11-17 Special City Council Minutes
10-24-17 Regular City Council Minutes

8.2. Consideration and proposed approval of a Resolution authorizing Amendment No. 1 in the amount of $25,000 to the contract with Larry Walker Associates, Inc. for 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility for an amount not to exceed $49,820 81 - 108

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: April Mitts, Finance Director

Recommendation:
Adopt the Resolution authorizing Amendment No. 1 in the amount of $25,000 to the contract with Larry Walker Associates, Inc. for 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility for an amount not to exceed $49,820

Staff Report

8.3. Consideration and proposed approval of: 109 - 155

(1) A Resolution a) rescinding Resolution No. 2017-73, and b) authorizing the MarinIT FY 2017/18 one-year agreement with MarinIT to provide Information Technology Services for a total not to exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for Managed/Hosted Service Charges; and

(2) A Resolution and Amendment #1 to STH Contract: 2017-040 to include supply and installation of cabling for the Library Broadband Project in the amount of $41,445.10 for a total contract with MarinIT for Information Technology Support Services not to exceed amount of $129,945.10; and

(3) A Resolution authorizing a budget increase of $1,852.20 to Account #101-4600-2335 and a budget increase of $17,905.09 to Account #101-4600-2212 for a total budget increase of $19,757.29 from the General Fund reserves.

CEQA Determination: Not a CEQA project
Prepared By: Kathy Robinson, Human Resources & IT Director
Recommendation:
Staff recommends City Council:

(1) Approve Resolution a) rescinding Resolution No. 2017-73 (Attachment 7) and, b) authorizing the MarinIT FY 2017/18 one-year agreement with MarinIT to provide Information Technology Services for a total not to exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for Managed/Hosted Service Charges.

(2) Approve Resolution and Amendment #1 to STH Contract: 2017-040 to include supply and installation of cabling for the Library Broadband Project in the amount of $41,445.10 for a total contract with MarinIT for Information Technology Support Services not to exceed amount of $129,945.10 (Attachment 8).

(3) Approve Resolution authorizing a budget increase of $1,852.20 to Account #101-4600-2335 and a budget increase of $17,905.09 to Account #101-4600-2212 for a total budget increase of $19,757.29 from the General Fund reserves(Attachment 10).

Staff Report

8.4. Consideration and proposed approval of Resolution No. 2017-____ Approving Amendment #1 to STH Contract: 2017-066 with Marin IT for $6,202.24 for a total not-to-exceed contract price of $159,720.89 and authorizing a budget increase of $6,202.24 in FY 2017/18 to account #101-4220-2130 to cover unanticipated costs associated with upgrading the City’s phone system to Voice Over Internet Protocol (VoIP) 157 - 177

CEQA Determination: Not a CEQA project
Prepared By: Kathy Robinson, Human Resources & IT Director
Recommendation:

Approval of Resolution No. 2017-___ approving Amendment #1 to STH Contract: 2017-066 with MarinIT for $6,202.24 for a total not-to-exceed contract price of $159,720.89 and authorizing a budget increase of $6,202.24 in FY 2017/18 to account #101-4220-2130 to cover unanticipated costs associated with upgrading the City's phone system to Voice Over Internet Protocol (VoIP).

Staff Report

9. PUBLIC HEARINGS

9.1. Consideration and proposed adoption of Resolution No. 2017-_____ establishing a revised five-year schedule of water and wastewater base rates, use rates and rate structures beginning with the December 2017 billing cycle (inclusive of service provided in November 2017). 179 - 315

CEQA Determination: This action is exempt from the requirements of CEQA under the "General Rule", Section 15061 (b) (3), in that it can be seen with certainty that no environmental impacts will result from this action; and Section 15273 given that CEQA does not apply to Rates, Tolls, Fares and Charges.
Prepared By: April Mitts, Finance Director
Recommendation:

Staff recommends that the Council:

1. Adopt Resolution No. 2017-____ establishing a revised five-year schedule of water and wastewater base rates, use rates and rate structures beginning with the December 2017 billing cycle (inclusive of service provided in November 2017).

Staff Report

10. NEW BUSINESS

10.1. Informational Update on Traffic Safety Enhancements on Highway 29 and Pratt Avenue Vicinity 317 - 325

CEQA Determination: Not a CEQA project
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer

Staff Report
2017 Tentative Schedule

10.2. Discussion regarding the conceptual Mayor's forum

11. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

December 12: (December 26 Mtg Cancelled)

1. General Plan EIR award of contract - Planning
2. City Council Housing Solutions Goal - Admin
3. Hunter Sub. EIR Contract - Planning
4. Final Map Sulphur Springs - PW
5. New K9 – PD
6. New K9 Vehicle - PD

January:

7. Little League Contract Amendment - Recreation
8. ADA Policy - HR

12. ADJOURNMENT

The next Regular City Council meeting is scheduled for December 12, 2017, at 6:00 p.m. in the Vintage Hall Board Room located at 465 Main Street.

This agenda was posted at City Hall, 1480 Main Street, and at Vintage Hall, 465 Main Street, St. Helena, California on November 17, 2017

Cindy Tzafopoulos

Cindy Tzafopoulos, City Clerk

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call the City Clerk's Office (707) 967-2792. Notification 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act will enable the City to make reasonable arrangements to ensure accessibility to this meeting

CHALLENGING DECISIONS OF CITY ENTITIES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City of St. Helena is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision, including without limitation Government Code section 65009 applicable to many land use and zoning decisions, Government Code section 66499.37 applicable to the Subdivision Map Act, and Public Resources Code section 21167 applicable to the California Environmental Quality Act (CEQA). Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. Government Code section 65009 and 66499.37, and Public Resources Code section 21167, impose shorter limitations periods and requirements, including timely service in addition to filing.

If a person wishes to challenge the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of St. Helena, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE

AGENDA

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this Agenda, after the posting of the Agenda, will be available for public review in the City Clerk's Office located at 1480 Main Street, St. Helena, California, during normal business hours. In addition, such writings or documents will be made available on the City's web site at https://sthelena.civicweb.net and will be available for public review at the respective meeting.

The Tobacco Education & Quit Smoking Program OFFERS

Let us Help You.

AMERICAN LUNG ASSOCIATION®

Freedom FROM SMOKING®

SESSIONS

Gold Standard Program

Graduates are 6x more likely to be smoke free after 1 year than those who quit alone.

- Immediate Health Benefits
- Learn to Control Triggers
- Nicotine Replacement Therapy
- Learn the Aspects of Tobacco Addiction
- Licensed, ALA Certified Facilitators

NO COST TO YOU. REGISTER NOW

Call (707) 253-6100 ext. 120

Funded by Napa County Master Settlement Grant

canv

COMMUNITY ACTION OF NAPA VALLEY

El programa de educación de tabaco y deje de fumar OFRECE

Déjenos ayudarlo

AMERICAN LUNG ASSOCIATION®

Freedom FROM SMOKING®

SESIONES PARA DEJAR DE FUMAR

Un programa estándar de oro

Los graduados son 6 veces más propensos a mantenerse sin fumar después de un año que las personas que lo intentan solas.

- Beneficios de salud inmediatos
- Aprenda a controlar los detonantes
- Terapia de reemplazo de nicotina
- Aprenda sobre los aspectos de la adicción a la nicotina
- Instructores certificados por la Asociación americana del pulmón

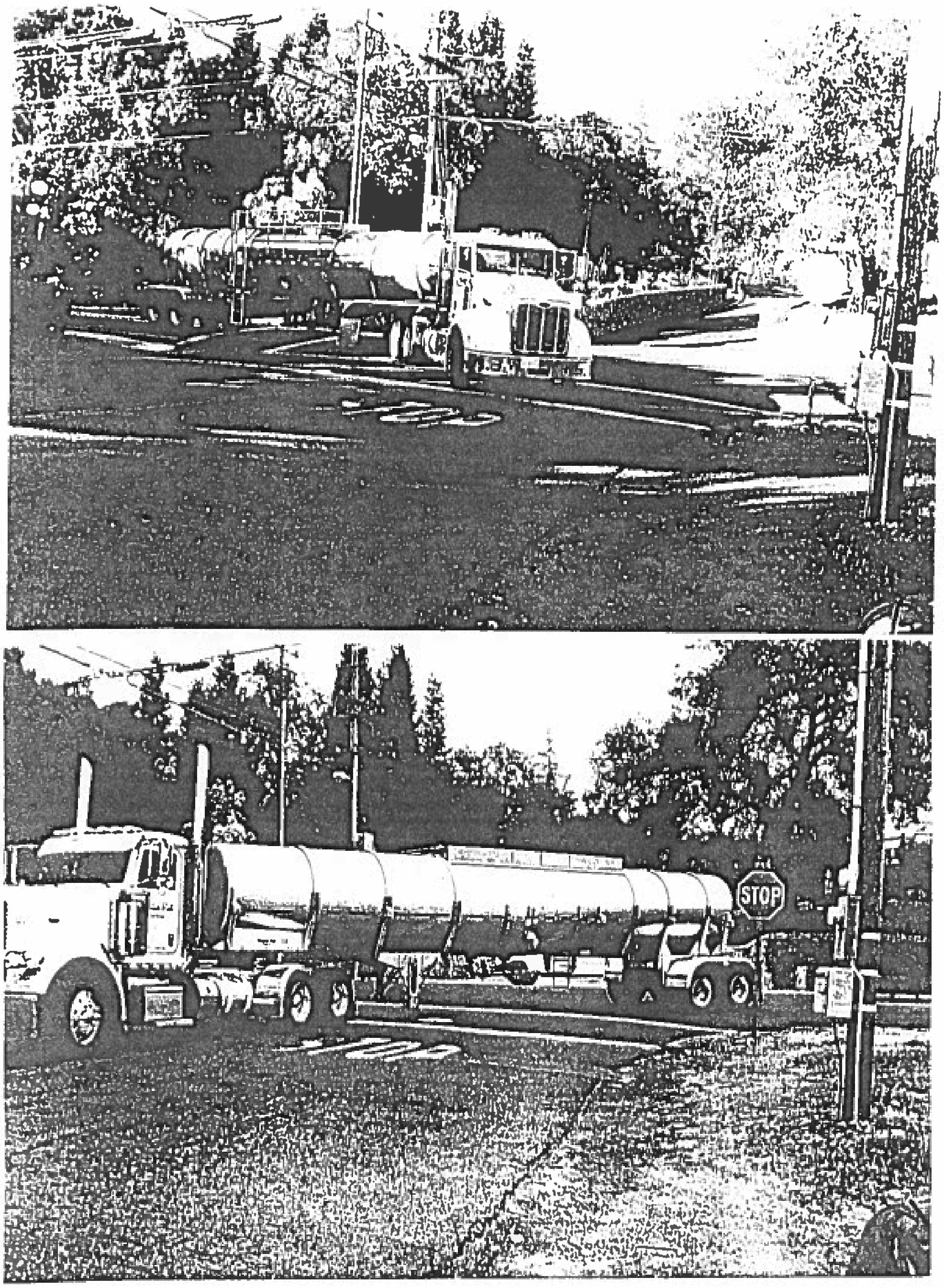
SIN NINGÚN COSTO PARA USTED. REGÍSTRESE AHORA

Llame al (707) 253-6100 ext. 121

Funded by Napa County Master Settlement Grant

canv

COMMUNITY ACTION
OF NAPA VALLEY



Pratt & Hwy 29

City of St. Helena
PROCLAMATION

ARBOR DAY

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and Arbor Day is now observed throughout the nation and the world, and

WHEREAS, trees reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal, and

WHEREAS, the City of St. Helena has been recognized as a Tree City USA by The National Arbor Day Foundation for 20 years and desires to continue its tree-planting practices

NOW, THEREFORE, let it be known that the City of St. Helena has declared the 16th day of November 2017, as Arbor Day and held tree plantings in recognition of Arbor Day for the purpose of expressing our support for efforts to protect our trees and woodlands.

Dated: November 28, 2018

____

Alan Galbraith, Mayor
City of St. Helena

Minutes
City of St. Helena
Special City Council Meeting
City Council Retreat
Friday, April 21, 2017 @ 9:00 AM
Southbridge Napa Valley, Conference Room
1020 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. ROLL CALL
   Present: Councilmembers Koberstein, Ellsworth, Dohring, White, Mayor Galbraith
   Absent: None

3. PUBLIC COMMENT PERTAINING TO THE CITY COUNCIL RETREAT:

Each person's comments shall be limited to 3 minutes.

No public comment was received.

4. INFORMATION

The City Council of St. Helena will be holding a day long "retreat" to focus on improving interactions as a council.

This meeting will not consider any motions and will not take any actions as a City Council.

The purpose of the meeting is to consider how to improve interactions and communications among the Council members for more effective governance.

While this meeting is open to the public, we would request consideration to allow the City Council to have this time for this working session.

Reminder - the Brown Act doesn't allow substantive discussion of any specific issues or projects.

5. DISCUSSION ITEMS

1. A bit of our history. Reviewing some of the history of the Council and the City.
2. Communication frameworks, pitfalls and challenges.
3. What is your current experience of the work of the Council, the meetings, work with staff, the information you receive, and anything else?
4. Personal Values—what are they? Are they simply espoused or are they also in action?
5. Polarities: The challenges of different approaches to issues and how to avoid polarization that blocks great plans, goals and interactions.

Jean Holsten, Director Dialogue, Bread of Life facilitated the discussion and retreat.

6. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 2:00 pm.

The April 21, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED: **ATTEST:**

Alan Galbraith, Mayor

Cindy Tzafopoulos, City Clerk

Minutes
City of St. Helena
Regular City Council Meeting
Tuesday, July 11, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
Present: Councilmembers Koberstein, Ellsworth, Dohring, Mayor Galbraith
Absent: Vice Mayor White

4. PUBLIC FORUM:

Lois Battuello, citizen, Kendall White, citizen and Margarita Rodriguez addressed the City Council.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:

Erica Ahmann Smithies, Acting City Manager/Public Works Director and City Engineer provided a water/wastewater rate study update. She noted the Division of Safety of Dams released public notification regarding round 1 of self-evaluation requirements of dams and reservoirs due to the recent Oroville Dam situation.

Acting Recreation Director thanked the community support for the recent successful 4th of July community celebration and provided a summer camp update. She also announced her resignation.

Planning Director Noah Housh noted he will have a General Plan and EIR update at the next City Council meeting.

Councilmember Koberstein reported that the Upper Valley Waste Management Company is having an issue related to community members not disposing of sharps properly. She encouraged the community to review the recent utility bill insert highlighting where sharps can properly be disposed of.

Councilmember Ellsworth provided an update on his recent attendance at the League of California Cities Conference held in Monterey and announced Be Kind Napa is holding a Napa Valley Kindness Day walk on Saturday, July 29, 2017 at Veterans Memorial Park in Yountville.

Councilmember Dohring noted he had an onsite tour of the road conditions at La Quinta Way/Kennedy Court with Erica Ahmann Smithies, Acting City Manager/Public Works Director and City Engineer. He requested a LAFCO and municipal services agreement review update.

Planning Director Noah Housh responded that the City recently received LAFCO's updated administrative draft sphere of influence review report which includes the third round of comments. Staff will be spending time to review the report.

Mayor Galbraith noted he received correspondence from the City Little League appreciating staff and the use of the City parks. He also reported on the recent 4th of July community celebration.

5.1. Tree Committee update by Carlos Uribe, Maintenance Manager/Arborist

Carlos Uribe, Maintenance Manager/Arborist provided an update to the City Council.

5.2. Report of Parking Ad Hoc Committee by Councilmember Dohring

CEQA Determination: Not a CEQA project
Prepared By: Paul Dohring

Councilmember Dohring provided an update to the City Council.

Mayor Galbraith called for public comment.

Lana Ivanoff, Guneet Bajwa, Susan Kenward and Anthony Micheli addressed the City Council.

Mayor Galbraith closed public comment.

6. STAFF BRIEFING

6.1. Overview of water agreements and brief discussion - Jennifer Tuell, Water Conservation Coordinator

Jennifer Tuell, Water Conservation Coordinator reported on this item.

Mayor Galbraith called for public comment.

Lois Battuello, Tom Belt, Lana Ivanoff, Anthony Micheli and Susan Kenward addressed the City Council.

Mayor Galbraith closed public comment.

6.2. Update and brief City Council discussion on wastewater treatment plant upgrades - Erica Ahmann Smithies, Acting City Manager/Public Works Director and City Engineer

Erica Ahmann Smithies, Acting City Manager/Public Works Director and City Engineer reported on this item.

No public comment was received.

7. CONSENT ITEMS

7.1. Consider and approve resolution 2017-100 authorizing the City Manager to execute an MOU with the St Helena Unified School District for the repair of the Carpy Field lights

CEQA Determination: Not a CEQA project
Prepared By: Tracey Perkosky, Acting Recreation Director/Grants and Finance Manager
Recommendation: Adopt

7.2. Red Zone Update (Resolution 2017-101)

CEQA Determination: Exempt
Prepared By: Erica Ahmann Smithies, Interim City Manager/PW Director and City Engineer
Recommendation: Adopt

7.3. Notice of Completion for the Pope Street Bike Lanes Project (Resolution 2017-102)

CEQA Determination: Class I Categorical Exemption under Section 15301 of CEQA
Prepared By: Tobias Barr, Project Manager
Recommendation: Adopt

7.4. Notice of Completion for the 2016 Overlay - Charter Oak and Allison Pavement Overlay, Capital Improvement Project R-78 (Resolution 2017-103)

CEQA Determination: Class I Categorical Exemption under Section 15301 of CEQA
Prepared By: Tobias Barr, Project Manager
Recommendation: Adopt

Councilmember Dohring moved to approve Consent as presented. The motion was seconded by Councilmember Koberstein and on roll call carried by the following vote:

AYES: Councilmembers Dohring, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: Vice Mayor White

8. PUBLIC HEARINGS

8.1. None

9. NEW BUSINESS

9.1. Discussion and Possible Action on the Proposed St. Helena Fire Department’s Station #2 at 1025 Dowdell Lane, and Authorization for the City Manager to Enter into a Lease Agreement for the Proposed Site (Resolution 2017-104)

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: Allison Mattioli, Management Analyst
Recommendation: Adopt

Fire Chief John Sorensen reported on this item.

Mayor Galbraith opened the public hearing.

Ann Nevero addressed the City Council.

Mayor Galbraith closed the public hearing.

Councilmember Dohring moved to authorize the City Manager to enter into a lease agreement for the proposed St. Helena Fire Department’s Station #2. The motion was seconded by Councilmember Ellsworth and on roll call carried by the following vote:

AYES: Councilmembers Dohring, Ellsworth, Koberstein and Mayor Galbraith

NOES: None
ABSENT: Vice Mayor White

9.2. Hunter Subdivision and Environmental Impact Report Update

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning Director
Recommendation: Receive and file

Planning Director Noah Housh reported on this item.

Mayor Galbraith called for public comment.

Lois Battuello, John Milliken, Tim Neimen, Vickie Bradshaw and Ann Nevero addressed the City Council.

Mayor Galbraith closed public comment.

It was the consensus of the City Council to agendize this subject matter for consideration and direction at a later date after the new City Manager is in the office.

9.3. City Council discussion and direction regarding the cancellation of the July 25, 2017 regular City Council meeting.

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation: Provide direction

City Clerk Cindy Black reported on this item and noted Mayor Galbraith, Vice Mayor White and Councilmember Ellsworth will not be in attendance at the July 25, 2017 City Council meeting. The July 25, 2017 meeting will not take place due to lack of a quorum.

Mayor Galbraith called for public comment.

Bobbi Monnette addressed the City Council.

Mayor Galbraith closed public comment.

9.4. City Council discussion and direction regarding the status of the Tree Committee (Resolution 2017-105)

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk

Recommendation: Provide direction

City Clerk Cindy Black reported on this item.

No public comment was received.

Mayor Galbraith moved to adopt a resolution disbanding the Tree Committee as amended to add the language directing staff to come back with appropriate changes to the tree ordinance which puts the discretion of tree removal applications with the City and appeals to come before the City Council with no fee associated with the appeal. The motion was seconded by Councilmember Dohring and on roll call carried by the following vote:

AYES: Mayor Galbraith, Councilmembers Dohring, Ellsworth, Koberstein
NOES: None
ABSENT: Vice Mayor White

Mayor Galbraith called for a break at 8:17 pm.

Mayor Galbraith reconvened the meeting at 8:25 pm.

9.5. Councilmember Ellsworth - City Council discussion and consideration of a possible LARGE COMMERCIAL TRUCK ORDINANCE, including consideration of and direction on a draft ordinance.

Councilmember Ellsworth reported on this item.

Mayor Galbraith called for public comment.

Mark Smithers and Peter Scott addressed the City Council.

Mayor Galbraith closed public comment.

It was the consensus of the City Council for this item to come back for further discussion and direction and have Chief of Police William Imboden report on potential enforcement.

9.6. Councilmember Koberstein - adoption of protocol regarding preparation of resolutions for matters considered on appeal

Councilmember Koberstein reported on this item.

No public comment was received.

The majority of the City Council reported that they would prefer to receive only one resolution for consideration that includes the Planning Commission's recommendation for future appeals that come before the City Council.

Planning Director Noah Housh noted for all future appeals only the Planning Commission's recommendation resolution will be provided for consideration and not two competing resolutions.

9.7. Consideration, discussion and possible direction and/or action following Council discussion of the Adams Street RFPs at the June 27, 2017 Council meeting including:

a. Direct staff to prepare an RFP to evaluate present conditions and future requirements of municipal properties and facilities, identify viable options, including repair, replacement, relocation, recombination and their costs. Discussion and direction of the RFP "team" to include a facilities planner, a qualified appraiser to provide current market values of City properties.

b. Direct staff to prepare an analysis of current and near-term financial condition of operating budget and capital funds (not including water/wastewater), as well as sources of funds for capital civic projects.

c. Direct staff to determine and take steps to retain appropriate real estate, financial and environmental advisors (i.e. investment banking, commercial real estate services, public sector finance) to assist the City in evaluating the fiscal viability of the May, 2009 Adams Street Property Visioning Statement in light of current conditions, as well as land use recommendations in light of RFP responses and market conditions. Council direction would also indicate whether such advisors would assist City in future negotiations.

d. Consideration and direction whether to establish a regular Adams Street site agenda item for public workshops and/or study sessions to receive and discuss reports, provide opportunity for resident questions and input and set future agendas. Consideration and direction whether to expand such regular workshops/study sessions to town hall format and other public meetings at pertinent points in the process.

e. Consideration, direction and possible action to appoint a temporary Council subcommittee of two City Council members to: work with City Manager and Staff on RFP preparation; determine development timeline; areas for coordination; consideration of options that arise from RFP and financial reports.

f. Consideration and direction whether to initiate a format for the City to interact with Napa County and other Napa County municipalities to assess overall hospitality and infrastructure capacities and analyze possible cumulative impacts/benefits of St. Helena hospitality growth as it ties into overall hospitality growth in Napa County.

Councilmember Koberstein reported on this item.

Mayor Galbraith called for public comment.

Lois Battuello, Glen Smith, Jeff Burton, Ann Carr, Tom Belt, Susanne Salvestrin and citizen addressed the City Council.

Mayor Galbraith closed public comment.

It was the consensus of the City Council to proceed with the following recommendations:

> a. Direct staff to prepare an RFP to evaluate present conditions and future requirements of municipal properties and facilities, identify viable options, including repair, replacement, relocation, recombination and their costs. Discussion and direction of the RFP “team” to include a facilities planner, a qualified appraiser to provide current market values of City properties.

Staff is also directed to review what the City of Napa has already undertaken in their recent RFP process.

Planning Director Noah Housh noted staff will bring back additional information in August.

> d. Consideration and direction whether to establish a regular Adams Street site agenda item for public workshops and/or study sessions to receive and discuss reports, provide opportunity for resident questions and input and set future agendas. Consideration and direction whether to expand such regular workshops/study sessions to town hall format and other public meetings at pertinent points in the process.
>
> e. Consideration, direction and possible action to appoint a temporary Council subcommittee of two City Council members to: work with City Manager and Staff on RFP preparation; determine development timeline; areas for coordination; consideration of options that arise from RFP and financial reports.

Mayor Galbraith moved to nominate Councilmember Koberstein and Councilmember Dohring to the subcommittee. The motion was seconded by Councilmember Ellsworth and on roll call carried by the following vote:

AYES: Mayor Galbraith, Councilmembers Ellsworth, Dohring, Koberstein
NOES: None
ABSENT: Vice Mayor White

10. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

10.1. 8/8 5 year CIP budget – Erica
8/8 Continuation from May 9 City Council Meeting: City Council Appeal of a Notice to Abate - 395 South Crane Avenue - Erica
8/8 LOCC Annual Conference Legislative Resolutions for Consideration - Cindy
8/8 Appointing LOCC voting delegate - Cindy
8/8 Little League Contract Amendment - Tracey
8/8 Consideration and proposed approval of a resolution adopting Recreation fees and charges – Tracey
8/8 Diversion program contract - Bill
8/8 OTSH fee waiver – Noah
8/8 After school program - Tracey

11. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 9:27 pm.

The July 11, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	ATTEST:
______________________________	______________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Minutes
City of St. Helena
Regular City Council Meeting
Tuesday, August 8, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
   Present: Councilmembers Koberstein, Ellsworth, Dohring, White, Mayor Galbraith
   Absent: None

4. PUBLIC FORUM:

Citizen, Conrad Baldwin, Jorge Cortez, Fernando Cortez, Manual Cortez, NVTA Associate Program Planner-Administrator Diana Meehan and Mike Thomas addressed the City Council.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:

City Attorney Thomas Brown noted there was no reportable action taken at the August 8, 2017 City Council Closed Session.

Finance Director April Mitts provided a Measure A and utility rate status update.

Planning Director Noah Housh announced the City hired Philip Henry as the new Building Official.

Public Works Director and City Engineer Erica Ahmann Smithies announced the City hired Felix Hernandez as the new Utilities Operations Manager.

Councilmember Ellsworth provided information on the upcoming Watershed Information Center & Conservancy (WICC) Board of Napa County meeting.

6. CONSENT ITEMS

6.1. Consideration and proposed approval of a resolution 2017-106 authorizing the City Manager to enter into an agreement with Britton Tree Services for tree pruning at Lyman Park, Main Street and Stonebridge Park for an amount not to exceed $38,240.

CEQA Determination: Class I Categorical Exemption under Section 15301 of CEQA
Prepared By: Jennifer Tuell, Water Conservation Coordinator
Recommendation: Adopt

Item 6.2 was pulled from Consent.

~~6.2. Ratification of a Construction Contract with Gregory Equipment Inc. for an Emergency Repair and Upgrade to the Levee at the Wastewater Treatment Plant in an Amount Not to Exceed $75,755; Approval of a Resolution Authorizing the City Manager to Execute the Contract~~

~~CEQA Determination: • This work will be conducted under a Statutory Exemption identified under Sections(s) 15269, 15282 and 15284 of the California Environmental Quality Act~~
~~Prepared By: Allison Mattioli, Management Analyst~~
~~Recommendation: Adopt~~

6.3. Consideration and proposed approval of a resolution 2017-108 authorizing the St. Helena High School annual homecoming parade on Main Street and authorizing City staff to assist with traffic control before, during, and after the parade.

CEQA Determination: Categorically exempt from CEQA, Sections 15323, 15061
Prepared By: Chrissy Cook, Administrative Assistant
Recommendation: Adopt

Councilmember Dohring moved to approve Consent items 6.1 and 6.3. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

6.2. Ratification 2017-107 of a Construction Contract with Gregory Equipment Inc. for an Emergency Repair and Upgrade to the Levee at the Wastewater Treatment Plant in an Amount Not to Exceed $75,755; Approval of a Resolution Authorizing the City Manager to Execute the Contract

CEQA Determination: • This work will be conducted under a Statutory Exemption identified under Sections(s) 15269, 15282 and 15284 of the California Environmental Quality Act

Prepared By: Allison Mattioli, Management Analyst
Recommendation: Adopt

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

Mayor Galbraith called for public comment.

Chris Malan addressed the City Council.

Mayor Galbraith closed public comment.

Councilmember Dohring moved to approve Consent item 6.2. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

7. PUBLIC HEARINGS

None

8. NEW BUSINESS

8.1. Consideration and proposed approval of a resolution 2017-109 adopting the Five-Year Capital Improvement Plan (Fiscal Years 2017/2018 to 2021/2022) and authorization of budget transfers

CEQA Determination: Categorically Exempt Sections 15301, 15302, 15303. Each project proposes to modify or improve to existing facilities, replace or reconstruct existing facilities and/or construct or convert small facilities or structures. Individual projects will have separate CEQA action.
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer, Jennifer Tuell, Water Conservation Coordinator
Recommendation: Adopt

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

Mayor Galbraith called for public comment.

Mike Thomas, Dale Grossman, Chris Malan and Howard Seagle addressed the City Council.

Councilmember Dohring moved to approve the Five-Year Capital Improvement Plan (Fiscal Years 2017/2018 to 2021/2022) and authorization of budget transfers. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

8.2. Review and direction on a request from Our Town St Helena to use Affordable Housing Trust Fund monies to cover the Development Impact Fees for the approved 8-unit affordable housing project located at 684 McCorkle (aka Brenkle Court) for a not to exceed total of $320,000. (Resolution 2017-110)

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: Provide direction

Planning & Community Improvement Director Noah Housh reported on this item.

No public comment was received.

Councilmember Ellsworth moved to approve the request from Our Town St Helena to use Affordable Housing Trust Fund monies to cover the Development Impact Fees for the approved 8-unit affordable housing project located at 684 McCorkle (aka Brenkle Court) for an amount not to exceed a total of $320,000. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Ellsworth, White, Dohring, Koberstein and Mayor Galbraith
NOES: None
ABSENT: None

8.3. Council Discussion and Direction on Disclosing Water and Wastewater Customer’s Usage Data Pursuant To The California Public Records Act

CEQA Determination: Not a CEQA project
Prepared By: Jennifer Tuell, Water Conservation Coordinator
Recommendation: Provide direction

Water Conservation Coordinator Jennifer Tuell reported on this item.

Mayor Galbraith called for public comment.

Bobbi Monnette and Greg Morgan addressed the City Council.

Vice Mayor White moved to continue the City's practice of not disclosing water and wastewater customer's usage data pursuant to the California Public Records Act. The motion was seconded by Mayor Galbraith and on roll call carried by the following vote:

AYES: Mayor Galbraith and Councilmembers White, Dohring
NOES: Councilmembers Ellsworth and Koberstein
ABSENT: None

Mayor Galbraith called for a break at 7:58 pm.

Mayor Galbraith reconvened the meeting at 8:03 pm.

8.4. Consideration to designate one member of the St. Helena City Council as the 2017 League of California Cities Annual Conference voting delegate and designate two alternate voting delegates

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation: Provide direction

City Clerk Cindy Black reported on this item.

No public comment received.

Mayor Galbraith nominated himself as the voting delegate on behalf of the City. Councilmember Ellsworth nominated himself as the first alternate and Councilmember Dohring nominated himself as the second alternate. No opposition was received.

8.5. City Council to review two proposed resolutions for consideration at the League of California Cities Annual Conference and provide voting direction to the voting delegate and alternate voting delegates

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation: Provide direction

City Clerk Cindy Black reported on this item.

No public comment received.

Mayor Galbraith noted he will use his own discretion at the League of California Cities Annual Conference business meeting when voting on behalf of the City. No opposition was received.

8.6. City Council requested standing items:

a. Adams Street - Receive oral report by staff

Planning Director Noah Housh provided an update.

Mayor Galbraith called for public comment.

Mike Thomas addressed the City Council.

Mayor Galbraith closed public comment.

b. Waste Water Treatment Plant Upgrade Status: Oral report by staff

Public Works Director and City Engineer Erica Ahmann Smithies provided an update

Mayor Galbraith called for public comment.

Chris Malan addressed the City Council.

Mayor Galbraith closed public comment.

9. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

9.1. 4th Qtr Finance Update - Finance Department
Napa Housing Authority Annual Housing Services Report - Planning Department
Napa Housing Authority Services Agreement - Planning Department
Measure A Amendment - Finance Department
Youth Diversion program contract - Police Department
Finance Policy and Procedures update - Finance Department

10. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:18 pm.

The August 8, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED: ATTEST:

Alan Galbraith, Mayor

Cindy Tzafopoulos, City Clerk

Minutes
Special Joint Meeting
Tuesday, August 8, 2017 @ 5:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

City Council:
Present: Councilmembers Koberstein, Ellsworth, Dohring, Mayor Galbraith
Absent: Vice Mayor White

Planning Commission:
Present: Chairperson: Kistner, Commissioners: Knudsen and Monnette
Absent: Vice Chair: Hardy and Commissioner Ponte

Active Transportation and Sustainability Committee:
Present: Committee Chair: Farmer, Members: Smith and Hinds
Absent: Members: Coryell and Alternate: Vence

Library Board of Trustees:
Present: Trustee Slaby
Absent: Chairperson: Lane, Vice Chair: Weber, Trustees: Armstead, Dye, Swan, and Wood

Parks & Recreation Commission:
Present: Commission Chair: Demchuk and Vice Chair: Hinds
Absent: Members: Strouss, Kass and Smith

4. PUBLIC FORUM:

Under California law, public comments at special meetings are limited to subjects on the agenda only. Therefore public comment will take place during consideration of the item. Each person's comments shall be limited to 3 minutes.

5. NEW BUSINESS

5.1. BROWN ACT TRAINING WORKSHOP: The St. Helena City Attorney, Thomas B. Brown, will conduct an open and public training and interactive workshop for the City Council and St. Helena Boards, Committees and Commissions. No action will be taken by the City Council or by any of the City's commissions or committees.
The training objectives include:
a. Understanding the history, purpose and requirements of the Ralph M. Brown Act, California's open meeting law.
b. Providing an opportunity for Council and committee members to discuss these requirements and responsibilities and ask questions.

City Attorney Thomas Brown provided an interactive presentation.

6. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 5:55 pm.

The August 8, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED: ATTEST:

______________________________ __________________________
Alan Galbraith, Mayor Cindy Tzafopoulos, City Clerk

MINUTES
City of St. Helena
Regular City Council Meeting
Tuesday, August 22, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
Present: Mayor Galbraith, Vice Mayor White, City Council Members Dohring, Ellsworth and Koberstein
Absent: None

4. PUBLIC FORUM:

Mayor Galbraith opened Public Comment.

Conrad Baldwin and Tom Belt addressed the City Council.

Mayor Galbraith closed Public Comment.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:

City Manager, Mark Prestwich, discussed his meet-and-greets with the community and Vineyard Valley residents.

Police Chief, Bill Imboden, presented certificates of graduation to the Volunteer Employee Services Academy graduates.

Planning and Community Improvement Director, Noah Housh, provided an update on the Turley Flats building permits and project construction schedule.

Interim Public Works Director, Carlos Uribe, provided an update on Crane Park playground signage and replacement of play structure bridge.

Councilmember Ellsworth informed the community about the Water and Power National Geographic documentary concerning water use in California.

6. PRESENTATIONS AND PUBLIC RECOGNITIONS

6.1. Proclamation - Supporting an End to Hate, Bigotry and Intimidation in All its Forms presented by Mayor Galbraith.

7. STAFF BRIEFING

7.1. None

8. CONSENT ITEMS

8.1. 2016-2017 Annual Report on the Housing Services Agreement with the Housing Authority of the City of Napa

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: Receive and file

8.2. Memorandum of Understanding (MOU) between the City of St. Helena and the St. Helena Hospital, with the St. Helena Hospital Committing to Provide Health Care Services to Low-Income Individuals without Medicare or the State of California Medicaid Benefits

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation: Approve

8.3. Consideration and proposed approval of a resolution approving an agreement with the Housing Authority of the City of Napa (HACN) to administer the HOME Grant funded owner-occupied rehabilitation program

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: Approve

8.4. Consideration and proposed approval of a resolution authorizing the Police Department to accelerate the hiring of one Police Officer effective November 1, 2017, in advance of an announced Officer retirement in February, 2018

CEQA Determination: Not a CEQA project
Prepared By: William Imboden, Chief of Police
Recommendation: Approve

8.5. Consideration and approval of a resolution authorizing the City Manager to sign a joint contract between the City of St. Helena and the City of Calistoga with the Up Valley Family Centers to provide State mandated juvenile diversion services, not to exceed $25,000 annually.

CEQA Determination: Not a CEQA project
Prepared By: William Imboden, Chief of Police
Recommendation: Approve

Vice Mayor White moved to approve the Consent Calendar as presented. The motion was seconded by Councilmember Ellsworth and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

9. PUBLIC HEARINGS

9.1. None

10. NEW BUSINESS

10.1. Review, Discuss and Provide Direction to Staff and Hansford Economic Consulting on Revised Utility Rate Study

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: April Mitts, Finance Director
Recommendation: Provide direction

City Manager, Mark Prestwich, and Finance Director, April Mitts, reported on this item.

Mayor Galbraith opened Public Comment.

Pat Dell and Mark Smithers addressed the City Council.

Mayor Galbraith closed Public Comment.

Catherine Hansford, HEC Consultant, addressed the City Council.

City Council provided direction to accept staff's recommendation as amended.

10.2. Discussion and Council Direction of the Proposed Facilities Condition and Needs Assessment RFP

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: Provide direction

Planning and Community Improvement Director, Noah Housh, reported on this item.

Mayor Galbraith opened Public Comment.

Citizen, Glenn Smith, Pat Dell and Lowell Smith addressed the City Council.

Mayor Galbraith closed Public Comment.

City Council provided direction to issue the RFP and incorporate an appraiser into a list of potential respondent team members.

10.3. City Council requested standing items:
- a. City owned Adams Street property update: Receive oral report by staff

- b. Waste Water Treatment Plant Upgrade Status: Receive oral report by staff

City Manager, Mark Prestwich, provided an update on the Adams Street property.

Mayor Galbraith opened Public Comment.

Pat Dell addressed the City Council.

Mayor Galbraith closed Public Comment.

City Manager, Mark Prestwich, provided an update on the Waste Water Treatment Plant.

No Public Comment received.

11. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

11.1. September:
1. 9/12 - 1st reading of propos
2. truck ordinance
2. 9/12 - Informational update on LAFCO municipal services review and sphere of influence - Admin
3. 9/12 - 4th Qtr Finance Update - Finance
4. 9/12 - Consideration and proposed adoption of a resolution accepting the Water and Wastewater Rate Study and to proceed with the Proposition 218 requirements for a Water and Wastewater Rate Increase - Finance
5. 9/12 - Measure A Amendment – Finance
6. Award of contract for spillway condition assessment at Bell Canyon – Public Works
7. 9/26 - Housing allocation - Planning
October:
1. Sept or Oct After school program – Recreation
2. 10/10 Little League Contract Amendment - Recreation
3. Oct or Nov PH - Consideration and proposed approval of a resolution adopting Recreation fees and charges – Recreation

12. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 7:55 pm.

The August 22, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	ATTEST:
______________________________	_________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

MINUTES
City of St. Helena
Special Joint City Council and Planning Commission Meeting
Tuesday, August 22, 2017 @ 4:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
   Present: Mayor Galbraith, Vice Mayor White, City Council Members Dohring, Ellsworth and Koberstein
   Chairperson Kistner, Vice Chair Hardy, Commissioners Knudsen, Monnette and Ponte
   Absent: None

4. PUBLIC FORUM:

No Public Comment received.

5. NEW BUSINESS
   5.1. Land Use 101: An interactive presentation on the basics of California Land Use Law as it affects the City of St. Helena

Presented by: Planning and Community Improvement Director Noah Housh and City Attorney Thomas B. Brown
CEQA Determination: Not a CEQA project
Recommendation: Informational only

Planning and Community Improvement Director, Noah Housh, and City Attorney, Thomas B. Brown, provided an interactive presentation.

   5.2. St. Helena 2035 General Plan Environmental Impact Report (EIR) Update

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director

Recommendation: It is recommended that the City Council receive the reported information and direct staff to issue a request for proposals (RFP) to have a new EIR written for the City of St Helena 2035 General Plan.

Planning and Community Improvement Director, Noah Housh, reported on this item.

No Public Comment received.

Vice Mayor White moved to approve staff's recommendation. The motion was seconded by Councilmember Ellsworth and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

5.3. Review and discuss Planning Commission priorities

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: Provide direction and concurrence with Planning Commission priorities.

Planning and Community Improvement Director, Noah Housh, reported on this item.

No Public Comment received.

Provide direction for staff to work in partnership with the Planning Commission on setting list of priorities, including all changes identified by the City Council.

6. ADJOURNMENT:

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 6:02 pm.

The August 22, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	ATTEST:
______________________________	______________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Minutes
City of St. Helena
City Council Governance
Special City Council Meeting
Wednesday, September 6, 2017 @ 9:00 AM
Southbridge Napa Valley, Conference Room
1020 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. ROLL CALL
   Present: Mayor Galbraith, Vice Mayor White, City Council Members Dohring, Ellsworth and Koberstein
   Absent: None

3. PUBLIC COMMENT:

No public comment was received.

4. The City of St. Helena City Council will be meeting with Bread of Life Facilitator Jean Holsten to develop Council processes for working and communicating together and for team building.

This meeting will not consider any motions and will not take any actions as a City Council.

While this meeting is open to the public, we would request consideration to allow the City Council to have this time for this working session.

Reminder - the Brown Act doesn’t allow substantive discussion of any specific issues or projects.

Jean Holsten, Director Dialogue, Bread of Life facilitated the discussion and retreat.

5. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 2:00 pm.

The September 6, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	**ATTEST:**
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Minutes
City of St. Helena
Regular City Council Meeting
Tuesday, September 12, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
   Present: Mayor Galbraith, Vice Mayor White, City Council Members Dohring, Ellsworth and Koberstein
   Absent: None

4. PUBLIC FORUM:

Anthony Micheli addressed the City Council.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:

City Attorney Thomas Brown noted there was no reportable action taken at the September 12, 2017 City Council Closed Session.

City Manager Mark Prestwich reported on the recent City Council Governance meeting, announced the upcoming October 4, 2017 Goal Setting meeting, a quarterly community newsletter will be introduced soon, announced the September 18, 2017 Special Utility Rate meeting and the December 26, 2017 regular City Council meeting is cancelled.

Finance Director April Mitts announced the utility rate models are posted on the City's website for the public to review.

Library Director Chris Kreiden reported that 479 children attended the St. Helena's Library summer reading program, provided a programming update and announced that St. Helena Library is one of the 50 public libraries selected to show 'The Vietnam War' PBS documentary programming series.

Councilmember Ellsworth announced that he will be attending the upcoming League of California Cities Annual Conference.

Mayor Galbraith announced his appreciation for the Library staff extending hours offering the community relief from the heat.

6. STAFF BRIEFING

6.1. None

7. PRESENTATIONS AND PUBLIC RECOGNITIONS

7.1. Proclamation - National Latino Heritage Month presented to Blanca Dixon, Immigration Program Coordinator of the UpValley Family Centers and Chris Kreiden, St. Helena Library Director

8. CONSENT ITEMS

8.1. Consideration and proposed approval adopting two resolutions for various reservoir safety assessments, mapping and on-call engineering services at Bell Canyon Reservoir and St. Helena Lower Reservoir:
a. Proposed resolution 2017-116 authorizing the City Manager to execute a Professional Service Agreement for $95,410 with GEI for spillway assessment, phreatic surface investigation and analysis, and on-call reservoir engineering and support services; and

b. Proposed resolution 2017-117 authorizing the City Manager to execute a Professional Services Agreement for $70,000 with Mead & Hunt for inundation mapping, emergency action plan creation and on-call reservoir engineering and support services.

CEQA Determination: Class I Categorical Exemption under Section 15301 of CEQA
Prepared By: Tobias Barr, Project Manager
Recommendation:
Staff recommends approving a resolution authorizing the City Manager to execute Professional Service Agreements with GEI and Mead & Hunt for the Comprehensive Condition Assessment of Spillway, Emergency Action Plan Development, Inundation Mapping, Phreatic Surface Investigation and Analysis and as-needed Dam Safety, Stability and Engineering Support.

8.2. Nomination of Kristine Coryell to the Napa Valley Transportation Authority's Active Transportation Advisory Committee (Resolution 2017-118)

CEQA Determination: Not a CEQA project
Prepared By: Allison Mattioli, Management Analyst
Recommendation:
Staff recommends that Council adopt a resolution nominating Kristine Coryell to the Napa Valley Transportation Authority's Active Transportation Advisory Committee.

8.3. Fiscal Year 2016/17 4th Quarter Finance Report (Unaudited) and Consideration and Proposed Approval of Resolutions:

1. Authorizing a FY 2016/17 Budget Adjustment of $9,545.51 to #101-4100-2405 for the low-income subsidy for Q4 FY 2016/17. Of this amount $3,081.52 will be transferred to the Water Fund Revenue Account and $2,817.14 will be transferred to the Wastewater Fund Revenue Account. (Resolution 2017-119)

2. Authorizing a FY 2016/17 transfer of $423.50 from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the Q4 FY 2016/17 Leak Adjustments. (Resolution 2017-120)

3. Authorizing a FY 2016/17 Budget Expenditure Increase to the Affordable Housing Trust Fund City Attorney Budget #751-4400-2130 of $26,560 for attorney expenses related to Affordable Housing projects. (Resolution 2017-121)

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: Jennifer Weeks, Accounting Asst I
Recommendation:
Staff recommends City Council receive and file the FY 2016/17 Q4 (unaudited) financial report and approve the following resolutions:

1. Authorizing a FY 2016/17 Budget Adjustment of $9,545.51 to #101-4100-2405 for the low-income subsidy for Q4 FY 2016/17. Of this amount $3,081.52 will be transferred to the Water Fund Revenue Account and $2,817.14 will be transferred to the Wastewater Fund Revenue Account.

2. Authorizing a FY 2016/17 transfer of $423.50 from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the Q4 FY 2017/18 Leak Adjustments.

3. Authorizing a FY 2016/17 Budget Expenditure Increase to the Affordable Housing Trust Fund City Attorney Budget #751-4400-2130 of $26,560 for attorney expenses related to Affordable Housing projects.

8.4. Consideration and proposed approval of a resolution 2017-122 approving the reorganization of personnel positions, roles and responsibilities within Human Resources, Finance, and Public Works Administration; acknowledging and confirming the City Manager's related staffing decisions; and authorizing and approving publicly available pay schedules in accordance with the requirement of California Code of Regulations Title 2, section 570.5 amend pay schedule for FY 2017-2018 to include reorganizational changes of A) adding working title of Senior Human Resources Management Analyst position to the Senior Management Analyst classification, B) reclassify the Water Conservation Coordinator (working title under Senior Management Analyst classification) to Accounting Technician and C) adding Environmental Services Technician working title to the Accounting Technician classification.

CEQA Determination: Not a CEQA project
Prepared By: Kathy Robinson, Human Resources & IT Director, Mark Prestwich, City Manager
Recommendation:
Staff recommends approval of the reorganization resolution, acknowledge and confirm the City Manager's recommended staffing changes; and duly authorize and approve publicly available pay schedules.

Vice-Mayor White moved to approve Consent as presented. The motion was seconded by Councilmember Ellsworth and on roll call carried by the following vote:

AYES: Councilmembers White, Ellsworth, Dohring, Koberstein and Mayor Galbraith
NOES: None
ABSENT: None

9. PUBLIC HEARINGS

9.1. None

10. NEW BUSINESS

10.1. Appeal of Denial of the Modified Hardship Agreements Received by the City after the Application Deadline by Cook St. Helena and Cook Tavern (Resolution 2017-123)

CEQA Determination: Exempt from the requirements of CEQA under the "General Rule", Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: April Mitts, Finance Director
Recommendation:

Staff is seeking City Council direction to either adopt a resolution granting or adopt a resolution denying the appeal by Cook St. Helena and Cook Tavern.

Finance Director April Mitts reported on this item.

Mayor Galbraith called for public comment.

Bobbi Monnette addressed the City Council.

Mayor Galbraith closed public comment.

Councilmember Dohring moved to grant the appeal of the denial of the modified hardship agreements received by the City after the application deadline by Cook St. Helena and Cook Tavern. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

10.2. Presentation and informational update on LAFCO Municipal Services review and Sphere of Influence update by LAFCO Executive Officer Brendon Freeman, City Council discussion and direction to staff

LAFCO Executive Officer Brendon Freeman provided a presentation.

Mayor Galbraith called for public comment.

Grace Kistner, Deputy County Executive Officer Molly Rattigan and Bobbi Monnette addressed the City Council.

Mayor Galbraith closed public comment.

It was the consensus of the City Council to have all LAFCO Municipal Services review and Sphere of Influence update comments forwarded to Planning Director Noah Housh as soon as possible.

Councilmember Dohring and Mayor Galbraith volunteered to work with staff to review the LAFCO Municipal Services review and Sphere of Influence update.

10.3. Consideration and proposed adoption of a Resolution 2017-124 authorizing the City to opt-into Pacific Gas & Electric's LED Streetlight Program and replacing Pacific Gas and Electric owned high pressure sodium vapor street lights with LED street lights

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: Tobias Barr, Project Manager
Recommendation:
Staff recommends for City Council discussion and adopt the Resolution authorizing the City to opt-into the PG&E LED streetlight replacement program.

Project Manager Tobias Barr reported on this item.

Mayor Galbraith called for public comment.

Bobbi Monnette, Mark Smithers and Aaron Starr addressed the City Council.

Vice Mayor White moved to authorize the City to opt into Pacific Gas & Electric's LED Streetlight Program throughout the City at 3,000 K. The existing 4,000 K lights will be replaced with 3,000 K LED lights and Pacific Gas and Electric owned high pressure sodium vapor street lights replaced with 3,000 K LED lights. The motion also includes the adoption of the CEQA findings recommended by staff. The motion was seconded by Councilmember Dohring and on roll call carried by the following vote:

AYES: Councilmembers White, Dohring and Mayor Galbraith
NOES: Councilmembers Koberstein and Ellsworth
ABSENT: None

10.4. Civic Facilities Needs Assessment - Conceptual Community Engagement Strategy

CEQA Determination: Not a CEQA project
Prepared By: Mark Prestwich, City Manager
Recommendation:
The Council subcommittee is seeking City Council and community feedback on conceptual public engagement strategies to complement the forthcoming Civic Facilities Needs Assessment.

City Manager Mark Prestwich, Councilmember Dohring and Councilmember Koberstein reported on this item.

Mayor Galbraith called for public comment.

Bobbi Monnette, Grace Kistner, Mark Smithers and Tim Neiman addressed the City Council.

10.5. City Council requested standing items:
a. City owned Adams Street property update: Receive oral report by staff

City Manager Mark Prestwich provided an update.

b. Waste Water Treatment Plant Upgrade Status: Receive oral report by staff

Public Works Director and City Engineer Erica Ahmann Smithies provided an update.

11. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

11.1. September:
1. 9/26 1st reading of proposed truck ordinance
2. 9/26 Consideration and proposed adoption of a resolution accepting the Water and Wastewater Rate Study and to proceed with the Proposition 218 requirements for a Water and Wastewater Rate Increase - Finance
3. 9/26 Measure A Amendment – Finance
4. 9/26 Housing allocation – Planning
5. 9/26 Las Alcobas Pedestrian Bridge Appeal - Planning
6. 9/26 Consideration of a resolution approving a list of street maintenance projects for FY17/18 to meet funding requirements of the California Road Repair and Accountability Act of 2017 - PW
7. 9/26 Beringer Appeal - Planning
8. 9/26 Water Conservation - Staff Briefing - PW
9. 9/26 Preview for format of Goal Setting - Admin

October:
10. Sept or Oct After school program – Recreation
11. 10/24 or 11/14 Little League Contract Amendment - Recreation
12. Oct or Nov PH - Consideration and proposed approval of a resolution adopting Recreation fees and charges – Recreation
13. 10/10 Proclamation for National Friends of Libraries Week
14. 1st Qtr Finance Review - Finance
15. AB1600 Report – Finance
16. Facilities Condition Assessment - PW
17. 10/24 Library Broadband - Library

November:
18. 11/28 Adoption of utility rates (PH Notice) - Finance

Planning Director Noah Housh noted item “7. 9/26 Beringer Appeal – Planning” was inadvertently listed on the agenda and will not be placed on a future agenda.

12. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:16 pm.

The August 22, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	ATTEST:
______________________________	____________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Minutes
City of St. Helena
Special City Council Meeting
Monday, September 18, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. ROLL CALL
Present: Mayor Galbraith, Vice Mayor White, City Council Members Dohring, Ellsworth and Koberstein
Absent: None

3. PUBLIC COMMENT:

Under California law, public comments at special meetings are limited to subjects on the agenda only. Therefore public comment will take place during consideration of the item. Each person’s comments shall be limited to 3 minutes.

4. CONSENT ITEMS

4.1. Consideration and proposed approval of:

1. A Resolution 2017-125 authorizing a Third Amendment to the contract with Hansford Economic Consulting for an amount not to exceed $18,235 to complete the revision of the utility rate study dated October 31, 2016 and adopted on November 29, 2016; and

2. A Resolution 2017-126 authorizing a not-to-exceed amount of $18,235 to be taken from the Water and Wastewater Funds Net Position for the Third Amendment with Hansford Economic Consulting to complete the revision of the utility rate study dated October 31, 2016 and adopted on November 29, 2016.

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.

Prepared By: April Mitts, Finance Director
Recommendation:
Staff recommends adopting:
1. Approval of Resolution No. 2017-___ approving use of Water and Wastewater Fund Net Position for a total of $______ split equally between the funds.
2. Approval of Resolution No. 2017-___ approving the Third Amendment to the contract with Hansford Economic Consulting to complete the revision of the utility rate study.

Finance Director April Mitts reported on this item.

No public comment was received.

Vice Mayor White moved to approve the Consent Calendar as presented. The motion was seconded by Councilmember Ellsworth and on roll call carried by the following vote:

AYES: Councilmembers White, Ellsworth, Dohring, Koberstein and Mayor Galbraith
NOES: None
ABSENT: None

5. NEW BUSINESS

5.1. Review, Discussion, and Direction to Staff on which Rate Model to Proceed with for the Establishment of New Utility Rates for the City of St. Helena

City Manager Mark Prestwich, Municipal Financial Advisor Ken Deaker, Finance Director April Mitts and Utility Rate Consultant Catherine Hansford reported on this item.

No public comment was received.

It was the consensus of the City Council for the debt coverage ratio to be 1.3-1.5 for the water and wastewater systems and 20-year amortization for the water system and 30-year amortization for wastewater system.

It was the consensus of the City Council to table whether to reallocate service (capacity) charges on water users until industrial data is available.

It was the consensus of the City Council to direct staff to proceed with the next steps for the proposed adoption of the new utility rates at the end of November.

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.

Prepared By: April Mitts, Finance Director
Recommendation:
Review, discuss and provide direction

6. ADJOURNMENT

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:00 pm.

The September 18, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	ATTEST:
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

MINUTES
City of St. Helena
Regular City Council Meeting
Tuesday, September 26, 2017 @ Time
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

Present: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth

Absent: None

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC FORUM:

Mathew Heil, Mike Quaglia and Susanne Ortega addressed the City Council.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, and AB 1234 REPORTS:

City Attorney Thomas Brown noted no reportable action was taken at the September 26, 2017 Special City Council Closed Session.

Recreation Director Andre Pichly provided a Harvest Festival update.

City Clerk Cindy Black announced a Parks & Recreation Commission opening.

Public Works Director and City Engineer Erica Ahmann Smithies announced the upcoming Coastal Clean-Up Day.

6. STAFF BRIEFING

6.1 Water Conservation Update

Water Conservation Coordinator Jennifer Tuell provided a water conservation update.

7. CONSENT ITEMS

Members of the Council or the public may ask that any items be considered individually for purposes of considering alternative action, for extended discussion, or for public comment. Unless that is done, one motion may be used to adopt all recommended actions. (Roll Call Vote)

7.1 Consideration and proposed approval of a Resolution 2017-127 approving a Memorandum of Understanding (MOU) between the St. Helena School District and the St. Helena Recreation Department to provide services for an After-School Enrichment Program for the St. Helena Primary and St. Helena Elementary Schools for the period August 1, 2017 – June 30, 2018.

CEQA Determination: Not a CEQA project
Prepared By: Andre Pichly, Recreation Director
Recommendation: Staff recommends the City Council of the City of St. Helena adopt the MOU.

7.2 Consideration and proposed approval of a resolution 2017-128 approving temporary closure of Oak Avenue, Adams Street, and Tainter Street for the October 21, 2017 Hometown Harvest Festival festivities and authorizing possession of open alcoholic beverages on those public streets

CEQA Determination: Categorically Exempt, Section 15323
Prepared By: Andre Pichly, Recreation Director
Recommendation: Staff recommends the City Council of the City of St. Helena adopt the resolution.

Item 7.3 was removed from Consent.

7.3 ~~Consideration and proposed adoption of a resolution approving the Road Maintenance and Rehabilitation Account Project List (FY 2017/18)~~

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer
Recommendation: Adopt a resolution approving the Road Maintenance and Rehabilitation Account Project List for FY 2017/18.

Item 7.4 was removed from Consent.

7.4 ~~Consideration and proposed adoption of a resolution accepting the Water and Wastewater Rates and to proceed with the Proposition 218 requirements for Water and Wastewater Rate Schedule Changes.~~

CEQA Determination: Exempt from the requirements of CEQA under the “General Rule”, Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: April Mitts, Finance Director

Recommendation: Approve a resolution authorizing the City Manager to begin the Proposition 218 requirements for water and wastewater rate schedule changes; and accept the Draft 2017 Water and Wastewater Rates prepared by Hansford Economic Consulting.

Item 7.5 was removed from Consent.

7.5 ~~Consideration and Proposed Adoption of the Resolution authorizing the creation of the Capital Improvement Project Oak Avenue Storm Drain Repair R18-82 and authorizing the transfer of $65,000 from Gas Tax revenue to R18-82~~

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: Tobias Barr, Project Manager
Recommendation: Adopt the attached Resolution authorizing the creation of the Capital Improvement Project Oak Avenue Storm Drain Repair R18-82 and authorizing the transfer of $65,000 from Gas Tax revenue to R18-82.

Councilmember Paul Dohring moved to adopt consent items 7.1 - 7.2. The motion was seconded by Vice Mayor Peter White and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

7.3 Consideration and proposed adoption of a resolution approving the Road Maintenance and Rehabilitation Account Project List (FY 2017/18)

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

Mayor Galbraith called for public comment.

Five citizens addressed the City Council.

Mayor Galbraith closed public comment.

It was the consensus of the City Council to continue this item to the October 11, 2017 City Council meeting.

7.4 Consideration and proposed adoption of a resolution 2017-129 accepting the Water and Wastewater Rates and to proceed with the Proposition 218 requirements for Water and Wastewater Rate Schedule Changes.

Finance Director April Mitts reported on this item.

No public comment was received.

Councilmember Mary Koberstein moved to adopt consent item 7.4. The motion was seconded by Vice Mayor Peter White and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

7.5 Consideration and Proposed Adoption of the Resolution 2017-130 authorizing the creation of the Capital Improvement Project Oak Avenue Storm Drain Repair R18-82 and authorizing the transfer of $65,000 from Gas Tax revenue to R18-82

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

No public comment was received.

Vice Mayor Peter White moved to adopt consent item 7.5. The motion was seconded by Councilmember Geoff Ellsworth and on roll call carried by the following vote:

AYES: Vice Mayor Peter White, Councilmember Geoff Ellsworth, Mayor Alan Galbraith, Councilmember Paul Dohring, and Councilmember Mary Koberstein
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

8. PUBLIC HEARINGS

8.1 None

Regular City Council
September 26, 2017

9. NEW BUSINESS

9.1 Introduction and first reading of an ordinance adding Chapter 10.36 to the St. Helena Municipal Code to provide for designated truck traffic routes within the City of St. Helena

CEQA Determination: This project is deemed exempt from the requirements of CEQA under Section 15301, Existing Facilities; and Section 15061(b) (3), which identifies that a rulemaking activity which does not have the potential for causing a significant effect on the environment is therefore, exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant impact on the environment.
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer, William Imboden, Chief of Police
Recommendation: Staff recommends that the City Council conduct the first reading of the ordinance, introduce by title only and waive further reading.

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

Mayor Galbraith opened the public hearing and called for public comment.

Mark Smithers and a citizen addressed the City Council.

Mayor Galbraith closed the public hearing.

Vice Mayor Peter White moved to hold the first reading and introduce by title only waiving further reading of an ordinance adding Chapter 10.36 to the St. Helena Municipal Code to provide for designated truck traffic routes within the City of St. Helena as amended to include the truck route. The motion was seconded by Councilmember Geoff Ellsworth and on roll call carried by the following vote:

AYES: Vice Mayor Peter White, Councilmember Geoff Ellsworth, Mayor Alan Galbraith, Councilmember Paul Dohring, and Councilmember Mary Koberstein
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

9.2 Council Discussion and Direction on Traffic Safety Enhancements on Highway 29 and Pratt Avenue Vicinity

CEQA Determination: Not a CEQA project
Prepared By: Allison Mattioli, Management Analyst
Recommendation: Staff is seeking Council feedback and direction in regards to traffic safety enhancements on Highway 29 and Pratt Avenue vicinity.

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

Mayor Galbraith called for public comment.

Citizen, Bobbi Monnette and Mike Griffin addressed the City Council.

Mayor Galbraith closed public comment.

It was the consensus of the City Council to direct Public Works Director and City Engineer Erica Ahmann Smithies to gather additional information on various radar sign options, survey the options and bring back to the City Council for further direction. At the minimum move forward with the existing radar signs on order.

Mayor Galbraith called for a break at 7:37 pm.

Mayor Galbraith reconvened the meeting at 7:44 pm.

9.3 Information update on Elm Tunnel by Caltrans Representative

Caltrans representatives provided an Elm Tunnel presentation. The presentation provided an update related to the shared maintenance, annual inspection, removal and replanting of trees.

Mayor Galbraith called for public comment.

Susanne Ortega, Susan Allen and Mike Griffin addressed the City Council.

9.4 Consideration and Proposed Approval of Resolution 2017-131 Authorizing Creation of a Community Engagement Strategy for the Planned Civic Needs Assessment

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager
Recommendation: It is recommended the City Council authorize and adopt Resolution creating the Helena Asset Planning Engagement (SHAPE) Committee and accompanying public engagement process to seek citizen feedback on the forthcoming Civic Facilities Needs Assessment activities.

City Manager Mark Prestwich reported on this item.

No public comment was received.

Vice Mayor Peter White moved to authorize the creation of a Community Engagement Strategy for the Planned Civic Needs Assessment The motion was seconded by Councilmember Geoff Ellsworth and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Geoff Ellsworth, Councilmember Paul Dohring, and Councilmember Mary Koberstein
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

9.5 City of St. Helena Municipal Service Review and Sphere of Influence Update

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: Authorize staff to communicate preliminary feedback on the draft MSR/SOI to NAPA LAFCo and request a postponement of the planned October 2, 2017 LAFCO discussion of the St. Helena MSR/SOI until an accurate document is presented for review.

City Manager Mark Prestwich provided an update.

9.6 City Council requested standing items:
a. City owned Adams Street property update: Receive oral report by staff

b. Waste Water Treatment Plant Upgrade Status: Receive oral report by staff

It was the consensus of the City Council to postpone the standing items until further notice.

10. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

10.1 October:

1. 10/10 Measure A Amendment – Finance
2. 10/10 Housing allocation – Planning
3. 10/10 2nd reading of proposed truck ordinance - PW
4. 10/10 Las Alcobas Pedestrian Bridge Appeal - Planning
5. Vineland Vista Mobile Home Park Fire Agreement - PW
6. M Group Contract amendment - Planning
7. 10/24 or 11/14 Little League Contract Amendment - Recreation
8. 10/24 ADA Policy - HR
9. 10/10 Proclamation for National Friends of Libraries Week
10. 10/10 NOC for emergency WW Plan work - PW
11. 1st Qtr Finance Review - Finance
12. AB1600 Report – Finance
13. Facilities Condition Assessment - PW
14. 10/24 Library Broadband - Library

15. 10/24 Napa Valley Marathon Encroachment fee waiver – PW
16. 10/24 Adopt ADA Policy - HR
17. 10/24 Finalize strategic objectives - Admin
18. CDBG Closeout - Finance
19. 10/24 WTP Truck Purchase - PW

November:

20. 11/28 Adoption of utility rates (PH Notice) - Finance
21. 11/28 PH - Consideration and proposed approval of a resolution adopting Recreation fees and charges – Recreation
22. Wildan Contract Amendment - PW

11. ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:50 pm.

The September 26, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	**ATTEST:**
______________________________	_________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

MINUTES
City of St. Helena
Special City Council Meeting
Wednesday, October 4, 2017 @ 4:00 PM
St. Helena Fire Department, 1480 Main Street, St. Helena
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

Present:	Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Geoff Ellsworth, and Councilmember Mary Koberstein
Absent:	None

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT:

No public comment was received.

4. Overview of Goal Setting Session

City Manager Mark Prestwich and Bread of Life Facilitator Jean Holsten presented an interactive overview of the goal setting workshop session.

Mayor Galbraith called for a break at 6:00 pm.

Mayor Galbraith reconvened the meeting at 6:50 pm.

5. Review the City's Vision and Mission Statement

No changes were made to the Vision and Mission statements.

6. Establish Citywide Goals and Objectives

City Manager Mark Prestwich opened with sharing the City's accomplishments over the previous 12 months. He then proposed a strategy of how to develop three-year broad organizational goals and 12-month strategic objectives to accomplish the goals. He also reported on the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis that the City Council and Department Directors prepared.

The five broad 3-year goals for the organization were identified as:

1. Improve and Maintain Safe and Reliable City Infrastructure with a Commitment to Environmental Stewardship & Public Health
2. Enhance Organizational Performance
3. Ensure Long Term Economic Sustainability While Safeguarding St. Helena's Unique Culture & Quality of Life
4. Commit to Full Public Participation, Ongoing Communication & Regional Collaboration
5. Identify Solutions to Improve Access to Housing

An additional 48 specific objectives have been identified to assist in the accomplishment of the organizational goals. A matrix will be developed and identifies 1) who is responsible for working on each objective, 2) a projected completion date for accountability purposes, and a "status" column to facilitate periodic City Council review of progress. The goals and objectives matrix will be brought before the City Council for review and adoption. Thereafter, the matrix will be reviewed and discussed periodically at City Council meetings.

The workshop was interactive and public comment received throughout the meeting.

Pat Dell, Grace Kistner, Doug Barr, Lana Ivanoff, Tom Belt, Elain de Man and Glen Smith addressed the City Council.

7. ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:36 pm.

The October 4, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	**ATTEST:**
______________________________	_________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

MINUTES
City of St. Helena
Special City Council Meeting
Wednesday, October 11, 2017 @ Time
City Hall Conference Room, 1480 Main Street, St. Helena CA 94574
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

Present: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Geoff Ellsworth, and Councilmember Mary Koberstein

Absent: None

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT:

No public comment was received.

4. NEW BUSINESS

4.1 Proclamation of the Existence of a Local Emergency (Resolution 2017-132)
Prepared By: Mark T. Prestwich, City Manager
Recommendation: Adopt a resolution proclaiming the existence of a local emergency.

City Manager Mark Prestwich reported on this item.

No public comment was received.

Councilmember Paul Dohring moved resolution proclaiming the existence of a local emergency as amended. The motion was seconded by Vice Mayor Peter White and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Geoff Ellsworth, and Councilmember Mary Koberstein
NOES: None
ABSENT: None

ABSTAIN: None
RECUSE: None

4.2 Consideration and proposed adoption of a resolution 2017-133 approving the Road Maintenance and Rehabilitation Account Project List (FY 17/18)

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer
Recommendation: Adopt a resolution approving the Road Maintenance and Rehabilitation Account Project List for FY 2017/18.

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

No public comment was received.

Councilmember Vice Mayor Peter White moved resolution approving the Road Maintenance and Rehabilitation Account Project List (FY 17/18) The motion was seconded by Councilmember Paul Dohring and on roll call carried by the following vote:

AYES: Vice Mayor Peter White, Councilmember Paul Dohring, Mayor Alan Galbraith, Councilmember Geoff Ellsworth, and Councilmember Mary Koberstein
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

5. ADJOURNMENT

Mayor Galbraith adjourned the meeting at 3:22 pm.

The October 11, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:

Alan Galbraith, Mayor

ATTEST:

Cindy Tzafopoulos, City Clerk

MINUTES
City of St. Helena
Regular City Council Meeting
Tuesday, October 24, 2017 @ Time
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

Present: Mayor Alan Galbraith, Vice Mayor Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth

Absent: None

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Mayor Galbraith called for a moment of silence in remembrance of those affected by the recent Atlas, Tubbs and Nuns firestorm.

4. PUBLIC FORUM:

Susan Kenward, Jim Scott, Jeff Feeney, Anthony Micheli and Bobbi Monnette addressed the City Council.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, and AB 1234 REPORTS:

5.1 Informational fire update - John Sorensen, Fire Chief

Fire Chief John Sorensen provided a presentation on the recent firestorm.

City Manager Mark Prestwich reported on the St. Helena Thanks and Gratitude Community Potluck.

Councilmember Dohring requested to agendize forensic audit recommendations, water contracts compliance review and also review the City Council rules, procedure and conduct of the City Council.

6. PRESENTATIONS AND PUBLIC RECOGNITIONS

6.1 Proclamation - National Friends of the Library Week October 15-21, 2017 presented to Maria Stel, Executive Director for the Friends & Foundation, St.

Helena Public Library

7. STAFF BRIEFING

7.1 None

8. CONSENT ITEMS

Members of the Council or the public may ask that any items be considered individually for purposes of considering alternative action, for extended discussion, or for public comment. Unless that is done, one motion may be used to adopt all recommended actions. (Roll Call Vote)

Item 8.1 was pulled from Consent.

8.1 ~~Consideration and Proposed Adoption of a Resolution Accepting the Work and Final Project Cost of $75,755 and Directing the Filing of the Notice of Completion for the Emergency Repair and Upgrade to the Wastewater Treatment Plant Levee~~

CEQA Determination: This work will be conducted under a Statutory Exemption identified under Sections(s) 15269, 15282 and 15284 of the California Environmental Quality Act
Prepared By: Allison Mattioli, Management Analyst
Recommendation: Staff recommends approval of the resolution to accept the work and direct the filing of the Notice of Completion for the Emergency Repair and Upgrade to the Wastewater Treatment Plant Levee.

8.2 Consideration of a Resolution 2017-135 Authorizing the City Manager to execute a Professional Service Agreement with Carollo Engineers in the amount of $36,153 for Drinking Water System Disinfection By-Product Evaluation

CEQA Determination: Class I Categorical Exemption under Section 15301 of CEQA
Prepared By: Tobias Barr, Project Manager
Recommendation: Adopted the attached Resolution authorizing the City Manager to execute a Professional Service Agreement with Carollo Engineers in the amount of $36,153 for Drinking Water System Disinfection By-Product Evaluation.

Item 8.3 was pulled from Consent.

8.3 ~~Fiscal Year 2017/18 1st Quarter Finance Report~~

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Recommendation: Receive and file the Q1 FY 2017/18 financial report.

Regular City Council
October 24, 2017

8.4 Residential Growth Management System Update

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: It is recommended the City Council review the proposed information and receive and file the report.

8.5 Consideration and proposed approval of a resolution 2017-136 authorizing a Lease Agreement with Fellion Wilson LLC for the St. Helena Fire Department's Station #2 at 1025 Dowdell Lane and the fiscal impact for FY 2017-18 totals $21,000 - $1,500 per month for the lease agreement and a $3,000 security deposit

CEQA Determination: Not a CEQA project
Prepared By: John Sorensen, Fire Chief

8.6 Receive and File FY 16-17 Annual AB 1600 Report on Development Impact Fees

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Recommendation: Receive and file Annual AB 1600 Development Fee Report for Fiscal Year Ending June 30, 2017.

8.7 Second reading and proposed adoption of an ordinance 2017-3 adding Chapter 10.36 to the St. Helena Municipal Code to provide for designated truck traffic routes within the City of St. Helena

Consideration and proposed approval of a resolution 2017-137 approving 1) a Budget Adjustment of $5,450 to the FY 17/18 Police Department Budget and (2) Use of General Fund Reserves in the Amount of $5,450 for Enforcement Related Activities Supporting the City of St. Helena Truck Ordinance

CEQA Determination: This project is deemed exempt from the requirements of CEQA under Section 15301, Existing Facilities; and Section 15061(b) (3), which identifies that a rulemaking activity which does not have the potential for causing a significant effect on the environment is therefore, exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant impact on the environment.
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer, William Imboden, Chief of Police

8.8 Consideration and proposed adoption of resolution 2017-138 delaying the Utility Rate Adjustments scheduled for the November 8, 2017 billing cycle until the Modified Utility Rates are adopted on November 28, 2017 for implementation on the December 8, 2017 billing cycle.

CEQA Determination: Exempt from the requirements of CEQA under the

"General Rule", Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: April Mitts, Finance Director
Recommendation: Staff recommends City Council adopt a resolution delaying the Utility Rate Adjustments scheduled for the November 8, 2017 billing cycle until the Modified Utility Rates are adopted on November 28, 2017 for implementation on the December 8, 2017 billing cycle.

8.9 Consideration and Approval of Amendment No. 12 of the Napa County Flood Protection and Watershed Improvement Authority Agreement No. 14 and City of St. Helena Agreement No. 99-116, Measure A Funding Agreement. (Resolution 2017-139)

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Recommendation: Approve Amendment No. 12 to the Napa County Flood Protection and Watershed Improvement Authority Agreement No. 14 and City of St. Helena Agreement No. 99-116.

8.10 Consideration and proposed approval of a resolution 2017-140 approving temporary closure of Oak Avenue, Adams Street, and Tainter Street for the November 4, 2017 Hometown Harvest Festival festivities and authorizing possession of open alcoholic beverages on those public streets. The event was originally scheduled for October 21, 2017 and Council approved a similar request on September 26, 2017.

CEQA Determination: Categorically Exempt, Section 15323
Prepared By: Andre Pichly, Recreation Director
Recommendation: Staff recommends the City Council of the City of St. Helena adopt the resolution approving temporary closure of Oak Avenue, Adams Street, and Tainter Street for the November 4, 2017 Hometown Harvest Festival festivities and authorizing possession of open alcoholic beverages on those public streets.

8.11 Consideration and Proposed Approval of a Resolution 2017-141 Authorizing the Purchase of a New Truck for the Public Works Department's Water Treatment Plant from Courtesy Chevrolet Center in the amount of $31,996.31.

CEQA Determination: Not a CEQA project
Prepared By: Allison Mattioli, Management Analyst
Recommendation: Staff recommends that City Council adopt the resolution, authorizing purchase of a new Chevrolet Colorado from Courtesy Chevrolet Center in the amount of $31,996.31.

8.12 Consideration and proposed approval of a resolution 2017-142 appointing Autumn Tello to the vacant Parks and Recreation Commission position

CEQA Determination: Not a CEQA project

Prepared By: Cindy Tzafopoulos, City Clerk
Recommendation: Staff recommends appointing Autumn Tello to fill the vacant position and adopting the resolution of appointment.

8.13 Consideration and proposed approval of a resolution 2017-143 authorizing the City Manager to grant full-time City employees and part-time Library employees up to five days (not more than 40 hours) of paid emergency administrative leave for hours lost or an equivalent amount of special compensatory time for hours worked during the week of October 9-14, 2017 as a result of the 2017/18 Napa and Sonoma County fires and a one-time stipend of $1,000 for each part-time City Firefighter.

CEQA Determination: Not a CEQA project
Prepared By: Kathy Robinson, Human Resources & IT Director
Recommendation: Authorize the City Manager to grant paid emergency administrative leave and Firefighter stipends for the 2017/18 Napa Sonoma County fires in accordance with the resolution recitals and direction.

Item 8.14 was pulled from Consent.

8.14 ~~Consideration of a Resolution Increasing the Cumulative Total Amount of All Master Professional Service Agreements Project Work Orders from $500,000 to $750,000~~

CEQA Determination: Not a CEQA project
Prepared By: Tobias Barr, Project Manager
Recommendation: Adopt a Resolution Increasing the Cumulative Total Amount of all Master Professional Service Agreements Project Work Orders from $500,000 to $750,000.

Item 8.15 was pulled from Consent.

8.15 ~~Consideration of a resolution authorizing a $108,000 contract amendment with M-Group within appropriated FY 2017/18 budget resources to provide professional planning services through June 30, 2018, for a total contract amount not to exceed $308,000.~~

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation: It is recommended that the City Council approve a resolution authorizing a contract amendment with M-Group for $108,000 to cover the anticipated cost of contract planning servies through June 30, 2018 (for a total contract amount not to exceed $308,000) and authorize the City Manager to execute the agreement on behalf of the City.

8.16 Consideration and proposed approval of a resolution 2017-146 authorizing the City Manager to execute an agreement with EMG for Facilities Condition and Needs Assessment services in an amount not to exceed $80,869.20, authorizing the City Manager to execute any necessary amendments up to $10,000, and authorizing a Fiscal Year 17/18 budget increase to 101-5000-2145 in an amount not to exceed $90,869.20

CEQA Determination: Not a CEQA project
Prepared By: Allison Mattioli, Management Analyst
Recommendation: Staff recommends Council adopt the resolution, authorizing the City Manager to execute an agreement with EMG for Facilities Condition and Needs Assessment services in an amount not to exceed $80,869.20, authorizing the City Manager to execute any necessary amendments up to $10,000, and authorizing a Fiscal Year 17/18 budget increase to 101-5000-2145 in an amount not to exceed $90,869.20

Vice Mayor Peter White moved to approve Consent items 8.2, 8.4 through 8.13. The motion was seconded by Councilmember Mary Koberstein and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Mary Koberstein, Councilmember Paul Dohring, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

8.1 Consideration and Proposed Adoption of a Resolution 2017-134 Accepting the Work and Final Project Cost of $75,755 and Directing the Filing of the Notice of Completion for the Emergency Repair and Upgrade to the Wastewater Treatment Plant Levee

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

No public comment was received.

Councilmember Paul Dohring moved to approve Consent item 8.1. The motion was seconded by Vice Mayor Peter White and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Mary Koberstein, Councilmember Paul Dohring, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

8.3 Fiscal Year 2017/18 1st Quarter Finance Report

Finance Director April mitts reported on this item.

Mayor Galbraith called for public comment.

Bobbi Monnette addressed the City Council.

Mayor Galbraith closed public comment.

Vice Mayor Peter White moved to approve Consent item 8.3. The motion was seconded by Councilmember Geoff Ellsworth and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Mary Koberstein, Councilmember Paul Dohring, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

8.14 Consideration of a resolution 2017-144 authorizing a $108,000 contract amendment with M-Group within appropriated FY 2017/18 budget resources to provide professional planning services through June 30, 2018, for a total contract amount not to exceed $308,000.

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

No public comment was received.

Councilmember Geoff Ellsworth moved to approve Consent item 8.14. The motion was seconded by Councilmember Mary Koberstein and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Mary Koberstein, Councilmember Paul Dohring, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

8.15 Consideration of a Resolution 2017-145 Increasing the Cumulative Total Amount of All Master Professional Service Agreements Project Work Orders from $500,000 to $750,000

Planning Director Noah Housh reported on this item.

Mayor Galbraith called for public comment.

Anthony Micheli addressed the City Council.

Mayor Galbraith closed public comment.

Councilmember Geoff Ellsworth moved to approve Consent item 8.15. The motion was seconded by Vice Mayor Peter White and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Mary Koberstein, Councilmember Paul Dohring, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

9. PUBLIC HEARINGS

9.1 Appeal of the Planning Commission decision to adopt a Mitigated Negative Declaration and Mitigation and Monitoring and Reporting Program and approve a Design Review Permit for the Las Alcobas Pedestrian Bridge located at 1915 Main Street and 2000 Main Street in the Service Commercial and Winery Zoning Districts. (Resolution 2017-147)

CEQA Determination: Mitigated Negative Declaration
Prepared By: Lilly Bianco, Contract Planner
Recommendation: The Planning Commission recommends the City Council consider the appeal, staff report, and all testimony, written and spoken and:
1. Affirm the Planning Commission's decision to approve the project and adopt the Initial Study and Mitigated Negative Declaration and approve Design Review for the Las Alcobas Pedestrian Bridge; and
2. Deny the applicant's appeal of the Planning Commission's decision approving a Design Review application to construct a 10 x 65 ft pedestrian bridge between 1915 Main (Las Alcobas) and 2000 Main (Beringer Winery) and over York Creek, within the SC and Winery Zoning Districts, respectively.

Contract Planner Lilly Bianco and Planning Director Noah Housh reported on this item.

Appellant Mike Griffin and appellant's attorney addressed the City Council

Kathy Coldiron and Mark Smithers addressed the City Council before Mayor Galbraith called for public comment.

Applicant Guneet Bajwa, bridge designer Jason Hickie and Jane Valerious addressed the City Council.

Mayor Galbraith opened the public hearing and called for public comment.

Tracey Sweeny, citizen, Tom Belt and Anthony Micheli addressed the City Council.

Appellant rebuttal provided by appellant's attorney.

Vice Mayor Peter White moved to deny the appeal as amended of the Planning Commission decision to adopt a Mitigated Negative Declaration and Mitigation and Monitoring and Reporting Program and approve a Design Review Permit for the Las Alcobas Pedestrian Bridge located at 1915 Main Street and 2000 Main Street in the Service Commercial and Winery Zoning Districts. The motion was seconded by Councilmember Mary Koberstein and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth
NOES: Councilmember Paul Dohring
ABSENT: None
ABSTAIN: None
RECUSE: None

Mayor Galbraith called for a break at 8:19 pm.

Mayor Galbraith reconvened the meeting at 8:28 pm.

10. NEW BUSINESS

10.1 Consideration and proposed approval of a Resolution 2017-148: 1) Rescinding Resolution 2017-131, and 2) Appointing 11 community members to the St. Helena Assets Planning Engagement (SHAPE) Committee

CEQA Determination: Not a CEQA project
Prepared By: Cindy Tzafopoulos, City Clerk
Recommendation: Staff recommends adopting a resolution appointing 11 community members to the SHAPE Committee.

Councilmember Koberstein reported on this item.

No public comment was received.

Councilmember Paul Dohring moved Resolution: 1) Rescinding Resolution 2017-131, and 2) Appointing Mark Smithers as Chair, Jeff Feeney, Doug Barr, Susanne Salvestrin, Oliver Caldwell, Pat Dell, Joshua Parke, Anna Chouteau, Tim Nieman, Glenn Smith, Stan Knight to the St. Helena Assets Planning

Engagement (SHAPE) Committee. The motion was seconded by Vice Mayor Peter White and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

10.2 Consideration and proposed adoption of 1) a resolution authorizing budget transfers of $192,500 in FY 18/19 Gas Tax, $40,000 FY 18/19 Road Maintenance and Rehabilitation Account funds, and $77,500 General Fund resources in FY 18/19 to the FY 17/18 Pavement Restoration Project R18-79, and 2) designating two Councilmembers to participate in the development of the Five-Year Street Rehabilitation and Preventative Maintenance Capital Improvement Plan (CIP) (Resolution 2017-149)

CEQA Determination: Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer
Recommendation: Adopt a resolution authorizing Budget Transfers of $192,500 in FY 18/19 Gas Tax, $40,000 FY 18/19 Road Maintenance and Rehabilitation Account funds, and $77,500 General Fund resources in FY 18/19 to the FY 17/18 Pavement Restoration Project R18-79, and 2) designate two Councilmembers to participate in the development of the Five-Year Street Rehabilitation and Preventative Maintenance Capital Improvement Plan (CIP).

Public Works Director and City Engineer Erica Ahmann Smithies reported on this item.

No public comment was received.

Mayor Galbraith and Vice Mayor White volunteered to serve on a subcommittee and work with Public Works Director and City Engineer Erica Ahmann Smithies to review of the Five-Year Street Rehabilitation and Preventative Maintenance Capital Improvement Plan (CIP) and Traffic Impact Fee.

Vice Mayor Peter White moved authorizing budget transfers of $192,500 in FY 18/19 Gas Tax, $40,000 FY 18/19 Road Maintenance and Rehabilitation Account funds, and $77,500 General Fund resources in FY 18/19 to the FY 17/18 Pavement Restoration Project R18-79, and 2) designating two Councilmembers to participate in the development of the Five-Year Street

Rehabilitation and Preventative Maintenance Capital Improvement Plan (CIP) The motion was seconded by Councilmember Paul Dohring and on roll call carried by the following vote:

AYES: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmember Paul Dohring, Councilmember Mary Koberstein, and Councilmember Geoff Ellsworth
NOES: None
ABSENT: None
ABSTAIN: None
RECUSE: None

11. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

11.1 November:

4. 11/14 Finalize strategic goals and objectives - Admin
5. 11/14 Disaster resolution declaration that disaster is over - Admin
6. 11/14 CDBG Closeout - Finance
7. 11/28 Adoption of utility rates (PH Notice) - Finance
8. 11/14 Library Broadband - Library
9. Wildan Contract Amendment - PW
10. 11/28 Little League Contract Amendment - Recreation
11. ADA Policy - HR
12. Facilities Condition Assessment - PW
13. 11/14 Movember Proclamation - PD
14. Hunter Sub. EIR Contract - Planning
15. Council Discussion and Direction on Traffic Safety Enhancements on Highway 29 and Pratt Avenue Vicinity - PW
16. PG&E and Mitchell Dr. property- PW
17. 11/28 Arbor Day Proclamation – PW

12. ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:41 p.m.

The October 24, 2017 minutes were approved at the November 28, 2017 City Council meeting.

APPROVED:	**ATTEST:**
______________________________	______________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Report to the City Council

Council Meeting of November 28, 2017

Agenda Section: **<u>Consent</u>**

Subject: **Consideration and proposed approval of a Resolution authorizing Amendment No. 1 in the amount of $25,000 to the contract with Larry Walker Associates, Inc. for 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility for an amount not to exceed $49,820**

CEQA Determination: **Exempt from the requirements of CEQA pursuant to Section 15301, Class 1, which exempts the operation, leasing, or minor alteration of existing facilities**

Prepared By: April Mitts, Finance Director

Reviewed By: Erica Ahmann Smithies, Public Works Director and City Engineer

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On June 14, 2017, STH Contract: 2017-034, a sole source Professional Services Agreement, was executed with Larry Walker Associates Inc. to provide 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility (WWTP). Larry Walker has invoiced approximately $24,545 to date with the expenditures associated with assisting the City with monthly reporting requirements to the State due to staff shortages, responding to unexpected inquiries by the State Water Board, and unforeseen project management assistance with the WWTP Phase I Upgrades project. Therefore, to ensure that the City is meeting ongoing regulatory reporting requirements and assistance with the WWTP Phase I Upgrades project, staff recommends amending the contract.

DISCUSSION

City staff has reached out to Larry Walker to provide an addendum to the Professional Services Agreement that will increase the contract and provide ongoing assistance to the City to complete the fiscal year. The additional cost will be $25,000 bringing the total contract amount with Larry Walker Associates to a not to exceed amount of $49,820.

FISCAL IMPACT

The fiscal impact for Amendment No. 1 to the contract with Larry Walker Associates, Inc. will not exceed $25,000 and will be billed on a time and materials basis to Wastewater Operations or the S-52 WWTP Phase I Upgrades project as appropriate. Funds for Amendment #1 are available in the adopted FY 2017/18 budget.

RECOMMENDED ACTION

Adopt the Resolution authorizing Amendment No. 1 in the amount of $25,000 to the contract with Larry Walker Associates, Inc. for 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility for an amount not to exceed $49,820

ATTACHMENTS

Attch 1_Reso Amendment No 1
Attch 2_PSA and Exhibits LWA-Reglatory Assistance-signed
Attch 3_LWA Amendment No 1

CITY OF ST. HELENA

RESOLUTION NO. 2017-

Resolution approving Amendment No. 1 to the contract with Larry Walker Associates, Inc. for an amount of $25,000 for 2017 regulatory assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility for an amount not to exceed $49,820

RECITALS

A. On June 14, 2017, a Professional Services Agreement in the amount of $24,820 was executed with Larry Walker Associates, Inc. to provide 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility (WWTP); and

B. Larry Walker has invoiced approximately $24,545 of their contract to date with expenditures going towards unanticipated project management assistance with the Capital Improvements Project S-52 WWTP Phase I Upgrades, responding to inquiries by the State Water Board and assisting the City with monthly reporting requirements through staff shortages; and

C. To ensure ongoing regulatory reporting and project management with regard to the WWTP, additional funding needs to be added to Larry Walker Associates Inc.’s Agreement in the form of Amendment No. 1; and

D. Amendment No. 1 will not exceed $25,000 and will be billed on a time and materials basis to Wastewater Operations or the S-52 WWTP Phase I Upgrades project as appropriate.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. The City approves the Amendment No. 1 to the contract with Larry Walker Associates, Inc. for an additional $25,000 for a total not to exceed amount of $49,820; and
2. The City Council authorizes the City Manager to execute Amendment No. 1 to the Agreement on behalf of the City.

Approved at a Regular Meeting of the St. Helena City Council on November 28, 2017, by the following vote:

Mayor Galbraith: ___________

Vice Mayor White: ___________

Councilmember Ellsworth: ___________

Councilmember Dohring: ___________

Councilmember Koberstein: ___________

APPROVED: ATTEST:

______________ __________________________

Alan Galbraith, Mayor Cindy Tzafopoulos, City Clerk

STH CONTRACT: 2017-034

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, made and entered into on June 14, 2017 by and between the City of St. Helena, located in the County of Napa, State of California, and Larry Walker Associates (LWA), (Consultant).

RECITALS:

A. City desires to employ Consultant to furnish professional services in connection with the project described as 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility.

B. Consultant has represented that Consultant has the necessary expertise, experience, and qualifications to perform the required duties.

NOW, THEREFORE, in consideration of the mutual premises, covenants, and conditions herein contained, the parties agree as follows:

SECTION 1 – BASIC SERVICES

Consultant agrees to perform the services set forth in **Exhibit A, "Scope of Services"** and made part of this Agreement.

SECTION 2 – ADDITIONAL SERVICES

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to or outside of those set forth in this Agreement or **Exhibit A, "Scope of Services"**, unless such additional services and compensation are authorized in advance and in writing by the City Council or City Manager of the City.

SECTION 3 – TIME FOR COMPLETION

The time for completion of services shall be as identified in **Exhibit A, "Scope of Services"**.

SECTION 4 – COMPENSATION AND METHOD OF PAYMENT

A. Subject to any limitations set forth in this Agreement, City agrees to pay consultant the amount specified in **Exhibit B, "Compensation"**, attached hereto and made a part hereof. Total compensation shall not exceed $24,820.00, unless additional compensation is approved in accordance with Section 2.

B. Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories if applicable: labor (by sub-category), travel, materials, equipment, supplies, subconsultant contracts, and miscellaneous expenses. City shall independently review each invoice submitted to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. If no charges or expenses are disputed, the invoice shall be approved, and City will use its best efforts to cause Consultant to be paid within 30 days of receipt of invoice. If the City disputes any charges or expenses, the City will return the original invoice to Consultant for correction and resubmission. If the City reasonably determines, in its sole judgment, that the invoiced charges and expenses exceed the value of the services performed to date and that it is probable that the Agreement will not be completed satisfactorily within the contract price, City may retain all or a portion of the invoiced charges and expenses. Within thirty (30) days of satisfactory completion of the project, City shall pay the retained amount, if any, to Consultant.

C. Payment to the Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

SECTION 5 – STANDARD OF PERFORMANCE

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

SECTION 6 – INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within sixty (60) days after submitted to City, unless the parties mutually agree to extend such deadline. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects and fraud. Acceptance of any of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, the sections pertaining to indemnification and insurance.

SECTION 7 – INSURANCE REQUIRED

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees, as indicated:

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

B. Minimum Limits of Insurance. Consultant shall maintain limits no less than:

1. General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage including operations, products and completed operations, as applicable. If Commercial General Liability Insurance or other form with a General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: $2,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: $2,000,000 per accident for bodily injury or disease.

C. Professional Liability Insurance. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, environmental engineer or other professional engineer, or land surveyor ("design professional"), Consultant shall maintain at least $2,000,000 of professional liability insurance.

D. Excess Limits. If Consultant maintains higher limits than the minimums shown above, City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

E. Primary Coverage. For any claims related to this contract the Consultants insurance coverage shall be primary insurance as respects to City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of Consultants insurance and shall not contribute with it.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions of $25,000 or greater must be declared to and approved by the City.

G. Other Insurance Provisions. The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its agent, officers, officials, employees, and volunteers are to be covered as additional insured as respects: liability arising out of work or operations performed by the Consultant or Consultant's subconsultants; or automobile owned, leased, hired or borrowed by the Consultant.
2. For any claims related to Consultant's conduct while performing the work of this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its agents, officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its agents, officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subsection (b) of Section 2782 of the Civil Code.

H. Waiver of Subrogation. Consultant's commercial general liability, automobile liability, workers' compensation, and employer's liability policies shall be endorsed with a waiver of subrogation. The insurance company, in its endorsement, agrees to waive all rights of subrogation against the City, its agents, officers, officials, employees and volunteers for losses paid under the terms of this policy which arises from the work performed by the named insured for the City.

I. The Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the City.

J. Verification of Coverage. Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on forms that conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

SECTION 8 – INDEMNIFICATION

A. Consultant shall indemnify and hold harmless City, its agents, officers, officials, employees, and volunteers from any and all claims, demands, suits, loss, damages, injury, and/or liability (including any and all costs and expenses in connection therewith), incurred by reason of any negligent or otherwise wrongful act or omission of Consultant, its officers, agents, employees and subcontractors, or any of them, under or in connection with this Agreement; and Consultant agrees at its own cost, expense and risk to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against City, its agents, officers, officials, employees and volunteers, or any of them, arising out of such negligent or otherwise wrongful act or omission, and to pay and satisfy any resulting judgments.

B. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, professional engineer, or land surveyor ("design professional"), the provisions of this section regarding Consultant's duty to defend and indemnify apply only to claims that arise out of or relate to the negligence, recklessness, or willful misconduct of the design professional.

C. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify Indemnitees as provided above, Consultant, upon notice from City, shall defend Indemnitees at Consultant's expense by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to Indemnification in order to be so indemnified. The insurance required to be maintained by Consultant shall ensure Consultant's obligations under this section, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

D. The provisions of this section do not apply to claims to the extent occurring as a result of the City's sole negligence or willful acts or misconduct.

SECTION 9 – INDEPENDENT CONTRACTOR STATUS

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Consultant shall have no authority to bind City in any manner or to incur an obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees or agents are in any manner officials, officers, employees or agents of City.

C. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

SECTION 10 – CONFLICTS OF INTEREST

A. Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts with the interests of City in the performance of this Agreement.

B. City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is aware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 11 – OWNERSHIP OF DOCUMENTS

A. All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. When requested by City, but no later than three years after project completion, Consultant shall deliver to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

B. All copyrights, patents, trade secrets, or other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, improvements, developments, works of authorship, or other products developed or created by Consultant during the course of providing services (collectively the "Work Product") shall belong exclusively to City. The Work Product shall be considered a "work made for hire" within the meaning of Title 17 of the United States Code. Without reservation, limitation, or condition, Consultant hereby assigns, at the time of creation of the Work Products, without any requirement of further consideration, exclusively and perpetually, any and all right, title, and interest Consultant may have in the Work Product throughout the world, including without limitation any copyrights, patents, trade secrets, or other intellectual property rights, all rights of reproduction, all rights to create derivative works, and the right to secure registrations, renewals, reissues, and extensions thereof.

SECTION 12 – CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided consultant gives City notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

D. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite such response.

SECTION 13 – SUSPENSION OF WORK

City may, at any time, by ten (10) days written notice suspend further performance by Consultant. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and Consultant shall be paid for services performed and reimbursable expenses incurred prior to the suspension date.

SECTION 14 – COMPLIANCE WITH LAW

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 15 – COMPLIANCE WITH CIVIL RIGHTS

During the performance of this contract, Consultant agrees as follows:

A. Equal Employment Opportunity. In connection with the execution of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, ancestry, age, sexual orientation, gender, gender identity and gender expression as protected categories specifically and expressively in that category, physical handicap, medical condition, marital status, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, promotion, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training including apprenticeship.

B. Nondiscrimination Civil Rights Act of 1964. Consultant will comply with all federal regulations relative to nondiscrimination to federally-assisted programs.

C. Solicitations for Subcontractors including Procurement of Materials and Equipment. In all solicitations, either by competitive bidding or negotiations, made by Consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor, supplier, or lessor shall be notified by Consultant of Consultant's obligations under this Agreement and the regulations relative to nondiscrimination.

SECTION 16 – RECORDS

A. Records of Consultant's direct labor costs, payroll costs, and reimbursable expenses pertaining to this project covered by this Agreement will be kept on a generally recognized accounting basis and made available to City if and when required for a period of up to 3 years from the date of Consultant's final invoice.

B. Consultant's records and design calculations will be available for examination and audit if and as required. The cost of any reproductions shall be paid by City.

SECTION 17 – COOPERATION BY CITY

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit A, "Scope of Services", shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 18 – NOTICES

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by facsimile or first class mail, addressed as follows:

To City:
City Manager
1480 Main Street
St. Helena, California 94574

To Consultant:
Larry Walker and Associates
707 4th Street, Suite 200
Davis, California 95616

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile, or, if mailed, three (3) days after deposit in the custody of the U.S. Postal Service.

SECTION 19 – TERMINATION

A. City may terminate this Agreement, with or without cause, at any time by giving ten (10) days written notice of termination to Consultant. If such notice is given, Consultant shall cease immediately all work in progress.

B. If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

C. Upon termination of this Agreement by either Consultant or City, all property belonging to City which is in Consultant's possession shall be delivered to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in this Agreement.

SECTION 20 – ATTORNEY FEES

If litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys' fees, costs and expenses, in addition to any other relief to which it may be entitled. In addition, any legal fees, costs and expenses incurred to enforce the provisions of this Agreement shall be reimbursed to the prevailing party.

SECTION 21 – ENTIRE AGREEMENT

This Agreement, including the attached Exhibits, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 22 – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties. However, this Agreement shall not be assigned by Consultant without written consent of the City.

SECTION 23 – CONTINUITY OF PERSONNEL

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff assigned to perform the services required under this Agreement, prior to any such performance.

SECTION 24 – DEFAULT

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to Consultant.

SECTION 25 – WAIVER

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a wavier of any of the provisions of this Agreement.

SECTION 26 – LAW TO GOVERN; VENUE

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Napa. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Northern District of California, in San Francisco.

SECTION 27 – SEVERABILITY

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 28 – SPECIAL PROVISIONS

This Agreement is subject to the following special provisions: none.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:	City:
By: Brian M Laurenson	By:
Name: Brian M Laurenson	Name: Larry Pennell
Title: Vice President	Title: Interim City Manager

Approved as to Form:

By:
Name: Thomas B. Brown
Title: City Attorney

Exhibit A – Scope of Services

2017 Regulatory Assistance

City of St. Helena Wastewater Treatment and Reclamation Facility

It is anticipated that the following tasks will be performed between June 2017 – March 2018.

Task 1. General Consulting

Funds are allocated to assist the City of St. Helena (City) with new or emerging issues. This task can be used for evaluating compliance concerns, preparing or reviewing spill reports, communicating with San Francisco Regional Water Quality Control Board (RWQCB) staff, obtaining approval for wet season discharge, responding to Notices of Violation, assisting with inspections, O&M Manual review, Contingency Plan review, analytical laboratory communications, ELAP certification assistance, requests from RWQCB staff for information or assistance and following regulatory developments.

Task 2. Assist with Preparation of SMRs and Annual Reports

Monthly Self-Monitoring Reports and Annual Reports are specified as conditions of the City's NPDES and Recycled Water Permits. These reports must be submitted to the RWQCB and are subject to penalties related to delayed submittals and incomplete information. Annual reporting is required for wastewater treatment and reclamation facility (WWTRF) operation, biosolids disposal, collection system operation, and the Recycled Water Program. Larry Walker Associates (LWA) will assist with the review of monthly and annual reports and cover letters prepared by City staff to ensure completeness and identify any issues of concern for permit compliance.

Sanitary sewer management plans (SSMPs) have been required for all collection systems by both the State and Regional Water Boards. LWA helped the City develop and update their SSMP and can now provide annual reporting and SSMP audit assistance.

Task 3. Recycled Water Permit Assistance

LWA will help the City evaluate the operation of the spray field. While a third party is expected will assist the City on planning the operation of the field, LWA can provide technical support and help with any regulatory matters pertaining to Order 87-090 or a new Land Application Permit.

Task 4. Pollution Prevention Assistance

As specified in the NPDES permit, the City must undertake pollution prevention activities to reduce the amount of pollutants received at the wastewater treatment plant. Pollutants of concern are identified by the City and the Regional Water Board and include those constituents that could cause or contribute to an exceedance of water quality objectives in the Napa River. LWA will provide advice to the City when identifying and implementing appropriate pollution prevention activities. LWA will also prepare a draft Annual Pollution Prevention Report. The draft report will be submitted to City staff for review and approval before finalizing for submittal to the RWQCB by February 28, 2018. LWA will also assist with contributions to Region-wide reports (such as the Bay Area Clean Water Agencies (BACWA) annual mercury report).

Task 5. Effluent Monitoring

LWA will assist with fulfilling effluent monitoring requirements. LWA will coordinate bottle ordering, provide composite collection equipment to the WWTRF staff, provide field staff to collect grab samples, and/or deliver samples to the laboratory. LWA will provide instructions to WWTRF staff on the collection methods for the composite samples, including a sample log sheet and chain of custody forms. For these monitoring efforts the City will pay all laboratory costs directly to the laboratory.

LWA samples and trains based on sampling techniques that conform to EPA clean technique guidance (EPA Method 1669) on a performance-based standard for each constituent of interest.

Task 6. Project Management

LWA activities under this task will include attendance at meetings in St. Helena and/or the Regional Water Board, as well as managing budgets and schedules. All invoice materials will be delivered to the City electronically and in hard copy format.

Exhibit B – Compensation

2017 Regulatory Assistance

City of St. Helena Wastewater Treatment and Reclamation Facility

Estimated Costs for Ongoing Regulatory Assistance

Task	Description	LWA Labor Hours and Rates (1)					Total Hours	Total Labor Costs	Other Direct Costs	Total Costs
		Project Manager:	*Project Engineer:*	*Project Staff:*	*Project Eng. I:*	*Contract Administrator:*				
		Kristine Corneillie	**Alina Constantinescu**	**Steve Maricle**	**TBD**	**Michelle Benson**				
		$220	**$195**	**$175**	**$160**	**$140**				
1	**General Consulting**	12	4				16	$3,420		$3,420
2	**Preparation of SMRs and Annual Reports**	20	8		4		32	$6,600		$6,600
3	**Recycled Water Permit Assistance**	12					12	$2,640		$2,640
4	**Pollution Prevention Assistance**	2	8		20		30	$5,200		$5,200
5	**Effluent Monitoring**	8		16			24	$4,560	$120 (2)	$4,680
6	**Project Management**	6				6	12	$2,160	$120 (2)	$2,280
TOTAL PROJECT COSTS (3)		**60**	**20**	**16**	**24**	**6**	**126**	**$24,580**	**$240**	**$24,820**

(1) LWA hourly rates are typically adjusted on July 1st of each year. The City will be provided 30-days notice of any proposed rate increase.

(2) Estimated transportation costs to St. Helena for 1 meeting and 1 sampling event

(3) The cost estimate is based on best available information and a projections of activities required April 2017 - March 2018

LARRY WALKER ASSOCIATES

Rate Schedule

Effective July 1, 2016 – June 30, 2017

PERSONNEL	**Rate $/Hour**
Project Staff	
Melanie Andreacchi	$ 80
Lynne Enya	$ 80
Mary Huizar	$ 80
Tina VanCarpels	$ 80
Denise Walton	$ 80
Adriana Stovall	$ 90
Michelle Benson	$145
Kathryn Walker	$145
Olin Applegate	$160
Katrina Arredondo	$160
Jenny Bayley	$160
Suzanne Brown	$160
Antonia Estevez-Olea	$160
Nima Jabbari	$160
Adriel Leon	$160
Amir Mani	$160
Danielle Moss	$160
Steve Maricle	$175
Jeff Walker	$175
Elizabeth Yin	$175
Bryant Alvarado	$195
Alina Constantinescu	$195
Reni Keane-Dengel	$195
Airy Krich-Brinton	$195
Mike Marson	$195
Giles Pettifor	$195
Danielle Potocek	$195
Hope M. Taylor	$195
Senior Staff	
Kristine Corneillie	$220
Diana Engle	$220
Laura Foglia	$220
Paul Hartman	$220
Gorman Lau	$220
Will Lewis	$220
Shelli St. Clair	$220
Amy Storm	$220
Mike Trouchon	$220
Rachel Warren	$220
Associate	
Denise Conners	$245
Betsy Elzufon	$245
Sandy Mathews	$245
Mitch Mysliwiec	$245
Claus Suverkropp	$245
Principal	
Karen Ashby	$270
Ashli Cooper Desai	$270
Brian Laurenson	$270
Chris Minton	$270
Mack Walker	$270
Tom Grovhoug	$295

REIMBURSABLE COSTS

Travel:

Local mileage	Current IRS rate
Transportation	Actual expense
Auto rental	Actual commercial rate
Fares	Actual expense
Room	Actual expense
Subsistence (1)	$48 per day

The rate for each meal as follows: (1)

Breakfast	$ 9
Lunch	$13
Dinner	$21
Incidentals	$ 5

Report Reproduction and Copying:

Actual outside expense

Per black and white copy, in-house	$0.08
Per color copy, in-house	$0.89
Per binding, in-house	$1.95

Special Postage and Express Mail:

Actual expense

Other Direct Costs:

Actual expense

Daily Equipment Rental Rates:

All single parameter field meters (pH, EC, D.O., Turbidity)	$25 each
Multi-parameter field meters	$35
Peristaltic Sampling Pump	$35
Professional grade GPS unit	$25
Digital Flow Meter	$45
Digital Fluorometer	$45
Multi-parameter Data Sonde (with telemetry)	
- first day	$200
- each additional day	$ 40

Subcontractors:

Actual expense plus 10% fee

Note: (1) Charged when overnight lodging is required.

Revised 5/2/17

Client#: 422 LARRYWALK

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/30/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

Dealey, Renton & Associates
P. O. Box 12675
Oakland, CA 94604-2675
510 465-3090 - Julie L. Nelson

CONTACT NAME: Doris A. Chambers
PHONE (A/C, No, Ext): 510 465-3090
FAX (A/C, No): 510 452-2193
E-MAIL ADDRESS: dchambers@dealeyrenton.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Travelers Indemnity Co. of Conn	25682
INSURER B : American Automobile Ins. Co.	21849
INSURER C : Greenwich Insurance Company	22322
INSURER D :	
INSURER E :	
INSURER F :	

INSURED

Larry Walker Associates, Inc.
707 Fourth Street, Suite 200
Davis, CA 95616-4124

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY	X	X	6809H382758	04/01/2017	04/01/2018	EACH OCCURRENCE	$2,000,000
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
	☐						MED EXP (Any one person)	$5,000
	☐						PERSONAL & ADV INJURY	$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$4,000,000
	☐ POLICY ☒ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$4,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	X	X	BA3C999002	04/01/2017	04/01/2018	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☒ HIRED AUTOS ☒ NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N		X	WZP81038775	04/01/2017	04/01/2018	☒ PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N	N / A					E.L. EACH ACCIDENT	$1,000,000
	(Mandatory in NH)						E.L. DISEASE - EA EMPLOYEE	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	$1,000,000
C	Professional Liability		X	PEC003092707	04/01/2017	04/01/2018	$2,000,000 per Claim $4,000,000 Annl Aggr.	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

GENERAL LIABILITY POLICY EXCLUDES CLAIMS ARISING OUT OF THE PERFORMANCE OF PROFESSIONAL SERVICES. REF: CITY OF ST. HELENA LAND APPLICATION PERMIT, LWA Project No. 110.16. All operations of the Named Insured. The City of St. Helena, its agent, officers, officials, employees, and volunteers are named as Additional Insured to General and Auto Liability per policy form wording. Insurance is Primary and Non contributory with Severability of Interest clause. Waiver of Subrogation applies to Workers Compensation (See Attached Descriptions)

CERTIFICATE HOLDER

City of St. Helena
City Manager
1480 Main Street
Saint Helena, CA 94574-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Julie L Nelson

ACORD 25 (2014/01) 1 of 2 The ACORD name and logo are registered marks of ACORD
#S1982863/M1982392 DAC

DESCRIPTIONS (Continued from Page 1)

coverages per policy form wording. Cancellation provisions are solely as shown on this certificate. Commercial General Liability Deductible: -0-; Automobile Liability Deductible -0-; Workers' Compensation Deductible -0-; Professional Liability $50,000.Cancellation provisions are solely as shown on this certificate.

Policy Number: 6809H382758

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to **SECTION II - WHO IS AN INSURED**:

   Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

   a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and

   b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

   The person or organization does not qualify as an additional insured:

   c. With respect to the independent acts or omissions of such person or organization; or

   d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

   The insurance provided to such additional insured is limited as follows:

   e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.

   f. This insurance does not apply to the rendering of or failure to render any "professional services".

   g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section **III** - Limits Of Insurance.

   h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph **4.a.** of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

   The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

   (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and

   (2) The "personal injury" for which coverage is sought arises out of an offense committed;

   after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

3. The following is added to Paragraph **8., Transfer Of Rights Of Recovery Against Others To Us,** of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

   We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

   "Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

   a. After you have signed that written contract;

   b. While that part of the written contract is in effect; and

   c. Before the end of the policy period.

POLICY NUMBER: BA3C999002

COMMERCIAL AUTO
CA 20 48 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Larry Walker Associates, Inc.

Endorsement Effective Date: 04/01/2017

SCHEDULE

Name Of Person(s) Or Organization(s):
NAME OF PERSON OR ORGANIZATION CONTINUATION: The City of St. Helena, its agent, officers, officials, employees, and volunteers

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

Insured: Larry Walker Associates, Inc.

Policy Number: WZP81038775

Effective Date: 04/01/2017

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization	Job Description
City of St. Helena City Manager 1480 Main Street Saint Helena, CA 94574-0000	SCHEDULE CONTINUATION: The City of St. Helena, its agent, officers, officials, employees, and volunteers

Countersigned by ______________________________
Authorized Representative

Form WC 04 03 06 (1) Printed in U.S.A.

Process Date: **Policy Expiration Date:**

AMENDMENT NO. 1 TO AGREEMENT FOR PROFESSIONAL SERVICES WITH LARRY WALKER ASSOCIATES, INC. FOR 2017 REGULATORY ASSISTANCE FOR THE CITY OF ST. HELENA WASTEWATER TREATMENT AND RECLAMATION FACILITY

A. Pursuant to the terms of the written Agreement between City and Consultant, approved on June 14, 2017, the City entered into a Professional Services Agreement ("Agreement") with Larry Walker Associates, Inc. (Consultant) for 2017 Regulatory Assistance for the City of St. Helena Wastewater Treatment and Reclamation Facility for an amount not to exceed $24,820; and

B. Larry Walker has invoiced approximately $24,545 of their contract to date with the expenditures going towards unanticipated project management assistance with the Capital Improvements Project S-52 WWTP Phase I Upgrades, responding to inquiries by the State Water Board and assisting the City with monthly reporting requirements through staff shortages; and

C. To ensure ongoing regulatory reporting and project management with regard to the WWTP, additional funding needs to be added to Larry Walker Associates Inc.'s Agreement in the form of Amendment No. 1; and

D. Amendment No. 1 in the amount of $25,000 to the Agreement for Consultant Services with Larry Walker Associates Inc. is hereby approved; and

E. The total amended contract not to exceed $49,820; and

F. In all other respects the terms of the Parties' Agreement remain in effect and unchanged.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:

By: Brian M Laurenson
Name: Brian M. Laurenson
Vice President

City:

By: ___________________________
Name: Mark Prestwich Title:
Title: City Manager

Approved as to Form:

By:___________________________
Name: Thomas B. Brown
Title: City Attorney

Exhibit A – Scope of Services

2017 Regulatory Assistance

City of St. Helena Wastewater Treatment and Reclamation Facility

It is anticipated that the following tasks will be performed between October 2017 – March 2018.

Task 1. General Consulting

Funds are allocated to assist the City of St. Helena (City) with new or emerging issues. This task can be used for evaluating compliance concerns, preparing or reviewing spill reports, communicating with San Francisco Regional Water Quality Control Board (RWQCB) staff, obtaining approval for wet season discharge, responding to Notices of Violation, assisting with inspections, O&M Manual review, Contingency Plan review, analytical laboratory communications, ELAP certification assistance, requests from RWQCB staff for information or assistance and following regulatory developments.

Task 2. Assist with Preparation of SMRs and Annual Reports

Monthly Self-Monitoring Reports and Annual Reports are specified as conditions of the City's NPDES and Recycled Water Permits. These reports must be submitted to the RWQCB and are subject to penalties related to delayed submittals and incomplete information. Annual reporting is required for wastewater treatment and reclamation facility (WWTRF) operation, biosolids disposal, collection system operation, and the Recycled Water Program. LWA will continue to prepare monthly reports for City staff to review. These reports consist of preparation of data, entry into CIWQS and cover letters to accompany the data submittal which identify any issues of concern for permit compliance. LWA is also prepared to help train City staff on the monthly SMR submittal process.

Sanitary sewer management plans (SSMPs) have been required for all collection systems by both the State and Regional Water Boards. LWA helped the City develop and update their SSMP and can now provide annual reporting and SSMP audit assistance.

Task 3. Recycled Water Permit Assistance

LWA will help the City evaluate the operation of the spray field. While a third party is expected will assist the City on planning the operation of the field, LWA can provide technical support and help with any regulatory matters pertaining to Order 87-090 or a new Land Application Permit.

Task 4. Pollution Prevention Assistance

As specified in the NPDES permit, the City must undertake pollution prevention activities to reduce the amount of pollutants received at the wastewater treatment plant. Pollutants of concern are identified by the City and the Regional Water Board and include those constituents that could cause or contribute to an exceedance of water quality objectives in the Napa River. LWA will provide advice to the City when identifying and implementing appropriate pollution prevention activities. LWA will also prepare a draft Annual Pollution Prevention Report. The draft report will be submitted to City staff for review and approval before finalizing for submittal to the RWQCB by February 28, 2018. LWA will also assist with contributions to Region-wide reports (such as the Bay Area Clean Water Agencies (BACWA) annual mercury report).

Task 5. Effluent Monitoring

LWA will assist with fulfilling effluent monitoring requirements. LWA will coordinate bottle ordering and collection of samples. LWA will provide instructions to WWTRF staff on the collection methods for the composite samples, including a sample log sheet and chain of custody forms. For these monitoring efforts the City will pay all laboratory costs directly to the laboratory.

LWA samples and trains based on sampling techniques that conform to EPA clean technique guidance (EPA Method 1669) on a performance-based standard for each constituent of interest.

Task 6. Project Management

LWA activities under this task will include attendance at meetings in St. Helena and/or the Regional Water Board, as well as managing budgets and schedules. All invoice materials will be delivered to the City electronically.

Exhibit B – Compensation

2017 Regulatory Assistance

City of St. Helena Wastewater Treatment and Reclamation Facility

Estimated Costs for Ongoing Regulatory Assistance

Task	Description	LWA Labor Hours and Rates (1)					Total Hours	Total Labor Costs	Other Direct Costs	Total Costs
		Project Manager:	*Project Engineer:*	*Project Staff:*	*Project Eng. I:*	*Contract Administrator:*				
		Kristine Corneillie	**Alina Constantinescu**	**Steve Maricle**	**TBD**	**Michelle Benson**				
		$225	**$195**	**$175**	**$160**	**$140**				
1	**General Consulting**	4					4	$900	$145 (2)	$1,045
2	**Preparation of SMRs and Annual Reports**	16	60				76	$15,300		$15,300
3	**Recycled Water Permit Assistance**	4					4	$900		$900
4	**Pollution Prevention Assistance**		8		20		28	$4,760		$4,760
5	**Effluent Monitoring**			5			5	$875		$875
6	**Project Management**	6				5.5	11.5	$2,120		$2,120
TOTAL PROJECT COSTS (3)		**30**	**68**	**5**	**20**	**5.5**	**128.5**	**$24,855**	**$145**	**$25,000**

(1) LWA hourly rates are typically adjusted on July 1st of each year. The City will be provided 30-days notice of any proposed rate increase.

(2) Estimated transportation costs to St. Helena

(3) The cost estimate is based on best available information and a projections of activities required October 2017 - March 2018

Report to the City Council

Council Meeting of November 28, 2017

Agenda Section: **<u>Consent</u>**

Subject: **Consideration and proposed approval of:**
(1) A Resolution a) rescinding Resolution No. 2017-73, and b) authorizing the MarinIT FY 2017/18 one-year agreement with MarinIT to provide Information Technology Services for a total not to exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for Managed/Hosted Service Charges; and
(2) A Resolution and Amendment #1 to STH Contract: 2017-040 to include supply and installation of cabling for the Library Broadband Project in the amount of $41,445.10 for a total contract with MarinIT for Information Technology Support Services not to exceed amount of $129,945.10; and
(3) A Resolution authorizing a budget increase of $1,852.20 to Account #101-4600-2335 and a budget increase of $17,905.09 to Account #101-4600-2212 for a total budget increase of $19,757.29 from the General Fund reserves.

CEQA Determination: **Not a CEQA project**

Prepared By: Kathy Robinson, Human Resources & IT Director

Reviewed By: Chris Kreiden, Library Director

Approved By: Mark T. Prestwich, City Manager

<u>BACKGROUND</u>

In January 2017, Library Director Chris Kreiden presented a report to the St. Helena Library Board of Trustees (Attachment 1) to begin the process of bringing high-speed broadband to the City of St. Helena Library through California Research & Education Network (CalREN), a high-capacity 3,800-mile fiber-optic-based network. This network provides high-speed broadband to over 20 million users K-20 students, educators, researchers, and California's colleges and universities. At the time of the January 2017 report, the expected cost to connect the current library's cabling to CalREN was anticipated to not exceed $4,000; this cost was included in the Library's adopted FY 2017/18 budget.

On June 13, 2017, City Council approved Resolution No. 2017-73 authorizing the City Manager to execute a one-year agreement with Marin IT to provide Information Technology and managed hosted services for the City of St. Helena

DISCUSSION

Library Broadband Project

Following the January 2017 St. Helena Library Board of Trustees meeting further analysis was done on the library's current technology. It was found that as the library's technology transitions to this high-speed broadband technology, the library's cabling infrastructure does not fully accommodate the planned bandwidth increase. In order to fully leverage to high-speed capacity of this newest technology, the City's IT Director and the City's IT consultant (Marin IT), recommend the cabling infrastructure for the library be replaced. The cabling and labor costs to upgrade the library's cabling infrastructure is $41,445.10 (Attachment 2). In an effort to offset the costs of the cabling infrastructure, the City applied for a grant through the California State Library and, on August 18, 2017, received a $20,000 matching grant (Attachment 3). The FY 2017/18 adopted budget included $40,000 for the costs to upgrade the cabling infrastructure and $20,000 in grant revenues. An additional budget request is being made for $1,445.10 for the difference between what was budgeted and the quoted costs for cabling.

Following the adoption of the FY 2017/18 budget, it has also been determined the existing firewall is inadequate for the new system. The updated costs for the firewall replacement (Attachment 4) and a 1-year support contract (Attachment 5) is $18,312.19. Library Director Chris Kreiden acquired this pricing through Califa, a consortium with CalREN which allows the City to purchase equipment and a support contract under cooperative purchasing. The amount for the firewall replacement is not a budgeted item and staff is recommending the use of General Fund Reserves to fund the firewall replacement equipment. Installation of the new firewall equipment can be completed under the original IT support contract hours and will not incur additional costs.

Administrative Correction

On June 13, 2017 staff presented to City Council a report, resolution, and contract with MarinIT for consideration (Attachment 6). The title and body of the staff report stated the one-year agreement with MarinIT was for a total not to exceed amount of $80,010. Resolution No. 2017-73 approving the agreement stated the MarinIT agreement is not to exceed $88,010, and the quote from MarinIT for the one-year agreement is not to exceed $88,500 for IT support and managed/hosted service charges. The correct amount for MarinIT support services is $88,500.

Staff is recommending the following administrative correction:

(1) Approve Resolution No. 2017-____approving a one-year agreement with MarinIT to provide Information Technology Services for a total not to exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for Managed/Hosted Service Charges and rescinding Resolution No. 2017-73 (Attachment 7). There is no additional costs for this administrative correction because the full amount of the MarinIT contract is included in the approved FY 2017/18 budget.

Library Broadband Project

Staff is recommending the following related to the Library Broadband Project:

(2) Approve Resolution No. 2017-____ approving Amendment #1 to STH Contract: 2017-040 to include supply and installation of cabling for the Library Broadband Project in the amount of $41,445.10 for a total contract cost to MarinIT not to exceed amount of $129,945.10 (Attachments 8 and 9).

(3) Approve Resolution No. 2017-____ approving use of General Fund Reserves in the amount of $19,757.29 to cover the unbudgeted costs to update the Library firewall (Attachment 10).

FISCAL IMPACT

Total cost for the Library Broadband Project is $59,757.29. The FY 2017/18 adopted budget included $40,000 in expenses for this project and included the grant revenues of $20,000. The remaining $19,757.29 is unbudgeted and will need to be taken from General Fund reserves.

RECOMMENDED ACTION

Staff recommends City Council:

(1) Approve Resolution a) rescinding Resolution No. 2017-73 (Attachment 7) and, b) authorizing the MarinIT FY 2017/18 one-year agreement with MarinIT to provide Information Technology Services for a total not to exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for Managed/Hosted Service Charges.

(2) Approve Resolution and Amendment #1 to STH Contract: 2017-040 to include supply and installation of cabling for the Library Broadband Project in the amount of $41,445.10 for a total contract with MarinIT for Information Technology Support Services not to exceed amount of $129,945.10 (Attachment 8).

(3) Approve Resolution authorizing a budget increase of $1,852.20 to Account #101-4600-2335 and a budget increase of $17,905.09 to Account #101-4600-2212 for a total budget increase of $19,757.29 from the General Fund reserves(Attachment 10).

ATTACHMENTS

Attachment 1 - January 11, 2017 St. Helena Library Board of Trustees
Attachment 2 - Marin IT Firewall Quote
Attachment 3 - California State Library Grant
Attachment 4 - AMS.NET Equipment Quote

- Attachment 5 - AMS.NET 1 Year Support Contract
- Attachment 6 - June 13, 2017 Staff Report, Resolution, and Contract with MarinIT
- Attachment 7 - Resolution Providing and Administrative Correction to Resolution 2017-73
- Attachment 8 - Resolution Marin IT Contract
- Attachment 9 - Marin IT Amendment #1
- Attachment 10 - Resolution Budget Increase

Attachment 1

Report to the Library Board of Trustees

Regular Meeting of January 11, 2017

Subject: **Connecting the St. Helena Public Library to the California Research and Education Network (CalREN) for 1G Broadband**

Prepared By: **Chris Kreiden, Library Director**

BACKGROUND

Three organizations have joined together to bring high-speed broadband to all of California's public libraries by connecting them to the California Research & Education Network (CalREN), a high-capacity 3,800-mile fiber-optic-based network designed to meet the requirements of all the higher education institutions and K-12 schools in the State, along with many other public-serving California institutions:

- *The California State Library* (library.ca.gov) is being funded by the California State Legislature to set a direction for this project and to provide oversight.
- *The Califa Group* (www.califa.org), a non-profit library consortium, is managing this state-wide project on behalf of the California State Library and is negotiating discount rates for technology purchases. Califa, acting as the administrative arm of the California State Library, develops contracts with participating libraries for circuits and use of the CalREN network.
- *CENIC* (www.cenic.org), the Corporation for Education Network Initiatives in California, designs, implements, and operates CalREN.

CENIC, in partnership with Califa, has mapped out the following steps to more easily transition libraries to CalREN:

Enrollment Period steps include a Project Overview Webinar, submitting Letters of Agency, authorizing CENIC to seek bids for telecommunications services and to leverage federal E-rate discounts and California Teleconnect Fund discounts on the library's behalf. The Library Director and a representative from MarinIT, which serves as the City of St. Helena's IT department and knows the technology setup at the Library, participated in phone interviews that allowed project staff to collect necessary information on the Library's current technology infrastructure. MarinIT was a consultant for the libraries of Marin County when they connected to CalREN last year.

Currently the St. Helena Library is in the Contract Period. A quote (Attachment A) was presented, which includes connectivity speeds and costs. The City is reviewing the service contract recently sent to us by Califa. Because the amount of the contract is under $10,000, the only signature required is that of the City Manager.

The next step in the process is purchasing the necessary hardware. Library jurisdictions can order hardware they need for their sites through Califa, leveraging Califa's ability to obtain significant volume discounts on hardware, which includes a 65% discount on Cisco equipment. Califa is coordinating closely with Southern California Library Cooperative to ensure that applicable grant funds provided by the California State Library, which is sponsoring a grant program to help pay for the one-time costs of connecting, can be applied to these purchases. The State's grant program covers network equipment, including installation, configuration, and consultant costs associated with the equipment configuration. Ineligible costs include recurring costs related to connectivity and the replacement of existing customer stations used for public access. St. Helena is currently working on an application to receive some of these grant funds. The deadline to apply is January 31, 2017. The grant application guidelines expect the project to be completed by June 30, 2017.

During the Connection Period, CENIC prepares the specifications for the CalREN circuit and places an order with the service provider. The service provider conducts a site survey and completes any preparatory work necessary to ensure they can deliver service to the site. The library site ensures the room where the circuit will be delivered meets minimum requirements and all necessary local area network equipment is in place. CENIC orders the CENIC-managed network equipment for the library site and configures and ships the equipment to the library. It is then tested for stability and configured to accept traffic, after which the library begins actively using the circuit and CalREN.

DISCUSSION

By connecting to CalREN, the St. Helena Library will be joining with:

- More than 10,000 California K-12 public schools, districts, and County Offices of Education,
- 112 California Community Colleges,
- The 23-campus California State University system,
- The 10-campus University of California system,
- Three independent universities (Stanford, Caltech, and USC), and
- Over 100 California public libraries who have already connected, including Napa County, Marin County, Solano County, and Benicia.

When libraries are digitally enabled, they can achieve great things. With CalREN the St. Helena Library is effectively providing all of our patrons and staff with the most advanced 21st Century connectivity. This high-bandwidth, high-capacity Internet network will greatly enhance our connection to the digital world and provided better access for the enrichment and advancement of our users, including those looking for employment and healthcare information, business opportunities, arts and cultural events, and more.

The St. Helena Library already provides access to the Internet, however its current capacity is far from adequate. A connection speed of 100 Mbps is no comparison to the 1G offered by CENIC. According to Comcast, our current level of service is ideal for eight to ten users or devices. The Library currently provides a total of eighteen computers for public use: three in Children's, six for teens, and nine for adults. This same network is also accessed by staff.

FISCAL IMPACT

Currently the St. Helena Library's 100 Mbps Internet service costs about $230 a month. With CENIC, after the E-rate and California Teleconnect Fund (CTF) discounts are applied, the cost for 1G service will be $162.60 a month. Unfortunately, these discounts are applied in arrears due to the reimbursement mechanism used by the federal government. A library will pay the undiscounted full price for CENIC service from the start of service until reimbursement. The library will receive E-rate and CTF reimbursements for the whole previous year in one check sometime in the fiscal year following the fiscal year of service. For example, for service between July 1, 2017 and June 30, 2018, the library should expect to receive reimbursement sometime during the July 1, 2018 through June 30, 2019 fiscal year. The reimbursement can be received as a lump sum or can be banked with Califa and used to lower the monthly payment to the discounted amount. Until this occurs, St. Helena's monthly total will be $813. After our first full year of service, St. Helena should expect to see a return of $7804.80. Depending on when St. Helena switches to CalREN this fiscal year, the amount of monthly service may require the reallocating of some funds to cover the additional $650 a month.

The expected total costs of connecting to CalREN are not anticipated to exceed $4000. According to MarinIT, the St. Helena Library is ready to connect to CENIC's circuit now, however it was recommended that the Library's current firewall be replaced. This item is nearing the end of its lifecycle and with Califa's discount and the grant monies available now would be an ideal time to upgrade. The model recommended by MarinIT retails for about $6000. MarinIT estimates that configuring the firewall should not take more than a day, the labor of which equals about $1000. Because the State's grant is matching funds, the Library would need to provide for half the amount. The Library will be asking the City to contribute the needed $2000 to implement this project.

ATTACHMENTS

Attachment A: CENIC/Califa Quote Summary

Attachment 1
Attachment A

CENIC

califa

Library Year 3 Quote Summary

St. Helena Public Library

Description

Option 1 **1G to CalREN**		**First Year Price**	**On Going Price**
Service			
	Non-Recurring	$ -	
	Discount (E-rate)	$0.00	
	Monthly	$ 813.00	
	Discount (E-rate)	-$487.80	
	Discount (CTF)	-$162.60	
	Total:	**$1,951.20**	**$1,951.20**

Attachment A

Attachment 1

St. Helena Public Library					
5 year term					
		OPTION 1 **1G to CalREN**			
Summary Totals		Pre Discount Costs (not including Taxes & Surcharges)		Estimated Net Costs, after discounts applied (not including Taxes & Surcharges)	
		NRC*	Monthly	NRC*	Monthly
		$ -	$ 813.00	$ -	$ 162.60
Note1: Design is for a circuit from St. Helena Public Library to a CalREN Hub site. Circuits from the Branch Libraries are to go to St. Helena Public Library		1G Circuit to CalREN			
Connection to HUB	Disc %	Pre Discount Costs		Estimated Net Costs, after discounts applied	
E-rate Discount for St. Helena Public Library**:	0.6				
CTF Discount**:	0.5				

Attachment AAttachment 1

Connection to CalREN Hub at St. Helena Public Library		NRC*	Monthly	NRC*	Monthly
Link 1: 1G to CalREN Hub		$ -	$ 813.00	$ -	$ 162.60
Taxes & Surcharges on links		Varies			
Library Equipment		St. Helena Public Library is responsible to provide a router with at least one LAN interface. This router should support BGP and NAT. An upgraded Firewall appliance may also be needed to support the data streams.			

Note 1: These numbers do not include early termination fees

Definitions
*NRC - Non-Recurring Charges
**E-rate discount: percent discount indicated is an estimate based on data available at the time the quote was generated. Actual discount percentage will be identified by the E rate authorities at a later point.
***Collector Circuit - a multi-site aggregation or trunk circuit between the main site and the CalREN backbone
***CTF discount: percent discount of amount after E rate discount is applied. CTF discount is always 50%.

Attachment A Attachment 1

Note 2: E-rate and CTF discounts are dependent upon the continued funding of these programs. CENIC/Califa cannot gaurantee the E-rate and CTF discounts, and these discounts are subject to change.

Attachment 1

Attachment 2

Marin IT, Inc - Quotation

Quote Number: 2017-5521

366 Bel Marin Keys Blvd., Suite D - Novato, CA 94949 Phone 415.842.3245
Fax 415.842.3270

Date: 11/7/2017
From: Anthony Biasi
Description: Cabling - Library

To: Kathy Robinson aprilm@cityofsthelena.org
City of St. Helena
1480 Main St
St. Helena, CA 94574

Hardware / Software

Description	Qty	Amt.	Extended
Services Only Quote	0	$0.00	$0.00

Labor / Non Taxable

Description	Qty	Rate	Total
Supply and install: -Wall mount Cabinet to house patch panels and wire management switches -Supply and install in Children's area- (11) 2 Cat 6 cable locations -Supply and install in Front desk area- (9) single Cat 6 cable locations -Supply and install in Catalog area- (5) 8 Cat 6 cable locations -Supply and install in Office area- (8) 3 Cat 6 cable locations -Supply and install in upstairs location (5) 2 Cat 6 cable locations -Supply and install Wiremold 4000 for cable pathway from IDF to locations -Terminate-Fluke test and label all cables	1	$41,445.10	$41,445.10
NOTES: -This quote is based on working hours between 7-330pm -Switches installed by others -No patch cords are included in this quote -This quote is for a total of 101 cat 6 cables	0	$0.00	$0.00

Material Total	**$0.00**
Labor / Non Taxable Total	**$41,445.10**
Sub Total	**$41,445.10**
Sales Tax @ 8.25%	**$0.00**
Grand Total	**$41,445.10**

Attachment 2

Terms

Prices: Quoted product pricing is valid for sixty (60) days assuming product availability, and does not include applicable taxes and freight. Buyer agrees to pay reasonable shipping charges and all applicable taxes (excluding income taxes). Services include only those items specified in the quotation. Additional services may be provided at Marin IT's then standard billing rates.

Payment: Payment shall be made within 30 days of the date of invoice. If any invoice is not paid when due, interest will be added to and payable on all overdue amounts at 18 percent per year, or the maximum percentage allowed under applicable laws, whichever is less. Buyer shall pay all costs of collection, including without limitation, reasonable attorney fees.

Warranties: Product warranties, if any, are provided by the manufacturer or publisher of the products. MARIN IT, INC. MAKES NO WARRANTIES, EITHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHATSOEVER. ALL SERVICES AND DELIVERABLES ARE PROVIDED ON AN "AS IS" BASIS.

Limitation of Liability: CUSTOMER AGREES THAT THE LIABILITY OF MARIN IT FOR DIRECT DAMAGES RELATED TO ANY PRODUCT OR SERVICE ARISING UNDER THESE TERMS AND CONDITIONS, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE NET AMOUNT PAID TO MARIN ITBY CUSTOMER FOR THAT PRODUCT OR SERVICE WHICH IS THE SUBJECT OF THE CLAIM. MARIN ITSHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE, EVEN IF MARIN IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER PARTY
MAKES ANY REPRESENTATION OR WARRANTY AS TO ANY THIRD PARTY INFORMATION OR PRODUCTS PROVIDED TO EACH OTHER, ALL OF WHICH ARE PROVIDED, SOLD OR LICENSED "AS IS," AND THE PARTIES AGREE TO LOOK SOLELY TO THE WARRANTIES AND REMEDIES, IF ANY, PROVIDED BY THE THIRD PARTY.

Accepted By:

Date:

Attachment 3

California
STATE LIBRARY
FOUNDED 1850
PRESERVING OUR HERITAGE, SHAPING OUR FUTURE

August 18, 2017

Tracey Perkosky
St. Helena Public Library
1492 Library Lane
St. Helena, CA94574-1143

Subject: Grant Assistance for the California Public Library Broadband Project

Dear Tracey,

This letter constitutes State Library approval of the grant application by the St. Helena Public Library for $20,000 for the above-named project. The grant is effective immediately for the period beginning August 26, 2017 and ending June 30, 2018. Congratulations on being among the public libraries in California to benefit from this program.

This funding is contingent upon a fully executed contract with Califa for broadband services. Please work with Diane Satchwell, Executive Director, Southern California Library Cooperative, who is the administrative and fiscal agent for this project. She may be contacted at 626-283-5949 or dsatchwell@socallibraries.org.

Period narrative and fiscal reports will be required and forms and instructions will follow shortly. The reports should include how funds were expended and a summary of the progress made in fulfilling grant requirements.

Respectfully yours,

Greg Lucas
California State Librarian

Library – Courts Building
P.O. Box 942837
Sacramento, CA 94237-0001

916-323-9759
csl-adm@library.ca.gov
www.library.ca.gov

Attachment 4

AMS.NET
Technology Solution Provider

AMS.NET, Inc.
502 Commerce Way, Livermore, CA 94551
925-245-6100 • 925-245-6150 Fax
www.ams.net

Customer Price Quote

Customer

Califa Group
32 W 25th Ave Ste 201
San Mateo CA, 94403-2265 US
ATTN: Wayne Walker

Ship To

St. Helena Public Library
Attn: IT Department
1492 Library Ln

Saint Helena, CA 94574-1143
ATTN: Wayne Walker

Quote #	**#Q-00019679**
Project #	83591
Modified	7/17/2017
Account Mgr.	Drew Stark
AM Phone	(925) 245-4771
AM Email	dstark@ams.net
Inside Account Mgr.	John Beyer
IAM Phone	(925) 245-6136
IAM Email	jbeyer@ams.net
Quote Exp.	7/16/2018

Quote Description

Califa - Cisco Equipment - St Helena Public Library - Option B

Line	Item Description	Manufacturer	Qty	Unit Price	Extended Price
1	**ISR4431/K9** Cisco ISR 4431 (4GE,3NIM,8G FLASH,4G DRAM,IPB)	Cisco Systems Inc.	1.00	$4,070.00	$4,070.00
2	**SL-44-IPB-K9** IP Base License for Cisco ISR 4400 Series	Cisco Systems Inc.	1.00	$0.00	$0.00
3	**FL-44-PERF-K9** Performance on Demand License for 4400 Series	Cisco Systems Inc.	1.00	$1,332.00	$1,332.00
4	**PWR-4430-AC** AC Power Supply for Cisco ISR 4430	Cisco Systems Inc.	1.00	$0.00	$0.00
5	**CAB-AC** AC Power Cord (North America), C13, NEMA 5-15P, 2.1m	Cisco Systems Inc.	1.00	$0.00	$0.00
6	**NIM-BLANK** Blank faceplate for NIM slot on Cisco ISR 4400	Cisco Systems Inc.	3.00	$0.00	$0.00
7	**PWR-COVER-4430** Cover for empty 2nd Power Supply slot on Cisco ISR 4430	Cisco Systems Inc.	1.00	$0.00	$0.00
8	**MEM-4400-DP-2G** 2G DRAM (1 DIMM) for Cisco ISR 4400 Data Plane	Cisco Systems Inc.	1.00	$0.00	$0.00

Attachment 4

9	**MEM-FLSH-8G** 8G eUSB Flash Memory for Cisco ISR 4430	Cisco Systems Inc.	1.00	$0.00	$0.00
10	**SISR4400UK9-316S** Cisco ISR 4400 Series IOS XE Universal	Cisco Systems Inc.	1.00	$0.00	$0.00
11	**MEM-4400-4GU8G** 4G to 8G DRAM Upgrade (4G+4G) for Cisco ISR 4400	Cisco Systems Inc.	1.00	$555.00	$555.00
12	**FPR2110-BUN** Cisco Firepower 2110 Master Bundle	Cisco Systems Inc.	1.00	$0.00	$0.00
13	**FPR2110-NGFW-K9** Cisco Firepower 2110 NGFW Appliance, 1U	Cisco Systems Inc.	1.00	$4,068.15	$4,068.15
14	**CAB-AC** AC Power Cord (North America), C13, NEMA 5-15P, 2.1m	Cisco Systems Inc.	1.00	$0.00	$0.00
15	**SF-F2K-TD6.2.1-K9** Cisco Firepower Threat Defense software v6.2.1 for FPR2100	Cisco Systems Inc.	1.00	$0.00	$0.00
16	**FPR2K-SSD100** Firepower 2000 Series SSD for FPR-2110/2120	Cisco Systems Inc.	1.00	$0.00	$0.00
17	**FPR2K-SSD-BBLKD** Firepower 2000 Series SSD Slot Carrier	Cisco Systems Inc.	1.00	$0.00	$0.00
18	**L-FPR2110T-TM=** Cisco FPR2110 Threat Defense Threat and Malware License	Cisco Systems Inc.	1.00	$0.00	$0.00
19	**L-FPR2110T-TM-5Y** Cisco FPR2110 Threat Defense Threat and Malware 5Y Subs	Cisco Systems Inc.	1.00	$5,533.35	$5,533.35
20	**FS-VMW-2-SW-K9** Cisco Firepower Management Center,(VMWare) for 2 devices	Cisco Systems Inc.	1.00	$185.00	$185.00

Freight

21	**AMS-FREIGHT** Freight and Handling	None	1.00	$0.00	$0.00

Order Summary

Subtotal	$15,743.50
Adjustment	$0.00
Estimated Taxes	$717.20
Total	**$16,460.70**

Attachment 4

AMS.NET, Inc.
502 Commerce Way, Livermore, CA 94551
925-245-6100 • 925-245-6150 Fax
www.ams.net

Terms and Conditions

1. AMS.NET will require a Purchase Order referencing this Quote # or if a Purchase order is not provided, an authorized representative must sign this quote.

2. Payment terms are Net 30. An interest charge of 1.5% per month will be applied to all accounts past due, plus all costs of collection and reasonable attorneys fees. AMS.NET accepts all major credit cards. A convenience fee of 3.5% will be assessed. Customer agrees to accept multiple invoices for projects that cover multiple sales. In the event that a site's readiness is delayed by the customer, customer agrees to accept and pay invoices that reflect equipment and services already received.

3. Items sold by AMS.NET, Inc. and shipped to destinations in California are subject to sales tax. If an item is subject to sales tax in the state to which the order is shipped, tax is generally calculated on the total selling price of each individual item. In accordance with state tax laws, the total selling price of an order will generally include shipping and handling charges and item-level discounts. The amount of tax charged on your order will depend upon many factors including, but not limited to, the type of item(s) purchased, and the source and destination of the shipment. Factors can change between the time you place an order and the time an invoice is sent, which could affect the calculation of sales taxes. The amount appearing on your proposal as ‘Estimated Sales Tax’ may differ from the sales taxes ultimately charged. Shipping charges and sales tax will be added to this order when invoiced and the customer agrees to pay these charges.

4. All companies with tax exemption must present a valid Tax Exempt form. If Customer is tax exempt or if tax exempt form is not provided then customer agrees to pay all applicable taxes.

5. All shipments are FOB Origin or Pre-paid and shipped to Dock. Any Special shipping requirements must be clearly stated on all PO's (i.e. inside delivery). If inside Delivery or Lift-gate is required it must be specified and additional fees will incur. Shipping charges that appear on this quote are an estimate, AMS.NET will invoice and the customer will pay the actual shipping charge when identified.

6. Upon delivery of equipment, customer agrees to open all shipments and visually inspect equipment for physical damages. All damages must be reported to AMS.NET within 24 hours of delivery.

7. Returns will be accepted at AMS.NET discretion and are subject to manufacturer returns policies as well. For returns to be approved all merchandise must be in an unopened box and the customer agrees to pay a restocking fee of 15% of the purchase price. Returns must be made within 15 Days of receipt. All shipments must have a valid RMA number from AMS.NET before returning. For RMA requests please contact our Customer Service Department at (800) 893-3660 Ext. 6111. Email RMA requests should be directed to service@ams.net
A copy of AMS.NET’s full RMA policy is available for review online at www.ams.net/services/procurement-and-financing/

8. The laws of the State of California will apply to this sale.

9. The term "installation date" means the first business day on which installation of the system is complete. Minor omissions or variances in performance of the System that do not materially or adversely affect the operation of the system, shall not be deemed to have postponed the Installation Date. Seller shall use its best efforts to make timely delivery and installation. However, all stated delivery and installation dates are approximate and except as expressly provided in this agreement, Seller shall, under no circumstance, be deemed to be in default hereunder or be liable for consequential, incidental or special damages or commercial loss resulting from delays in delivery or installation.

10. Warranties. AMS warrants to Customer that it has good title to the equipment being sold to Customer under this Agreement, and the right to sell such equipment to Customer free of liens or encumbrances. AMS further warrants to Customer that the equipment being sold to Customer hereunder shall be free from defects in workmanship for a warranty period of thirty (30) days commencing on the later date the equipment is delivered to Customer or the date upon which AMS completes performance of the services to be performed under this agreement (this warranty being hereinafter referred to as an "Installation Warranty"). Except as expressly set forth in this paragraph, AMS does not make, and hereby disclaims, any and all representations or warranties, express or implied, with respect to the equipment or services being provided under this agreement, including but not limited to any implied warranties of merchantability, fitness for a particular purpose, satisfactory quality, against infringement, or arising from a course of dealing, usage or trade practice. AMS shall reasonably cooperate and assist Customer in enforcing any manufacturer warranties with respect to the equipment being sold to Customer under this Agreement. AMS hereby advises Customer, and Customer acknowledges that in the event Customer desires to procure from AMS any warranty protection beyond the warranty of title and the Installation Warranty provided under this Paragraph, Customer may do so by entering into a separate Service Agreement with AMS.

Manufacturer's warranty that is guaranteed is whatever is published by the manufacturer at the time of purchase.

AMS.NET Tax ID: 94-3291629

C7 License: 763508

Attachment 4

AMS.NET
Technology Solution Provider

AMS.NET, Inc.
502 Commerce Way, Livermore, CA 94551
925-245-6100 • 925-245-6150 Fax
www.ams.net

Please fax signed Quotation or Purchase Order to your AMS.NET account manager or to 925.245.6150. Full terms and conditions can be viewed on our website at www.ams.net/services/procurement-and-financing/

Authorized Signature: ____________________________ Date: ____________

Print Name: ____________________ Print Title: ____________________

Attachment 5

AMS.NET, Inc.
502 Commerce Way, Livermore, CA 94551
925-245-6100 • 925-245-6150 Fax
www.ams.net

Customer Price Quote

Customer

Califa Group
32 W 25th Ave Ste 201
San Mateo CA, 94403-2265 US
ATTN: Wayne Walker

Quote #	**#Q-00020619**
Project #	83591
Modified	9/8/2017
Account Mgr.	Drew Stark
AM Phone	(925) 245-4771
AM Email	dstark@ams.net
Inside Account Mgr.	Mike Bruington
IAM Phone	(925) 245-6165
IAM Email	mbruington@ams.net
Quote Exp.	9/7/2018

Ship To

St. Helena Public Library
Attn: IT Department
1492 Library Ln

Saint Helena, CA 94574-1143
ATTN: Wayne Walker

Quote Description

Califa - Cisco Support 1YR - St Helena Public Library - Option B

Line	Item Description	Manufacturer	Qty	Unit Price	Extended Price
1	**CON-SNTP-ISR4431K** SMARTNET 24X7X4 Cisco ISR 4431 (4GE,	Cisco Systems Inc.	1.00	$1,166.20	$1,166.20
2	**CON-SNT-FPR21FWN** SNTC-8X5XNBD Cisco Firepower 2110 NGFW Appliance, 1U	Cisco Systems Inc.	1.00	$616.00	$616.00
3	**CON-ECMU-VMWSW2** SWSS UPGRADES Cisco Firepower Management Center,(VMWare) for	Cisco Systems Inc.	1.00	$70.00	$70.00

Order Summary

Subtotal	$1,852.20
Adjustment	$0.00
Estimated Taxes	$0.00
Total	**$1,852.20**

Attachment 5

AMS.NET, Inc.
502 Commerce Way, Livermore, CA 94551
925-245-6100 • 925-245-6150 Fax
www.ams.net

Terms and Conditions

1. AMS.NET will require a Purchase Order referencing this Quote # or if a Purchase order is not provided, an authorized representative must sign this quote.

2. Payment terms are Net 30. An interest charge of 1.5% per month will be applied to all accounts past due, plus all costs of collection and reasonable attorneys fees. AMS.NET accepts all major credit cards. A convenience fee of 3.5% will be assessed. Customer agrees to accept multiple invoices for projects that cover multiple sales. In the event that a site's readiness is delayed by the customer, customer agrees to accept and pay invoices that reflect equipment and services already received.

3. Items sold by AMS.NET, Inc. and shipped to destinations in California are subject to sales tax. If an item is subject to sales tax in the state to which the order is shipped, tax is generally calculated on the total selling price of each individual item. In accordance with state tax laws, the total selling price of an order will generally include shipping and handling charges and item-level discounts. The amount of tax charged on your order will depend upon many factors including, but not limited to, the type of item(s) purchased, and the source and destination of the shipment. Factors can change between the time you place an order and the time an invoice is sent, which could affect the calculation of sales taxes. The amount appearing on your proposal as ‘Estimated Sales Tax’ may differ from the sales taxes ultimately charged. Shipping charges and sales tax will be added to this order when invoiced and the customer agrees to pay these charges.

4. All companies with tax exemption must present a valid Tax Exempt form. If Customer is tax exempt or if tax exempt form is not provided then customer agrees to pay all applicable taxes.

5. All shipments are FOB Origin or Pre-paid and shipped to Dock. Any Special shipping requirements must be clearly stated on all PO's (i.e. inside delivery). If inside Delivery or Lift-gate is required it must be specified and additional fees will incur. Shipping charges that appear on this quote are an estimate, AMS.NET will invoice and the customer will pay the actual shipping charge when identified.

6. Upon delivery of equipment, customer agrees to open all shipments and visually inspect equipment for physical damages. All damages must be reported to AMS.NET within 24 hours of delivery.

7. Returns will be accepted at AMS.NET discretion and are subject to manufacturer returns policies as well. For returns to be approved all merchandise must be in an unopened box and the customer agrees to pay a restocking fee of 15% of the purchase price. Returns must be made within 15 Days of receipt. All shipments must have a valid RMA number from AMS.NET before returning. For RMA requests please contact our Customer Service Department at (800) 893-3660 Ext. 6111. Email RMA requests should be directed to service@ams.net
A copy of AMS.NET’s full RMA policy is available for review online at www.ams.net/services/procurement-and-financing/

8. The laws of the State of California will apply to this sale.

9. The term "installation date" means the first business day on which installation of the system is complete. Minor omissions or variances in performance of the System that do not materially or adversely affect the operation of the system, shall not be deemed to have postponed the Installation Date. Seller shall use its best efforts to make timely delivery and installation. However, all stated delivery and installation dates are approximate and except as expressly provided in this agreement, Seller shall, under no circumstance, be deemed to be in default hereunder or be liable for consequential, incidental or special damages or commercial loss resulting from delays in delivery or installation.

10. Warranties. AMS warrants to Customer that it has good title to the equipment being sold to Customer under this Agreement, and the right to sell such equipment to Customer free of liens or encumbrances. AMS further warrants to Customer that the equipment being sold to Customer hereunder shall be free from defects in workmanship for a warranty period of thirty (30) days commencing on the later date the equipment is delivered to Customer or the date upon which AMS completes performance of the services to be performed under this agreement (this warranty being hereinafter referred to as an "Installation Warranty"). Except as expressly set forth in this paragraph, AMS does not make, and hereby disclaims, any and all representations or warranties, express or implied, with respect to the equipment or services being provided under this agreement, including but not limited to any implied warranties of merchantability, fitness for a particular purpose, satisfactory quality, against infringement, or arising from a course of dealing, usage or trade practice. AMS shall reasonably cooperate and assist Customer in enforcing any manufacturer warranties with respect to the equipment being sold to Customer under this Agreement. AMS hereby advises Customer, and Customer acknowledges that in the event Customer desires to procure from AMS any warranty protection beyond the warranty of title and the Installation Warranty provided under this Paragraph, Customer may do so by entering into a separate Service Agreement with AMS.

Manufacturer's warranty that is guaranteed is whatever is published by the manufacturer at the time of purchase.

AMS.NET Tax ID: 94-3291629

C7 License: 763508

Attachment 5

AMS.NET, Inc.
502 Commerce Way, Livermore, CA 94551
925-245-6100 • 925-245-6150 Fax
www.ams.net

Please fax signed Quotation or Purchase Order to your AMS.NET account manager or to 925.245.6150. Full terms and conditions can be viewed on our website at www.ams.net/services/procurement-and-financing/

Authorized Signature: ______________________________ Date: ____________

Print Name: ______________________________ Print Title: ______________________________

Attachment 6

Report to the City Council
Council Meeting of June 13, 2017

Agenda Section: **Consent**

Subject: **Consideration and proposed approval of a resolution approving a one-year agreement with MarinIT to provide Information Technolgy services for a total amount not to exceed of $80,010 for FY 2016/17**

CEQA Determination: **Not a CEQA project**

Prepared By: Kathy R

Kathy Robinson, Human Resources & IT Director

Reviewed By: Larry F. Pennell

Kathy Robinson, Human Resources & IT Director

Approved By: Larry F. Pennell

Larry F. Pennell, Interim City Manager

BACKGROUND

The City has contracted with MarinIT for the past five years to provide 24/7 network support as well as workstation/desktop maintenance. The City has been satisfied with the services provided and wishes to contract again with MarinIT for period of one year beginning July 1, 2017 through June 30, 2018. An informal solicitation of proposals was conducted in 2012 and MarinIT was selected from this process.

DISCUSSION

Attachment 6

FISCAL IMPACT

Funds for this agreement were included in the adopted FY 2017/18 budget. $80,010.00 will be approved from 101/561/571-4220-2130 ($26,670, $26,670 and $26,670).

RECOMMENDED ACTION

Approve

ATTACHMENTS

Attachement 1. Marin IT Services RESO
Attachment 2. MarinIT - PSA with Scope of Services Signed Copy

Attachment 6

CITY OF ST. HELENA

RESOLUTION NO. 2017-73

APPROVING A ONE-YEAR AGREEMENT WITH MARINIT TO PROVIDE INFORMATION TECHNOLOGY SERVICES FOR A TOTAL NOT TO EXCEED AMOUNT OF $88,010 FOR FY 2017/18

RECITALS

A. The City desires to hire a Consultant to furnish professional services on a limited and “as needed” basis in connection with information technology support and phone services; and

B. MarinIT has represented that they have the necessary expertise, experience, and qualification to perform the required duties.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. The City Council approves the Agreement with MarinIT for a total not to exceed amount of $88,010.00; and
2. The City Council authorizes the City Manager to execute the agreement on behalf of the City.

Approved at a Regular Meeting of the St. Helena City Council on June 13, 2017 by the following vote:

Mayor Galbraith:	Yes
Vice Mayor White:	Yes
Councilmember Dohring:	Yes
Councilmember Koberstein:	Yes
Councilmember Ellsworth:	Yes

APPROVED:

Al Galbraith

Alan Galbraith, Mayor

ATTEST:

Cindy Black

Cindy Black, City Clerk

Attachment 6
STH CONTRACT: 2017-040

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, made and entered into on June 13, 2017 by and between the City of St. Helena, located in the County of Napa, State of California (City), and MarinIT (Consultant).

RECITALS:

A. City desires to employ Consultant to furnish professional services in connection with the project described as Information Technology Support.

B. Consultant has represented that Consultant has the necessary expertise, experience, and qualifications to perform the required duties.

NOW, THEREFORE, in consideration of the mutual premises, covenants, and conditions herein contained, the parties agree as follows:

SECTION 1 – BASIC SERVICES

Consultant agrees to perform the services set forth in **Exhibit A, "Scope of Services"** and made part of this Agreement.

SECTION 2 – ADDITIONAL SERVICES

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to or outside of those set forth in this Agreement or **Exhibit A, "Scope of Services"**, unless such additional services and compensation are authorized in advance and in writing by the City Council or City Manager of the City.

SECTION 3 – TIME FOR COMPLETION

The time for completion of services shall be as identified in **Exhibit A, "Scope of Services"**.

SECTION 4 – COMPENSATION AND METHOD OF PAYMENT

A. Subject to any limitations set forth in this Agreement, City agrees to pay consultant the amount specified in Exhibit B, "Compensation", attached hereto and made a part hereof. Total compensation shall not exceed $80,000.00, unless additional compensation is approved in accordance with Section 2.

B. Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories if applicable: labor (by sub-category), travel, materials, equipment, supplies, subconsultant contracts, and miscellaneous expenses. City shall independently review each invoice submitted to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. If no charges or expenses are disputed, the invoice shall be approved, and City will use its best efforts to cause Consultant to be paid within 30 days of receipt of invoice. If the City disputes any charges or expenses, the City will return the original invoice to Consultant

ORIGINAL

for correction and resubmission. If the City reasonably determines, in its sole judgment, that the invoiced charges and expenses exceed the value of the services performed to date and that it is probable that the Agreement will not be completed satisfactorily within the contract price, City may retain all or a portion of the invoiced charges and expenses. Within thirty (30) days of satisfactory completion of the project, City shall pay the retained amount, if any, to Consultant.

C. Payment to the Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

SECTION 5 – STANDARD OF PERFORMANCE

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

SECTION 6 – INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within sixty (60) days after submitted to City, unless the parties mutually agree to extend such deadline. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects and fraud. Acceptance of any of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, the sections pertaining to indemnification and insurance.

SECTION 7 – INSURANCE REQUIRED

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees, as indicated:

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:
   1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
   2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
   3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

B. Minimum Limits of Insurance. Consultant shall maintain limits no less than:
   1. General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage including operations, products and completed operations, as

applicable. If Commercial General Liability Insurance or other form with a General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: $2,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: $2,000,000 per accident for bodily injury or disease.

C. Professional Liability Insurance. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, environmental engineer or other professional engineer, or land surveyor ("design professional"), Consultant shall maintain at least $2,000,000 of professional liability insurance.

D. Excess Limits. If Consultant maintains higher limits than the minimums shown above, City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

E. Primary Coverage. For any claims related to this contract the Consultants insurance coverage shall be primary insurance as respects to City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of Consultants insurance and shall not contribute with it.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions of $25,000 or greater must be declared to and approved by the City.

G. Other Insurance Provisions. The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its agent, officers, officials, employees, and volunteers are to be covered as additional insured as respects: liability arising out of work or operations performed by the Consultant or Consultant's subconsultants; or automobile owned, leased, hired or borrowed by the Consultant.
2. For any claims related to Consultant's conduct while performing the work of this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its agents, officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its agents, officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subsection (b) of Section 2782 of the Civil Code.

H. Waiver of Subrogation. Consultant's commercial general liability, automobile liability, workers' compensation, and employer's liability policies shall be endorsed with a waiver of subrogation. The insurance company, in its endorsement, agrees to waive all rights of subrogation against the City, its agents, officers, officials, employees and volunteers for losses paid under the terms of this policy which arises from the work performed by the named insured for the City.

I. <u>The Acceptability of Insurers.</u> Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the City.

J. <u>Verification of Coverage.</u> Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on forms that conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

SECTION 8 – INDEMNIFICATION

A. Consultant shall indemnify and hold harmless City, its agents, officers, officials, employees, and volunteers from any and all claims, demands, suits, loss, damages, injury, and/or liability (including any and all costs and expenses in connection therewith), incurred by reason of any negligent or otherwise wrongful act or omission of Consultant, its officers, agents, employees and subcontractors, or any of them, under or in connection with this Agreement; and Consultant agrees at its own cost, expense and risk to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against City, its agents, officers, officials, employees and volunteers, or any of them, arising out of such negligent or otherwise wrongful act or omission, and to pay and satisfy any resulting judgments.

B. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, professional engineer, or land surveyor ("design professional"), the provisions of this section regarding Consultant's duty to defend and indemnify apply only to claims that arise out of or relate to the negligence, recklessness, or willful misconduct of the design professional.

C. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify Indemnitees as provided above, Consultant, upon notice from City, shall defend Indemnitees at Consultant's expense by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to Indemnification in order to be so indemnified. The insurance required to be maintained by Consultant shall ensure Consultant's obligations under this section, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

D. The provisions of this section do not apply to claims to the extent occurring as a result of the City's sole negligence or willful acts or misconduct.

SECTION 9 – INDEPENDENT CONTRACTOR STATUS

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Consultant shall have no authority to bind City in any manner or to incur an obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees or agents are in any manner officials, officers, employees or agents of City.

C. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

SECTION 10 – CONFLICTS OF INTEREST

A. Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts with the interests of City in the performance of this Agreement.

B. City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is aware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 11 – OWNERSHIP OF DOCUMENTS

A. All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. When requested by City, but no later than three years after project completion, Consultant shall deliver to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

B. All copyrights, patents, trade secrets, or other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, improvements, developments, works of authorship, or other products developed or created by Consultant during the course of providing services (collectively the "Work Product") shall belong exclusively to City. The Work Product shall be considered a "work made for hire" within the meaning of Title 17 of the United States Code. Without reservation, limitation, or condition, Consultant hereby assigns, at the time of creation of the Work Products, without any requirement of further consideration, exclusively and perpetually, any and all right, title, and interest Consultant may have in the Work Product throughout the world, including without limitation any copyrights, patents, trade secrets, or other intellectual property rights, all rights of reproduction, all rights to create derivative works, and the right to secure registrations, renewals, reissues, and extensions thereof.

SECTION 12 – CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided consultant gives City notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

D. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite such response.

SECTION 13 – SUSPENSION OF WORK

City may, at any time, by ten (10) days written notice suspend further performance by Consultant. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and Consultant shall be paid for services performed and reimbursable expenses incurred prior to the suspension date.

SECTION 14 – COMPLIANCE WITH LAW

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 15 – COMPLIANCE WITH CIVIL RIGHTS

During the performance of this contract, Consultant agrees as follows:

A. Equal Employment Opportunity. In connection with the execution of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, ancestry, age, sexual orientation, gender, gender identity and gender expression as protected categories specifically and expressively in that category, physical handicap, medical condition, marital status, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, promotion, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training including apprenticeship.

B. Nondiscrimination Civil Rights Act of 1964. Consultant will comply with all federal regulations relative to nondiscrimination to federally-assisted programs.

C. Solicitations for Subcontractors including Procurement of Materials and Equipment. In all solicitations, either by competitive bidding or negotiations, made by Consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor, supplier, or lessor shall be notified by Consultant of Consultant's obligations under this Agreement and the regulations relative to nondiscrimination.

SECTION 16 – RECORDS

A. Records of Consultant's direct labor costs, payroll costs, and reimbursable expenses pertaining to this project covered by this Agreement will be kept on a generally recognized accounting basis and made available to City if and when required for a period of up to 3 years from the date of Consultant's final invoice.

B. Consultant's records and design calculations will be available for examination and audit if and as required. The cost of any reproductions shall be paid by City.

SECTION 17 – COOPERATION BY CITY

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit A, "Scope of Services", shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 18 – NOTICES

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by facsimile or first class mail, addressed as follows:

To City:	City Manager 1480 Main Street St. Helena, California 94574
To Consultant:	Marin IT 366 Bel Marin Keys Blvd, Suite D Novato, CA 94949

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile, or, if mailed, three (3) days after deposit in the custody of the U.S. Postal Service.

SECTION 19 – TERMINATION

A. City may terminate this Agreement, with or without cause, at any time by giving ten (10) days written notice of termination to Consultant. If such notice is given, Consultant shall cease immediately all work in progress.

B. If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

C. Upon termination of this Agreement by either Consultant or City, all property belonging to City which is in Consultant's possession shall be delivered to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in this Agreement.

SECTION 20 – ATTORNEY FEES

If litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys' fees, costs and expenses, in addition to any other relief to which it may be entitled. In addition, any legal fees, costs and expenses incurred to enforce the provisions of this Agreement shall be reimbursed to the prevailing party.

SECTION 21 – ENTIRE AGREEMENT

This Agreement, including the attached Exhibits, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 22 – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties. However, this Agreement shall not be assigned by Consultant without written consent of the City.

SECTION 23 – CONTINUITY OF PERSONNEL

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff assigned to perform the services required under this Agreement, prior to any such performance.

SECTION 24 – DEFAULT

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to Consultant.

SECTION 25 – WAIVER

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a wavier of any of the provisions of this Agreement.

SECTION 26 – LAW TO GOVERN; VENUE

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Napa. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Northern District of California, in San Francisco.

SECTION 27 – SEVERABILITY

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 28 – SPECIAL PROVISIONS

Attachment 6

This Agreement is subject to the following special provisions: none.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:

By: ____________________

Name: Wesley Liang

Title: Principal

City:

By: ____________________

Name: Larry Pennell

Title: Interim City Manager

Approved as to Form:

By: ____________________

Name: Thomas B. Brown

Title: City Attorney

Attachment 6

Exhibit A, "Scope of Services"

Marin IT

366 Bel Marin Keys Blvd
Suite D
Novato, CA 94949
415.842.3275 Tel
415.842.3270 Fax

www.marinit.com

Information Technology Support Agreement - 7/1/2017 to 6/30/2018

Project: Network Support
From: Tim Bush
Date: April, 2017

To: Kathy Robinson
1480 Main Street
St. Helena, CA 94574

Kathy,

Marin IT, Inc. is pleased to provide you with our proposal to perform 24x7 network support as well as workstation / desktop maintenance for the City of St. Helena.

Marin IT, Inc Responsibilities

As part of this agreement it is our understanding that we will be responsible for any support required for the City of St. Helena to continue daily operations including but not limited to:

- Desktop virus software updates / maintenance
- Maintenance of desktop OS patches
- Local user account maintenance
- Hardware maintenance – Not including equipment, or replacement parts
- Mail client support
- VPN client support (If applicable)
- Firewall maintenance
- Router & Switch configuration / maintenance
- Assistance with installation of new equipment / applications
- Monitor local backup systems – Suggest corrective measures if system not functioning correctly
- Local windows domain maintenance (If applicable) including local name resolution, server troubleshooting, and assistance of local security policies
- Availability to assist with design and integration of new applications into local network – Example scheduling software, credit card processing
- Desktop / Misc. troubleshooting

Marin IT technicians are expected to work with the City of St. Helena in supporting the network.

- Marin IT will provide a ticketing system to log and track all service requests
- For an additional charge Marin IT will provide a 24 hour pager number to reach technicians in the event of system failure after hours. Once a page is received, a

technician will return the call as soon as possible, and no later than 1 hour after the page is received.

In the event that issues arise which are outside of the scope of this proposal Marin IT will discuss any fee impact with the designated City of St. Helena representative prior to proceeding with the work.

The designated lead MarinIT support technician for the City of St. Helena will be Anthony Biasi. Anthony's responsibilities will be to co-ordinate support services for the City as well as delegate tasks to other Marin IT support personal as needed.

Client Responsibilities

- All client and server software licenses associated with this agreement will be obtained & managed by the end user
- The City of St. Helena will be responsible for communicating needs & changes thru the designated representative / channels only.
- Client/building tenants are responsible for providing any client access devices, laptops, MDC, smart phones, pda's, etc.

Change / System Upgrade Process

- Discuss the need for the change in scope
- Identify the additional tasks, which need to be performed in order to complete the change in scope.
- Estimate the cost associated with the additional scope, and determine the impact on network operation.
- This agreement includes supporting IP connectivity to all City of St. Helena locations to support facilities operations.
- This agreement can be amended (if applicable supplemental agreement can be produced) to include phone system support assuming Marin IT is factory authorized dealer of the system installed.

Pricing/Rate Schedule/Invoicing

This proposal is meant to provide support for the City of St Helena but does not include special projects. Any additional projects will be chargeable at the discounted rate described below or at standard Marin IT billing rates. This agreement does not include hardware. Any equipment which will be needed to perform any maintenance tasks is not included and can be provided by Marin IT, Inc., for additional cost.

Our total charge for this service will be $80,000 broken into 12 monthly payments. This rate includes 16 hours of regular on-site service each week during the term of the agreement. Hours for support services in excess of the regularly scheduled hours will be invoiced at a discounted rate of $105 per hour (Marin IT's standard rate for support services is $125 per hour). The rates noted here are for work during normal business hours (Monday through Friday between 8:00 AM and 6:00 PM). Rates for overtime, nights, weekends or holidays will be billed at 1 ½ times the regular rate. Rates for special projects (not covered under the scope of this agreement) will be at Marin IT's standard rates for the specific type of project, which range from $110 to $250 per hour.

Managed/Hosted Services Charges

Marin IT currently provides hosted data backup services in addition to Email SPAM/Virus filtering. Monthly recurring charges vary slightly based on the amount of data sent to the cloud, and the total number of email accounts we protect. The estimated annual costs for these separately billed services shall not exceed $8500.00.

Payment shall be made within 30 days of the date of invoice. Invoices will include the date of service and a description of the services rendered. If any invoice is not paid when due, interest will be added to and payable on all overdue amounts at 18 percent per year, or the maximum percentage allowed under applicable laws, whichever is less. Buyer shall pay all costs of collection, including without limitation, reasonable attorney fees.

Warranties and Limitations of Liability

Warranties. Product warranties, if any, are provided by the manufacturer or publisher of the products. MARIN IT, INC. MAKES NO WARRANTIES, EITHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHATSOEVER. ALL SERVICES AND DELIVERABLES ARE PROVIDED ON AN "AS IS" BASIS.

Limitation of Liability. CUSTOMER AGREES THAT THE LIABILITY OF MARIN IT FOR DIRECT DAMAGES RELATED TO ANY PRODUCT OR SERVICE ARISING UNDER THESE TERMS AND CONDITIONS, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE NET AMOUNT PAID TO MARIN IT BY CUSTOMER FOR THAT PRODUCT OR SERVICE WHICH IS THE SUBJECT OF THE CLAIM. MARIN IT SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE, EVEN IF MARIN IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER PARTY

MAKES ANY REPRESENTATION OR WARRANTY AS TO ANY THIRD PARTY INFORMATION OR PRODUCTS PROVIDED TO EACH OTHER, ALL OF WHICH ARE PROVIDED, SOLD OR LICENSED "AS IS," AND THE PARTIES AGREE TO LOOK SOLELY TO THE WARRANTIES AND REMEDIES, IF ANY, PROVIDED BY THE THIRD PARTY.

Termination of Agreement

- **Discretionary**. After the first 6 months of the initial term, either party may terminate this Agreement without cause upon thirty (30) days written notice mailed or personally delivered to the other party.
- **Cause**. Either party may terminate this Agreement for cause upon fifteen (15) days written notice mailed or personally delivered to the other party, and the notified party's failure to cure or correct the cause of the termination, to the reasonable satisfaction of the party giving such notice, within such fifteen (15) day time period.
- **Effect of Termination**. Upon receipt of notice of termination, neither party shall incur additional obligations under any provision of this Agreement without the prior written consent of the other.

- **Return of Documents**. Upon termination, any and all documents or materials provided to Marin IT and any and all of Marin IT documentation and materials prepared for or relating to the performance of its duties under this Agreement, shall be delivered to the designated City of St. Helena representative as soon as possible, but not later than thirty (30) days after termination.

Non-Solicitation

During the term of this agreement, and for a period of one (1) year thereafter, neither party will directly or indirectly solicit away employees or consultants of the other party.

Thank you for your consideration,

Timothy R. Bush

Marin IT, Inc.

Accepted By:________________________

Name:____________________________

Date:_____________________________

Attachment 7

CITY OF ST. HELENA

RESOLUTION NO. 2017-__

RESCINDING RESOLUTION NO. 2017-73 AND APPROVING A ONE-YEAR AGREEMENT WITH MARINIT TO PROVIDE INFORMATION TECHNOLOGY SERICES FOR A TOTAL NOT TO EXCEED AMOUNT OF $88,500 WHICH INCLUDES STH CONTRACT: 2017-040 IN THE AMOUNT OF $80,000 FOR INFORMAITON TECHNOLOGY SUPPORT SERVICES AND $8,500 FOR MANAGED/HOSTED SERVICE CHARGES

RECITALS

A. On June 13, 2017, staff presented to City Council a report, resolution, and contract with MarinIT for consideration; and

B. The title and body of the staff report stated the one-year agreement with MarinIT was for a total not to exceed amount of $80,010; and

C. Resolution No. 2017-73 approving the agreement stated the MarinIT agreement is not to exceed $88,010; and

D. The quote from MarinIT for the one-year agreement is not to exceed $88,500 for Information Technology support and managed/hosted service charges; and

E. The correct amount for MarinIT support services is $88,500; and

F. Staff desires to provide an administrative correction, via resolution, confirming the one-year agreement with MarinIT to provide Information Technology support services for a total not-to-exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for managed/hosted service charges; and

G. Staff desires to rescind Resolution No. 2017-73.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. Resolution No. 2017-73 is rescinded; and
2. Authorize the MarinIT FY 2017/18 contract to provide Information Technology support services for a total not-to-exceed amount of $88,500 which includes STH Contract: 2017-040 in the amount of $80,000 for Information Technology Support Services and $8,500 for managed/hosted service charges; and

Attachment 7

Approved at a Regular Meeting of the St. Helena City Council on November 28, 2017, by the following vote:

Mayor Galbraith:

Vice Mayor White:

Councilmember Dohring:

Councilmember Koberstein:

Councilmember Ellsworth:

APPROVED:	ATTEST:
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Attachment 8

CITY OF ST. HELENA

RESOLUTION NO. 2017-__

AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT #1 TO STH: CONTRACT: 2017-040 IN AN AMOUNT OF $41,445.10 WITH MARINIT FOR THE INSTALLATION OF BROADBAND EQUIPMENT AND CABLING FOR THE ST. HELENA PUBLIC LIBRARY FOR A TOTAL FY 2017/18 NOT TO EXCEED AMOUNT OF $129,945.10

RECITALS

A. Library Director Chris Kreiden presented a report to the St. Helena Library Board of Trustees on January 11, 2017 to begin the process of bringing high-speed broadband to the City of St. Helena Library through California Research & Education Network (CalREN), a high-capacity 3,800-mile fiber-optic-based network; and

B. This network provides high-speed broadband to over 20 million users of the majority of K-20 students to educators, researchers, and others in California’s colleges and universities; and

C. As the library’s technology evolves to this high-speed broadband technology, the cabling infrastructure of the library does not provide adequate resources to fully accommodate the increased bandwidth; and

D. The City’s IT consultant and IT Director highly recommend that the library’s cabling infrastructure be upgraded to the current technology standard of CAT6; and

E. The Consultant has represented they have the necessary expertise, experience, and qualifications to assist with information technology support and services; and

F. City and Consultant desire to amend STH Contract: 2017-040 to provide additional Information Technology services for the purchase and installation of upgraded broadband equipment and cabling for the Library an additional cost of $41,445.10; and

G. Amendment No. 1 to STH Contract: 2017-040 in the amount of $41,445.10 with Marin IT is hereby approved; and

H. The total amount to be paid to Marin IT in FY 2017/18 is not to exceed $129,945.10 for Information Technology Support Services; and

I. In all other respects the terms of the Parties’ Agreement remain in effect and unchanged.

Attachment 8

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. Allow the City Manager to execute Amendment #1 to STH Contract: 2017-040 with MarinIT for $41,445.10 for the purchase and installation of upgraded broadband equipment.

Approved at a Regular Meeting of the St. Helena City Council on November 28, 2017, by the following vote:

Mayor Galbraith:

Vice Mayor White:

Councilmember Dohring:

Councilmember Koberstein:

Councilmember Ellsworth:

APPROVED:	ATTEST:
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Attachment 9

AMENDMENT #1 TO STH CONTRACT: 2017-040 AGREEMENT FOR PROFESSIONAL SERVICES WITH MARIN IT FOR PURCHASE AND INSTALLATION OF UPGRADED BROADBAND EQUIPMENT AND CABLING FOR THE ST. HELENA PUBLIC LIBRARY

A. On June 13, 2017, City Council Approved Resolution No. 2017-73, authorizing the City Manager to execute one-year agreement with Marin IT to provide Information Technology Services; and

B. The annual amount of $88,500 includes STH Contract: 2017-040 for $80,000 which provides support services to the City of St. Helena and $8,500 in managed hosted service charges which are billed monthly and independent of STH Contract: 2017-040; and

C. The Consultant has represented they have the necessary expertise, experience, and qualifications to assist with information technology support and services; and

D. City and Consultant desire to amend STH Contract: 2017-040 to provide additional Information Technology services for the cabling and installation of upgraded broadband equipment and cabling for the Library an additional cost of $41,445.10 and

E. Amendment No. 1 to STH Contract: 2017-040 in the amount of $41,445.10 with Marin IT is hereby approved; and

F. The total amount to be paid to Marin IT for Information Technology and Support Services in FY 2017/18 is not to exceed $129,945.10; and

G. In all other respects the terms of the Parties' Agreement remain in effect and unchanged.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:	City:
By: ______________________________	By: Mark Prestwich
Title:______________________________	Title: City Manager

Approved as to Form:

By: ______________________________
Name: Thomas B. Brown
Title: City Attorney

Attachment 10

CITY OF ST. HELENA

RESOLUTION NO. 2017-__

AUTHORIZING A BUDGET INCREASE OF $1,852.20 TO ACCOUNT #101-4600-2335 AND A BUDGET INCREASE OF $17,905.09 TO ACCOUNT #101-4600-2212 FOR A TOTAL BUDGET INCREASE OF $19,757.29 FROM GENERAL FUND RESERVES

RECITALS

A. As the St. Helena Public Library is updating its cabling infrastructure it is necessary to replace the firewall and have a 1-year support contract; and

B. The City has acquired contract pricing from Califa through a consortium with CalREN allowing the City to purchase equipment and a support contract under cooperative purchasing for a total of $18,312.19; and

C. Replacing the firewall at the Library is more costly than original anticipated and was not a planned expense in FY 2017/18; and

D. Additionally, the City budgeted $40,000 in FY 2017/18 to cover the cabling installation costs for this project; and

E. The actual costs are $41,445.10; and

F. A budget increase totaling $19,757.29 is necessary to complete this project; and

G. The budget increase of $19,757.29 includes: $18,312.19 for the firewall equipment and $1,445.10 for the unbudgeted amount for cabling installation.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. Authorize a budget increase of $1,852.20 to account #101-4600-2335; and
2. Authorize a budget increase of $17,905.09 to account #101-4600-2212; and
3. The total budget increase of $19,757.29 will come from General Fund Reserves.

Approved at a Regular Meeting of the St. Helena City Council on November 28, 2017, by the following vote:

Mayor Galbraith:

Attachment 10

Vice Mayor White:
Councilmember Dohring:
Councilmember Koberstein:
Councilmember Ellsworth:

APPROVED:	ATTEST:
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Report to the City Council

Council Meeting of November 28, 2017

Agenda Section: **Consent**

Subject: **Consideration and proposed approval of Resolution No. 2017-____ Approving Amendment #1 to STH Contract: 2017-066 with Marin IT for $6,202.24 for a total not-to-exceed contract price of $159,720.89 and authorizing a budget increase of $6,202.24 in FY 2017/18 to account #101-4220-2130 to cover unanticipated costs associated with upgrading the City’s phone system to Voice Over Internet Protocol (VoIP)**

CEQA Determination: **Not a CEQA project**

Prepared By: Kathy Robinson, Human Resources & IT Director

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On June 13, 2017, City Council approved Resolution No. 2017-71 (Attachment 1) authorizing a cooperative (“piggy-back”) purchase allowing the City Manager to execute an agreement with MarinIT for a 5-Year lease purchase for the implementation of a new Cisco Voice Over Internet Protocol (VoIP) phone system replacement in an amount not to exceed $32,290 per annum. On August 23, 2017, the City entered into STH Contract: 2017-066 (Attachment 2) with MarinIT and financed through De Lange Landen Public Finance LLC for the purchase of this phone system for a total amount of $153,518.65 with annual payments of $30,703.73 for 5-years.

DISCUSSION

In the course of installing the VoIP phones in City Hall, MarinIT discovered 13 data locations where the existing cabling was not installed to industry standards and is therefore unable to provide both network connectivity data and power for the entire phone system. These areas of City Hall require re-cabling to conform with industry standards. The additional cost for this increase scope of work is $5,100 (Attachment 3).

In the course of installing the VoIP phones in the Head Start building, Waste Water Treatment Plant, Water Treatment Plant, and the Recreation Teen Center, MarinIT discovered additional switches and firewalls are necessary for the completion of the VoIP system. The additional costs for the switches is $1,102.24 (Attachment 4).

Staff recommends City Council approval for Amendment #1 to STH Contract: 2017-066 with MarinIT for $6,202.24 for a total not-to-exceed contract price of $159,720.89 and authorizing a budget increase of $6,202.24 in FY 2017/18 to account #101-4220-2130 to cover unanticipated costs associated with upgrading the City's phone system to Voice Over Internet Protocol (VoIP). As an added note, the implementation of the VoIP phone system will not impact the City's capability to accept and make calls during an electrical outage. The City has retained the landlines for its dispatch operations and at least one landline at each City facility. The phones will have access to backup power and calls will reroute over landlines when the power is down. Landlines pull power through phone lines so they can work without extra electricity.

FISCAL IMPACT

The fiscal impact will be a $6,202.24 increase to #101-4220-2130 in FY 2017/18; funds will need to be taken from General Fund Reserves.

RECOMMENDED ACTION

Approval of Resolution No. 2017-___ approving Amendment #1 to STH Contract: 2017-066 with MarinIT for $6,202.24 for a total not-to-exceed contract price of $159,720.89 and authorizing a budget increase of $6,202.24 in FY 2017/18 to account #101-4220-2130 to cover unanticipated costs associated with upgrading the City's phone system to Voice Over Internet Protocol (VoIP).

ATTACHMENTS

Attachment 1 - Resolution 2017-71
Attachment 2 - STH Contract 2017-066 Marin IT-De Lage Landen Public Finance, LLC
Attachment 3 - City-Hall-Cabling Quote
Attachment 4 - Remote Site Swithes Quote
Attachment 5 - Resolution No. 2017-___ Amendment #1 and Budget Increase
Attachment 6 - Amendment 1 STH Contract 2017-066

Attachment 1

CITY OF ST. HELENA

RESOLUTION NO. 2017-71

AUTHORIZING A "PIGGY-BACK" PURCHASE ALLOWING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH MARINIT FOR A 5-YEAR LEASE PURCHASE FOR THE IMPLEMENTATION OF A NEW CISCO VOIP PHONE SYSTEM REPLACEMENT IN AN AMOUNT NOT TO EXCEED $32,290 PER ANNUM

RECITALS

A. The City's Toshiba Strata CIX IP platform phone system is a 20-year old antiquated system is outdated and in need of an upgrade; and

B. The City of St. Helena desires to lease purchase and implement a Voice over Internet Protocol (VoIP); and

C. Staff has acquired contract pricing from Marin IT via a quote piggyback" purchase through the state of California Multiple Awards Schedule (CMAS); and

D. state of California Department of General Services is an approved cooperative purchasing contract and there is no cost or obligation or liability to join; and

E. the city is a local jurisdiction and through this authority may purchase through this cooperative; and

F. The City would benefit from increased productivity through technological enhancements.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. The City Council approves the Agreement between the City of St. Helena and Marin IT for the implementation of the VoIP system; and
2. The City Council authorizes the City Manager to execute the agreements on behalf of the City.

Approved at a Regular Meeting of the St. Helena City Council on June 13, 2017, by the following vote:

Attachment 1

Mayor Galbraith:	**Yes**
Vice Mayor White:	**Yes**
Councilmember Dohring:	**Yes**
Councilmember Koberstein:	**Yes**
Councilmember Ellsworth:	**Yes**

APPROVED:

Alan Galbraith

Alan Galbraith, Mayor

ATTEST:

Cindy Black

Cindy Black, City Clerk

CITY OF ST. HELENA
Incorporated March 24, 1878
Re-incorporated May 14, 1889
STATE OF CALIFORNIA

Attachment 2
STH CONTRACT: 2017-066

Marin IT, Inc - Quotation

Quote Number: 2017-5612

366 Bel Marin Keys Blvd., Suite D - Novato, CA 94949 Phone 415.842.3245 Fax 415.842.3270

Date: 5/12/2017
From: Tim Bush
Description: St. Helena New Cisco VoIP Solution - 5 Year

To:
Kathy Robinson
City of St. Helena
1480 Main St
St. Helena, CA 94574

aprilm@cityofsthelena.org

Hardware / Software

Description	Qty	Amt.	Extended
Cisco Business Edition VoIP Equipment and Software per attached	1	114,828.25	$114,828.25

Labor / Non Taxable

Description	Qty	Rate	Total
Pre-engineering design and consulting for each department to determine needs, call handling/auto-attendant options, etc. (Police, Fire, City Hall, Library, Carnegie Building, Head Start, Teen Center, Rec & Park, Pub WRX, Water/Waste treatment) - - Consultant to meet with each department individually to gather information above - Includes one round of post turn-up adjustments to auto-attendant/call handling feature for each department	60	$120.00	$7,200.00
Build / configure call manager servers (Software) - Build Call Manager and Voicemail servers - Configure Active Directory with user extensions & prep for import into VoIP System - Configure voicemail for users - Configure voicemail to email integration - Build exensions and program phones - Configure Routers and associated network equipment - Prep for delivery and installation - Configure and record Auto-Attendant options	80	$120.00	$9,600.00
Deliver and lyaout phones, place on desk, connect to network, register to Call Manager server	24	$95.00	$2,280.00
System Turn-up and testing	24	$120.00	$2,880.00
Day-One Support - - Includes 2 'floater' technicians and 1 'triage' engineer to handle moves, adds, changes	24	$120.00	$2,880.00
Staff Training - 4 sessions @ 4 hours each	16	$120.00	$1,920.00
Post Day-One tuning/tweaking	16	$120.00	$1,920.00
Estimated Shipping/Handling	1	$250.00	$250.00

Attachment 2
STH CONTRACT: 2017-066

Material Total	**$114,828.25**
Labor / Non Taxable Total	**$28,930.00**
Sub Total	**$143,758.25**
Sales Tax @ 8.50%	**$9,760.40**
Grand Total	**$153,518.65**

Terms

Pricing is valid for (60) days assuming product availability, and includes state sales tax. Cabling, and provisioning of phone lines is not included. Shipping is not included. Warranty on new computers is manufactures standard warranty. Equipment other than computers is manufactures standard warranty. Existing equipment used equipment or equipment provided by others is not warranted. Installation labor is warranted for ninety (90) days.

Accepted By:

Date:

Attachment 2
STH CONTRACT: 2017-066

Bill of Materials - City of St. Helena - Cisco VoIP - April, 2017

Tim Bush

Marin It, Inc
366 BEL MARIN KEYS BLVD
NOVATO, CA-94949
Ph no:+1 415-842-3251

All prices are shown in USD

Description	Service Duration (Months)	Qty	Unit Net Price	Disc(%)	Extended Net Price
Phone System Software & Licensing					
Cisco Business Edition 6000-Electronic SW Delivery-Top	---	1	0.00		0.00
Business Edition 6000 v11.5 export restricted software	---	1	0.00		0.00
BE 6000 - User License Starter Bundle with 35 UWL	---	1	500.00	50.00	500.00
Cisco Business Edition 6000 - Workspace License	---	44	162.50	50.00	7,150.00
BE6000 UCM v11 CUWL Standard User License	---	44	0.00		0.00
BE6K - Unity Connection 11x - VM Speech Connect Ports	---	2	0.00		0.00
BE6000 Unity Connection v11 CUWL Standard License	---	44	0.00		0.00
Expressway Series, Expressway-E PAK	---	1	0.00		0.00
Enable GW Feature (H323-SIP)	---	4	0.00		0.00
Enable Expressway-E Feature Set	---	2	0.00		0.00
Enable TURN Relay Option	---	2	0.00		0.00
Enable Advanced Networking Option	---	2	0.00		0.00
License Key Software Encrypted	---	4	0.00		0.00
Enable Expressway Series Feature Set	---	4	0.00		0.00
Cisco Expressway-E Server, Virtual Edition	---	2	0.00		0.00
BE6000 v11 UWL Standard Starter licenses	---	1	0.00		0.00
BE6K Starter Pack - Single Fulfillment Enforcement	---	1	0.00		0.00
Cisco Expressway-C Server, Virtual Edition	---	1	0.00		0.00
Software Image for Expressway with Encryption, Version	---	2	0.00		0.00
Cisco Business Edition 6000 - PAK - Single Fulfillment	---	1	0.00		0.00
Expressway Desktop Endpoint License	---	79	0.00		0.00
Phones					
Cisco 8831 Base/Control Panel for North America	---	3	747.50	50.00	2,242.50
Spare Cisco 8831 Display Control Unit (DCU)	---	3	0.00		0.00
Cisco Unified Wireless IP Phone 8821, World Mode Bundle	---	3	442.50	50.00	1,327.50
Cisco 8821 Power Supply for North America	---	3	0.00		0.00
Cisco 8821 Battery, Extended	---	3	0.00		0.00
Cisco IP Phone 8851	---	6	307.50	50.00	1,845.00
Cisco IP Phone 8800 Key Expansion Module	---	6	245.00	50.00	1,470.00
Cisco IP Phone 8841	---	60	257.50	50.00	15,450.00
Cisco UC Phone 6901, Charcoal, Standard handset	---	3	55.00	50.00	165.00
Routers for Teen Center (2users), Carnegie Center (2users), ParkRec (2 users), Public Works (4 users)					
Cisco ISR 4321 Bundle, w/UC License, CUBE-10	---	4	1,547.50	50.00	6,190.00
IP Base License for Cisco ISR 4320 Series	---	4	0.00		0.00
Unified Communication License for Cisco ISR 4320 Series	---	4	0.00		0.00
AC Power Supply for Cisco ISR 4320	---	4	0.00		0.00
AC Power Cord, Type C5, US, Canada	---	4	0.00		0.00
Unified Border Element Enterprise License - 5 sessions	---	8	0.00		0.00
4G DRAM for Cisco ISR 4320 (Soldered on motherboard)	---	4	0.00		0.00
Blank faceplate for NIM slot on Cisco ISR 4400	---	4	0.00		0.00
4G Flash Memory for Cisco ISR 4300 (Soldered on motherboard)	---	4	0.00		0.00
Cisco ISR 4300 Series IOS XE Universal	---	4	0.00		0.00
Cisco Survivable Remote Site Telephony (SRST) License	---	4	0.00		0.00
SRST-5 Seat License (CME uses CUCME Phone License ONLY)	---	4	85.00	50.00	340.00
2-port Network Interface Module - FXO (Universal)	---	4	250.00	50.00	1,000.00
32-channel DSP module	---	4	850.00	50.00	3,400.00

Attachment 2
STH CONTRACT: 2017-066

Router for Library					
Cisco ISR 4321 Bundle, w/UC License, CUBE-10	---	1	1,547.50	50.00	1,547.50
IP Base License for Cisco ISR 4320 Series	---	1	0.00		0.00
Unified Communication License for Cisco ISR 4320 Series	---	1	0.00		0.00
32-channel DSP module	---	1	850.00	50.00	850.00
AC Power Supply for Cisco ISR 4320	---	1	0.00		0.00
AC Power Cord, Type C5, US, Canada	---	1	0.00		0.00
Unified Border Element Enterprise License - 5 sessions	---	2	0.00		0.00
4G DRAM for Cisco ISR 4320 (Soldered on motherboard)	---	1	0.00		0.00
Blank faceplate for NIM slot on Cisco ISR 4400	---	1	0.00		0.00
4G Flash Memory for Cisco ISR 4300 (Soldered on motherboard)	---	1	0.00		0.00
Cisco ISR 4300 Series IOS XE Universal	---	1	0.00		0.00
Cisco Survivable Remote Site Telephony (SRST) License	---	1	0.00		0.00
SRST-25 Seat License (CME uses CUCME Phone License ONLY)	---	1	325.00	50.00	325.00
4-port Network Interface Module - FXO (Universal)	---	1	500.00	50.00	500.00
Equipment and Routers for Waste Water (2users), and Water Treatment (2users)					
Cisco ISR 4321 Bundle, w/UC License, CUBE-10	---	2	1,547.50	50.00	3,095.00
IP Base License for Cisco ISR 4320 Series	---	2	0.00		0.00
Unified Communication License for Cisco ISR 4320 Series	---	2	0.00		0.00
1 port Multiflex Trunk Voice/Clear-channel Data T1/E1 Module	---	2	715.00	50.00	1,430.00
32-channel DSP module	---	2	850.00	50.00	1,700.00
AC Power Supply for Cisco ISR 4320	---	2	0.00		0.00
AC Power Cord, Type C5, US, Canada	---	2	0.00		0.00
Unified Border Element Enterprise License - 5 sessions	---	4	0.00		0.00
4G DRAM for Cisco ISR 4320 (Soldered on motherboard)	---	2	0.00		0.00
4G Flash Memory for Cisco ISR 4300 (Soldered on motherboard)	---	2	0.00		0.00
Cisco ISR 4300 Series IOS XE Universal	---	2	0.00		0.00
Cisco Survivable Remote Site Telephony (SRST) License	---	2	0.00		0.00
SRST-5 Seat License (CME uses CUCME Phone License ONLY)	---	2	85.00	50.00	170.00
2-port Network Interface Module - FXO (Universal)	---	2	250.00	50.00	500.00
Catalyst 2960-X 24 GigE PoE 370W, 4 x 1G SFP, LAN Base	---	2	1,597.50	50.00	3,195.00
15A AC Pwr Cord, left-angle (United States) (bundle option)	---	2	0.00		0.00
Core VoIP Router for City Hall					
Cisco ISR 4351 UC Bundle, PVDM4-64, UC License, CUBEE25	---	1	5,500.00	50.00	5,500.00
IP Base License for Cisco ISR 4350 Series	---	1	0.00		0.00
Unified Communication License for Cisco ISR 4350 Series	---	1	0.00		0.00
4G to 8G DRAM Upgrade (4G+4G) for Cisco ISR 4330,4350	---	1	750.00	50.00	750.00
4G to 8G eUSB Flash Memory Upgrade for Cisco ISR 4300	---	1	500.00	50.00	500.00
AC Power Supply for Cisco ISR 4450 and ISR4350	---	1	0.00		0.00
AC Power Cord (North America), C13, NEMA 5-15P, 2.1m	---	1	0.00		0.00
Unified Border Element Enterprise License - 25 sessions	---	1	0.00		0.00
Cover for empty POE slot on Cisco ISR 4450	---	1	0.00		0.00
Blank faceplate for NIM slot on Cisco ISR 4400	---	1	0.00		0.00
Removable faceplate for SM slot on Cisco 2900,3900,4400 ISR	---	2	0.00		0.00
64-channel DSP module	---	1	0.00		0.00
Cisco ISR 4300 Series IOS XE Universal	---	1	0.00		0.00
Cisco Survivable Remote Site Telephony (SRST) License	---	1	0.00		0.00
SRST-5 Seat License (CME uses CUCME Phone License ONLY)	---	1	85.00	50.00	85.00
SRST-25 Seat License (CME uses CUCME Phone License ONLY)	---	1	325.00	50.00	325.00
2 port Multiflex Trunk Voice/Channelized Data T1/E1 Module	---	1	2,000.00	50.00	2,000.00
64-channel DSP module	---	1	1,700.00	50.00	1,700.00
4-port Network Interface Module - FXO (Universal)	---	1	500.00	50.00	500.00
Call manager & Unity Voicemail Servers					
Cisco Business Edition 6000M Svr (M4), Export Restricted SW	---	2	4,700.00	50.00	9,400.00
Power Cord, 125VAC 13A NEMA 5-15 Plug, North America	---	2	0.00		0.00
Embedded License, Cisco UC Virt. Hypervisor Plus 6.x (2-cpu)	---	2	0.00		0.00
Cisco Business Edition 6000 - Software App Version 10.X 11.X	---	2	0.00		0.00
770W AC Hot-Plug Power Supply for 1U C-Series Rack Server	---	2	0.00		0.00

Attachment 2
STH CONTRACT: 2017-066

2.40 GHz E5-2630 v3/85W 8C/20MB Cache/DDR4 1866MHz	---	2	0.00		0.00
300GB 12G SAS 10K RPM SFF HDD	---	12	0.00		0.00
Enable RAID 5 Setting	---	2	0.00		0.00
16GB DDR4-2133-MHz RDIMM/PC4-17000/dual rank/x4/1.2v	---	4	0.00		0.00
Cisco 12G SAS Modular Raid Controller	---	2	0.00		0.00
Cisco 12Gbps SAS 1GB FBWC Cache module (Raid 0/1/5/6)	---	2	0.00		0.00
Cisco UCS 770W AC Power Supply for Rack Server	---	2	349.50	50.00	699.00
Software Maintenance and Hardware Warranties					
SWSS UPGRADES Cisco Business Editi	60	1	0.00		0.00
SWSS UPGRADES BE6000 UCM v11 CUWL	60	44	165.75	15.00	7,293.00
SWSS UPGRADES BE6000 v11 UWL Standard Starter licenses	60	1	2,125.00	15.00	2,125.00
SNTC-24X7X4 Cisco ISR 4321 UC Bundle, PVDM4-32, UC L	60	4	2,592.50	15.00	10,370.00
SNTC-24X7X4 Cisco ISR 4321 UC Bundle, PVDM4-32, UC L	60	1	2,592.50	15.00	2,592.50
SNTC-24X7X4 Cisco ISR 4321 UC Bundle, PVDM4-32, UC L	60	2	1,555.50	15.00	3,111.00
SNTC-24X7X4 Cisco ISR 4351 UC Bundle, PVDM4-64, UC L	60	1	9,201.25	15.00	9,201.25
SNTC-8X5XNBD Cisco Business Edition 6000M Svr (M4), E	60	2	2,142.00	15.00	4,284.00

Valid through: 7/2017

Product Total	75,851.50
Service Total :	38,976.75
Subscription Total	0.00
Total Price:	**114,828.25**

Attachment 2
STH CONTRACT: 2017-066

de lage landen

De Lage Landen Financial Services, Inc.
1111 Old Eagle School Road, Wayne, PA 19087
TEL:(800) 669-9441 FAX: (800) 776-4665

June 20, 2017

City of St. Helena
1480 Main St
St Helena, CA 94575

Dear CUSTOMER,

Per your request we have signed the Equipment Lease Purchase Agreement dated June 15th 2017, (the "Agreement"). We are happy to send these to you with the express understanding that: (i) as an accommodation to Obligor, the signature page of De Lage Landen Financial Services, Inc ("DLL") is being delivered to Obligor to be held in escrow until DLL notifies Obligor that DLL's signature is formally released; and (ii) the foregoing shall not in any manner constitute a commitment to fund or an acceptance by DLL of the Lease.

This Lease has not yet commenced, and will not commence, until x) DLL receives the following items and all of the following conditions have been satisfied in full, and y) DLL thereafter notifies Obligor that DLL's signature is formally released and DLL has formally accepted the Lease:

1. Signed Delivery and Acceptance Certificate with the date that all equipment was accepted.
2. Telephone Verification to verify all equipment delivered, accepted and to confirm billing information.
3. Any other documentation required by DLL in connection with the Lease.
4. Please note that we must have an original inked version, with both DLL & City of St Helena signatures to fund. No copies, scans or faxes will be accepted.

The above outstanding conditions must be met and items must be received in form and substance acceptable by DLL, on or before close of business on the date which is thirty (30) days from the date of this letter. Time is of the essence in this letter agreement. In the event that: 1) any of the outstanding items are not satisfied in full in accordance with this letter agreement, or 2) an event has occurred that would be an Obligor event of default under the Lease had the Lease commenced, or 3) there occurs a material adverse change in Obligor's financial condition or otherwise, then upon the occurrence of any of the preceding events DLL has the absolute right to reject and/or immediately terminate the Lease without any obligation to DLL and Obligor shall be solely responsible to pay the full purchase price of the products that would have been financed under the Lease. In any such event, Obligor shall promptly return to DLL the signature pages being held in escrow and Obligor shall promptly destroy any copies of same.

By signing below and returning a copy to DLL, Obligor acknowledges and agrees with all of the terms and conditions hereof. A facsimile copy of this letter agreement with facsimile signatures may be treated as an original and will be admissible as evidence of the agreements and understandings hereunder. Please feel free to contact the undersigned with any questions.

Regards,

James King
Sales Support Representative

Acknowledged and Agreed:
City of St. Helena

By: ______
Title: Interim City Manager
Date: 6/20/2017

Attachment 2
STH CONTRACT: 2017-066

De Lage Landen Public Finance LLC
1111 Old Eagle School Road
Wayne, PA 19087

State and Local Government Lease-Purchase Agreement

PHONE: (800) 736-0220
FACSIMILE: (800) 700-4643

LESSEE

Full Legal Name: CITY OF ST. HELENA
Phone Number:
DBA Name (if any):
Purchase Order Requisition Number: PUB16901
Billing Address: 1480 MAIN ST
City: ST HELENA
State: CA
Zip: 94575
Send Invoice to Attention of:

EQUIPMENT INFORMATION

Equipment Make	Model No.	Serial Number	Description (Attach Separate Schedule If Necessary)
			Equipment described on Marin IT, Inc quote # 2017-5612, dated 5/12/2017,
			consisting of 5 pages and attached hereto.

Equipment Location (if not same as above) City State Zip

PAYMENT INFORMATION

Number of Lease Payments: 5
Lease Payments: $30,703.73
See Lease Payment Schedule Attached as Attachment 1
Full Lease Term (In Months): 60
Payment Frequency
☐ Monthly
☐ Quarterly
☐ Semiannually
☑ Annually
☐ Other ____________
End of Lease Option: $1

BANK QUALIFICATION

By checking the box below, YOU hereby designate this Lease as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code and represent that the aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501 (c)(3) bonds) issued or to be issued by YOU and YOUR subordinate entities during the calendar year in which WE fund this Lease is not reasonably expected to exceed $10,000,000

☐ Bank Qualification Elected

TERMS AND CONDITIONS

Please read YOUR copy of this State and Local Government Lease-Purchase Agreement ("Lease") carefully and feel free to ask US any questions YOU may have about it. Words "YOU" and "YOUR" refer to the "Lessee" and the words "WE," US" and "OUR" refer to De Lage Landen Public Finance LLC, its successors and assigns, as the "Lessor" of the Equipment.

1. **LEASE.** WE agree to lease to YOU and YOU agree to lease from US, the equipment listed above (and on any attached schedule) including all replacement parts, repairs, additions and accessories ("Equipment") on the terms and conditions of this Lease and on any attached schedule.

2. **TERM.** This Lease is effective on the date when the term of this Lease and YOUR obligation to pay rent commence, which date shall be the date that funds are advanced by US to YOU, the vendor of the Equipment or an escrow agent for the purpose of paying or reimbursing all or a portion of the cost of the Equipment (the "Commencement Date") and continues thereafter for an original term ("Original Term") ending at the end of YOUR budget year in effect on the Commencement Date and may be continued by YOU for additional one-year renewal terms ("Renewal Terms") coinciding with YOUR budget year up to the total number of months indicated above as the Full Lease Term; provided, however, that at the end of the Original Term and at the end of each Renewal Term until the Full Lease Term has been completed, YOU shall be deemed to have continued this Lease for the next Renewal Term unless YOU shall have terminated this Lease pursuant to Section 5 or Section 17. Lease Payments will be due as set forth on Attachment 1 until the balance of the Lease Payments and any additional Lease Payments or expenses chargeable to YOU under this Lease are paid in full. As set forth in the Lease Payment Schedule, a portion of each Lease Payment is paid as, and represents payment of, interest. YOUR obligation to pay the Lease Payments and YOUR other Lease obligations are absolute and unconditional and are not subject to cancellation, reduction, setoff or counterclaim except as provided in Section 5. THIS LEASE IS NON-CANCELABLE EXCEPT AS PROVIDED IN SECTION 5.

3. **LATE CHARGES. If a Lease Payment is not made on the date when due, YOU will pay US a late charge at the rate of 18% per annum or the maximum amount permitted by law, whichever is less, from such date.**

4. **CONTINUATION OF LEASE TERM.** YOU currently intend, subject to Section 5, to continue this Lease through the Full Lease Term and to pay the Lease Payments hereunder. YOU reasonably believe that legally available funds in an amount sufficient to make all Lease Payments during the Full Lease Term can be obtained. YOUR responsible financial officer shall do all things lawfully within his or her power to obtain and maintain funds from which the Lease Payments may be made, including making provision for the Lease Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with YOUR applicable procedures and to exhaust all available reviews and appeals if that portion of the budget is not approved. Notwithstanding the foregoing, the decision whether to budget or appropriate funds and to extend this Lease for any Renewal Term is solely within the discretion of YOUR governing body.

5. **NONAPPROPRIATION.** YOU are obligated only to pay such Lease Payments under this Lease as may lawfully be made from funds budgeted and appropriated for that purpose during YOUR then current budget year. If YOU fail to appropriate or otherwise make available funds to pay the Lease Payments required to be paid in the next occurring Renewal Term, this Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. YOU agree to deliver written notice to US of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the term of this Lease beyond the then current Original Term or Renewal Term. If this Lease is terminated in accordance with this Section, YOU agree, at YOUR cost and expense, to peaceably deliver the Equipment to US at the location or locations specified by US.

6. **WARRANTIES.** WE are leasing the Equipment to YOU "AS-IS" and WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. WE transfer to YOU, without recourse, for the term of this Lease all warranties, if any, made by the manufacturer. YOU ALSO ACKNOWLEDGE THAT NO ONE IS AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THIS LEASE AND, EXCEPT FOR THE MANUFACTURER WARRANTIES, MAKE ANY REPRESENTATION OR WARRANTY ABOUT THIS LEASE OR THE EQUIPMENT. WE SHALL NOT BE LIABLE FOR SPECIAL, RESULTING OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OCCASIONED BY ANY BREACH OF WARRANTY OR REPRESENTATION OR RESULTING FROM THE USE OR PERFORMANCE OF THE EQUIPMENT. YOUR OBLIGATION TO PAY IN FULL ANY AMOUNT DUE UNDER THE LEASE WILL NOT BE AFFECTED BY ANY DISPUTE, CLAIM, COUNTERCLAIM, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST THE SUPPLIER OR THE EQUIPMENT MANUFACTURER.

7. **DELIVERY AND ACCEPTANCE.** YOU ARE RESPONSIBLE, AT YOUR OWN COST, TO ARRANGE FOR THE DELIVERY AND INSTALLATION OF THE EQUIPMENT (UNLESS THOSE COSTS ARE INCLUDED IN THE COSTS OF THE EQUIPMENT TO US). IF REQUESTED, YOU WILL SIGN A SEPARATE EQUIPMENT DELIVERY AND ACCEPTANCE CERTIFICATE. WE MAY AT OUR DISCRETION CONFIRM BY TELEPHONE THAT YOU HAVE ACCEPTED THE EQUIPMENT AND THAT TELEPHONE VERIFICATION OF YOUR ACCEPTANCE OF THE EQUIPMENT SHALL HAVE THE SAME EFFECT AS A SIGNED DELIVERY AND ACCEPTANCE CERTIFICATE.

(Terms and Conditions continued on the reverse side of this Lease.)

LESSEE SIGNATURE

YOU agree to all of the Terms and Conditions contained in both sides of this Lease, and in any attachments to same (all of which are included by reference) and become part of this Lease. YOU acknowledge to have read and agreed to all the Terms and Conditions.

The Equipment Is: ☑ NEW ☐ USED
Signature:
Date: 8/23/2017
Title: City Manager
Print Name: Mark Prestwich
Legal Name of Corporation: CITY OF ST. HELENA
(LEASE MUST BE SIGNED BY AUTHORIZED OFFICIAL OF LESSEE)

LESSOR

Lessor Signature:
Date:
Print Name: Tammy Karpa
Title: Contract Specialist
For: DE LAGE LANDEN PUBLIC FINANCE LLC
Lease Number:
Lease Date: June 15, 2017
Vendor I.D. Number:

8. TITLE, PERSONAL PROPERTY, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. YOU have title to the Equipment; provided that title to the Equipment will immediately and without any action by YOU vest in US, and YOU shall immediately surrender possession of the Equipment to US, (a) upon any termination of this Lease other than termination pursuant to Section 17 or (b) if YOU are in default of this Lease. It is the intent of the parties hereto that any transfer of title to US pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. YOU shall, nevertheless, execute and deliver any such instruments as WE may request to evidence such transfer. As security for YOUR obligations hereunder, WE retain a security interest in the Equipment and all proceeds thereof. YOU have the right to use the Equipment during the term of this Lease, except as otherwise expressly set forth in this Lease. Although the Equipment may become attached to real estate, it remains personal property. YOU agree not to alter or modify the Equipment or permit a lien to be placed upon the Equipment or to remove the Equipment without OUR prior written consent. If WE feel it is necessary, YOU agree to provide US with waivers of interest or liens from anyone claiming any interest in the real estate on which any items of Equipment is located. WE also have the right, at reasonable times, to inspect the Equipment.

9. MAINTENANCE. YOU are required, at YOUR own cost and expense, to keep the Equipment in good repair, condition and working order, except for ordinary wear and tear, and YOU will supply all parts and servicing required. All replacement parts used or installed and repairs made to the Equipment will become OUR property.

YOU ACKNOWLEDGE THAT WE ARE NOT RESPONSIBLE FOR PROVIDING ANY REQUIRED MAINTENANCE AND/OR SERVICE FOR THE EQUIPMENT. YOU WILL MAKE ALL CLAIMS FOR SERVICE AND/OR MAINTENANCE SOLELY TO THE SUPPLIER AND/OR MANUFACTURER AND SUCH CLAIMS WILL NOT AFFECT YOUR OBLIGATION TO MAKE ALL REQUIRED LEASE PAYMENTS.

10. ASSIGNMENT. YOU AGREE NOT TO TRANSFER, SELL, SUBLEASE, ASSIGN, PLEDGE OR ENCUMBER EITHER THE EQUIPMENT OR ANY RIGHTS UNDER THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT. YOU agree that WE may sell, assign or transfer this Lease and, if WE do, the new owner will have the same rights and benefits that WE now have and will not have to perform any of OUR obligations and the rights of the new owner will not be subject to any claims, counterclaims, defenses or set-offs that YOU may have against US. YOU hereby appoint Municipal Registrar Services (the "Registrar") as YOUR agent for the purpose of maintaining a written record of each assignment in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended. No such assignment shall be binding on YOU until the Registrar has received written notice from the assignor of the name and address of the assignee.

11. LOSS OR DAMAGE. YOU are responsible for the risk of loss or destruction of, or damage to the Equipment. No such loss or damage relieves YOU from any obligation under this Lease. If any of the Equipment is damaged by fire or other casualty or title to, or the temporary use of, any of the Equipment is taken under the exercise of the power of eminent domain, the net proceeds ("Net Proceeds") of any insurance claim or condemnation award will be applied to the prompt replacement, repair, restoration, modification or improvement of that Equipment, unless YOU have exercised YOUR option to purchase the Equipment pursuant to Section 17. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to YOU.

12. INDEMNITY. WE are not responsible for any losses or injuries caused by the manufacture, acquisition, delivery, installation, ownership, use, lease, possession, maintenance, operation or rejection of the Equipment or defects in the Equipment. To the extent permitted by law, YOU agree to reimburse US for and to defend US against any claim for losses or injuries relating to the Equipment. This indemnity will continue even after the termination of this Lease.

13. TAXES. YOU agree to pay all applicable license and registration fees, sale and use taxes, personal property taxes and all other taxes and charges, relating to the ownership, leasing, rental, sale, purchase, possession or use of the Equipment (except those based on OUR net income). YOU agree that if WE pay any taxes or charges, YOU will reimburse US for all such payments and will pay US interest and a late charge (as calculated in Section 3) on such payments with the next Lease Payment, plus a fee for OUR collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities.

14. INSURANCE. During the term of this Lease, YOU will keep the Equipment insured against all risks of loss or damage in an amount not less than the replacement cost of the Equipment, without deductible and without co-insurance. YOU will also obtain and maintain for the term of this Lease, comprehensive public liability insurance covering both personal injury and property damage of at least $100,000 per person and $300,000 per occurrence or bodily injury and $50,000 for property damage. WE will be the sole named loss payee on the property insurance and named as an additional insured on the public liability insurance. YOU will pay all premiums for such insurance and must deliver proof of insurance coverage satisfactory to US. If YOU do not provide such insurance, YOU agree that WE have the right, but not the obligation, to obtain such insurance and add an insurance fee to the amount due from you, on which we make a profit.

15. DEFAULT. Subject to Section 5, YOU are in default of this Lease if any of the following occurs: (a) YOU fail to pay any Lease Payment or other sum when due; (b) YOU breach any warranty or other obligation under this Lease, or any other agreement with US, (c) YOU become insolvent or unable to pay YOUR debts when due, YOU make an assignment for the benefit of creditors or YOU undergo a substantial deterioration in YOUR financial condition, or (d) YOU file or have filed against YOU a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for YOU or a substantial part of YOUR assets.

16. REMEDIES. WE have the following remedies if YOU are in default of this Lease: WE may declare the entire balance of the unpaid Lease Payments for the then current Original Term or Renewal Term immediately due and payable; sue for and receive all Lease Payments and any other payments then accrued or accelerated under this Lease; charge YOU interest on all monies due US at the rate of eighteen percent (18%) per year from the date of default until paid, but in no event more than the maximum rate permitted by law; charge YOU a return-check or non-sufficient funds charge ("NSF Charge") of $25.00 for a check that is returned for any reason; and require that YOU return the Equipment to US and, if YOU fail to return the Equipment, enter upon the premises peaceably with or without legal process where the Equipment is located and repossess the Equipment. Such return or repossession of the Equipment will not constitute a termination of this Lease unless WE expressly notify YOU in writing. If the Equipment is returned or repossessed by US and unless WE have terminated this Lease, WE will sell or re-rent the Equipment to any persons with any terms WE determine, at one or more public or private sales, with or without notice to YOU, and apply the net proceeds after deducting the costs and expenses of such sale or re-rent, to YOUR obligations with YOU remaining liable for any deficiency and with any excess over the amounts described in this Section plus the then applicable Purchase Price to be paid to YOU.

YOU are also required to pay (i) all expenses incurred by US in connection with the enforcement of any remedies, including all expenses of repossessing, storing, shipping, repairing and selling the Equipment, and (ii) reasonable attorneys' fees.

17. PURCHASE OPTION. Provided YOU are not in default, YOU shall have the option to purchase all but not less than all of the Equipment (a) on the date the last Lease Payment is due (assuming this Lease is renewed at the end of the Original Term and each Renewal Term), if this Lease is still in effect on that day, upon payment in full of Lease Payments and all other amounts then due and the payment of One Dollar to US; (b) on the last day of the Original Term or any Renewal Term then in effect, upon at least 60 days' prior written notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule; or (c) if substantial damage to or destruction or condemnation of substantially all of the Equipment has occurred, on the day specified in YOUR written notice to US of YOUR exercise of the purchase option upon at least 60 days' prior notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule.

18. REPRESENTATIONS AND WARRANTIES. YOU warrant and represent as follows: (a) YOU are a public body corporate and politic duly organized and existing under the constitution and laws of YOUR State with full power and authority to enter into this Lease and the transactions contemplated hereby and to perform all of YOUR obligations hereunder; (b) YOU have duly authorized the execution and delivery of this Lease by proper action by YOUR governing body at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Lease; (c) YOU have complied with such public bidding requirements as may be applicable to this Lease and the acquisition by YOU of the Equipment; (d) all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by YOU of this Lease or in connection with the carrying out by YOU of YOUR obligations hereunder have been obtained; (e) this Lease constitutes the legal, valid and binding obligation of YOU enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (f) YOU have, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year and to meet YOUR other obligations under this Lease for the current budget year, and those funds have not been expended for other purposes; (g) the Equipment is essential to YOUR functions or to the services YOU provide to YOUR citizens, YOU have an immediate need for the Equipment and expect to make immediate use of the Equipment, YOUR need for the Equipment is not temporary and YOU do not expect the need for any item of the Equipment to diminish in the foreseeable future, including the Full Lease Term, and the Equipment will be used by YOU only for the purpose of performing one or more of YOUR governmental or proprietary functions consistent with the permissible scope of YOUR authority and will not be used in the trade or business of any other entity or person; and (h) YOU have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement.

19. UCC FILINGS AND FINANCIAL STATEMENTS. YOU authorize US to file a financing statement with respect to the Equipment. If WE feel it is necessary, YOU agree to submit financial statements (audited if available) on a quarterly basis.

20. UCC - ARTICLE 2A PROVISIONS. YOU agree that this Lease is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). YOU acknowledge that WE have given YOU the name of the Supplier of the Equipment. WE hereby notify YOU that YOU may have rights under the contract with the Supplier and YOU may contact the Supplier for a description of any rights or warranties that YOU may have under this supply contract. YOU also waive any and all rights and remedies granted YOU under Sections 2A-508 through 2A-522 of the UCC.

21. TAX EXEMPTION. YOU will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including without limitation Sections 103, 141, 148 and 149 thereof, and the applicable regulations thereunder to maintain the exclusion of the interest portion of the Lease Payments from gross income for purposes of federal income taxation. YOU acknowledge that these provisions of the Code provide restrictions on the use of the Equipment and the expenditure and investment of money related to this Lease. YOU agree to insure the timely and accurate filing of IRS Form 8038-G or Form 8038-GC, as applicable, as required by the Code, and will fully cooperate with US to insure such timely and accurate filing.

22. BANK QUALIFICATION. If YOU checked the "Bank Qualification Elected" box on the front page of this Lease YOU and all YOUR subordinate entities will not issue in excess of $10,000,000 of qualified tax-exempt obligations (including this Lease but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year in which WE fund this Lease without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to US that the designation of this Lease as a "qualified tax-exempt obligation" will not be adversely affected.

23. CHOICE OF LAW; JURY TRIAL WAIVER. This Lease shall be governed and construed in accordance with the laws of the state where YOU are located. To the extent permitted by law, YOU agree to waive YOUR rights to a trial by jury.

24. ENTIRE AGREEMENT; SEVERABILITY; WAIVERS. This Lease contains the entire agreement and understanding. No agreements or understandings are binding on the parties unless set forth in writing and signed by the parties. Any provision of this Lease which for any reason may be held unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective without invalidating the remaining provisions of this Lease. THIS LEASE IS NOT INTENDED FOR TRANSACTIONS WITH AN EQUIPMENT COST OF LESS THAN $1,000.

25. FACSIMILE DOCUMENTATION. YOU agree that a facsimile copy of this Lease with facsimile signatures may be treated as an original and will be admissible as evidence of this Lease.

26. ROLE OF LESSOR. WE have not acted and will not act as a fiduciary for YOU or as YOUR agent or municipal advisor. WE have not and will not provide financial, legal, tax, accounting or other advice to YOU or to any financial advisor or placement agent engaged by YOU with respect to this Lease. YOU, YOUR financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain its own financial, legal, tax, accounting and other advice with respect to this Lease from its own advisors (including as it relates to structure, timing, terms and similar matters).

Attachment 2
STH CONTRACT: 2017-066

ATTACHMENT 1

STATE AND LOCAL GOVERNMENT LEASE-PURCHASE AGREEMENT

Lease Payment Schedule

LESSOR: De Lage Landen Public Finance LLC

LESSEE: CITY OF ST. HELENA

LEASE NUMBER: PUB16901

LEASE DATE: June 15, 20 17

Payment Number	Payment Date	Rental Payment	Interest Portion	Principal Portion	Balance	Purchase Price
Loan	7/15/2017	$30,703.73			$153,518.65	$127,297.68
1	8/15/2017	$30,703.73	$0.00	$30,703.73	$122,814.92	$95,473.25
2	8/15/2018	$30,703.73	$0.00	$30,703.73	$92,111.19	$63,648.83
3	8/15/2019	$30,703.73	$0.00	$30,703.73	$61,407.46	$31,824.42
4	8/15/2020	$30,703.73	$0.00	$30,703.73	$30,703.73	$0.00
5	8/15/2021	$153,518.65	$0.00	$30,703.73	$0.00	
Grand Totals			$0.00	$153,518.65		

Sales tax of ______________ is included in the financed amount shown above.

LESSEE ACKNOWLEDGES THAT THE AMOUNT FINANCED BY LESSOR IS $ 141,450.49 * AND THAT SUCH AMOUNT, NET OF ANY ADVANCE PAYMENTS, IS THE ISSUE PRICE FOR FEDERAL INCOME TAX PURPOSES. THE YIELD FOR THIS SCHEDULE FOR FEDERAL INCOME TAX PURPOSES IS 3.899%*. SUCH ISSUE PRICE AND YIELD WILL BE STATED IN THE APPLICABLE IRS FORM 8038-G.

Lessee Signature: ______________ Date: 8/23/2017

Print Name: Mark Prestwich Title: City Manager

Page 1 of 1

Attachment 2
STH CONTRACT: 2017-066

DOCUMENTATION INSTRUCTIONS FOR LEASE NUMBER PUB16901

The instructions listed below should be followed when completing the enclosed documentation. Documentation completed improperly will delay funding. If you have any questions regarding the instructions or the documentation, please call us.

I. STATE AND GOVERNMENT LEASE-PURCHASE AGREEMENT

1. **Bank Qualification Section**
   - Read and check box if appropriate
2. **Lessee Signature**
   - Print name, title, sign and date (must be authorized officer)

II. ATTACHMENT 1 — LEASE PAYMENT SCHEDULE

- Print name, title, sign and date

III. ATTACHMENT 2 — EQUIPMENT DESCRIPTION — *(WHEN PROVIDED)*

- Print name, title, sign and date

IV. STATE SPECIFIC ADDENDA

Required for: AR, AZ, CO, FL, GA, KS, LA, MI, MN, MS, NC, NJ, NY, OH, OK, & TX

- Print name, title, sign, date and attest when required

V. ACCEPTANCE CERTIFICATE – PLEASE RETAIN UNTIL ALL EQUIPMENT HAS BEEN RECEIVED AND IS IN FULL WORKING ORDER

- Print name, title, sign and date

VI. 8038 OR GC — IRS FORM

The enclosed form is a SAMPLE only. The actual 8038G or GC will be completed and sent to you for your signature after closing, with instructions to return the original to us at your earliest convenience. This is being done in accordance with the Internal Revenue Service regulations and is a requirement of this financing.

VII. ADDITIONAL DOCUMENTATION THAT MUST BE SENT PRIOR TO FUNDING — *(WHEN APPLICABLE)*:

☐ **Insurance Certificate for Property** – List De Lage Landen Public Finance LLC and/or its Assigns as "loss payee" to the address listed below. The certificate must also show the physical address where the equipment is located or the phrase "throughout jurisdiction" may be used. Must also list amount being financed.

☐ **Insurance Certificate for Liability** – List De Lage Landen Public Finance LLC and/or its Assigns as "additional insured."

☐ **Vendor Invoice** listing customer as both bill to and ship to party (to be provided by vendor)

☐ **Completed Billing Information form**

☐ **Advance payment check made payable to** De Lage Landen Public Finance LLC

☐ **State sales tax exemption certificate**

☐ **Escrow Agreement** – Return signed Escrow Agreement Incumbency Certificate & Lessee W9

☐ __________

☐ __________

ALL DOCUMENTATION SHOULD BE RETURNED VIA FAX OR EMAIL AS FOLLOWS:

Attention: Brighid Poplar
Email: bpoplar@cisco.com

Lease Processing Center
1111 Old Eagle School Road
Wayne, PA 19087
attn: Brighid Poplar

08PFDOC073v7

Attachment 3

Marin IT

366 Bel Marin Keys Blvd.
Novato, CA 94939
415.842.3275 Tel
415.842.3270 Fax
www.marinit.com

City of St. Helena

Regarding: Data Cabling for City Hall

From: Tim Bush

Date: 10/30/17

To: Kathy Robinson

Kathy –

In the course of installing the VoIP phones in City Hall, we discovered 13 data locations where the cabling was not installed to industry standards & is unable to provide both network connectivity data and power to your new phones. Eight of the locations are basically long patch cables that were plugged into an unmanaged hub, which has just a single uplink to the core network. The remaining locations are served by a single cable that is split to form 4 data ports. From there a long patch cable is run to the workstation. They do provide data connectivity, but cannot provide the minimum speed and power required to run both data and voice. Below is a list of the locations that will need to be re-cabled to industry standards.

- Erika Smithes
- Tobias (his office will receive (2) cables so the other desk can be used
- Main Conference Room
- Xinia
- Aaron Hecock
- Christina Cook
- Mandy Kellogg
- Mark Prestwich
- Sophia Johnson
- Kami Garcia
- Stephanie Killingsworth
- Shelby King

Scope Of work –

- Supply and install (13) CAT-6 Data Cables (White/Ivory) to locations listed above
- Supply and install (1) CAT-6 Patch Panel in computer room
- Supply and install necessary surface-mount data boxes at end-user stations
- Use existing pathways thru conduit, along walls, baseboards, etc
- Working hours are between 7am and 3:30pm (M-F)
- Test and label

Total Cost: **$5100.00** (five thousand one-hundred dollars)

Attachment 3

Marin IT

Thank you for the opportunity to propose this solution. Please contact me directly if you have any questions.

Regards,

Timothy R. Bush

Timothy R. Bush

415.824.3251

____

Approval Signature

____

Printed Name

____

Date

Prices: Quoted product pricing is valid for sixty (60) days assuming product availability, and does not include applicable taxes and freight. Buyer agrees to pay reasonable shipping charges and all applicable taxes (excluding income taxes). Services include only those items specified in the quotation. Additional services may be provided at Marin IT's then standard billing rates.

Payment: Payment shall be made within 30 days of the date of invoice. If any invoice is not paid when due, interest will be added to and payable on all overdue amounts at 18 percent per year, or the maximum percentage allowed under applicable laws, whichever is less. Buyer shall pay all costs of collection, including without limitation, reasonable attorney fees.

Attachment 3

Warranties: Product warranties, if any, are provided by the manufacturer or publisher of the products. MARIN IT, INC. MAKES NO WARRANTIES, EITHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHATSOEVER. ALL SERVICES AND DELIVERABLES ARE PROVIDED ON AN "AS IS" BASIS.

Limitation of Liability: CUSTOMER AGREES THAT THE LIABILITY OF MARIN IT FOR DIRECT DAMAGES RELATED TO ANY PRODUCT OR SERVICE ARISING UNDER THESE TERMS AND CONDITIONS, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE NET AMOUNT PAID TO MARIN ITBY CUSTOMER FOR THAT PRODUCT OR SERVICE WHICH IS THE SUBJECT OF THE CLAIM. MARIN ITSHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE, EVEN IF MARIN IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER PARTY

MAKES ANY REPRESENTATION OR WARRANTY AS TO ANY THIRD PARTY INFORMATION OR PRODUCTS PROVIDED TO EACH OTHER, ALL OF WHICH ARE PROVIDED, SOLD OR LICENSED "AS IS," AND THE PARTIES AGREE TO LOOK SOLELY TO THE WARRANTIES AND REMEDIES, IF ANY, PROVIDED BY THE THIRD PARTY.

Attachment 4

Marin IT, Inc - Quotation

Quote Number: 2017-5902

366 Bel Marin Keys Blvd., Suite D - Novato, CA 94949 Phone 415.842.3245 Fax 415.842.3270

Date: 11/1/2017
From: Tim Bush
Description: VoIP Swithes for Remote Sites

To: Kathy Robinson aprilm@cityofsthelena.org
City of St. Helena
1480 Main St
St. Helena, CA 94574

Hardware / Software

Description	Qty	Amt.	Extended
Linksys 8 port Poe+ Gigabit Switch 1 Each for Head Start, Waste Water, Water Treatment, and Rec/Teen Center	4	$98.50	$394.00
Cisco ASA Firewall for Head Start	1	$621.89	$621.89

Labor / Non Taxable

Description	Qty	Rate	Total
Material only quote	1	$0.00	$0.00

Material Total	**$1,015.89**
Labor / Non Taxable Total	**$0.00**
Sub Total	**$1,015.89**
Sales Tax @ 8.50%	**$86.35**
Grand Total	**$1,102.24**

Terms

Pricing is valid for (60) days assuming product availability, and includes state sales tax. Cabling, and provisioning of phone lines is not included. Shipping is not included. Warranty on new computers is manufactures standard warranty. Equipment other than computers is manufactures standard warranty. Existing equipment used equipment or equipment provided by others is not warranted. Installation labor is warranted for ninety (90) days.

Accepted By:

Date:

Attachment 5

CITY OF ST. HELENA

RESOLUTION NO. 2017-__

AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT #1 TO STH: CONTRACT: 2017-066 IN AN AMOUNT OF $6,202.24 WITH MARINIT FOR THE PURCHASE AND INSTALLATION OF THE CITY'S VOIP PHONE SYSTEM NOT TO EXCEED AMOUNT OF $159,720.89 AND AUTHORIZING A BUDGET ADJUSTMENT OF $6,202.24 TO ACCOUNT 101-4220-2130 FROM GENERAL FUND RESERVES

RECITALS

A. On June 13, 2017, City Council Approved Resolution No. 2017-71, authorizing the City Manager to execute five-year lease purchase for the implementation of a new Cisco ViOP phone system replacement for a total amount of $153,518.65 with annual payments of $30,703.73 for 5-years; and

B. In the course of installation the VoIP phones at City Hall, Head Start Building, Waste Water Treatment Plant, Water Treatment Plant, and the Recreation Teen Center it was discovered additional cabling and switches were required; and

C. The additional costs total $6,202.24 and is not included in the original quote from MarinIT and was not included in the adopted FY 2017/18 budget; and

D. City and Consultant desire to amend STH Contract: 2017-066 to allow for the additional costs of $6,202.24 to complete the VoIP phone system for a total not-to-exceed amount of $159,720.89 with Marin IT; and

E. The unanticipated cost of $6,202.24 was not included in the adopted FY 2017/18 budget; and

F. A budget increase of $6,202.24 to Account #101-4220-2130 from General Fund Reserves is necessary.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. Allow the City Manager to execute Amendment #1 to STH Contract: 2017-066 with MarinIT for $6,202.24 for additional costs to complete the VoIP phone system installation; and

2. Authorize a budget increase of $6,202.24 to Account #101-4220-2130 from General Fund Reserves.

Attachment 5

Approved at a Regular Meeting of the St. Helena City Council on November 28, 2017, by the following vote:

Mayor Galbraith:
Vice Mayor White:
Councilmember Dohring:
Councilmember Koberstein:
Councilmember Ellsworth:

APPROVED:	ATTEST:
___________________________	___________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Attachment 6

AMENDMENT #1 TO STH CONTRACT: 2017-066 AGREEMENT WITH MARIN IT FOR PURCHASE AND INSTALLATION OF A 5-YEAR LEASE PURCHASE FOR THE IMPLEMENTATION OF A NEW CISCO VOIP PHONE SYSTEM REPLACEMENT

A. On June 13, 2017, City Council Approved Resolution No. 2017-71, authorizing the City Manager to execute five-year lease purchase for the implementation of a new Cisco ViOP phone system replacement for a total amount of $153,518.65 with annual payments of $30,703.73 for 5-years; and

B. In the course of installation the VoIP phones at City Hall, Head Start Building, Waste Water Treatment Plant, Water Treatment Plant, and the Recreation Teen Center it was discovered additional cabling and switches were required; and

C. The additional costs total $6,202.24 and is not included in the original quote from MarinIT and was not included in the adopted FY 2017/18 budget; and

D. The Consultant has represented they have the necessary expertise, experience, and qualifications to assist with information technology support and services; and

E. City and Consultant desire to amend STH Contract: 2017-066 to allow for the additional costs of $6,202.24 to complete the VoIP phone system; and

F. Amendment No. 1 to STH Contract: 2017-066 in the amount of $6,202.24 for a total not-to-exceed amount of $159,720.89 with Marin IT is hereby approved; and

G. In all other respects the terms of the Parties' Agreement remain in effect and unchanged.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:	City:
By: ______________________________	By: Mark Prestwich
Title:______________________________	Title: City Manager

Approved as to Form:

By: ______________________________
Name: Thomas B. Brown
Title: City Attorney

Page 1 of 1

Report to the City Council

Council Meeting of November 28, 2017

Agenda Section: **Public Hearing**

Subject: **Consideration and proposed adoption of Resolution No. 2017-_____ establishing a revised five-year schedule of water and wastewater base rates, use rates and rate structures beginning with the December 2017 billing cycle (inclusive of service provided in November 2017).**

CEQA Determination: **This action is exempt from the requirements of CEQA under the "General Rule", Section 15061 (b) (3), in that it can be seen with certainty that no environmental impacts will result from this action; and Section 15273 given that CEQA does not apply to Rates, Tolls, Fares and Charges.**

Prepared By: April Mitts, Finance Director

Reviewed By: Mark T. Prestwich, City Manager

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On November 29, 2016, City Council adopted the current rate structure which went into effect on January 9, 2017.

Following the adoption of the rate structure, City Council provided direction to form an Ad Hoc Utility Rate Committee to review the Water and Wastewater Study dated October 31, 2016 (Attachment 2) and make recommendations, if any, to the Council for revisions to the Study and possible adjustments to the rates adopted by City Council on November 29, 2016.

The Ad Hoc Utility Rates Committee met nine (9) times during April and May 2017 and presented their recommendations to City Council at a special meeting held on June 19, 2017. At this meeting City Council discussed each recommendation and provided direction to staff and Hansford Economic Consulting (HEC) to complete the utility rate revisions.

The purpose of each study was to determine the level of funding required to adequately fund the water and wastewater systems while providing the residents and businesses with safe and reliable water and wastewater systems that meet State and Federal requirements.

On September 12, 2017, the City published rate models for rate payers to review and for the City Council to consider. On September 18, 2017 the City held a Special Meeting for City Council to discuss the options presented and make recommendations on which rate models to proceed with for the establishment of new utility rates for the City of St. Helena.

On September 26, 2017, City Council accepted the draft Modified Water and Wastewater Rates and directed the City Manager to proceed with the legally required Proposition 218 proceedings with a public hearing date of November 28, 2017.

The specific direction was:

1. Develop a Notice of Public Hearing on Proposed Rate Adjustments Water and Wastewater Rates, citing the proposed maximum rates, how the property owner can calculate their bill, how the revenues will be utilized, general information about the scheduled public hearing and instructions on how to protest the proposed rates;
2. Mail the notices to property owners and tenants, if any, at least 45 days before the scheduled public hearing (November 28, 2017); and
3. Collect and maintain a count of all written protest votes received. The City cannot impose the new rates if 50% plus one unique parcel protests are submitted to, and validated by, the City Clerk. Immediately after the close of the public hearing, the City Clerk will make a determination if a majority protest exists and report the results to the City Council.
4. If a majority protest does not exist, the City Council may adopt proposed rates by ordinance.

On September 29, 2017, the City mailed notices to property owners of record and tenants paying water bills on the municipal water systems, translated the Proposition 218 notice to Spanish, and posted all information online (www.cityofsthelena.org/ratestudy).

Proposition 218 applies when imposing new or increased water or wastewater rates, or extending existing rates, and requires a public hearing to be held in such cases. Proposition 218 requires that public hearing notices be mailed to property owners at least 45 days before the scheduled public hearing. Notice to tenants, if any, is not required by law. The City mailed 3,518 Proposition 218 notices to both affected property owners **and** tenants, 60 days before the public hearing. In order to ensure a transparent process, the City sent out more notices than required and exceeded the legal notice required by Proposition 218 (notices were only required for 2,571 property owners).

Proposition 218 prohibits the City from extending, imposing or increasing rates if 50% plus one unique parcel protests are submitted to, and validated by, the City Clerk (a “majority protest”). Immediately after the close of the public hearing, the City Clerk will determine if a majority protest exists and report the results to the City Council. Any property owner or tenant may protest the rates, however only one protest per parcel may be counted. The City of St. Helena has 2,529 unique parcels with water accounts and 1,761 unique parcels with wastewater (sewer) accounts. The proposed changes to the wastewater rate structure will result in increases to certain customers and therefore is subject to Proposition 218. The water rate modifications will result in decreases to all customers and arguably are not subject to Proposition 218’s procedural requirements. Nonetheless, the City has decided to adhere to Proposition 218’s procedural requirements for the modifications to both the water and wastewater rates, including the majority protest limitations, in the interest of fairness and transparency. If the City received 1,265 letters of protest for the proposed water rate modifications, a majority protest would exist and the City would not approve the new water rate schedule. If the City received 881 letters of protest for the proposed wastewater rate modifications, a majority protest would exist and the City could not adopt the revised wastewater rate schedule.

DISCUSSION

The October 31, 2016 Rate Study provides an explanation and justification of the calculated water and wastewater rates through June 30, 2022 and the documents adherence to the laws regarding setting of rates by a municipality. The Rate Study calculated water and wastewater rates by customer type for ten years and recommended adopting rates with automatic increases for five (5) years. Beginning in Fiscal Year 2016/17. Annual water and wastewater rate increases are proposed to help ensure that the water and wastewater accounts continue to meet all service and financial obligations.

The modified rate models presented for adoption adhere to the methodologies, explanation, and justifications used in the original rate study dated October 31, 2016 with revisions to: (1) update CIP costs and schedules with best current information, (2) use debt service coverage ratio of 1.3 to 1.5, (3) increase use of debt to fund CIP, (4) utilize operating cash reserves of 6-8 months for the wastewater fund and 10-14 months for the water fund, and (5) replace the wastewater rate structure with the Modified Wastewater Rate Structure proposed in the October 31, 2016 Rate Study. The October 31, 2016 Rate Study can be found at: www.cityofsthelena.org/ratestudy.

Recommended Rates

The Modified Rate Study recommends the five-year water and wastewater rate schedules shown in the tables below and provided in the October 25, 2017 DRAFT Water and Wastewater Rate Study Update – Technical Memorandum (Attachment 1).

The table indicates the proposed maximum rates and effective dates for the water and wastewater rates. The rate schedule increases rates each year to keep rates in line with funding needs.

Recommended Five-Year
Water Rate Schedule

Calculated Water Rates through Fiscal Year Ending 2022

		Rates Effective*				
Charges	**Current**	**12/8/2017**	**11/8/2018**	**11/8/2019**	**11/8/2020**	**11/8/2021**
Service Charge		**Monthly Charges per Meter**				
5/8", 3/4" & SF 1"	$43.22	$54.17	$56.20	$61.36	$65.63	$69.89
1"	$80.08	$95.91	$100.44	$110.68	$119.41	$128.22
1.5"	$141.67	$165.65	$174.36	$193.07	$209.25	$225.64
2"	$215.12	$248.86	$262.56	$291.43	$316.53	$342.00
3"	$413.06	$472.90	$500.00	$556.00	$604.96	$654.72
4"	$640.46	$729.79	$772.11	$858.79	$934.75	$1,011.98
6"	$1,252.50	$1,423.17	$1,507.16	$1,678.44	$1,828.74	$1,981.63
Private Fire Protection		**Monthly Charges per Fire Service Pipe**				
4"	$8.47	$11.22	$11.39	$12.18	$12.77	$13.33
6"	$24.59	$32.59	$33.07	$35.39	$37.09	$38.73
8"	$52.41	$69.45	$70.48	$75.41	$79.05	$82.53
Raw Water ***per Gallon***	$0.00273	$0.00313	$0.00335	$0.00359	$0.00379	$0.00397
		TREATED WATER USE CHARGES				
NON-DROUGHT PERIOD						
Off-Peak (Nov-Apr)	$5.50	$5.88	$5.84	$6.15	$6.33	$6.50
Peak (May-Oct)	$6.11	$6.54	$6.50	$6.84	$7.04	$7.23
DROUGHT PERIOD						
Off-Peak (Nov-Apr)	$5.81	$6.21	$6.17	$6.49	$6.69	$6.87
Peak (May-Oct)	$6.46	$6.91	$6.86	$7.22	$7.44	$7.63

Source: HEC.

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

Recommended Five-Year
Wastewater Rate Schedule

Calculated Wastewater Rates through Fiscal Year Ending 2022

Land Use	Current *2/8/2017*	2018 *12/8/2017*	2019 *11/8/2018*	2020 *11/8/2019*	2021 *11/8/2020*	2022 *11/8/2021*
Residential						
Single Family Flat Monthly Charge per Unit	$48.04	$56.10	$56.50	$58.93	$60.91	$63.66
Use Charge per HCF (SFR, Multi-Family, Mobile Homes)	$4.69	$4.92	$4.96	$5.17	$5.34	$5.58
Non-Residential						
Flat Monthly Charge per Account [1]						
5/8"	n.a.	$77.86	$78.41	$81.78	$84.54	$88.34
1"	n.a.	$194.64	$196.03	$204.46	$211.35	$220.86
1.5"	n.a.	$389.29	$392.07	$408.92	$422.69	$441.71
2"	n.a.	$622.86	$627.31	$654.27	$676.31	$706.74
3"	n.a.	$1,245.72	$1,254.62	$1,308.54	$1,352.62	$1,413.49
4"	n.a.	$1,946.43	$1,960.35	$2,044.59	$2,113.46	$2,208.57
6"	n.a.	$3,892.86	$3,920.69	$4,089.18	$4,226.93	$4,417.14
Use Charge per HCF	*avg. winter month*	*Rate applied to metered water use each month [2]*				
Car Wash	n.a.	$3.40	$3.42	$3.57	$3.69	$3.86
Religious Places/Community Centers	n.a.	$3.78	$3.81	$3.97	$4.11	$4.29
Commercial [3]	n.a.	$4.46	$4.50	$4.69	$4.85	$5.07
Groceries and Mortuaries	n.a.	$12.00	$12.09	$12.61	$13.03	$13.62
Laundry	n.a.	$3.90	$3.93	$4.09	$4.23	$4.42
Mixed Retail	n.a.	$7.51	$7.56	$7.88	$8.15	$8.52
Lodging with Food	n.a.	$9.01	$9.07	$9.46	$9.78	$10.22
Lodging without Food	n.a.	$4.89	$4.92	$5.13	$5.30	$5.54
Restaurant	n.a.	$11.90	$11.98	$12.50	$12.92	$13.50
Napa Valley College	n.a.	$3.72	$3.75	$3.91	$4.04	$4.22
Service Station	n.a.	$5.14	$5.18	$5.40	$5.58	$5.83
Winery Pre-Treated	n.a.	$4.75	$4.79	$4.99	$5.16	$5.39
Winery Non-Treated [4]	n.a.	$20.94	$21.09	$21.99	$22.73	$23.75
Schools	n.a.	$1.85	$1.86	$1.94	$2.01	$2.10

Source: City of St. Helena and HEC.

[1] Includes multi-family and mobile homes.

[2] Amount applied to wineries according to measured wastewater flow entering the system, which may or may not equal metered water use. Payment calculations for flow entering the wastewater system will be conducted on a semi-annual or annual basis.

[3] Commercial includes City buildings.

[4] Currently none.

FISCAL IMPACT

The fiscal impact of the rate modifications will (1) ensure use debt service coverage ratio of 1.3 to 1.5 for both the Water and Wastewater funds, (2) increase use of debt to fund CIP, and (3) utilize operating cash reserves of 6-8 months for the wastewater fund and 10-14 months for the water fund.

RECOMMENDED ACTION

Staff recommends that the Council:

1. Adopt Resolution No. 2017-____ establishing a revised five-year schedule of water and wastewater base rates, use rates and rate structures beginning with the December 2017 billing cycle (inclusive of service provided in November 2017).

ATTACHMENTS

Attachment 1 - Rate Study Update Tech Memo
Attachment 2 - 2016 Rate Study
Attachment 3 - Resolution adjusting water and wastewater rate schedule

Attachment 1

HANSFORD
ECONOMIC CONSULTING

PO Box 10384
Truckee, CA 96162

Phone: 530-412-3676
Email: catherine@hansfordecon.com

Technical Memorandum

To: **April Mitts**, Finance Director

From: Catherine Hansford and Zach Gustafson **Date:** October 25, 2017

Subject: **DRAFT Water and Wastewater Rate Study Update**

Purpose

The City of St. Helena (the City) City Council adopted new water and wastewater rates on November 29, 2016. City Council requested an Ad Hoc Committee be formed to review the rate study following adoption of rates. The Ad Hoc Committee convened multiple times in the spring of 2017 and presented its findings to the City Council on June 19, 2017.

City Council discussed the Committee's recommendations and directed City staff and Hansford Economic Consulting (HEC) to perform additional utility rate analysis based on these recommendations. HEC conducted the analysis of water and wastewater rates based on Council direction and prepared new water and wastewater rate schedules.

On September 26, 2017, City Council directed staff to begin the Proposition 218 process to implement new rate structures based on the results of the additional analysis.

Water Rate Changes

A summary of the water rate model changes is below.

- Updated CIP costs and schedules with best available current information: Removed projects completed in fiscal year 2017, updated costs from the fiscal year 2018 budget, removed $1.6 million dollars in costs from the York Creek Upper Dam project that will be funded by the General Fund, removed projects that will not start prior to fiscal year 2022, and added costs for the Bell Canyon intake tower replacement as well as new costs associated with the stability and safety of the Bell Canyon reservoir. The result is a $1.5 million reduction in CIP costs in inflated dollars over the next five years.
- Targeted 10 to 14 months of operating expenses in the Water Fund's reserves and eliminated the previously proposed sinking fund in the Water Fund.
- Targeted a minimum debt service coverage ratio range of 1.3 to 1.5. The required minimum debt service coverage under the City's current debt obligations is 1.2.
- Calculated rates with optimum bond to cash funding of capital improvements under 20 and 30-year debt repayment scenarios. City Council approved the 20-year debt scenario.

- Updated financial projections using the City’s 2018 water budget as the base year.

Water Rate Results

The water rate changes result in decreased water rates compared with those adopted by City Council on November 29, 2016 over the 5-year study period. **Table 1** shows the updated water rate schedule. **Figure 1** shows the estimated monthly bill for a single family home using 7 HCF of water.

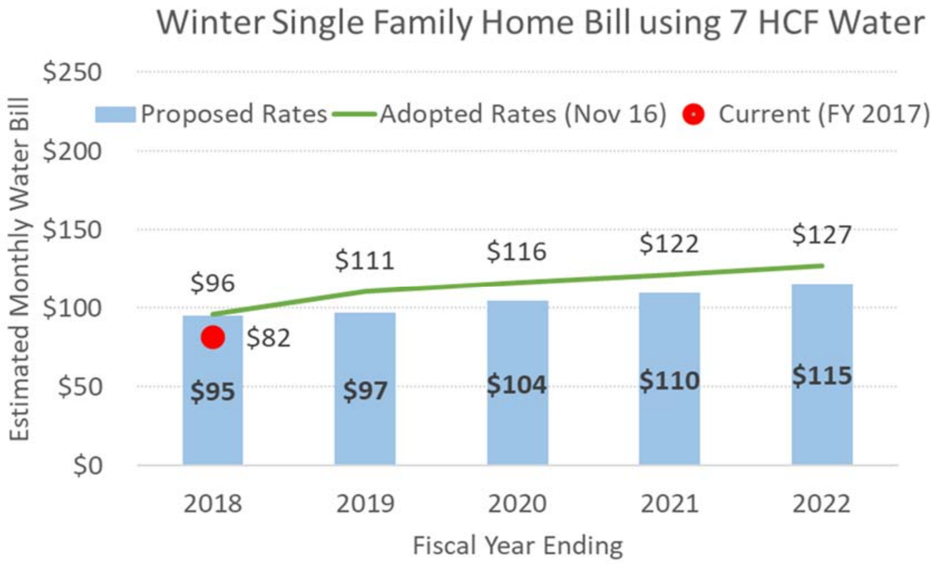
Table 1
Water Rate Schedule

		Rates Effective*				
Charges	**Current**	**12/8/2017**	**11/8/2018**	**11/8/2019**	**11/8/2020**	**11/8/2021**
Service Charge			**Monthly Charges per Meter**			
5/8", 3/4" & SF 1"	$43.22	$54.17	$56.20	$61.36	$65.63	$69.89
1"	$80.08	$95.91	$100.44	$110.68	$119.41	$128.22
1.5"	$141.67	$165.65	$174.36	$193.07	$209.25	$225.64
2"	$215.12	$248.86	$262.56	$291.43	$316.53	$342.00
3"	$413.06	$472.90	$500.00	$556.00	$604.96	$654.72
4"	$640.46	$729.79	$772.11	$858.79	$934.75	$1,011.98
6"	$1,252.50	$1,423.17	$1,507.16	$1,678.44	$1,828.74	$1,981.63
Private Fire Protection			**Monthly Charges per Fire Service Pipe**			
4"	$8.47	$11.22	$11.39	$12.18	$12.77	$13.33
6"	$24.59	$32.59	$33.07	$35.39	$37.09	$38.73
8"	$52.41	$69.45	$70.48	$75.41	$79.05	$82.53
Raw Water ***per Gallon***	$0.00273	$0.00313	$0.00335	$0.00359	$0.00379	$0.00397
			TREATED WATER USE CHARGES			
NON-DROUGHT PERIOD						
Off-Peak (Nov-Apr)	$5.50	$5.88	$5.84	$6.15	$6.33	$6.50
Peak (May-Oct)	$6.11	$6.54	$6.50	$6.84	$7.04	$7.23
DROUGHT PERIOD						
Off-Peak (Nov-Apr)	$5.81	$6.21	$6.17	$6.49	$6.69	$6.87
Peak (May-Oct)	$6.46	$6.91	$6.86	$7.22	$7.44	$7.63

Source: HEC.

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

Figure 1
Estimated Single Family Monthly Water Bill



The model assumes that the City will issue $7,265,000 in two bond issuances, Series 2018 and Series 2021, both with 20-year terms. The new bond issuances will increase the City's debt service by approximately $162,000 annually by the end of fiscal year 2022 compared to the November 26, 2016 adopted rates, and decrease the number of projects that will be cash funded. The increase in capital project costs that are financed, and the total reduction in capital improvement costs, results in a net decrease in the amount of rate revenue that will need to be collected for capital projects over the 5-year study period.

Under the updated water rate schedule, the debt service coverage ratio is reduced from a range of 2.22 to 2.97 to a range of 1.21 to 1.49. The months of operating expenses in reserves is estimated to increase from 11 months to 14 months by fiscal year 2022 under the updated rate structure, and the City is estimated to have approximately $1.6 million more in cash reserves compared with the 2016 financial projections for water rates adopted on November 29, 2016.

Wastewater Rate Changes

A summary of the wastewater rate model changes is below.

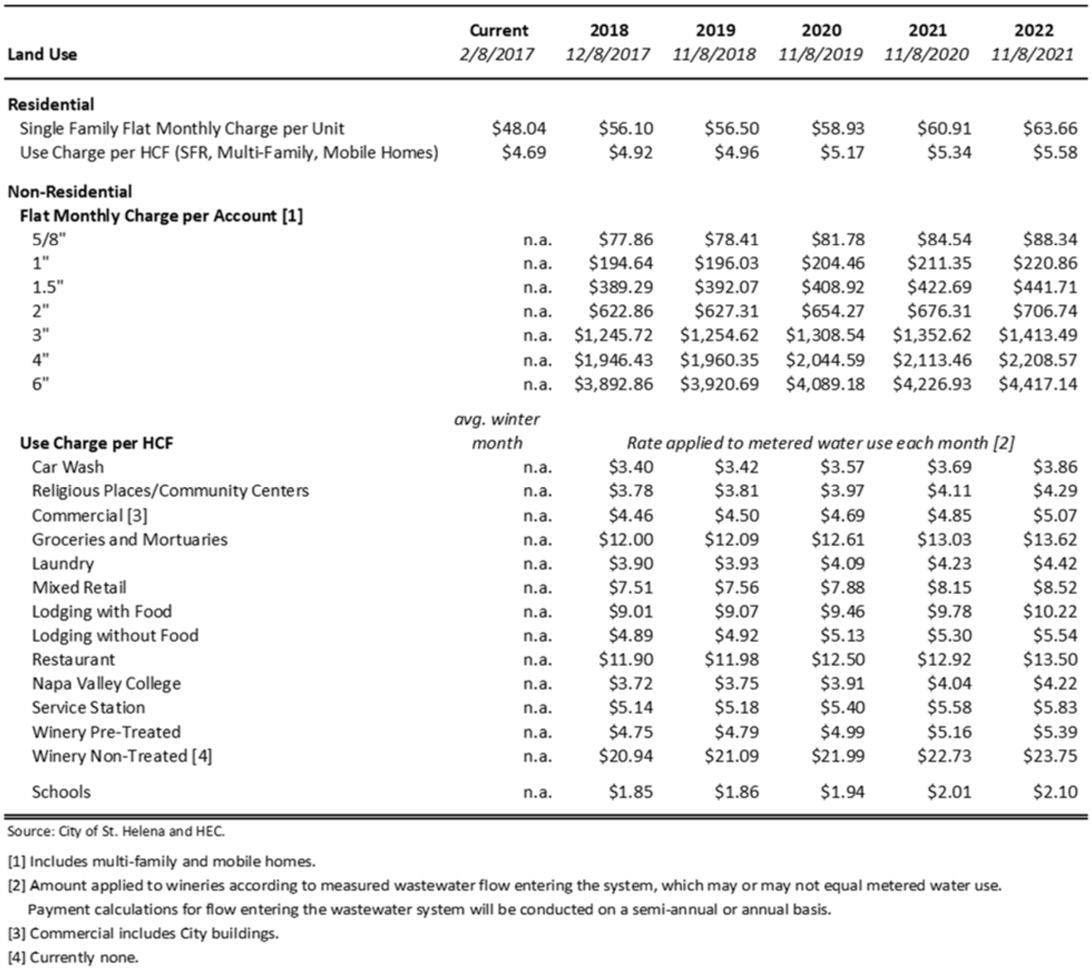
- Updated CIP costs and schedules with the best available data. Wastewater CIP costs increased by approximately $1.4 million in inflated dollars as a result of reclamation field improvements and State groundwater monitoring requirements for the Wastewater Treatment Plant Upgrade Phase 1, as well as updating costs from the 2018 budget.

- The wastewater rate structure was changed to a rate structure more similar to the one in place prior to the November 2016 rate adoption. The 2017 updated rate structure charges multi-family residential, mobile homes, and non-residential customers a base rate by water meter size rather than customer category. Single family homes, multi-family units, and mobile homes will continue to be billed on average winter water use and all other customers will be billed for actual metered water usage rather than average winter water use.
- Motels w/ Food and Motels without Food were changed to Lodging with Restaurant and Lodging without Restaurant. The City has only one customer which refers to itself as a motel, so lodging better describes this customer category. Note: The Proposition 218 notice does not reflect the change; City Council can adopt a schedule after the public hearing that reflects the change.
- Mixed Retail w/ Food was changed to Mixed Retail because not all businesses served by one water meter have establishments with food preparation. One item recommended by the ad hoc committee for future rate studies is closer examination of multiple businesses served by the same water meter.
- Extensive analysis of wineries was completed between City staff and HEC. It was found that the three wineries discharging production wastewater to the City's system all complete pre-treatment on-site. The November 2016 rates included only one winery pretreating wastewater. The winery classifications were changed to Winery Pre-Treated and Winery Non-Treated. Specific winery names were removed.
- Targeted 6 to 8 months of operating expenses in the Wastewater Fund's reserves and eliminated the previously proposed sinking fund from the Wastewater Fund.
- Targeted a minimum debt service coverage ratio range of 1.3 to 1.5. The required minimum debt service coverage under the City's current debt obligations is 1.2.
- Calculated rates with optimum bond to cash funding of capital improvements under 20 and 30-year debt repayment scenarios. City Council approved the 30-year debt scenario.
- Updated financial projections using the City's 2018 wastewater budget as the base year.

Wastewater Rate Results

The wastewater rate changes result in increased or decreased wastewater bills based on customer classification and water use compared with the November 2016 rates. **Table 2** shows the updated wastewater rate schedule. **Figure 2** shows the estimated monthly bill for a single home using 7 HCF of water.

Table 2
Wastewater Rate Schedule



Land Use	**Current** *2/8/2017*	**2018** *12/8/2017*	**2019** *11/8/2018*	**2020** *11/8/2019*	**2021** *11/8/2020*	**2022** *11/8/2021*
Residential						
Single Family Flat Monthly Charge per Unit	$48.04	$56.10	$56.50	$58.93	$60.91	$63.66
Use Charge per HCF (SFR, Multi-Family, Mobile Homes)	$4.69	$4.92	$4.96	$5.17	$5.34	$5.58
Non-Residential						
Flat Monthly Charge per Account [1]						
5/8"	n.a.	$77.86	$78.41	$81.78	$84.54	$88.34
1"	n.a.	$194.64	$196.03	$204.46	$211.35	$220.86
1.5"	n.a.	$389.29	$392.07	$408.92	$422.69	$441.71
2"	n.a.	$622.86	$627.31	$654.27	$676.31	$706.74
3"	n.a.	$1,245.72	$1,254.62	$1,308.54	$1,352.62	$1,413.49
4"	n.a.	$1,946.43	$1,960.35	$2,044.59	$2,113.46	$2,208.57
6"	n.a.	$3,892.86	$3,920.69	$4,089.18	$4,226.93	$4,417.14
Use Charge per HCF	*avg. winter month*	*Rate applied to metered water use each month [2]*				
Car Wash	n.a.	$3.40	$3.42	$3.57	$3.69	$3.86
Religious Places/Community Centers	n.a.	$3.78	$3.81	$3.97	$4.11	$4.29
Commercial [3]	n.a.	$4.46	$4.50	$4.69	$4.85	$5.07
Groceries and Mortuaries	n.a.	$12.00	$12.09	$12.61	$13.03	$13.62
Laundry	n.a.	$3.90	$3.93	$4.09	$4.23	$4.42
Mixed Retail	n.a.	$7.51	$7.56	$7.88	$8.15	$8.52
Lodging with Food	n.a.	$9.01	$9.07	$9.46	$9.78	$10.22
Lodging without Food	n.a.	$4.89	$4.92	$5.13	$5.30	$5.54
Restaurant	n.a.	$11.90	$11.98	$12.50	$12.92	$13.50
Napa Valley College	n.a.	$3.72	$3.75	$3.91	$4.04	$4.22
Service Station	n.a.	$5.14	$5.18	$5.40	$5.58	$5.83
Winery Pre-Treated	n.a.	$4.75	$4.79	$4.99	$5.16	$5.39
Winery Non-Treated [4]	n.a.	$20.94	$21.09	$21.99	$22.73	$23.75
Schools	n.a.	$1.85	$1.86	$1.94	$2.01	$2.10

Source: City of St. Helena and HEC.

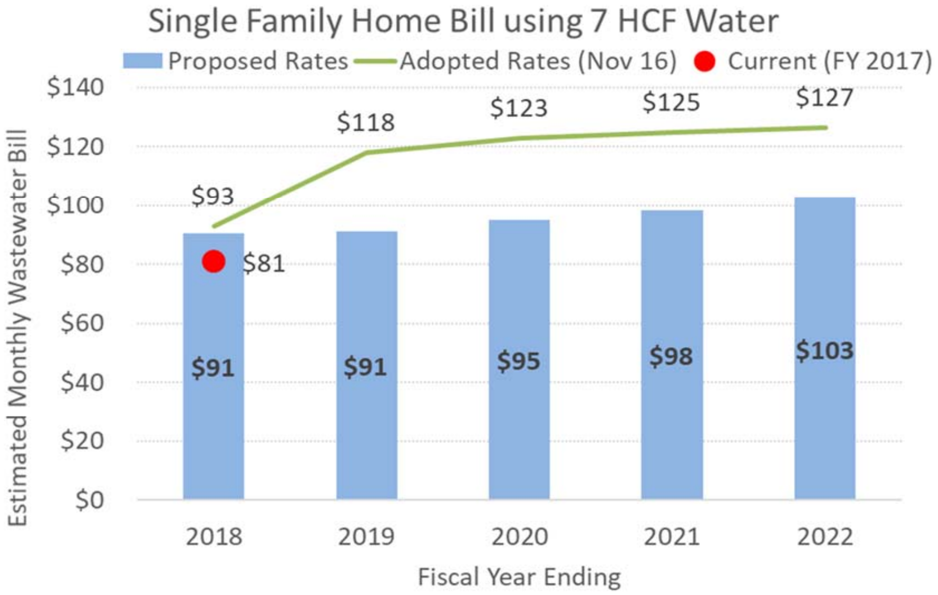
[1] Includes multi-family and mobile homes.

[2] Amount applied to wineries according to measured wastewater flow entering the system, which may or may not equal metered water use. Payment calculations for flow entering the wastewater system will be conducted on a semi-annual or annual basis.

[3] Commercial includes City buildings.

[4] Currently none.

Figure 2
Estimated Single Family Monthly Wastewater Bill



The model assumes that the City will issue $13,450,000 in two bond issues, Series 2018 and Series 2021, both with 30-year terms. The new bond issuances will increase the City's debt service by approximately $96,000 annually by the end of fiscal year 2022 compared to the November 2016 approved rates and decreases the number of projects that will need to be cash funded. The increase in capital project costs that are financed results in a net decrease in the amount of rate revenue that will need to be collected for capital projects over the 5-year study period.

Under the updated rate schedule, the debt service coverage has been reduced from a range of 2.07 to 5.17 to a range of 1.5 to 3.1. The months of operating expenses in reserves is estimated to decrease from 18 months to 7 months by fiscal year 2022 under the updated rate structure, and there will be approximately $2.0 million less in cash reserves by the end of fiscal year 2022 compared with the 2016 financial projections for wastewater rates adopted on November 29, 2016.

Attachment 2

HANSFORD ECONOMIC CONSULTING

City of St. Helena (2016) Water and Wastewater Rate Study

FINAL

October 31, 2016

HEC Project #150182

Attachment 2

TABLE OF CONTENTS

Attachment 2

LIST OF TABLES

LIST OF FIGURES

Attachment 2

Section 1: INTRODUCTION

1.1 PURPOSE OF STUDY

The City's responsibility as a water and wastewater system operator is to first and foremost provide the residents and businesses of the City with clean, safe potable water and a reliable wastewater system that meets State and Federal regulatory requirements; second, to protect its water resources, third to manage and maintain the utility systems infrastructure (assets) to be fiscally responsible to current and future residents, and fourth to support public safety (primarily fire defense).

The purpose of this Water and Wastewater Rate Study (Study) is to determine the level of funding required over the next five years to adequately fund the water and wastewater utility systems. This report provides an explanation and justification of the calculated water and wastewater rates through fiscal year 2022 and it documents adherence to the law regarding setting of rates by a municipality. Per California Constitution Article 13D, water and wastewater rates shall not be extended, imposed, or increased by any agency unless it meets all of the following requirements:

(1) Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.

(2) Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.

(3) The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.

(4) No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted.

(5) No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library, services, where the service is available to the public at large in substantially the same manner as it is to property owners.

The Study includes two accompanying documents, 'City of St. Helena Water Rate Study Technical Memorandum' and 'City of St. Helena Wastewater Rate Study Technical Memorandum'. These documents provide the detailed calculations for each utility rate study.

The water financial model projects revenues and expenses, and calculates rates for the next ten years; however, the City is only proposing to adopt rates for the next five years with the Proposition 218 notification and hearing.

On May 24, 2016 St. Helena City Council authorized the re-establishment of the Ad Hoc Revenue Source Task Force (Task Force) to review and provide input on the rate study (Resolution No. 2016-

66). Two meetings were held: one on August 4, 2016 and the other on September 13, 2016. The Rate Study Team, consisting of Hansford Economic Consulting and City staff members, requested feedback on policy decisions related to the Rate Study. These meetings were open to the public and recorded, in the hope of increasing transparency and public participation, as well as providing a place for members of the public to ask questions and receive additional information.

Key acronyms used regularly throughout the report are the following:

City = City of St. Helena
HCF = Hundred Cubic Feet
MGD = Million Gallons a Day
CIP = Capital Improvement Project(s)
SF = Single Family
SRF = State Revolving Fund
MHI = Median Household Income

1.2 BACKGROUND ON THE UTILITY SYSTEMS

The City of St. Helena (City) provides water and wastewater services to residents and businesses inside and outside of the City. The City's water sources include surface water from Bell Canyon Reservoir, groundwater from Stonebridge Wells, and purchased treated water from the City of Napa. The Louis Stralla Water Treatment Plant (water treatment plant), which treats surface water stored in Bell Canyon Reservoir, has a capacity of 4.3 million gallons a day (MGD); however, there are flow limitations in the inlet piping which restricts use of the plant to less than its capacity. Stonebridge Wells includes two active groundwater wells and a filtration facility, including filtration tanks, chlorination facilities, and a backwash return system. The filter removes iron and manganese. Treated water from the City's water sources is distributed via six storage tanks and four pump stations.

The City first entered into an agreement with the City of Napa for delivery of treated water in September 2006. The third amendment to that agreement, entered into in December 2011, increases the minimum annual delivery to 600 acre-feet with optional delivery up to 800 acre-feet. Optional additional delivery of 200 acre-feet may be delivered provided the City of Napa has sufficient water supply. If Napa does not have sufficient supply it will attempt to acquire supplemental dry-year water on a single year basis from an outside source. Price and payment terms of the optional supply will differ from the base supply, as detailed in the agreement.

The City currently distributes over 550 million gallons of clean drinking water each year. Water use fluctuates year to year depending on several factors including, but not limited to, growth, weather, sustained drought, plumbing retrofits, and pricing of water. Untreated water suitable for construction water purposes only is also available for purchase from the Lower Reservoir adjacent to York Creek.

The City's wastewater system consists of a collection system of more than 22 miles of pipe. Effluent is treated at the 0.5 million gallons a day (average daily dry weather flow) treatment plant. The wastewater treatment plant was built in 1967. The secondary level treatment plant discharges to the Napa River or land (City-owned grass fields, redwood/willow trees, and mosquito fish ponds).

The City's National Pollutant Discharge Elimination System (NPDES) permit was renewed in March 2016; at the same time a Cease and Desist Order (CDO) No. R2-2016-0004 was issued because the City is unable to meet the more stringent effluent requirements of the renewed NPDES permit. A draft feasibility study was prepared for the City in August 2016 which recommends improvements at the wastewater treatment plant so that the City can be in compliance and the CDO lifted.

Separate water and wastewater enterprise funds account for the revenues and expenses associated with each of these services. An enterprise fund is a fund that is intended to recover its costs through user fees and charges. Enterprise funds provide the repayment capacity for, and make debt service payments on, any debt incurred for capital projects; therefore, enterprise fund bond-funded projects do not diminish the City's general fund debt capacity.

Enterprise funds need to be managed in a fiscally responsible manner so that users are paying for their current use of the system. Both utility systems need constant maintenance to prolong the life of the assets. If there is insufficient collection of money for system maintenance future users have to pay for repairs when they become critical and costs are more expensive.

1.3 FINANCIAL HEALTH OF THE UTILITY FUNDS

Currently both utility funds are financially at risk. The City continues to use available reserves for both operating expenses and capital improvement projects (projects are funded on a pay-as-you-go basis). The water operating fund currently has $525,000 of unrestricted cash; the wastewater operating fund has no cash reserves. Total cash balances for operating and capital funds combined as of July 1, 2016 were $6.1 million in the water fund and $1.1 million in the wastewater fund.

Utility system costs typically increase at a greater rate than inflation and while City rates have increased in recent years they have not kept pace with the fiscal needs of the water and wastewater enterprise funds. In addition, the current rates do not collect for system rehabilitation of either system which has resulted in the City having to use reserves and delay necessary capital improvements. The lack of improvements to major infrastructure has resulted in heavy fines to the City. If rates are not increased to pay for these items, the City's General Fund will need to be utilized. These are unsustainable actions that will negatively impact other City services such as parks, streets, and library if not corrected.

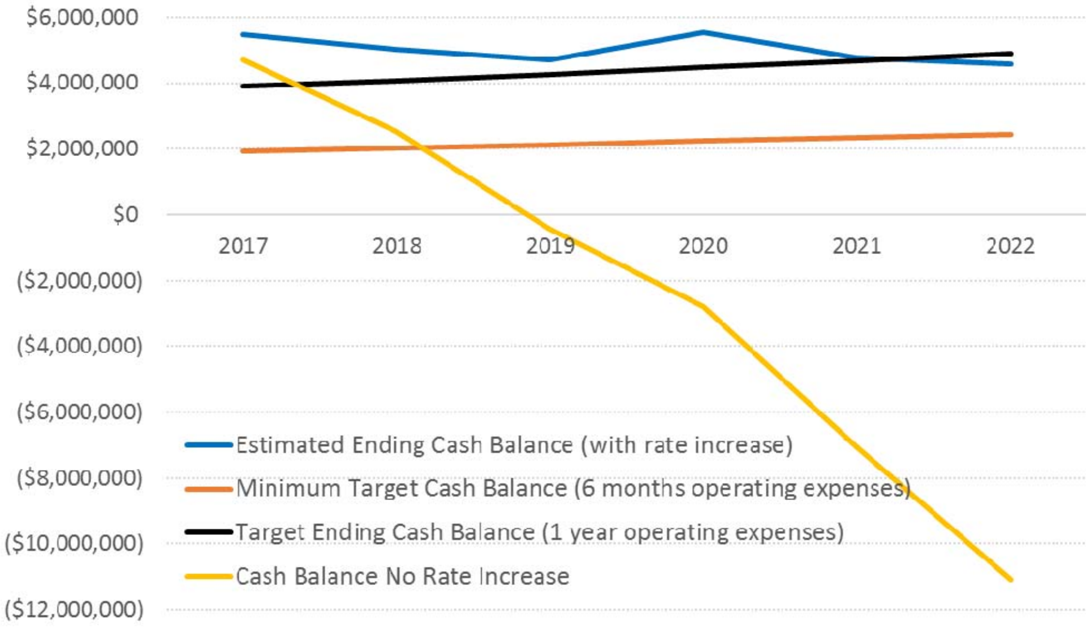
The revenue requirement is the amount that must be raised from rates or other charges for service net of other income such as investment earnings, area surcharges, finance charges, and other miscellaneous revenues. The revenue requirement for the water fund is projected to increase from $5.5 million to $8.4 million over the next 5 years. The revenue requirement for the wastewater fund is projected to increase from $3.0 million to $4.6 million over the next 5 years.

Including the operating and capital funds for each utility, both the water and wastewater enterprise funds will have negative cash balances within two years without rate increases.

Figure 1 shows the projected cash balances (operating and capital funds combined) for water and **Figure 2** shows the projected cash balances for wastewater (operating and capital funds combined) through fiscal year 2022.

Attachment 2

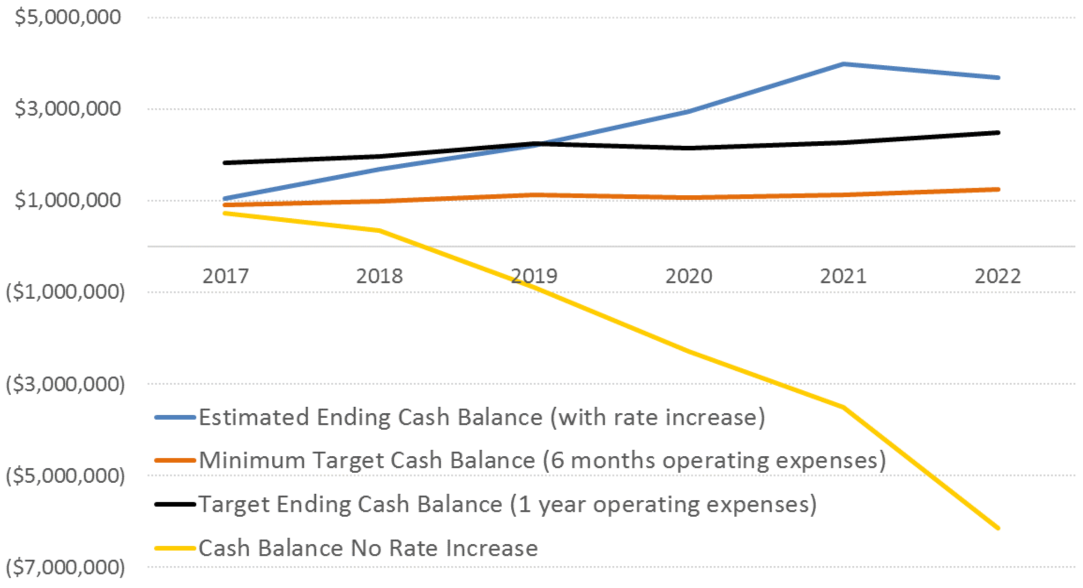
Figure 1
Projected Water Cash Balances



The blue lines show the projected total cash balance with rate increases. The yellow lines show the projected cash balances with no rate increases. The black lines show the target cash balance, equal to one year of operating expenses, and the orange lines show the minimum cash balance at 6 months operating expenses. The goal over time is for the black and blue lines to be as close as possible. These graphs demonstrate that the rate increases are essential.

The projected cash balance for wastewater (with a rate increase) is greater than the target cash balance because of cash outlay necessary in future years for capital improvements, including more than $2 million for completion of the operations building and shop at the wastewater treatment plant.

Figure 2
Projected Wastewater Cash Balances



1.4 CUSTOMER BASE

The City services a population of approximately 6,000. The City experienced population decline which began before, and lasted through, the Great Recession (2004 through 2014). Population is now slightly greater than it was in 2000. The average annual population growth from 2000 to 2015 was 0.1%. According to the US Census Bureau there are 2.47 persons per occupied housing unit, a figure that has remained relatively stable since 2000. Historical population change is shown in **Figure 3** below.

The City has approximately 2,600 water connections and serves more than 3,000 residential households, about 260 non-residential establishments, including businesses, schools, religious places and community centers, more than 20 industrial customers, and about 30 irrigation-only customers. A pie chart illustrating the customer base is shown in **Figure 4**.

Water use by residential and non-residential customer type is shown in **Figure 5**. Although residential customers comprise 87% of the total customer base, they use 50% of total water deliveries. Industrial customers, who comprise only 1% of the customer base use 21% of total water deliveries.

Figure 3
Historical Population Growth

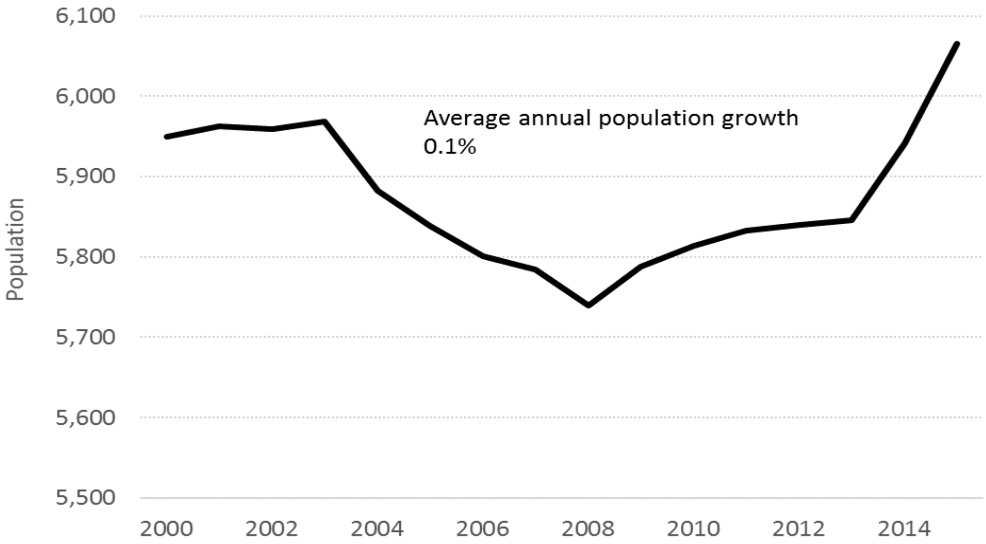


Figure 4
Water Customers

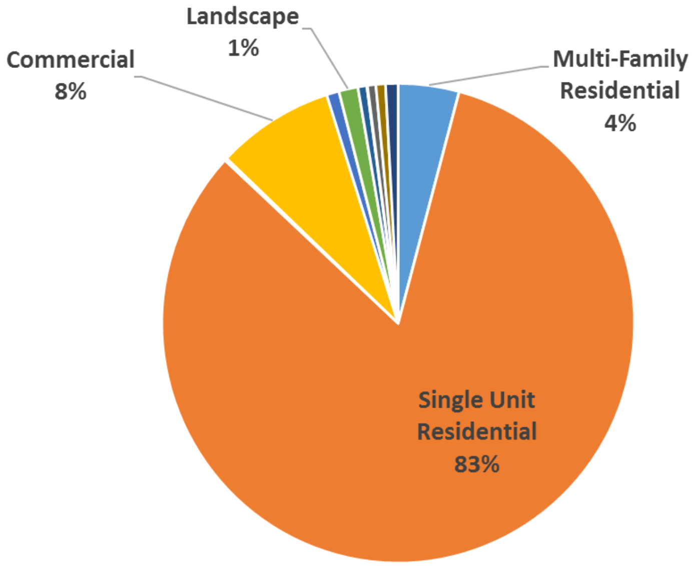
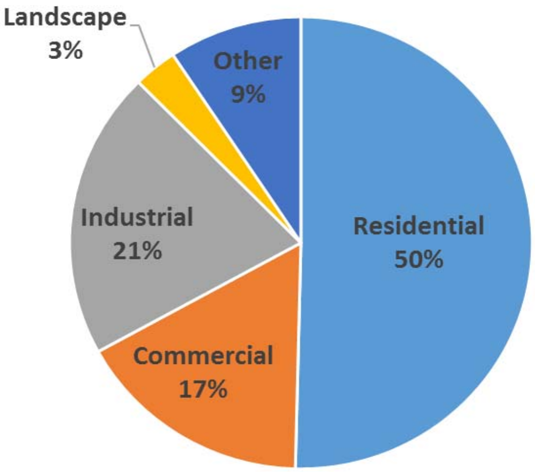
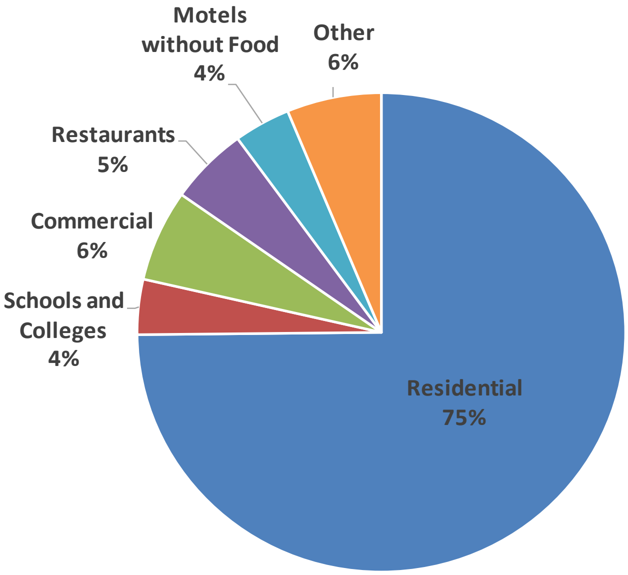


Figure 5
Water Use by Customer Type



The City provides wastewater service to the same households, institutional uses and businesses, with the exception of those having septic systems. **Figure 6** shows typical annual flow to the wastewater treatment plant by residential and non-residential customer types.

Figure 6
Typical Annual Wastewater Flow by Customer Type



1.5 MAJOR ASSUMPTIONS

Several major assumptions influence the scope of the report and findings herein. They are summarized here:

- **Water CIP Projects will be funded through rates, grants, old and new debt, impact fees, and reserves.** The York Creek upper dam removal and mitigation project as well as the Meadowood tank upgrades project are expected to be partially grant funded, and partially funded by existing bond proceeds. The Bell Canyon Creek flow measurement project will be partially funded by existing bond proceeds. For large infrastructure projects the City will apply to advantageous loan and grant programs. Pump station upgrades and the Bell Canyon intake tower replacement are assumed to be funded by new debt. Spill containment at both the Bell Creek intake and Stonebridge Well, valve replacement at the Bell Valve House, as well as the Bell Canyon reservoir improvements, will be funded by reserves. Rates (cash) will be used for all other capital outlay needs for existing customers. Impact fees will be used to fund capital project costs attributable to new customers. The water enterprise fund will loan the impact fee fund cash to pay for the new customers' share of facility costs.

- **Wastewater CIP Projects will be funded through rates, reserves and debt.** Reserves will be used to fund the replacement of the wastewater reclamation facility operations building and shop. Phase 1 and Phase 2 of the wastewater treatment plant upgrades are assumed to be funded by new debt. Cash will be used for all other capital improvement projects. The wastewater impact fee fund has sufficient cash to pay for new customers' share of wastewater facility costs.

- **Future users' share of costs updated.** The water and wastewater impact fees must be updated to reflect the CIP presented in the Rate Study. The cash balances for impact fee funds 764 (water) and 774 (wastewater) have not been updated in the Study; with updated CIPs for both utility systems the impact fees need to be updated. An increase in the water impact fee would improve the repayment period from future to existing customers and reduce future rate increases for existing customers.

- **System rehabilitation costs are fully accounted for in the rate models.** Both the water and wastewater rate models include a calculated annual cost for long-term replacement of facilities. Facilities include existing and new facilities built in the next five years. The Study projects that a capital repair and replacement reserve of $1.7 million could be accumulated in the wastewater fund by 2022. It is not anticipated that any reserve for capital repair and replacement could be accumulated in the water fund.

- **New growth.** New development is assumed to increase at a pace of five single family units per year. This pace of growth was estimated using the St. Helena average annual change in US Census reported number of occupied housing units from 2000 to 2015, and is consistent with the City's General Plan.

- **Rate structure is modified for both water and wastewater.** In an effort to allocate costs as equitably as possible with available data, the Study modifies the rate structures for both utilities as described further below and elsewhere in this report.

- **The new rate structures are assumed to be in effect February 8, 2017. The following five rate increases are assumed to be in effect November 8 of each year (November 2017, 2018, 2019, 2020, and 2021).** The rate increases go into effect as soon as possible to increase cash flow, and in the fall when price changes have less impact to customers than in the summer months. The new rates would be reflected on the City's February (and thereafter November) utility bills. The rate change dates are based on the City's current billing cycles; if the dates of the billing cycles change (for example meter reads change from the 8th of each month to the 10th of each month) the rate changes will follow the date of the new billing cycle.

- **Low income utilities subsidies, authorized by City Resolution No. 2006-44, are funded by the City general fund so that some utility customers do not subsidize others.** The general fund transfers the appropriate subsidy amount for low income households into the water and wastewater funds to maintain the revenue requirement.

- **Water-specific Assumptions:**

  - **New water meter replacement fee.** With the useful service life of a meter being approximately 20 years, the City needs to collect funds for a routine meter replacement program, replacing about five percent of the meters in the system each year. There are approximately 2,500 meters to be serviced with an approximate annual cost of $46,000 in 2016 dollars. The new meter replacement fee is included in the updated service charges.

  - **Meadowood area surcharges are eliminated.** Customers in the Meadowood area, which is outside of the City limits, currently pay a surcharge based on consumption by all using those facilities plus a uniform maintenance surcharge. Per the decision made during the September 13th, 2016 Task Force meeting, Meadowood area customers will no longer pay a surcharge.

  - **The percentage of revenue requirement collected in base (flat) fees/service charges gradually increases.** Fixed costs comprise about 70% of the City's water system total annual operating costs. Currently the City collects 30% of costs in service charges and 70% in use charges. The water rate study gradually increases the base charges from 30% of revenue requirement to 36% of revenue requirement over the next five years. Greater revenue collection from service charges increases revenue stability for the enterprise funds. The increase is gradual to avoid large increases to households on fixed incomes.

  - **Single family residential 1" meter customers pay the same rates as single family residential 5/8" meter customers.** The total number of 5/8" meters was adjusted to include single family 1" meters. Due to CA Residential Code Section R313 (fire sprinklers), almost all new residential development is required to install 1" meters in order to have sufficient flow for sprinklers; however, most existing homes built prior to implementation of CA Residential Code Section R313 have a 5/8” or 3/4” meter. Because the 1” residential customers utilize the same average amount of water as the 3/4” and 5/8” customers, it is appropriate for them to pay the same rates, and not be penalized by the fire sprinklers requirement.

- **The new water rate structure includes a drought period surcharge.** A drought period will be defined in the City municipal code. When the City implements Phase 1 drought restrictions it would also implement drought rates. Drought rates are only applied to use charges (does not affect service charges). Drought rates are 6% higher than non-drought rates because during drought years the cost of water per 1,000 gallons is 6% higher than during non-drought years.

1.6 RATE STRUCTURES

Water Rate Structures

The water rate study calculated water charges under two methods of collection for costs recovered through use charges. A brief summary of the rate structure differences is provided below. The Task Force chose the seasonal rate structure as the preferred water rate structure at the September 13th, 2016 Task Force Meeting; therefore, the Study only presents findings of the seasonal rate structure. Details of the seasonal rate structure, along with results, are presented in Section 2.

WATER STUDY
Uniform Rate Structure
Same as current rate structure except no tiers for use charges
All customers pay a base charge by meter size per month + a uniform use charge for all treated water
Seasonal Rate Structure
All customers pay a base charge by meter size per month + a seasonal use charge for all water (higher during the peak than off-peak months)
Peak = May through October Off-Peak = November through April

Wastewater Rate Structures

In the financial modeling for the wastewater rate study two rate structures were considered for collection of the revenue requirement; a modified rate structure and a new rate structure. A comparison of the two rate structures considered is provided on the following page. Per the August 4th, 2016 and September 13th, 2016 Task Force meetings, the City’s Task Force chose the new rate structure as the preferred rate structure; therefore, the Study only presents findings of the new rate structure. For record keeping the modified rate structure findings are presented in Attachment B of the ‘City of St. Helena Wastewater Rate Study Technical Memorandum’.

Attachment 2

WASTEWATER STUDY
Modified Rate Structure
Same as current rate structure except religious places/community centers are broken out as their own rate category
Single family pay monthly flat base rate and a flow charge per Hundred Cubic Feet (HCF) of average winter month water
Multi-family/mobile homes and non-residential pay monthly flat base rate based on meter size per month and a flow charge per HCF of average winter month water
New Rate Structure
Mobile Home parks classified as residential; religious places/community centers are broken out as their own rate category
All Residential (single family, multi-family and mobile homes) pay flat base rates based on number of dwelling units plus a flow charge per HCF of average winter month water
Flat monthly charge for schools based on number of students
Non-residential pay a flat base rate by customer type (per account) plus a flow charge per HCF of average winter month water

Attachment 2

Section 2: WATER RATE STUDY SUMMARY

2.1 KEY FINDINGS

- The City has been pulling from reserves for water system operations. At the end of fiscal year 2016 (June 30) the operating fund had a positive unrestricted net position of roughly $5 million. At the end of fiscal year 2017, the operating fund is expected to be depleted to an unrestricted net position of about $525,000. System rehabilitation is being funded from reserves because depreciation is not currently included in the rates. This is unsustainable.

- It is projected that in fiscal year 2017 the water fund will have a 0.72 debt service coverage ratio. The City is out of compliance with its bond covenants to maintain a 1.20 minimum debt service coverage ratio. This must be rectified immediately.

- The City has identified a minimum of $17.7 million, net of grant funds and existing bond proceeds, of water system capital improvements in today's dollars to be funded over the next 10 years. This cost is inflated to a total of $20.8 million dollars over the next 10 years.
  - The funding plan applies two City-awarded grants, which total $1,787,876, for the York Creek dam removal and creek restoration project, as well as existing water bonds in the amount of $2.7 million.
  - Meadowood tank upgrades are partially funded by $120,100 from existing bond proceeds.
  - The City will continue to aggressively pursue any grant opportunities.
  - $0.2 million for pump station upgrades, and $2.1 million for Bell Canyon intake tower replacement are assumed to be financed by new debt.
  - All other system improvement costs will be cash-funded.
  - The project for installation of smart meters is currently unfunded; however, the project is not anticipated to start in the next five years. The total cost for this project is estimated at $1.5 million, and
  - A new water meter replacement fee for routine replacement of existing meters, which is included in the monthly service charge, will fund $0.3 million of meter replacement costs, not included in the CIP.

- By raising the rates in February 2017 the City will generate sufficient revenue to meet its bond covenants, to begin building a healthy reserve, to fund necessary planned capital improvements, and to fully fund water operations without using other City funds. A healthy reserve is necessary to fund emergencies and other unanticipated capital projects. Without the rate increases the water fund is projected to have a negative balance of <$11.1> million by the end of fiscal year 2022. The water fund would have to be loaned money from other City funds, taking away money for other essential City services such as parks, library and streets.

Current and calculated water rates are shown in **Table 1.**

Attachment 2

Table 1
Calculated Water Rates through Fiscal Year Ending 2022

		Billing Period Beginning *					
Charges	**Current**	**2/8/2017**	**11/8/2017**	**11/8/2018**	**11/8/2019**	**11/8/2020**	**11/8/2021**
Service Charge		**Monthly Charges per Meter**					
5/8", 3/4" & SF 1"	$27.52	$43.22	$51.71	$60.59	$64.78	$68.91	$73.27
1"	$63.80	$80.08	$96.76	$114.44	$123.35	$132.22	$141.61
1.5"	$124.12	$141.67	$172.02	$204.36	$221.14	$237.94	$255.72
2"	$196.50	$215.12	$261.84	$311.76	$337.99	$364.27	$392.10
3"	$365.51	$413.06	$503.54	$600.40	$651.86	$703.51	$758.21
4"	$607.01	$640.46	$780.29	$930.11	$1,010.10	$1,090.44	$1,175.54
6"	$1,210.18	$1,252.50	$1,528.85	$1,825.17	$1,983.80	$2,143.19	$2,312.05
Private Fire Protection		**Monthly Charges per Fire Service Pipe**					
4"	$4.00	$8.47	$9.92	$11.38	$11.89	$12.36	$12.86
6"	$6.00	$24.59	$28.81	$33.05	$34.53	$35.91	$37.34
8"	$8.00	$52.41	$61.40	$70.43	$73.57	$76.52	$79.58
Raw Water ***per Gallon***	$0.00267	$0.00273	$0.00320	$0.00367	$0.00383	$0.00398	$0.00414
		TREATED WATER USE CHARGES PER HCF					
NON-DROUGHT PERIOD	**[1]**						
Off-Peak (Nov-Apr)		$5.50	$6.37	$7.19	$7.37	$7.54	$7.71
Peak (May-Oct)		$6.11	$7.09	$8.00	$8.20	$8.38	$8.58
DROUGHT PERIOD	**[1]**						
Off-Peak (Nov-Apr)		$5.81	$6.73	$7.60	$7.79	$7.97	$8.15
Peak (May-Oct)		$6.46	$7.49	$8.45	$8.66	$8.86	$9.06

Source: HEC.

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

[1] Current Rate Structure rates as follows:

Tiers by customer category (in hcf):

	Tier 1	Tier 2		Tier 1	Tier 2
Single family	0-14	15+	Non-residential <=1"	0-36	37+
Multi-family	0-5	6+	Non-residential 1.5"	0-120	121+
			Non-residential 2"	0-192	193+
Price per HCF	*$4.48*	*$6.74*	Non-residential 3"	0-360	361+
Price per HCF - Landscape Irrigation	*$5.22*		Non-residential 4"	0-600	601+
			Non-residential 6"	0-1,250	1,251+
			Non-residential 8"	0-1,920	1,921+

2.2 METHODOLOGY

The detailed methodology for calculation of rates is presented in the 'City of St. Helena Water Rate Study Technical Memorandum'. Under the new seasonal rate structure, customer bills continue to be comprised of 2 fees: (1) fixed monthly service charges (now also including a meter replacement fee), and (2) variable use charges. The new seasonal rate structure is as follows:

- All customers pay the same usage rate per HCF for treated water off-peak (Nov-Apr) and peak (May-Oct). The peak rate is higher than the off-peak rate to reflect the additional costs of water operations during the peak period. Analysis in the 'City of St. Helena Water Rate

Study Technical Memorandum' demonstrates that water operations costs are 11% higher during the peak period.

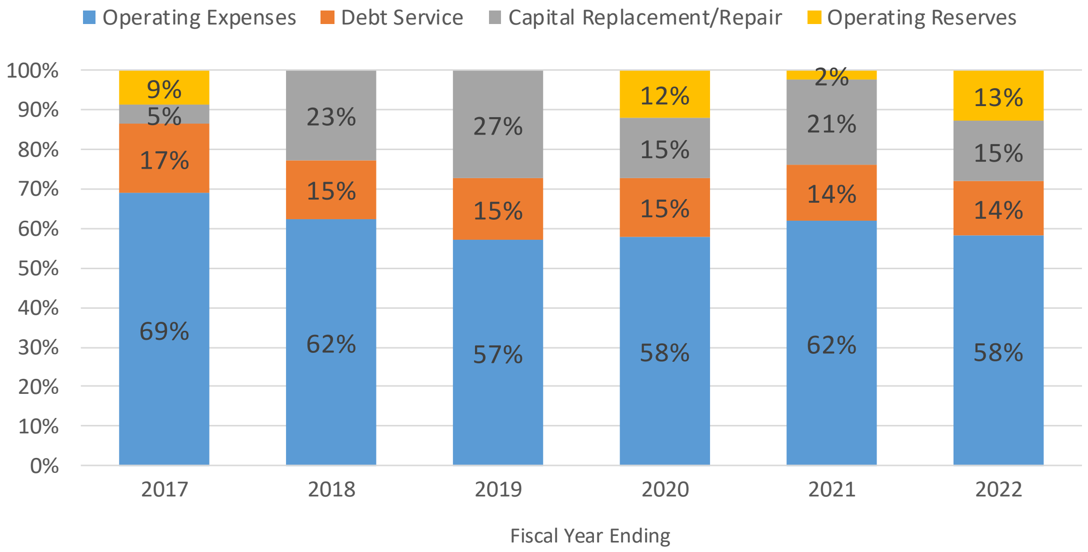
2.3 NEW RATE IMPACTS

Components of revenue requirement are shown in **Figure 7.** Operating expenses are the largest component of cost, followed by capital replacement/repair, debt service, and operating reserves.

Single Family Residential Impacts

Figure 8 shows the water bill impact for a typical single family home in the off-peak months using the seasonal water rate structure in a non-drought period. Single family homes typically use 7 HCF per month in the winter (calculated using January and February data 2011 through 2015). **Figure 9** shows the water bill impact for a typical single family home in the peak months using the seasonal water rate structure in a non-drought period. Single family homes typically use 17 HCF per month in the summer (calculated using July and August data 2011 through 2015).

Figure 7
Components of Water Revenue Requirement



Attachment 2

Figure 8
Typical Water Monthly Bill for the Off-Peak Season

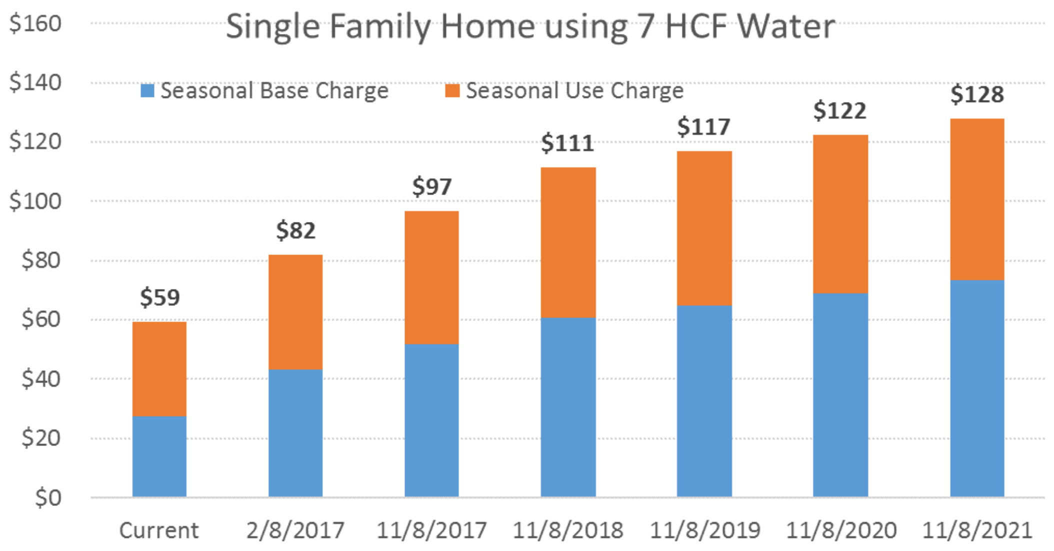
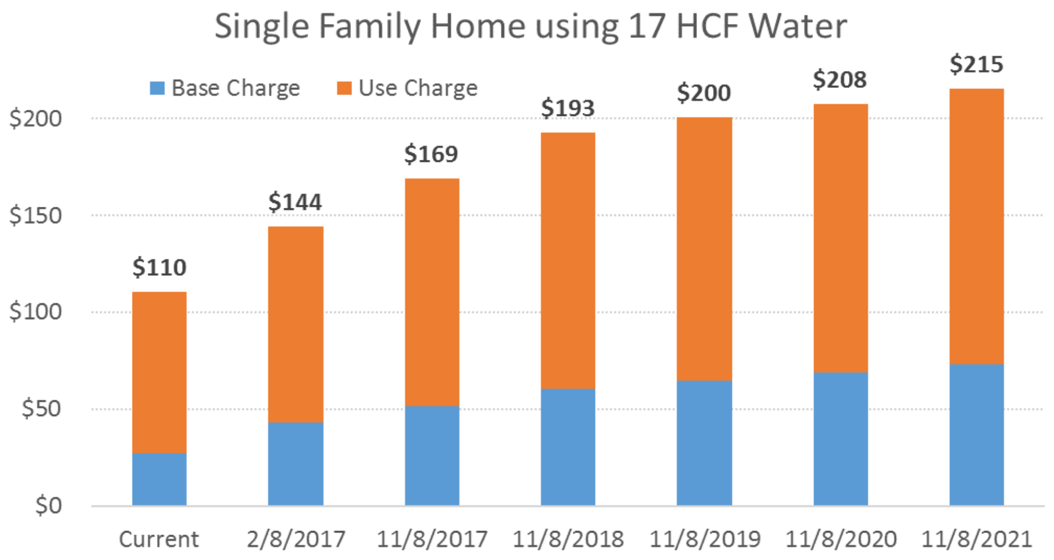


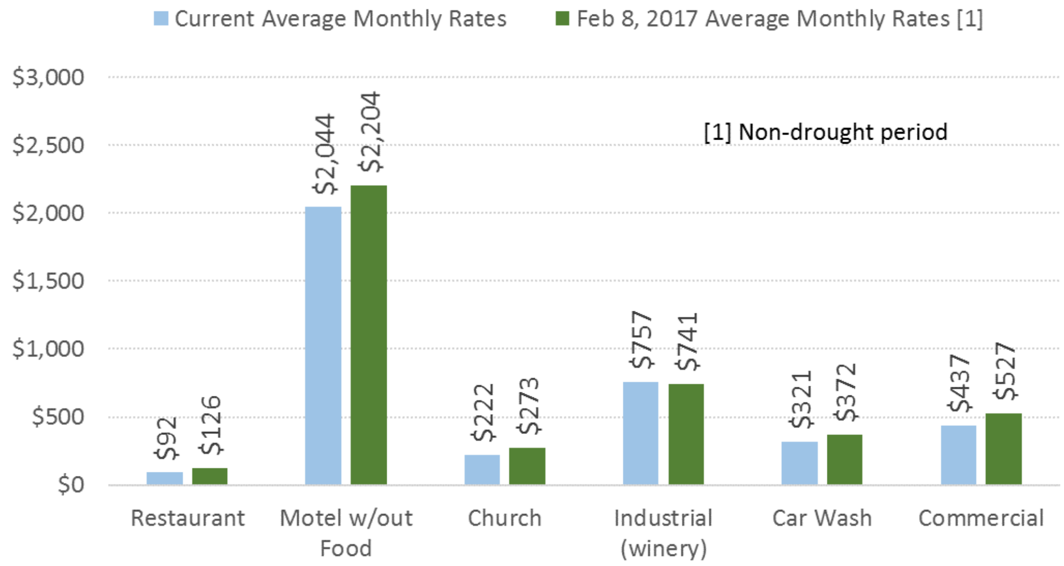
Figure 9
Typical Water Monthly Bill for the Peak Season



Non-Residential Users

Six types of non-residential users were selected to illustrate the impacts of water rate increases in February 2017; these include a restaurant, a motel without food, a church, an industrial customer (winery), a cash wash, and a commercial office. **Figure 10** illustrates the impact to each type of water user assuming a non-drought period. Charges are calculated using actual consumption by the customers between January 2015 and December 2015. The impact is greater for all customers with the exception of the industrial customer.

Figure 10
Non-Residential Water Rate Impact

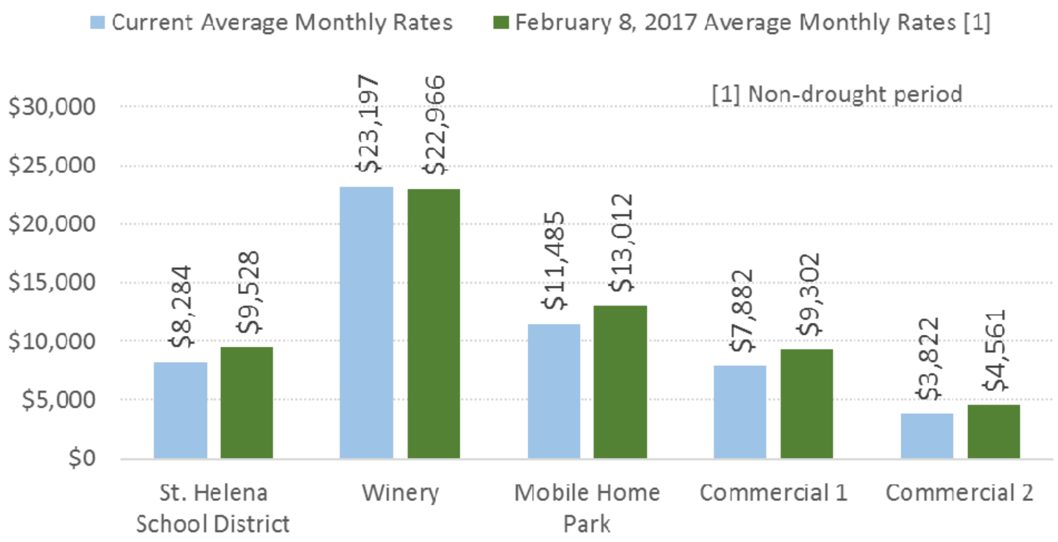


Large Water Users

The largest water users in the City include the St. Helena School District, wineries, mobile home park, and some large commercial businesses.

The Study examines the impact to a selection of these users in **Figure 11** using current charges and February 8, 2017 charges assuming a non-drought period. Charges are calculated using actual consumption by the customers between January 2015 and December 2015. In the selection, average monthly charges increase for all customers except the winery. Actual water bills will differ from customer to customer.

Figure 11
Average Monthly Water Charges for Large Water Users



Attachment 2

Section 3: WASTEWATER RATE STUDY SUMMARY

3.1 KEY FINDINGS

- The City has been using wastewater fund reserves to fund operations. At the end of fiscal year 2016 (June 30) the operating fund had a negative unrestricted net position of <$79,805>. At the end of fiscal year 2017, the operating fund is expected to have a negative unrestricted net position of <$27,000>. System rehabilitation is being funded from reserves because depreciation is not currently included in the rates. This is unsustainable.

- The City has identified a minimum of $15.4 million, net of grant funds and existing bonds, in capital improvements in today's dollars to be funded over the next 10 years. In future dollars this totals $17.7 million to be funded over the next 10 years. The financing plan assumes that:
  - Phases 1 and 2 of the wastewater treatment plant upgrades will be debt-financed.
  - Reserves will be used to finance $3.7 million for replacement of the wastewater reclamation facility operations building and shop, which is expected to be accomplished fiscal year 2021 through fiscal year 2023.
  - Cash will fund the remaining CIP costs.

- By raising the rates in February 2017 the City will generate sufficient revenue to meet its bond covenants, to begin building a healthy reserve, to fund necessary capital improvements and to fully fund wastewater operations without using other City funds. A healthy reserve is necessary to fund emergencies and other unanticipated capital projects. Without the rate increase the wastewater fund is projected to have a negative fund balance within two fiscal years and would have to be loaned money from other City funds, taking away money for other essential City services.

- The new rate structure improves equity among certain customer classes by basing rates on typical flow and strength characteristics of each customer type. Multi-family dwellings and mobile home parks, which display characteristics more similar to residential than non-residential, are shifted to residential. Schools pay on a flat monthly rate per student basis. Non-residential customers' water use is determined by average winter water use, by customer type, to account for water that does not go to the wastewater treatment plant (applied outdoors or otherwise does not enter the sewer collection system).

Table 2 on the next page shows the new wastewater rate schedule. The current rate schedule cannot be compared with the new rate schedule because the structure is different; however, a single family unit currently pays a base monthly charge of $47.35 and a monthly use charge of $3.94 per HCF of winter water use.

Attachment 2

Table 2
Calculated Wastewater Rate Schedule
- New Rate Structure

		Fiscal Year Ending					
Customer Category		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
	*Billing Period Beginning * ----->*	*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*
Residential							
Single Family	monthly per unit	$48.04	$55.24	$70.13	$73.03	$74.18	$75.23
Multi-Family	monthly per unit	$29.07	$33.42	$42.43	$44.18	$44.88	$45.52
Mobile Homes	monthly per unit	$43.11	$49.57	$62.93	$65.53	$66.56	$67.51
Residential Rate per HCF	*per HCF*	*$4.69*	*$5.39*	*$6.84*	*$7.12*	*$7.23*	*$7.34*
Schools Flat Rate per Student	monthly per student	$1.40	$1.62	$2.15	$2.21	$2.26	$2.28
Non-Residential							
Car Wash	monthly per account	$209.93	$243.25	$328.36	$336.45	$343.13	$346.45
Religious Places/Community Centers	monthly per account	$35.34	$40.85	$54.06	$55.68	$56.71	$57.34
Commercial [1]	monthly per account	$62.70	$72.20	$92.64	$96.19	$97.78	$99.09
Groceries and Mortuaries	monthly per account	$433.93	$492.12	$552.00	$595.15	$599.41	$613.71
Laundry	monthly per account	$970.94	$1,121.45	$1,475.85	$1,522.21	$1,549.87	$1,567.76
Mixed Retail w/ Food	monthly per account	$541.20	$617.30	$730.21	$775.32	$783.78	$799.17
Motel with Food	monthly per account	$2,617.64	$2,978.36	$3,444.90	$3,681.23	$3,715.59	$3,795.12
Motel without Food	monthly per account	$642.15	$738.08	$933.28	$972.87	$987.93	$1,002.28
Restaurant	monthly per account	$840.03	$952.80	$1,070.03	$1,153.27	$1,161.63	$1,189.23
Napa Valley College	monthly per account	$2,889.93	$3,341.62	$4,436.77	$4,565.57	$4,651.20	$4,701.87
Service Station	monthly per account	$93.25	$107.06	$134.07	$140.12	$142.20	$144.37
Winery Production (Merryvale/Spottswoode)	monthly per account	$989.21	$1,116.93	$1,199.98	$1,310.53	$1,315.85	$1,351.87
Sutter Home Winery	monthly per account	$876.04	$1,007.39	$1,278.85	$1,331.67	$1,352.66	$1,371.89
Car Wash	*per HCF*	*$3.43*	*$3.97*	*$5.36*	*$5.49*	*$5.60*	*$5.65*
Religious Places/Community Centers	*per HCF*	*$3.72*	*$4.30*	*$5.69*	*$5.86*	*$5.97*	*$6.03*
Commercial [1]	*per HCF*	*$4.27*	*$4.92*	*$6.31*	*$6.55*	*$6.66*	*$6.75*
Groceries and Mortuaries	*per HCF*	*$10.30*	*$11.68*	*$13.10*	*$14.12*	*$14.22*	*$14.56*
Laundry	*per HCF*	*$3.81*	*$4.40*	*$5.79*	*$5.97*	*$6.08*	*$6.15*
Mixed Retail w/ Food	*per HCF*	*$6.73*	*$7.68*	*$9.08*	*$9.64*	*$9.75*	*$9.94*
Motel with Food	*per HCF*	*$7.91*	*$9.00*	*$10.41*	*$11.12*	*$11.23*	*$11.47*
Motel without Food	*per HCF*	*$4.59*	*$5.27*	*$6.67*	*$6.95*	*$7.06*	*$7.16*
Restaurant	*per HCF*	*$10.18*	*$11.54*	*$12.96*	*$13.97*	*$14.07*	*$14.41*
Napa Valley College	*per HCF*	*$3.67*	*$4.24*	*$5.63*	*$5.79*	*$5.90*	*$5.97*
Service Station	*per HCF*	*$4.82*	*$5.53*	*$6.93*	*$7.24*	*$7.35*	*$7.46*
Winery Production (Merryvale/Spottswoode)	*per HCF*	*$17.31*	*$19.55*	*$21.00*	*$22.93*	*$23.03*	*$23.66*
Sutter Home Winery	*per HCF*	*$4.50*	*$5.17*	*$6.57*	*$6.84*	*$6.95*	*$7.04*

Source: HEC.

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

[1] Commercial includes City buildings.

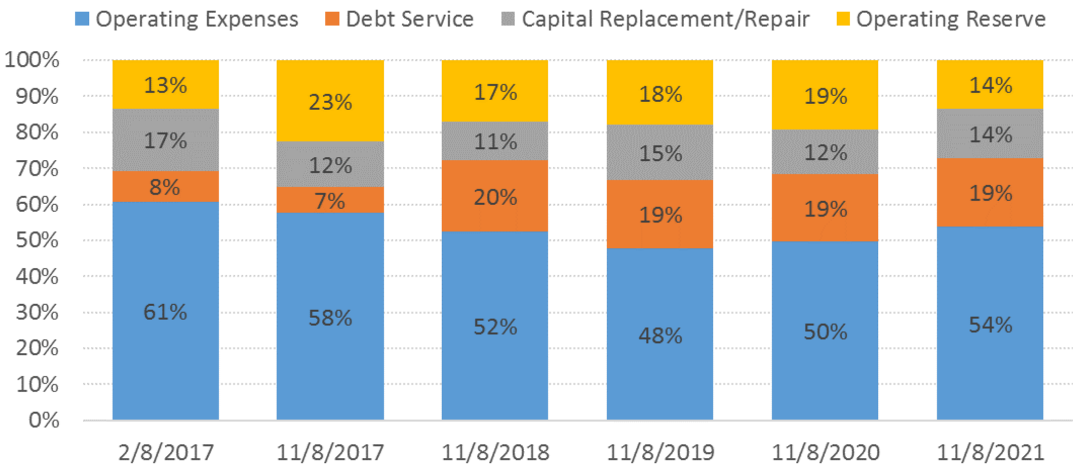
3.2 METHODOLOGY

The detailed methodology for calculation of rates is presented in the ‘City of St. Helena Wastewater Rate Study Technical Memorandum’.

3.3 NEW RATE IMPACTS

Components of wastewater fund revenue requirement is shown in **Figure 12**. Operating expenses is the largest component of cost (more than 50%).

Figure 12
Components of Wastewater Revenue Requirement



Residential Bill Impacts

Figure 13 shows monthly bill impacts of the rate increases to single family residential customers under the new rate structure for the next five years.

Figure 13
Wastewater Bill Impact for Single Family Homes

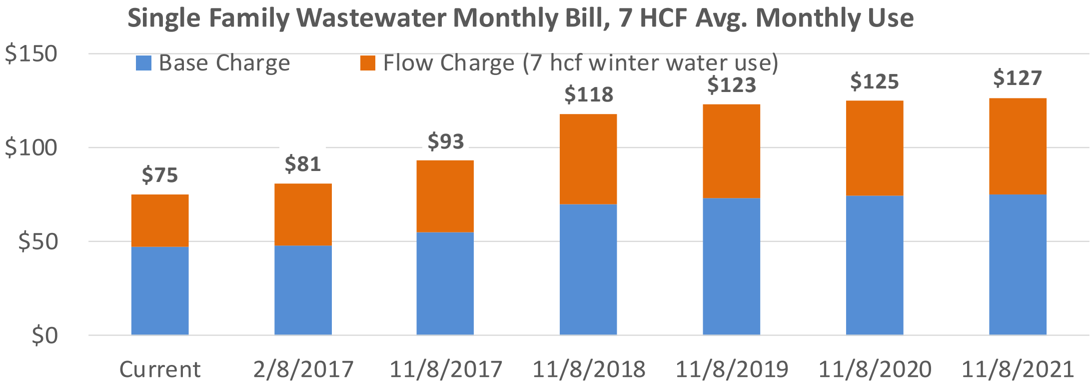


Figure 14 estimates monthly bill impacts of the February 8, 2017 rate changes for a sample of non-residential users. Because monthly bills for non-residential customers will vary from month to month and business type to business type, the examples given are only illustrative. Each non-residential customer will experience a different impact.

Figure 14
Average Wastewater Monthly Bill Impact for Sample Non-Residential Users

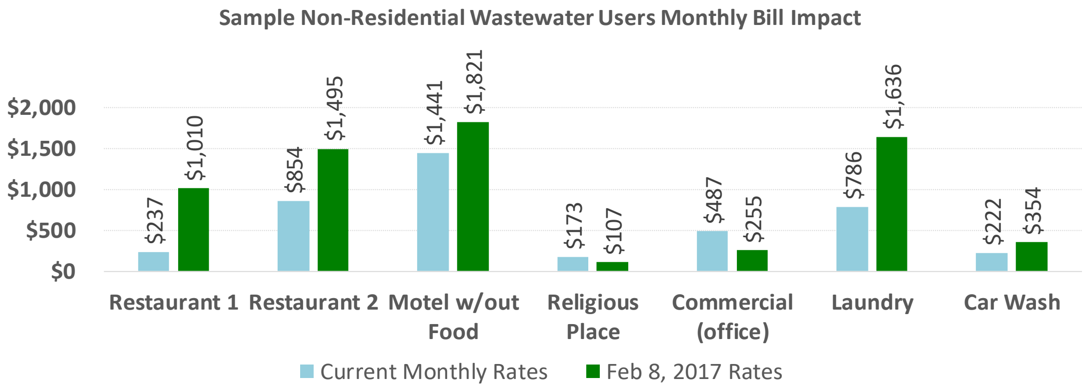
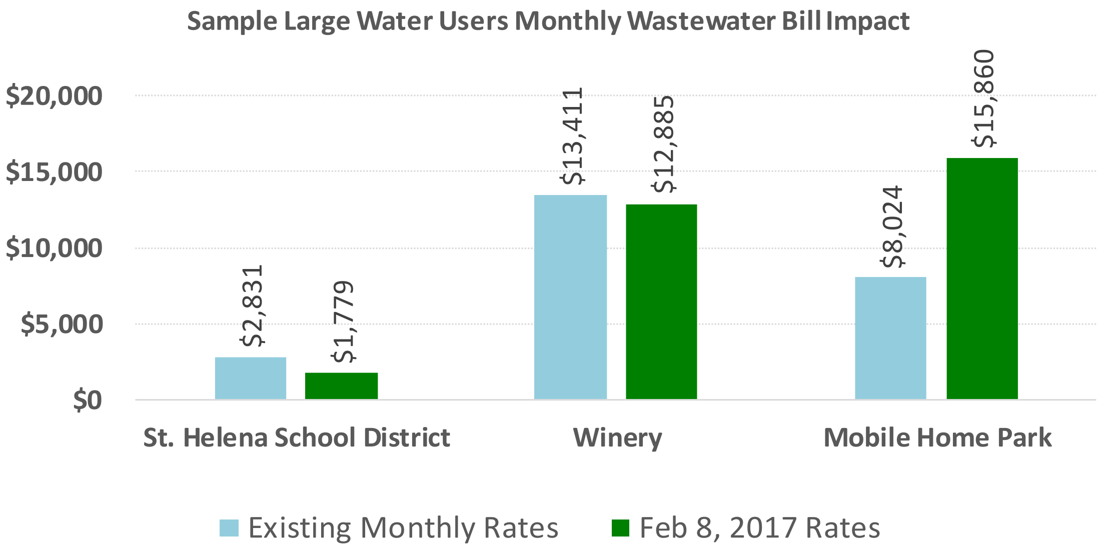


Figure 15 illustrates the impact on the same large water users as in the water rate study, with the exception of the two commercial businesses which do not receive City wastewater service.

Figure 15
Average Wastewater Monthly Bill Impact for Large Water Users



Section 4: COMBINED UTILITIES IMPACT

4.1 RESIDENTIAL IMPACTS

The combined impact of increased water and wastewater rates on typical single family home utility bills is illustrated in **Figure 16** for a typical off-peak month (using 7 HCF water, 7 HCF wastewater), and **Figure 17** for a typical peak month (using 17 HCF water, 7 HCF wastewater). Both comparisons assume a non-drought period.

Figure 16
Single Family Home Utility Costs in Off-Peak Months, based on 7 HCF

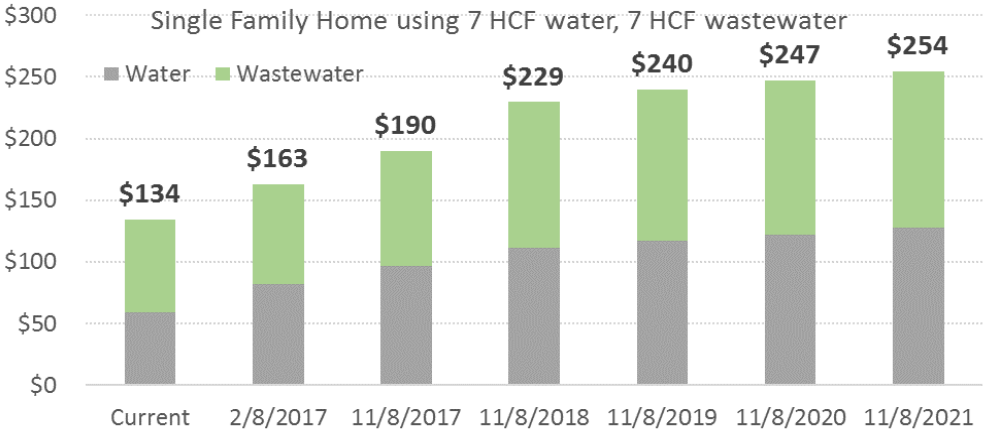


Figure 17
Single Family Home Utility Costs in Peak Months, based on 17 HCF

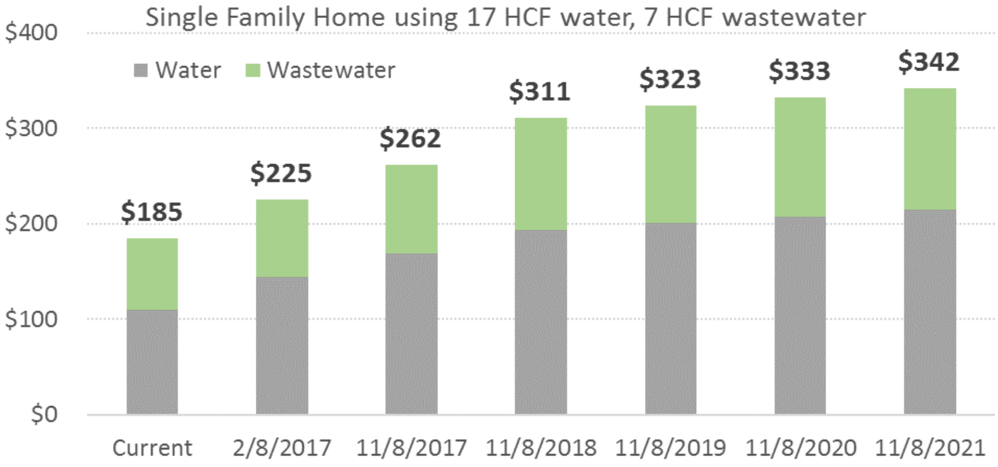
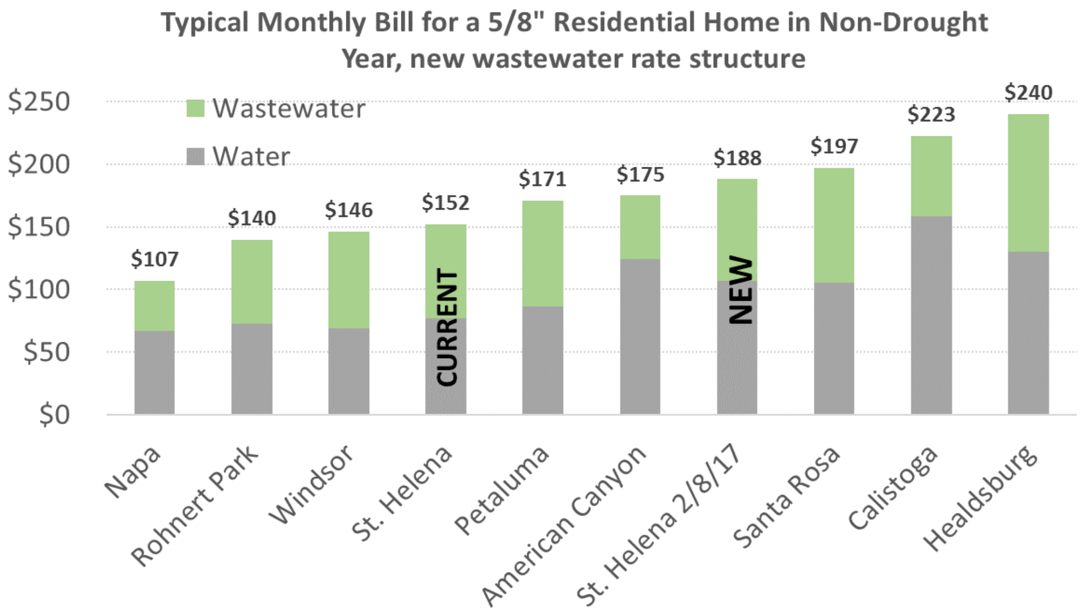


Figure 18 illustrates what a household using an average of 11 HCF of water and 7 HCF of wastewater in a month would pay for combined water and wastewater in several comparison cities. For St. Helena, the use rate was calculated using the average of the peak and off-peak use rates. St. Helena's combined water and wastewater rates are currently in the middle of the range and will stay in the middle of the range with the proposed 24% rate increase. Note that the comparison cities utilized may be in the process of rate increases as well; this is a snapshot in time.

Figure 18
Impact of Combined Utility Bill Increases



4.2 AFFORDABILITY

The combined impact of increased utility costs must be considered together since they can increase costs beyond what is considered an affordable threshold. The affordability thresholds are guidelines used by State and Federal funding agencies when determining financing terms for debt-financing projects. The State Revolving Fund (SRF) program bases its evaluation of affordability of water rates on two criteria:

1. The Median Household Income (MHI) of the community compared to the State MHI, and
2. The percentage of MHI spent on water related bills.

Generally, water rates are considered to be burdensome if they are greater than 2.50% of MHI, and wastewater rates are considered to be burdensome if they are greater than 2.00% of MHI (or combined, a total of 4.50% of MHI). If a community's MHI is less than 80 percent of the State MHI, the community is considered "Disadvantaged", in which case a rate greater than 1.5 percent of MHI is considered burdensome. St. Helena is not considered disadvantaged, as the City's MHI is more than 127% of the State MHI.

Currently, St. Helena's combined water utility costs are 2.32% of MHI. With the increase in costs in February 2017 water costs will total 1.64% of MHI and wastewater will total 1.24% of MHI. Together, the utilities costs will total 2.88% of MHI. The increased water utility costs are, per the State's definition, well within the affordable threshold. The affordability calculations are shown in **Table 3**.

Table 3
Affordability of Water Utility Costs for Residents

Item	Current Rates	Proposed 2/8/2017 Rates
St. Helena Monthly Median Household Income (MHI) [1]	$6,535	$6,535
Monthly Water Bill		
Monthly Water Bill for 11 HCF [2]	$76.80	$107.08
Water Bill as Percentage of MHI [3]	**1.18%**	**1.64%**
Monthly Wastewater Bill		
Monthly Wastewater Bill for 7 HCF	$74.93	$80.84
Wastewater Bill as Percentage of MHI [3]	**1.15%**	**1.24%**
Total Monthly Utilities Bill	$151.73	$187.92
Monthly Utilities Bill as Percentage of MHI [3]	**2.32%**	**2.88%**
Median Household Income (MHI)		
Estimated California [1]	$61,489	
Estimated St. Helena [1]	$78,421	
St. Helena MHI as a percentage of the State MHI [4]	**127.54%**	

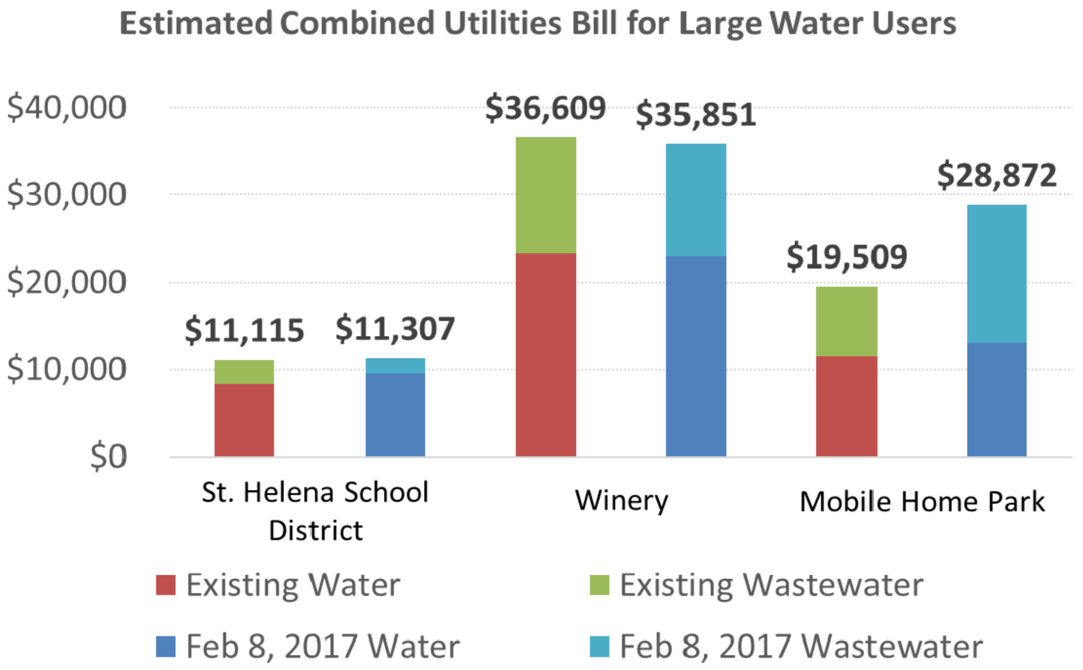
Source: HEC, California State Water Resources Control Board, and US Census Bureau. aff comb

[1] 2014 5-year American Community Survey.
[2] Assumes a non-drought year and average seasonal use rate.
[3] The EPA considers bills unaffordable if combined water and wastewater bills are >4.5% of MHI. The State Clean Water SRF program only provides better loan terms (such as extended term financing, lower interest and principal forgiveness) to communities that are NOT Disadvantaged if the wastewater bill is >4% of MHI.
[4] Per the State Water Resources Control Board, a community with an MHI <80% of the Statewide MHI is Disadvantaged.

4.3 LARGE WATER USERS IMPACTS

Figure 19 shows the cumulative impact of utility rate increases to some of St. Helena's largest water users in a non-drought period. The St. Helena School District's water bill increases but its wastewater bill decreases, resulting in a small net increase. The winery's water bill decreases slightly and its wastewater bill decreases slightly, resulting in a net decrease. The mobile home park's water bill increases slightly; however, its wastewater bill doubles.

Figure 19
Combined Utilities Impact on Large Water Users



Attachment 2

HANSFORD ECONOMIC CONSULTING

City of St. Helena (2016) Water Rate Study Technical Memorandum

FINAL

October 31, 2016

HEC Project #150182

Attachment 2

HANSFORD ECONOMIC CONSULTING

PO Box 10384
Truckee, CA 96162

Phone: 530-412-3676
Email: catherine@hansfordecon.com

Technical Memorandum
WATER RATE STUDY

To: **City of St. Helena**

From: Catherine Hansford **Date:** October 31, 2016

This technical memorandum presents the detailed water rate study. Support tables are provided in **Attachment A.**

THE WATER FUND

Revenues

The water system is 97% funded by water sales (rates) revenue, 1% by Meadowood area rate surcharges, and 2% by other revenues including investment earnings, finance charges, fees/fines, and other miscellaneous revenues.

Rate revenue is generated according to the current water rate schedule shown in **Table 1**. Under the current rate schedule all customers pay a service charge (or base charge) and a use charge. The service charge is different by meter size, and the use charge varies by customer type. All customers pay use charges in two tiers. The tier 1 rate is applied to single family homes for the first 14 units of water. A unit of water is a hundred cubic feet (HCF). Tier 2 is applied to all water use greater than 14 units consumed each month. The amount of water that tier 1 applies to each month differs by customer type, as shown in **Table 1**.

The Madrone Knoll pump facility (otherwise called the Meadowood pump facility) specifically benefits Meadowood area customers, who are outside the St. Helena city limits. Meadowood area customers pay an additional monthly surcharge for electric use at Meadowood pump facility plus a monthly maintenance fee. The schedule of current Meadowood surcharges is shown in **Table 2**.

Table 1
Current Water Rate Schedule

Customer	Rate Schedule	
Monthly Fixed Service Charge		
Meter Size		**Basis of Charge**
5/8"	$27.52	Month
3/4"	$27.52	Month
1"	$63.80	Month
1.5"	$124.12	Month
2"	$196.50	Month
3"	$365.51	Month
4"	$607.01	Month
6"	$1,210.18	Month
8"	$1,935.52	Month
Residential Use Charge		**[1]**
Tier 1 (0-14 Units)	$4.48	Unit
Tier 2 (15+ Units)	$6.74	Unit
Multi-Family Residential Use Charge		
Tier 1 (0-5 Units)	$4.48	Unit
Tier 2 (6+ Units)	$6.74	Unit
Non-Residential Use Charge		
5/8", 3/4", 1"		
Tier 1 (0-36 Units)	$4.48	Unit
Tier 2 (37+ Units)	$6.74	Unit
1.5"		
Tier 1 (0-120 Units)	$4.48	Unit
Tier 2 (121+ Units)	$6.74	Unit
2"		
Tier 1 (0-192 Units)	$4.48	Unit
Tier 2 (193+ Units)	$6.74	Unit
3"		
Tier 1 (0-360 Units)	$4.48	Unit
Tier 2 (361+ Units)	$6.74	Unit
4"		
Tier 1 (0-600 Units)	$4.48	Unit
Tier 2 (601+ Units)	$6.74	Unit
6"		
Tier 1 (0-1,250 Units)	$4.48	Unit
Tier 2 (1,251+ Units)	$6.74	Unit
8"		
Tier 1 (0-1,920 Units)	$4.48	Unit
Tier 2 (1,921+ Units)	$6.74	Unit
Landscape Irrigation Rate ($ per unit) [2]	$5.22	Unit

Source: City of St. Helena. curr rates

[1] 1 unit=100 cubic feet.

[2] Service must be for landscape irrigation of public space (park, school or residential common area). Customer must implement water conservation best management practices, as determinded by the city. Customer must accept more stringent water use cutbacks during periods of water shortage, as determined by the City.

Table 2
Current Monthly Meadowood Area Surcharges

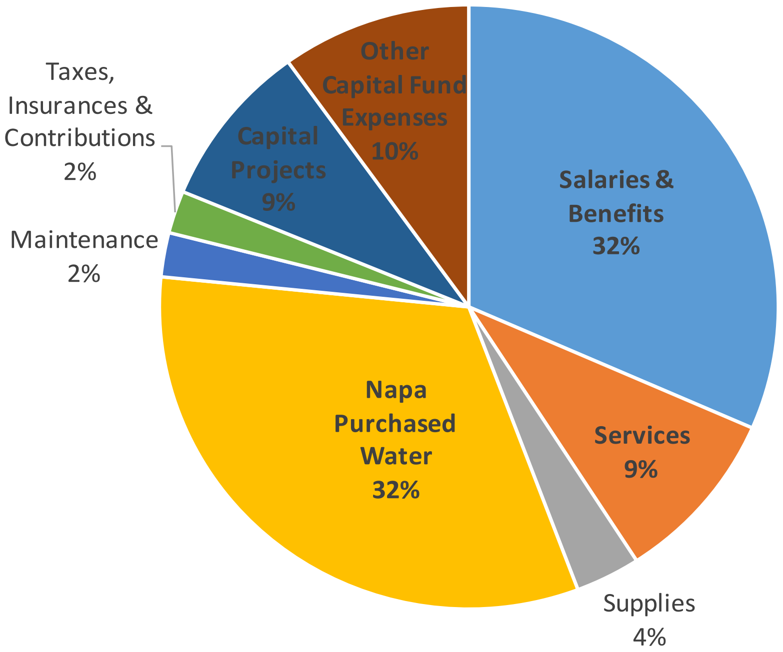
Total Water Consumption in HCF used by all accounts served by the same special reservoirs and pumping stations	
0-150	$1.81
151-200	$1.45
201-250	$1.25
251-300	$1.07
301-350	$0.88
351-400	$0.80
401-450	$0.74
451-500	$0.65
501-550	$0.56
551-600	$0.50
601-1,250	$0.49
1,251-1,500	$0.48
1,501-1,750	$0.47
1,751-2,000	$0.43
2,001-2,250	$0.40
2,251-2,500	$0.39
2,501-2,750	$0.37
2,751-3,000	$0.36
3,001-3,250	$0.34
3,251-3,500	$0.33
3,501-3,750	$0.32
3,751 and more	$0.31
Per Residential Unit	$27.94
Meadowood Complex (99 units + clubhouse)	$2,793.60

Source: City of St. Helena. pump

Expenses

The water fund includes an operating and capital fund. Annual operating costs include all water system operating and capital expenses. Over the past five years, personnel costs (salaries and benefits), Napa purchased water, capital projects, other capital fund expenses, and services have been the largest expenditure items. Personnel costs and Napa purchased water have comprised approximately 64 percent of annual costs. Percentage share of historical expenses by expense category is shown in **Figure 1.**

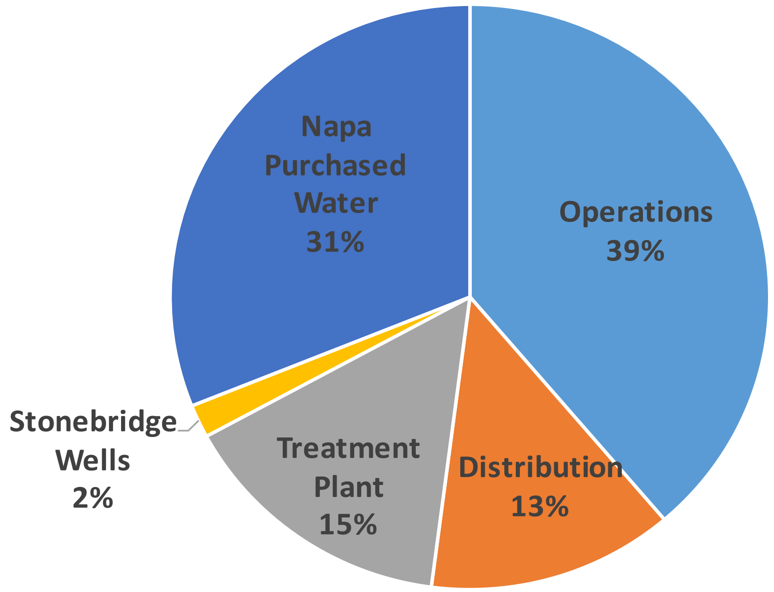
Figure 1
Typical Annual Water Fund Expenses



The operating fund expenses are further broken down into operations, distribution, treatment plant, Stonebridge Wells, and Napa purchased water. Percentage share of historical operating annual expenses by these categories is shown in **Figure 2.**

Supporting financial data is provided in Attachment A, **Tables A-1** through **A-3.**

Figure 2
Operating Fund Expenses



THE WATER SYSTEM

The City's water sources include surface water from Bell Canyon Reservoir, groundwater from Stonebridge Wells, and purchased treated water from the City of Napa. The Louis Stralla Water Treatment Plant (water treatment plant), which treats surface water stored in Bell Canyon Reservoir, has a capacity of 4.3 million gallons a day (MGD); however, there are flow limitations in the inlet piping which restricts use of the plant to less than its capacity. Stonebridge Wells includes two active groundwater wells and a filtration facility, including filtration tanks, chlorination facilities and a backwash return system. The filter removes iron and manganese. Treated water from the City's water sources is distributed via six storage tanks and four pump stations.

The City first entered into an agreement with the City of Napa for delivery of treated water in September 2006. The third amendment to that agreement, entered into in December 2011, increases the minimum annual delivery to 600 acre-feet with optional delivery up to 800 acre-feet. Optional additional delivery of 200 acre-feet may be delivered provided the City of Napa has sufficient water supply. If Napa does not have sufficient supply it will attempt to acquire supplemental dry-year water on a single year basis from an outside source. Price and payment terms of the optional supply will differ from the base supply, as detailed in the agreement.

Untreated water available for construction water purposes only is also available for purchase from the Lower Reservoir adjacent to York Creek.

Historical system-wide water deliveries are shown in **Table 3**. Almost three-quarters of annual water production is used year-round consistently, and 26% of water production is additional water delivered for increased demand between May and October.

Table 3
Monthly Water Delivery

Month	**2013**	**2014**	**2015**		**Avg. Annual Water Delivery (millions of gallons)**	**Percent of Delivery by Month**
		millions of gallons				
Jan	27.731	36.865	27.682		30.759	6%
Feb	25.853	24.743	29.805		26.800	5%
Mar	32.701	28.927	39.625		33.751	6%
Apr	43.635	31.822	39.224		38.227	7%
May	**59.950**	**49.464**	**41.328**		**50.247**	**9%**
Jun	**57.567**	**50.268**	**46.679**		**51.505**	**10%**
Jul	**65.613**	**57.505**	**51.105**		**58.074**	**11%**
Aug	**67.830**	**56.303**	**54.491**		**59.541**	**11%**
Sep	**72.640**	**55.720**	**55.173**		**61.178**	**11%**
Oct	**65.278**	**52.195**	**52.491**		**56.655**	**11%**
Nov	44.466	32.516	35.409		37.463	7%
Dec	38.386	30.405	28.648		32.480	6%
Total	**601.651**	**506.733**	**501.661**	***A***	**536.681**	**100%**
Peaking Period (May through October inclusive)				***B***	337.200	63%
Base Monthly Flow				***C***	33.247	
Base Annual Flow				***D = C*12***	**398.962**	**74%**
Additional Flow				***E = A-D***	**137.719**	**26%**

Source: City of St. Helena. delivery

The City uses conjunctive management to preserve its water supplies in the long-term. The share of water supply from one particular source might change month to month. **Figure 3** shows the percentage share of water supply each month using data from 2013 and 2014, both non-drought years. The graph shows that Bell Canyon water is consistently about 40% of the total water supply each month. Water from the City of Napa and Stonebridge Wells fluctuates from year to year but the most variable use of water supply is Stonebridge Wells.

During a non-drought year approximately 40% of water supply is from Bell Canyon, 32% from the City of Napa, and 28% from Stonebridge Wells. This is illustrated in **Figure 4.** During a drought year the City reduces pumping from Stonebridge Wells to preserve groundwater supplies. The percentage share of water supplies during a drought year are 46% from Bell Canyon, 38% from the

City of Napa, and 16% from Stonebridge Wells, as illustrated in **Figure 5.** Total water deliveries are reduced during a drought year. In 2013, a non-drought year, almost 602 million gallons of water were delivered. In 2015, a drought year, almost 502 million gallons of water were delivered.

Figure 3
Water Sources by Month in a Non-Drought Year

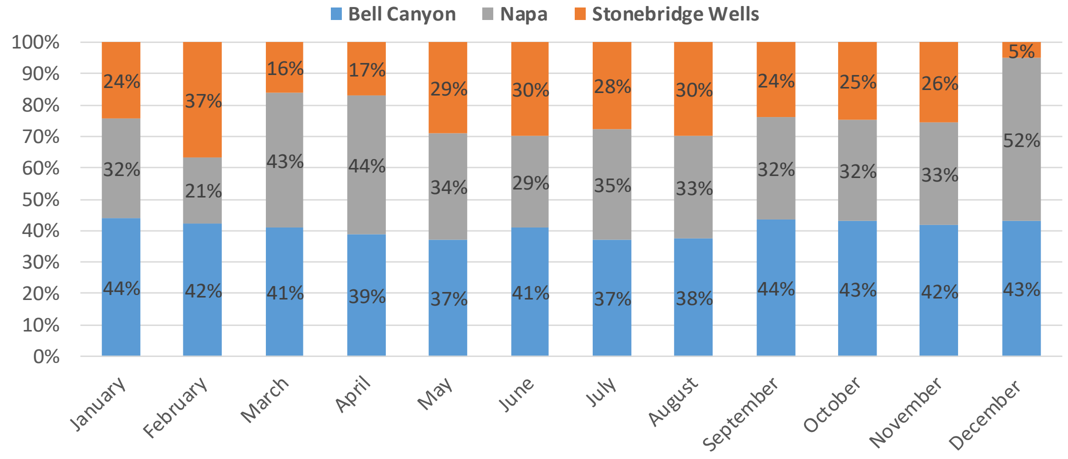


Figure 4
Water Supplies in a Non-Drought Year

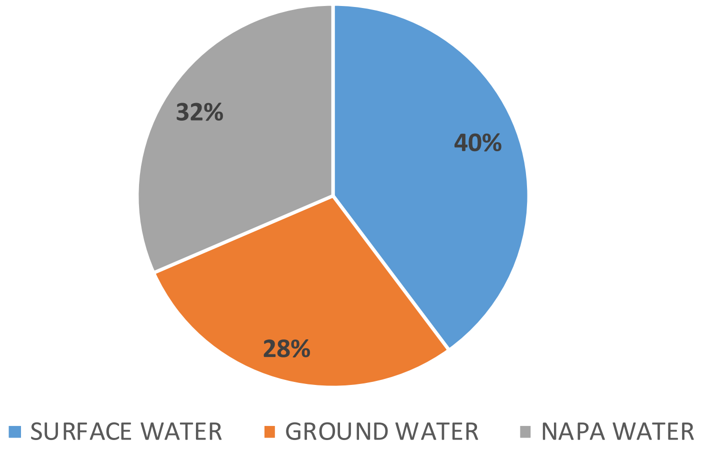
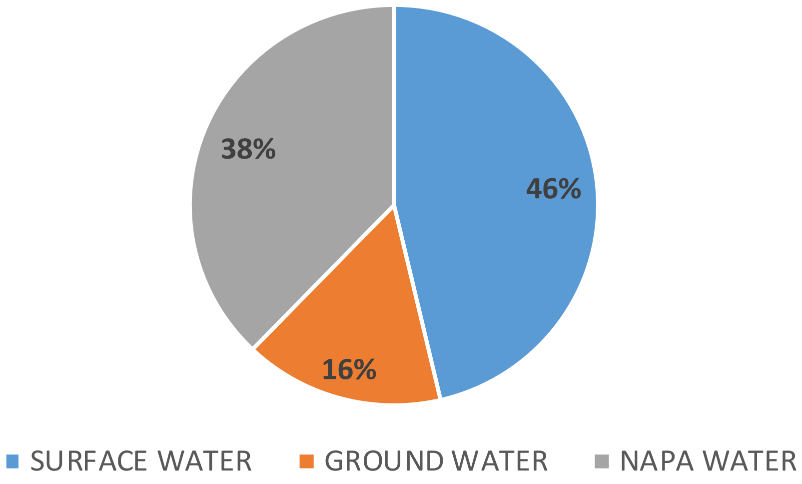


Figure 5
Water Supplies in a Drought Year



WATER USE

Water use fluctuates year to year depending on several factors including, but not limited to, growth, weather, sustained drought, plumbing retrofits, and pricing of water. Average water use by customer type for the past five years is used as the basis on which to project water use over the next five years in the rate study. Historical annual and average annual water use by customer type is shown in **Table A-4.**

Comparison of production and consumption in **Table A-5** shows that unaccounted for water is about 7% of total deliveries which is well within acceptable industry standards. Some unaccounted water will be for hydrant flushing, running to waste at wells and other operational uses of water. Not all unaccounted for water is leaked.

Customer Characteristics

St. Helena experiences greater water demand during summer months than winter months primarily due to outdoor irrigation applications of water. **Table 4** shows average monthly annual use, winter use, and summer use by customer category. With the exception of multi-family, commercial, and laundry customers all water customers use twice as much water, or more, during the summer months than they do in the winter months.

Table 4
Customer Usage Characteristics

	Number of		Average Monthly Use	Winter Monthly Average	Summer Monthly Average	Summer to Winter Ratio
Customer Type	**Accounts**	**Units**				
			hcf monthly	[1]	[2]	
Residential			*use per unit*			
Single Unit	2,028	2,028	11	7	17	2
Multi-Fam	102	673	7	6	7	1
Mobile Homes	4	247	7	7	13	2
Subtotal Residential	**2,134**	**2,948**				
Non-Residential				*use per meter*		
Commercial	197		34	28	41	1
Industrial	21		541	359	647	2
Landscape	32		53	11	108	10
Religious Places [3]	15		17	9	28	3
Laundry	1		256	265	254	1
Library Schools	14		119	73	164	2
Motel/Hotel	16		152	93	170	2
City Owned	21		52	18	74	4
Subtotal Non-Residential	**317**					
Total	**2,451**	**2,948**				

Source: City of St. Helena and HEC. char

[1] January and February consumption.
[2] July and August consumption.
[3] Includes community centers.

REVENUE REQUIREMENT

The revenue requirement refers to the amount of money that must be raised for revenue sufficiency of the water fund through rates. The projection of revenue requirement is the cornerstone for calculation of rates. This section explains the derivation of revenue requirement for this Study. Components of revenue requirement include:

- Capital Improvements
- Debt Service
- Meter Replacement Program
- Operations Expenses and Reserves
- System Rehabilitation

Non-water sales revenue projections are credited against projected operations costs. Non-water sales include investment earnings, finance charges (late fees for past due payments), existing Meadowood area surcharges, meter replacement fees, and other miscellaneous revenues.

Capital Improvements

Water system capital costs in any one year are dependent on the state of the current infrastructure to serve existing customers and necessary improvements to accommodate potential new customers. **Table 5** summarizes the capital improvement costs identified by the City as necessary in the next ten years. The costs do not include project costs that already have funding sources identified (i.e. have a grant secured or are to be funded with existing City bond proceeds). All costs are expressed in future dollars. The total ten-year capital improvements projects (CIP) cost is estimated at $20.8 million. Of this total it is anticipated that $13.8 million will be spent in the next five years.

Costs are further allocated to existing and future customers based on their estimated use of the facilities. Only $2.0 million of the total cost is for projects partially benefiting future customers. These projects include Meadowood tank upgrades, Dwyer Road booster improvements, Bell House valve replacement, Holmes tank upgrade, Bell Canyon creek flow measurement, Tank 2 rehabilitation, and Bell Canyon intake tower replacement. **Table A-6** and **Table A-7** provide the water system CIP detail in current and future dollars. Future costs are inflated using the Engineering News Record Construction Cost Index (ENR CCI) past 20-year annual average increase of 3.1%.

Table 5
Capital Improvement Costs Summary

	Estimated CIP Costs in Future Dollars		
Customer	**Through 2022**	**2023 to 2027**	**Total CIP**
Existing Customer Share	$11,747,982	$7,006,340	$18,754,322
Future Customer Share	$2,045,145	$0	$2,045,145
Total Existing and Future	**$13,793,127**	**$7,006,340**	**$20,799,466**

Source: HEC. cip share

CIP funding sources of costs are shown in **Table 6**, with supporting data in **Table A-8.**

Table 6
Sources of Funding for CIP Costs

Source	Total Cost	Total Through FY 2022	Fiscal Year Ending 2017	2018 Year 1	2019 Year 2	2020 Year 3	2021 Year 4	2022 Year 5
				Future $'s				
Cash - Capital Fund	$14,571,782	$7,565,442	$274,386	$1,496,091	$2,069,348	$1,195,209	$1,750,606	$779,802
Cash - Operations Fund	$405,604	$405,604	$0	$0	$0	$56,453	$349,151	$0
Debt - Capital Fund	$2,001,334	$2,001,334	$569,522	$1,431,811	$0	$0	$0	$0
Reserves	$1,775,602	$1,775,602	$0	$159,385	$0	$0	$0	$1,616,217
Existing Customers CIP	**$18,754,322**	**$11,747,982**	**$843,908**	**$3,087,287**	**$2,069,348**	**$1,251,662**	**$2,099,757**	**$2,396,019**

Source: City of St. Helena and HEC.

exis rates

Debt Service

The City has existing debt service for a water revenue bond sold in 2006. In 2012, the City entered into an installment purchase agreement with the California Statewide Communities Development Authority to finance for water and wastewater system improvements. The debt is secured by a pledge of the net revenues of the water and wastewater system. The installment purchase agreement includes provisions requiring that the City set rates, fees and charges for each fiscal year so as to yield system net revenues during each fiscal year equal to at least 120% of the annual debt service (including parity debt). The City is currently, and has been, out of compliance with this requirement, which will impact the City's rating for future debt if not corrected. Existing yearly debt service payments are shown in **Table A-9.**

New debt service is assumed to be incurred, financed by the State Drinking Water Revolving Fund (DWSRF), for pump station upgrades and Bell Canyon intake tower replacement. The total estimated DWSRF-funded project costs are $2.3 million. Due to the size of the projects a 15% contingency factor was added to the estimated City cost. The calculated annual new debt service is calculated based on total project costs of $2.7 million. The estimated annual debt service is $166,000 although an additional 10% is due in the first 10 years of the loan to build up a reserve of one year of debt service. Existing customers' share of the debt is 86%; the remaining debt service is for future customers' share of the Bell Canyon intake tower replacement costs. The calculated new debt is shown in **Table 7**.

Table 7
Estimated DWSRF New Debt

Item	Construction Fiscal Year
Projects Needed in Next 3 Years	**2018**
Pump Station Upgrades	$212,514
Bell Canyon Intake Tower Replacement	$2,104,494
Subtotal Costs	**$2,317,008**
Contingency (15%) [1]	$347,551
Total	**$2,664,559**
Estimated Annual Debt Service [2], [3]	**$166,118**
Existing Customers Debt Service	*$143,485*
Future Customers Debt Service	*$22,632*
Total Debt-Financed Infrastructure Cost	**$2,664,559**
Estimated Total Financing Costs	$657,795

Source: State Water Resources Control Board and HEC. new debt

[1] State-funded projects typically cost more (more administration as well as American Iron and Steel requirements, and labor reporting).

[2] DWSRF loan assumptions:

Interest Rate (2016 rate is 1.6%)	2.2%
Term (years)	20

[3] Annual debt service is 10% higher for the first 10 years to build one year of reserve.

Meter Replacement Program

The City does not currently collect for replacement of water meters; costs of replacement are currently paid for with reserves, which is unsustainable. This rate study includes calculation of annual costs to replace meters. Each year City crews will replace older water meters that are near the end of their useful life, or which are inaccurately measuring water flow. The cost to replace meters by size of meter was used to determine the annual cost of the meter replacement program. The estimated meter replacement fee revenues are shown in **Table 8**. Meter replacement program costs will increase as the number of City water meters increases and as the cost of installation increases. It is estimated that the meter replacement program will increase from approximately $47,000 in 2017 to $54,000 in 2022. Meter replacement costs by size are shown in **Table A-10**.

Table 8
Estimated Meter Replacement Fee Program Cost

		Fiscal Year Ending					
		2017	**2018**	**2019**	**2020**	**2021**	**2022**
Item	**Assumption**		Year 1	Year 2	Year 3	Year 4	Year 5
Projected Growth in Water Meters			*5*	*5*	*5*	*5*	*5*
City Water Meters in 2016 [1]		2,485	2,485	2,485	2,485	2,485	2,485
Projected City Water Meters		**2,485**	**2,490**	**2,495**	**2,500**	**2,505**	**2,510**
Estimated Replacement Cost per Meter [2]	3.0%	$374	$385	$397	$409	$421	$434
Percentage of Meters Replaced	20-yr cycle	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Estimated Meter Replacement Program Cost		**$46,494**	**$47,985**	**$49,524**	**$51,112**	**$52,751**	**$54,442**

Source: City of St. Helena and HEC.

meter cost

[1] Includes each meter in compound meters.

[2] Weighted average cost of meters.

Operations Expenses and Reserves

Budgeted fiscal year 2017 expenses are used to project future year expenditures. All operating expenditures are increased 5% each year with the exception of maintenance, taxes, insurances and contributions which are increased at 10% per year, and Napa purchased water, increased at 3% per year per the 2011 amended agreement with the City of Napa. **Table A-11** shows historical annual average operating cost increases of 5.3%.

The water rate study has a target cash reserve of six to twelve months of operating expenses. Additional rate revenue will have to be collected to achieve this reserve fund target within the five-year period.

System Rehabilitation

Depreciation is used as the basis for which to collect rates to cover system rehabilitation costs. Inclusion of system rehabilitation costs demonstrates fiscal responsibility toward the assets to potential future investors and helps to establish good credit[1]. Depreciation is calculated based on existing water facilities and new facilities built in the next 5-year period. **Table 9** shows the total annual amount included in the rates for system rehabilitation. Supporting data is provided in **Tables A-12** and **A-13.**

---

[1] Per Governmental Accounting Standards Board (GASB) 34, local governments must report on the value of their infrastructure assets and plan for asset maintenance (including collecting sufficient revenue) to obtain good credit when issuing bonds or procuring other forms of financing for long-term construction projects.

Table 9
System Rehabilitation Annual Budget Estimate

Depreciation	Fiscal Year Ending 2017	 2018 Year 1	 2019 Year 2	 2020 Year 3	 2021 Year 4	 2022 Year 5
Existing Assets Annual Depreciation	$875,144	$902,107	$929,901	$958,551	$988,084	$1,018,526
New Assets Annual Depreciation	$25,985	$72,094	$104,294	$158,594	$268,189	$309,305
Total Annual Depreciation	**$901,130**	**$974,201**	**$1,034,195**	**$1,117,145**	**$1,256,273**	**$1,327,831**
Percentage of Depreciation in Rates	0%	100%	100%	100%	100%	100%
Estimated System Rehabilitation Cost	**$0**	**$974,200**	**$1,034,200**	**$1,117,100**	**$1,256,300**	**$1,327,800**

Source: HEC. depr

Meadowood Area Surcharges

Currently approximately $50,000 each year is generated from surcharges applied in the Meadowood area, which is outside of the City limits. Per the September 13, 2016 Task Force meeting, Meadowood area surcharges are to be eliminated when new rates go into effect February 8, 2017.

Revenue Requirement

Table 10 on page 16 provides the projection of annual costs and revenues and the resulting revenue requirement through fiscal year 2027. Total revenue requirement is projected to increase from $5.5 million in fiscal year 2017 to $8.4 million in fiscal year 2022, and $9.6 million in fiscal year 2027.

COST CLASSIFICATION

After determining a utility's revenue requirements, a utility's next step is determining the cost of service. Utilizing a public agency's approved budget, financial reports, operating data, and capital improvement plans, the rate study categorizes (functionalizes) the costs, expenses, and assets of the water system among major operating functions to determine the cost of service.

After the assets and the costs of operating those assets are properly categorized by function, the rate study allocates those "functionalized costs" to the various customer classes (e.g., single-family residential, multi-family residential and commercial) by determining the characteristics of those classes and the contribution of each to incurred costs such as peaking factors or different delivery costs, service characteristics and demand patterns. Rate design is the final part of the rate-making procedure. The revenue requirement and cost of service analysis are used to determine appropriate rates for each customer class.

Cost classification provides a guideline for the City in determining the portion of revenue requirement to collect through service charges versus use charges. Generally, rates reflect fixed costs in the service charges (flat monthly rates) and variable costs in the use charges (per HCF of water). Through the cost classification analysis, it is calculated that fixed costs comprise about 70% of St. Helena's water system total annual operating costs. Currently St. Helena collects 30% of costs recovered through rates in service charges and 70% in use charges.

If all fixed costs (70%) were in the service charge the bill increase would be dramatic for people on a fixed income. This rate study gradually increases the allocation of total costs to base charges from 31% in 2017, to 36% in 2022, and to 41% in 2027. Allocation of the projected revenue requirement is shown in **Table 11.** Supporting detail is shown in **Tables A-14 and A-15** in **Appendix A**.

Table 10
Projected Revenue Requirement

Operating Expenses and Revenues	Annual Increase	2017 Budgeted	2018 Year 1	2019 Year 2	2020 Year 3	2021 Year 4	2022 Year 5	2023 Year 6	2024 Year 7	2025 Year 8	2026 Year 9	2027 Year 10
		Fiscal Year Ending										
Operating Expenses												
Salaries & Benefits	*5.0%*	$1,612,243	$1,692,855	$1,777,498	$1,866,373	$1,959,691	$2,057,676	$2,160,560	$2,268,588	$2,382,017	$2,501,118	$2,626,174
Services	*5.0%*	$507,525	$532,901	$559,546	$587,524	$616,900	$647,745	$680,132	$714,139	$749,846	$787,338	$826,705
Supplies	*5.0%*	$138,690	$145,625	$152,906	$160,551	$168,579	$177,007	$185,858	$195,151	$204,908	$215,154	$225,911
Napa Purchased Water	*3.0%*	$1,349,019	$1,389,490	$1,431,174	$1,474,109	$1,518,333	$1,563,883	$1,610,799	$1,659,123	$1,708,897	$1,760,164	$1,812,969
Maintenance	*10.0%*	$157,079	$172,787	$190,066	$209,072	$229,979	$252,977	$278,275	$306,103	$336,713	$370,384	$407,422
Taxes, Insurances & Contributions	*10.0%*	$133,167	$146,484	$161,132	$177,245	$194,970	$214,467	$235,913	$259,505	$285,455	$314,001	$345,401
Meter Replacement Program		$19,373	$47,985	$49,524	$51,112	$52,751	$54,442	$56,186	$57,987	$59,845	$61,763	$63,741
WTP Condition Assessment		$0	$0	$0	$0	$174,576	$0	$0	$0	$0	$0	$0
Update GIS Maps of Water System		$0	$0	$0	$56,453	$0	$0	$0	$0	$0	$0	$0
Water Master Plan Update		$0	$0	$0	$0	$174,576	$0	$0	$0	$0	$0	$0
Total Operating Expenses		**$3,917,096**	**$4,128,126**	**$4,321,846**	**$4,582,439**	**$5,090,354**	**$4,968,197**	**$5,207,724**	**$5,460,595**	**$5,727,681**	**$6,009,921**	**$6,308,323**
Debt Service												
Existing (2012B & 2006A Bonds)		$989,251	$982,916	$985,767	$982,373	$980,513	$980,132	$974,551	$974,027	$971,916	$969,490	$964,087
New Debt for 2018 Improvements		$0	$0	$182,729	$182,729	$182,729	$182,729	$182,729	$182,729	$182,729	$182,729	$182,729
Subtotal Debt Service		**$989,251**	**$982,916**	**$1,168,496**	**$1,165,102**	**$1,163,243**	**$1,162,861**	**$1,157,281**	**$1,156,757**	**$1,154,646**	**$1,152,220**	**$1,146,816**
Capital Projects (cash funded)		$274,386	$521,891	$1,035,148	$78,109	$494,306	$0	$523,620	$362,953	$0	$0	$0
System Rehabilitation		$0	$974,200	$1,034,200	$1,117,100	$1,256,300	$1,327,800	$1,393,200	$1,472,700	$1,531,300	$1,609,700	$1,665,200
Operating Reserves		$500,000	$0	$0	$950,000	$200,000	$1,069,600	$600,000	$700,000	$965,000	$800,000	$650,000
Total Costs		**$5,680,733**	**$6,607,133**	**$7,559,690**	**$7,892,750**	**$8,204,202**	**$8,528,458**	**$8,881,824**	**$9,153,004**	**$9,378,627**	**$9,571,841**	**$9,770,340**
Non-Operating Credits (Expenses)												
Investment Earnings	*constant*	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Finance Charges	*constant*	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000
Surcharge-Meadowood [1]		$48,643	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Revenue	*constant*	$32,850	$32,850	$32,850	$32,850	$32,850	$32,850	$32,850	$32,850	$32,850	$32,850	$32,850
Meter Replacement Fee		$19,373	$47,985	$49,524	$51,112	$52,751	$54,442	$56,186	$57,987	$59,845	$61,763	$63,741
Total Non-Operating Credits (Expenses)		**$161,866**	**$141,835**	**$143,374**	**$144,962**	**$146,601**	**$148,292**	**$150,036**	**$151,837**	**$153,695**	**$155,613**	**$157,591**
Total Revenue Requirement		**$5,518,867**	**$6,465,298**	**$7,416,316**	**$7,747,788**	**$8,057,602**	**$8,380,166**	**$8,731,788**	**$9,001,167**	**$9,224,932**	**$9,416,228**	**$9,612,749**
Percent Increase in Revenue Requirement [2]		**24%**	**17%**	**15%**	**4%**	**4%**	**4%**	**4%**	**3%**	**2%**	**2%**	**2%**

Source: City of St. Helena and HEC.

rev req

[1] FY 2017 costs from 2017 budget for "Surcharge- Meadowood" plus "Pumping Charge". Per Task Force September 13, 2016 meeting, Meadowood surcharges are eliminated.

[2] Percentage increase for FY 2017 based on FY 2016 water sales.

Table 11
Allocation of Revenue Requirement to Service and Use Charges

		Fiscal Year Ending										
Costs		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Total Revenue Requirement	[1]	$5,518,867	$6,465,298	$7,416,316	$7,747,788	$8,057,602	$8,380,166	$8,731,788	$9,001,167	$9,224,932	$9,416,228	$9,612,749
Fire Services	**0.48%**	**$26,569**	**$31,126**	**$35,704**	**$37,300**	**$38,792**	**$40,345**	**$42,037**	**$43,334**	**$44,411**	**$45,332**	**$46,279**
Non-Fire Services Rev. Req.												
Customer Charges	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%
Subtotal in Customer Charges		**$520,435**	**$609,684**	**$699,366**	**$730,624**	**$759,840**	**$790,258**	**$823,416**	**$848,819**	**$869,920**	**$887,960**	**$906,492**
% in base	[1]	21.23%	22.23%	23.23%	24.23%	25.23%	26.23%	27.23%	28.23%	29.23%	30.23%	31.23%
Subtotal in Capacity Charges		**$1,171,870**	**$1,437,487**	**$1,723,098**	**$1,877,590**	**$2,033,246**	**$2,198,443**	**$2,378,005**	**$2,541,379**	**$2,696,806**	**$2,846,892**	**$3,002,435**
% in use	[1]	68.85%	67.85%	66.85%	65.85%	64.85%	63.85%	62.85%	61.85%	60.85%	59.85%	58.85%
Subtotal in Use Charges		**$3,799,993**	**$4,387,001**	**$4,958,147**	**$5,102,274**	**$5,225,724**	**$5,351,120**	**$5,488,329**	**$5,567,635**	**$5,613,794**	**$5,636,044**	**$5,657,543**

Source: HEC.

cost alloc

[1] Percentages shown are rounded to the nearest one hundredth.

RATES ANALYSIS

Service Charges. Service costs are divided into customer costs and capacity costs. Customer costs are allocated to customers based on the number of water accounts (which is the same as the number of meters). Capacity costs are allocated to customers based on the number of equivalent meters, determined by the relative hydraulic capacity of the meter size relative to a 5/8-inch meter. **Table 12** shows the calculation of equivalent meters, calculation of equivalent fire units, and number of meters by meter size. Total number of meters by customer type is shown in **Table A-16**.

The total number of 5/8” meters was adjusted to include single family 1” meters. Due to CA Residential Code Section R313 (fire sprinklers), almost all new residential development is required to install 1” meters in order to have sufficient flow for sprinklers; however, most existing homes built prior to implementation of CA Residential Code Section R313, have a 5/8” or 3/4” meter. Because the 1” residential customers utilize the same average amount of water as the 3/4” and 5/8” customers, it is appropriate for them to pay the same rates, and not be penalized by the fire sprinklers requirement.

Table 12
Estimated Meter and Fire Equivalent Units

Meter Size	Number of Meters	Meter Flow (gpm)	Meter Ratio	Equivalent Meter Units	Number of Fire Services	Pipe Flow	Equivalent Fire Units
		[1]	[1]			[2]	
5/8"	1,987	20	1.0	1,987			
1"	330	50	2.5	825		1	0
1.5"	61	100	5.0	305		3	0
2"	47	160	8.0	376		6	0
3"	7	320	16.0	112		18	0
4"	9	500	25.0	225	79	38	3,027
6"	11	1,000	50.0	550	33	111	3,673
8"	0	1,600	80.0	0	14	237	3,321
Total	**2,452**			**4,380**	**126**		**10,021**

Source: American Water Works Association, City of St. Helena and HEC. m equiv

[1] AWWA standard meter flow and ratios - assumes all larger meters are compound meters (AWWA C702). 1.5" meters and smaller are displacement type. 2" and larger are compound type meters.

[2] Hazen-Williams equation for flow through pressure conduits is pipe diameter raised to the 2.63 power.

The calculation of monthly service charges through fiscal year 2022 is shown in **Table 13.** The total service charges include addition of the customer and capacity charges. All 5/8", 3/4" and single family residential 1" meters pay the same service charge.

Table 13
Calculated Monthly Service Charge per Meter

		Fiscal Year Ending					
		2017	**2018**	**2019**	**2020**	**2021**	**2022**
*Billing Period Beginning**		*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*
Customer Costs		**$520,435**	**$609,684**	**$699,366**	**$730,624**	**$759,840**	**$790,258**
Customer Accounts		2,451	2,456	2,461	2,466	2,471	2,476
Cost per Account per Month		**$17.69**	**$20.69**	**$23.68**	**$24.69**	**$25.63**	**$26.60**
Capacity Costs		**$1,171,870**	**$1,437,487**	**$1,723,098**	**$1,877,590**	**$2,033,246**	**$2,198,443**
Est. Billable Meter Equivalents		4,032	4,037	4,042	4,047	4,052	4,057
Meter Size	**Meter Ratio**	**Capacity Costs Monthly Service Charges per Meter**					
5/8", 3/4" & SF 1"	1.0	$24.22	$29.67	$35.52	$38.66	$41.82	$45.16
1"	2.5	$60.55	$74.18	$88.81	$96.66	$104.54	$112.89
1.5"	5.0	$121.10	$148.37	$177.62	$193.31	$209.08	$225.79
2"	8.0	$193.76	$237.39	$284.20	$309.30	$334.53	$361.26
3"	16.0	$387.52	$474.77	$568.40	$618.59	$669.05	$722.52
4"	25.0	$605.50	$741.83	$888.12	$966.55	$1,045.39	$1,128.94
6"	50.0	$1,211.01	$1,483.66	$1,776.24	$1,933.11	$2,090.78	$2,257.87
		Total Base Monthly Charges per Meter					
Meter Size							
5/8", 3/4" & SF 1"		$41.91	$50.36	$59.21	$63.35	$67.44	$71.75
1"		$78.25	$94.87	$112.49	$121.35	$130.16	$139.49
1.5"		$138.80	$169.05	$201.31	$218.00	$234.70	$252.38
2"		$211.46	$258.07	$307.88	$333.99	$360.15	$387.86
3"		$405.22	$495.46	$592.08	$643.28	$694.68	$749.12
4"		$623.20	$762.52	$911.80	$991.24	$1,071.02	$1,155.53
6"		$1,228.70	$1,504.35	$1,799.93	$1,957.80	$2,116.41	$2,284.47

Source: City of St. Helena and HEC. service charge

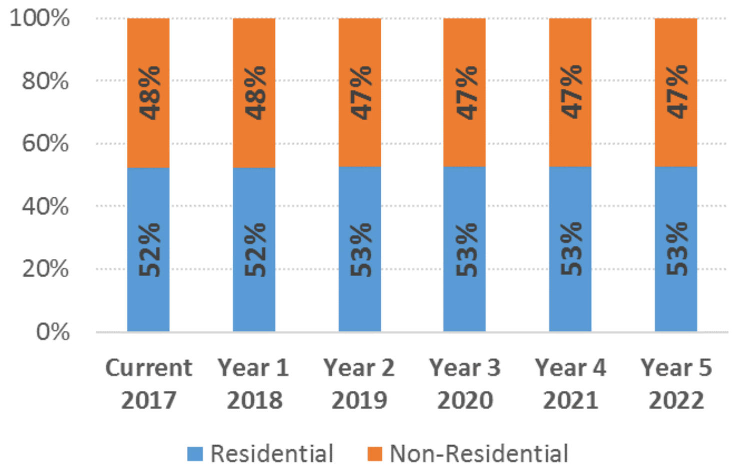
*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

Seasonal Rate Structure

Two rate structures were evaluated for collection of use charges: the uniform rate structure and the seasonal rate structure. The September 13th, 2016 Task Force meeting selected the seasonal rate structure as the preferred rate structure for the Study; therefore, only the seasonal rate structure is presented herein.

Total costs allocated to use charges are divided by projected water demand in the peak and off-peak seasons to calculate the use rate per HCF in the peak and off-peak seasons. The use rate during each season is the same for all treated water customers. Water use by season is determined in **Table A-17**. Total annual projected water demand is shown in **Figure 6**, with supporting data in **Table A-18**.

Figure 6
Projected Water Demand



The projection of water demand incorporates assumed growth of 5 units per year and an expectation that as water rates increase demand will decrease. The projection of water demand accounts for reduced consumption due to increased rates. The relationship between increased prices and decreased demand is referred to as price elasticity. Price elasticity varies by geography due to many micro-economic variables. Hansford Economic Consulting (HEC) applied industry knowledge to establish assumed price elasticity factors for St. Helena. The price elasticity and water demand analysis is shown in **Tables A-18** through **A-20**.

Off-peak water rates are lower November through April (off-peak months) than during peak months (May through October). During the peak months the costs of operating the water system are 11% higher. Supporting data is provided in **Tables A-17** and **A-21**.

Drought Surcharge

In addition to the seasonal rate structure the City may implement a drought surcharge. The drought surcharge would be implemented when the City enters Phase I drought regulations. **Table A-22** calculates a drought surcharge ratio that would be applied to the seasonal rate structure. The drought surcharge would only be applied to use charges, not to service charges. The analysis demonstrates that during drought years the cost of water is 6% higher than during non-drought years.

The calculation of use charges is shown in **Table 14**.

Table 14
Calculated Use Charges per HCF

		Fiscal Year Ending					
		2017	**2018**	**2019**	**2020**	**2021**	**2022**
*Billing Period Beginning**		*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*
Allocated Cost		$3,799,993	$4,387,001	$4,958,147	$5,102,274	$5,225,724	$5,351,120
Total Consumption		645,800	643,042	644,175	646,780	647,544	648,219
Cost per HCF		**$5.88**	**$6.82**	**$7.70**	**$7.89**	**$8.07**	**$8.26**
SEASONAL RATE STRUCTURE							
Off-Peak Water Use (Nov-Apr)	37%	240,040	239,015	239,436	240,404	240,688	240,939
Peak Water Use (May-Oct)	63%	405,760	404,027	404,739	406,376	406,856	407,280
Total Consumption		**645,800**	**643,042**	**644,175**	**646,780**	**647,544**	**648,219**
Calculated Cost per HCF by Season -- NON-DROUGHT PERIOD							
Off-Peak Costs per HCF		$5.50	$6.37	$7.19	$7.37	$7.54	$7.71
Peak Costs per HCF	1.11	$6.11	$7.09	$8.00	$8.20	$8.38	$8.58
Calculated Cost per HCF by Season -- DROUGHT PERIOD							
Off-Peak Costs per HCF	1.06	$5.81	$6.73	$7.60	$7.79	$7.97	$8.15
Peak Costs per HCF	1.11	$6.46	$7.49	$8.45	$8.66	$8.86	$9.06

Source: HEC.

use charge

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

A small portion of fixed costs are associated with private fire protection. Fire costs are allocated to fire customers based on the number of equivalent fire units. Fire service charges are calculated in **Table 15.**

Calculated meter replacement fees are shown in **Table 16.** Meter replacement fees are calculated using data presented in **Table A-10**. The raw water cost and rate per HCF for February 8, 2017 is calculated in **Table 17**. Raw water may only be taken from the Lower Reservoir for construction-related water applications.

Table 15
Calculation of Fire Service Charges

		2017	2018	2019	2020	2021	2022
Fire Services		Current	Year 1	Year 2	Year 3	Year 4	Year 5
*Billing Period Beginning**		*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*
Fire Services Cost Allocation		$26,569	$31,126	$35,704	$37,300	$38,792	$40,345
Equivalent Fire Units		10,021	10,021	10,021	10,021	10,021	10,021
Monthly Cost per Equivalent Fire Unit		$0.22	$0.26	$0.30	$0.31	$0.32	$0.34
Pipe Size	**Pipe Flow**	**Monthly Charge**					
1"	1	$0.22	$0.26	$0.30	$0.31	$0.32	$0.34
1.5"	3	$0.64	$0.75	$0.86	$0.90	$0.94	$0.97
2"	6	$1.37	$1.60	$1.84	$1.92	$2.00	$2.08
3"	18	$3.97	$4.65	$5.34	$5.58	$5.80	$6.03
4"	38	$8.47	$9.92	$11.38	$11.89	$12.36	$12.86
6"	111	$24.59	$28.81	$33.05	$34.53	$35.91	$37.34
8"	237	$52.41	$61.40	$70.43	$73.57	$76.52	$79.58

Source: HEC. fire

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

Table 16
Calculated Meter Replacement Fees by Meter Size

	Fiscal Year Ending					
Meter Size	**2017**	**2018** Year 1	**2019** Year 2	**2020** Year 3	**2021** Year 4	**2022** Year 5
						Annual escalator
3/4" or less	$1.31	$1.35	$1.39	$1.43	$1.47	$1.52
1"	$1.83	$1.89	$1.94	$2.00	$2.06	$2.12
1-1/2"	$2.88	$2.96	$3.05	$3.14	$3.24	$3.33
2"	$3.66	$3.77	$3.88	$4.00	$4.12	$4.24
3"	$7.84	$8.08	$8.32	$8.57	$8.83	$9.09
4"	$17.26	$17.78	$18.31	$18.86	$19.42	$20.01
6"	$23.79	$24.51	$25.24	$26.00	$26.78	$27.58

Source: HEC. meter fee

Table 17
Raw Water Rate Calculation for Fiscal Year 2017

Costs	Estimated Cost FY 2016-17
Total Operating Costs [1]	$3,897,723
Less Napa Purchased Water	$1,349,019
Less Stonebridge Wells Costs	$85,400
Less Distribution Costs	$685,930
Less Treated Water Costs	$834,407
Total Raw Water Operating Costs	**$942,967**
City Water Supplies (gallons) [2]	345,701,088
Cost per Gallon	**$0.00273**
Cost per HCF	***$2.04***

Source: City of St. Helena. raw

[1] Equals total operating costs in the revenue requirement table less the meter replacement program costs, WTP condition assessment costs, updating GIS maps costs, and Water Master Plan update costs.

[2] Based on annual average production of city groundwater and surface water.

A summary of the calculated water rates schedule through fiscal year 2027 is given in **Table 18.**

Table 18
Calculated Water Rates

		Billing Period Beginning *										
Charges	**Current**	2/8/2017	11/8/2017	11/8/2018	11/8/2019	11/8/2020	11/8/2021	11/8/2022	11/8/2023	11/8/2024	11/8/2025	11/8/2026
Service Charge					**Monthly Charges per Meter**							
5/8", 3/4" & SF 1"	$27.52	$43.22	$51.71	$60.59	$64.78	$68.91	$73.27	$78.00	$82.13	$85.95	$89.54	$93.26
1"	$63.80	$80.08	$96.76	$114.44	$123.35	$132.22	$141.61	$151.81	$160.89	$169.40	$177.51	$185.90
1.5"	$124.12	$141.67	$172.02	$204.36	$221.14	$237.94	$255.72	$275.02	$292.36	$308.70	$324.35	$340.54
2"	$196.50	$215.12	$261.84	$311.76	$337.99	$364.27	$392.10	$422.31	$449.54	$475.26	$499.94	$525.48
3"	$365.51	$413.06	$503.54	$600.40	$651.86	$703.51	$758.21	$817.59	$871.27	$922.08	$970.92	$1,021.45
4"	$607.01	$640.46	$780.29	$930.11	$1,010.10	$1,090.44	$1,175.54	$1,267.90	$1,351.51	$1,430.71	$1,506.92	$1,585.75
6"	$1,210.18	$1,252.50	$1,528.85	$1,825.17	$1,983.80	$2,143.19	$2,312.05	$2,495.35	$2,661.38	$2,818.75	$2,970.20	$3,126.89
Private Fire Protection					**Monthly Charges per Fire Service Pipe**							
4"	$4.00	$8.47	$9.92	$11.38	$11.89	$12.36	$12.86	$13.40	$13.81	$14.15	$14.45	$14.75
6"	$6.00	$24.59	$28.81	$33.05	$34.53	$35.91	$37.34	$38.91	$40.11	$41.11	$41.96	$42.84
8"	$8.00	$52.41	$61.40	$70.43	$73.57	$76.52	$79.58	$82.92	$85.48	$87.60	$89.42	$91.28
Raw Water ***per Gallon [1]***	$0.00267	$0.00273	$0.00320	$0.00367	$0.00383	$0.00398	$0.00414	$0.00432	$0.00445	$0.00456	$0.00465	$0.00475
					TREATED WATER USE CHARGES PER HCF							
SEASONAL RATE STRUCTURE												
NON-DROUGHT PERIOD	**[2]**											
Off-Peak (Nov-Apr)		$5.50	$6.37	$7.19	$7.37	$7.54	$7.71	$7.90	$8.01	$8.06	$8.08	$8.11
Peak (May-Oct)		$6.11	$7.09	$8.00	$8.20	$8.38	$8.58	$8.79	$8.90	$8.97	$8.99	$9.02
DROUGHT PERIOD	**[2]**											
Off-Peak (Nov-Apr)		$5.81	$6.73	$7.60	$7.79	$7.97	$8.15	$8.35	$8.46	$8.52	$8.54	$8.57
Peak (May-Oct)		$6.46	$7.49	$8.45	$8.66	$8.86	$9.06	$9.28	$9.41	$9.47	$9.50	$9.53

Source: HEC. proj rates

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

[1] Raw water costs increased from fiscal year 2016-17 by the same percentage increase as the revenue requirement.

[2] Current Rate Structure rates as follows:

Tiers by customer category (in hcf):	Tier 1	Tier 2		Tier 1	Tier 2		Tier 1	Tier 2
Single family	0-14	15+	Non-residential <=1"	0-36	37+	Non-residential 4"	0-600	601+
Multi-family	0-5	6+	Non-residential 1.5"	0-120	121+	Non-residential 6"	0-1,250	1,251+
Price per HCF	*$4.48*	*$6.74*	Non-residential 2"	0-192	193+	Non-residential 8"	0-1,920	1,921+
Price per HCF - Landscape Irrigation	*$5.22*		Non-residential 3"	0-360	361+			

CASH FLOW

Table 19 and **Table 20** on the following pages show the projected cash flow and cash flow by fund, respectively, through fiscal year 2027. With adoption of the calculated rates it is anticipated that the City will be able to meet all water enterprise fund obligations and achieve at least six months of operating expenses in cash reserves in each year of the projection. The cash flow table demonstrates that a debt service coverage ratio of at least 1.20 will be met. In addition, the City may be able to designate (put aside) up to $3.1 million by fiscal year ending 2027 for future cash funding of system rehabilitation.

Figure 7 shows projected water fund balances with and without rate increases as well as target and minimum operating cash reserves.

Figure 7
Projected Water Fund Cash Balance (Operating and Capital Funds combined)

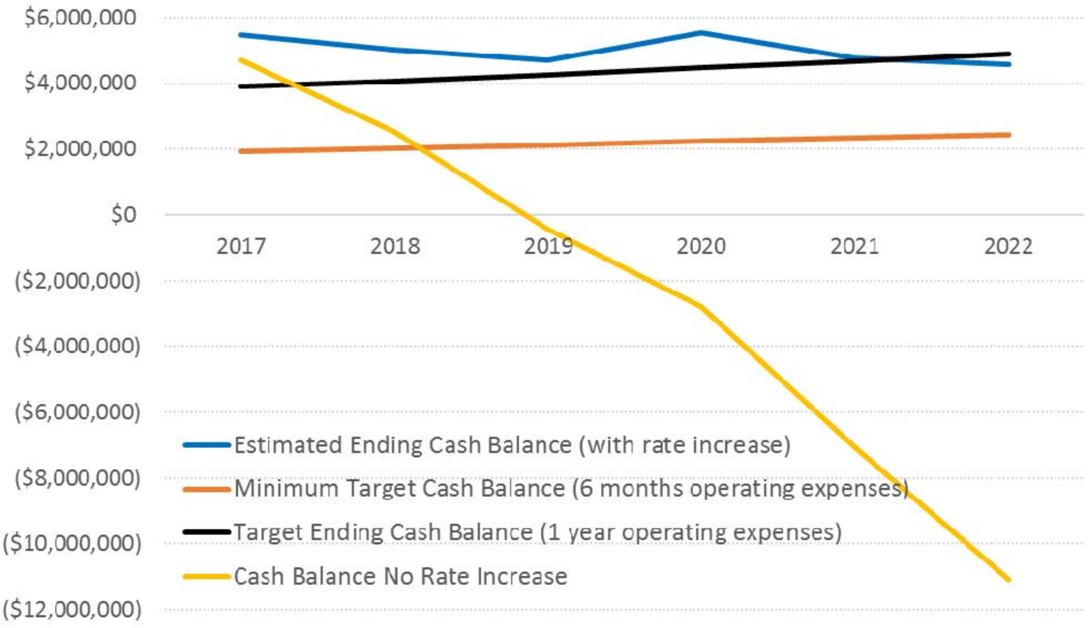


Table 19
Projected Cash Flow

Revenues and Expenses	Fiscal Year Ending 2017 Estimated	2018 Year 1	2019 Year 2	2020 Year 3	2021 Year 4	2022 Year 5	2023 Year 6	2024 Year 7	2025 Year 8	2026 Year 9	2027 Year 10
*Billing Period Beginning**	*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*	*11/8/2022*	*11/8/2023*	*11/8/2024*	*11/8/2025*	*11/8/2026*
Revenue											
Water Sales [1]	$4,459,929	$6,149,821	$7,099,310	$7,637,297	$7,954,330	$8,272,645	$8,614,580	$8,911,374	$9,150,344	$9,352,463	$9,547,242
Meadowood Surcharge [1]	$53,088	$19,770	$0	$0	$0	$0	$0	$0	$0	$0	$0
Meter Replacement Fee	$19,373	$47,612	$49,139	$50,715	$52,341	$54,019	$55,750	$57,537	$59,381	$61,283	$63,247
Other Revenues	$93,850	$93,850	$93,850	$93,850	$93,850	$93,850	$93,850	$93,850	$93,850	$93,850	$93,850
Total Revenues	**$4,626,240**	**$6,311,054**	**$7,242,299**	**$7,781,862**	**$8,100,521**	**$8,420,513**	**$8,764,181**	**$9,062,761**	**$9,303,574**	**$9,507,596**	**$9,704,338**
Operating Expenses	**$3,917,096**	**$4,128,126**	**$4,321,846**	**$4,582,439**	**$5,090,354**	**$4,968,197**	**$5,207,724**	**$5,460,595**	**$5,727,681**	**$6,009,921**	**$6,308,323**
Net Revenue before Debt Service and System Rehabilitation	**$709,144**	**$2,182,928**	**$2,920,454**	**$3,199,423**	**$3,010,168**	**$3,452,317**	**$3,556,457**	**$3,602,166**	**$3,575,893**	**$3,497,675**	**$3,396,015**
Debt Service	**$989,251**	**$982,916**	**$1,168,496**	**$1,165,102**	**$1,163,243**	**$1,162,861**	**$1,157,281**	**$1,156,757**	**$1,154,646**	**$1,152,220**	**$1,146,816**
Debt Service Coverage [2]	0.72	2.22	2.50	2.75	2.59	2.97	3.07	3.11	3.10	3.04	2.96
System Rehabilitation	$0	$974,200	$1,034,200	$1,117,100	$1,256,300	$1,327,800	$1,393,200	$1,472,700	$1,531,300	$1,609,700	$1,665,200
Net Revenue	**($280,107)**	**$225,812**	**$717,758**	**$917,221**	**$590,625**	**$961,656**	**$1,005,976**	**$972,709**	**$889,947**	**$735,755**	**$583,998**
Beginning Balance [3]	$6,113,512	$5,474,019	$5,018,555	$4,701,164	$5,540,276	$4,766,595	$4,590,032	$5,092,389	$5,722,146	$7,177,867	$8,391,982
Net Revenue	($280,107)	$225,812	$717,758	$917,221	$590,625	$961,656	$1,005,976	$972,709	$889,947	$735,755	$583,998
Cash Funded Capital Projects	($274,386)	($521,891)	($1,035,148)	($78,109)	($494,306)	$0	($523,620)	($362,953)	$0	$0	$0
Spill Containment at Bell Creek & Stonebridge	$0	($159,385)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bell Canyon Reservoir Improvements	$0	$0	$0	$0	$0	($1,079,726)	$0	$0	$0	$0	$0
Bell Valve House Valve Replacement	$0	$0	$0	$0	$0	($536,491)	$0	$0	$0	$0	$0
Bell Canyon Creek Flow Measurement	($85,000)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Transfer Out to Impact Fee Fund	$0	$0	$0	$0	($870,000)	($70,000)	$20,000	$20,000	$20,000	$20,000	$20,000
Add Back System Depreciation Net of CIP	$0	$0	$0	$0	$0	$547,998	$0	$0	$545,775	$458,359	$548,199
Ending Balance	**$5,474,019**	**$5,018,555**	**$4,701,164**	**$5,540,276**	**$4,766,595**	**$4,590,032**	**$5,092,389**	**$5,722,146**	**$7,177,867**	**$8,391,982**	**$9,544,179**
Months of Operating Expenses in Reserve	*17*	*15*	*13*	*15*	*11*	*11*	*12*	*13*	*15*	*17*	*18*
Designated [4]	$0	$0	$0	$0	$0	$0	$0	$200,000	$1,300,000	$2,400,000	$3,100,000
Undesignated Ending Balance	**$5,474,019**	**$5,018,555**	**$4,701,164**	**$5,540,276**	**$4,766,595**	**$4,590,032**	**$5,092,389**	**$5,522,146**	**$5,877,867**	**$5,991,982**	**$6,444,179**
Undesignated Months of Op. Exps. in Reserve	*17*	*15*	*13*	*15*	*11*	*11*	*12*	*12*	*12*	*12*	*12*
Target Balance [5]	**$3,897,723**	**$4,080,141**	**$4,272,322**	**$4,474,874**	**$4,688,452**	**$4,913,755**	**$5,151,537**	**$5,402,608**	**$5,667,836**	**$5,948,158**	**$6,244,582**

Source: City of St. Helena and HEC.

flow

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

[1] Rates for FY 2017 calculated as 7 months of current rates plus 5 months of rates implemented in February 2017. Rates for all future fiscal years calculated as 4 months of the rates implemented in February of the prior fiscal year plus 8 months of the rates implemented in November of the current fiscal year.

[2] Debt service coverage should be at least 1.20.

[3] Estimated beginning balance for the operating and capital funds combined per the City 2016/17 Budget.

[4] New designated fund for capital repairs and replacement.

[5] Minimum six months and target balance is one year of operating expenses.

Table 20
Projected Cash Flow by Fund

Fund	**2017** **Estimated**	**2018** **Year 1**	**2019** **Year 2**	**2020** **Year 3**	**2021** **Year 4**	**2022** **Year 5**	**2023** **Year 6**	**2024** **Year 7**	**2025** **Year 8**	**2026** **Year 9**	**2027** **Year 10**
Operating Fund 561											
Beginning Balance	$4,923,632	$4,643,525	$4,869,337	$4,487,094	$4,854,316	$4,024,941	$4,364,595	$4,740,571	$4,983,280	$6,439,002	$7,653,116
Net Revenue	($280,107)	$225,812	$717,758	$917,221	$590,625	$961,656	$1,005,976	$972,709	$889,947	$735,755	$583,998
Add Back System Depreciation Net of CIP	$0	$0	$0	$0	$0	$547,998	$0	$0	$545,775	$458,359	$548,199
Transfer Out to Capital Fund	$0	$0	($1,100,000)	($550,000)	($550,000)	($1,100,000)	($650,000)	($750,000)	$0	$0	$0
Transfer In (Out) -Impact Fee Fund	$0	$0	$0	$0	($870,000)	($70,000)	$20,000	$20,000	$20,000	$20,000	$20,000
Ending Balance	**$4,643,525**	**$4,869,337**	**$4,487,094**	**$4,854,316**	**$4,024,941**	**$4,364,595**	**$4,740,571**	**$4,983,280**	**$6,439,002**	**$7,653,116**	**$8,805,314**
Capital Fund 763											
Beginning Balance	$1,189,880	$830,494	$149,218	$214,070	$685,961	$741,654	$225,438	$351,818	$738,865	$738,865	$738,865
Transfer In from Operating Fund	$0	$0	$1,100,000	$550,000	$550,000	$1,100,000	$650,000	$750,000	$0	$0	$0
Capital Projects Expenses [1]	($359,386)	($681,276)	($1,035,148)	($78,109)	($494,306)	($1,616,217)	($523,620)	($362,953)	$0	$0	$0
Ending Balance	**$830,494**	**$149,218**	**$214,070**	**$685,961**	**$741,654**	**$225,438**	**$351,818**	**$738,865**	**$738,865**	**$738,865**	**$738,865**
Combined Operating and Capital Funds	**$5,474,019**	**$5,018,555**	**$4,701,164**	**$5,540,276**	**$4,766,595**	**$4,590,032**	**$5,092,389**	**$5,722,146**	**$7,177,867**	**$8,391,982**	**$9,544,179**
Impact Fee Fund 764											
Beginning Balance	$685,291	$702,091	$620,876	$388,259	$114,398	$8,850	$3,208	$2,722	$2,730	$3,243	$4,274
Transfer In (Out) -Operating Fund [2]	$0	$0	$0	$0	$870,000	$70,000	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)
Fee Revenues [3]	$16,800	$17,225	$17,660	$18,106	$18,564	$19,033	$19,514	$20,007	$20,513	$21,031	$21,563
Expenses											
Meadowood Tank Upgrades	$0	$0	$136,913	$0	$0	$0	$0	$0	$0	$0	$0
Dwyer Road Booster	$0	$0	$0	$259,225	$223,069	$0	$0	$0	$0	$0	$0
Bell Valve House Valve Replacement	$0	$0	$0	$0	$0	$94,675	$0	$0	$0	$0	$0
Holmes Tank Upgrade	$0	$0	$0	$32,743	$771,043	$0	$0	$0	$0	$0	$0
Bell Canyon Creek Flow Measurement	$0	$88,876	$0	$0	$0	$0	$0	$0	$0	$0	$0
Tank 2 Rehabilitation	$0	$9,563	$113,364	$0	$0	$0	$0	$0	$0	$0	$0
Ending Balance	**$702,091**	**$620,876**	**$388,259**	**$114,398**	**$8,850**	**$3,208**	**$2,722**	**$2,730**	**$3,243**	**$4,274**	**$5,837**

Source: City of St. Helena and HEC.

fund flow

[1] Cash-funded projects only. Projects that are debt-funded are included in the operating fund.

[2] Future users' share of debt service is approximately $25,000 each year starting in fiscal year 2019.

[3] Assumes growth of 5 units per year and the current impact fee of $1.68 per building square foot
Fee assumed to grow 2.5% per year. 2,000 average home building square feet
The impact fee needs to be revised for these CIP costs. $3,360 Averge fee per unit

Attachment 2

ATTACHMENT A

WATER RATE STUDY

SUPPORT TABLES

Attachment 2

Table A-1
City of St. Helena Water Rate Study
Historical Water Fund Financial Performance

Revenues and Expenses	Actual Financials for Fiscal Year Ending 2011	2012	2013	2014	2015	Avg. Annual Percentage Change
OPERATING						
Revenues						
Charges For Services	$3,062,669	$4,313,393	$4,731,720	$4,883,409	$4,237,307	8.5%
Miscellaneous	$6,117	$12,088	$28,246	$12,491	$89,673	95.7%
Total Revenues	**$3,068,786**	**$4,325,481**	**$4,759,966**	**$4,895,900**	**$4,326,980**	9.0%
Expenses						
Personnel	$1,207,335	$1,214,927	$1,176,559	$1,131,354	$1,362,727	3.1%
Contracted Services	$21,451	$56,561	$0	$0	$0	-100.0%
Purchased Water	$787,525	$1,178,400	$1,189,925	$1,327,251	$1,272,770	12.8%
Utilities	$105,749	$106,389	$147,994	$170,384	$161,313	11.1%
Fuel	$0	$0	$0	$0	$0	n.a.
Other Supplies and Expenses	$399,366	$530,562	$370,484	$498,635	$560,847	8.9%
Depreciation and Amortization	$617,876	$657,710	$792,559	$792,559	$1,028,037	13.6%
Subtotal Expenses	**$3,139,302**	**$3,744,549**	**$3,677,521**	**$3,920,183**	**$4,385,694**	8.7%
NET OPERATING INCOME (LOSS)	**($70,516)**	**$580,932**	**$1,082,445**	**$975,717**	**($58,714)**	
NON OPERATING						
Transfers Out	$0	($55,479)	$0	$0	$0	n.a.
Gains (Loss) on Capital Asset Disposals	$0	($124,356)	$0	$0	$0	n.a.
Interest and Investment Revenue	$49,268	$34,746	$16,909	$25,476	$40,968	-4.5%
Interest Expense	($387,792)	($349,084)	($396,126)	($343,880)	($196,547)	-15.6%
Net Non Operating Revenues (Expenses)	**($338,524)**	**($494,173)**	**($379,217)**	**($318,404)**	**($155,579)**	-17.7%
Capital Contibutions	**$190,034**	**$321,951**	**$169,417**	**$287,140**	**$152,989**	-5.3%
Change in Net Assets	**($219,006)**	**$408,710**	**$872,645**	**$944,453**	**($61,304)**	
Net Assets Begninning Balance	**$10,649,155**	**$10,430,149**	**$10,502,760**	**$11,375,405**	**$12,319,858**	
Net Assets Ending Balance	**$10,430,149**	**$10,838,859**	**$11,375,405**	**$12,319,858**	**$12,258,554**	

Source: City of St. Helena.

cafr

Attachment 2

Table A-2
City of St. Helena Water Rate Study
Historical Revenues and Expenditures

	Fiscal Year Ending				Estimated	Budgeted
Revenues and Expenses	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
OPERATING FUND						
Revenues						
Investment Earnings	$33,247	$16,718	$24,907	$30,781	$24,900	$25,000
Fire Service Agreement Fees	$0	$0	$0	$0	$0	$0
Raw Water Permit Fees	$100	$400	$550	$750	$650	$800
Water Conservation Fines	$0	$0	$0	$0	$0	$0
Backflow Testing & Insp Fees	$0	$300	$150	$150	$150	$150
Sale Of Capital Asset	$0	$0	$0	$0	$0	$0
Other Revenue	$11,988	$6,165	$11,791	$7,594	$5,500	$8,500
Insurance Receipts	$0	$0	$0	$0	$0	$0
Water Revenue	$2,251	$2,089	$1,306	$2,327	$2,300	$5,500
Surcharge-Meadowood	$30,210	$30,223	$30,223	$32,223	$30,223	$30,223
Pumping Charge	$23,120	$23,038	$23,956	$22,890	$23,650	$18,420
Rates - Inside City Limits	$3,862,757	$4,264,423	$4,381,060	$3,821,553	$4,082,365	$3,343,945
Rates - Outside City Limits	$337,510	$364,387	$385,337	$345,644	$359,600	$359,600
Finance Charges	$34,418	$30,514	$40,533	$36,142	$37,150	$36,000
Sale of Remote Meters	$571	$231	$4,575	$3,046	$1,740	$1,500
Hydrant Rental	$150	$150	$0	$0	$0	$0
Property Rentals	$8,400	$8,400	$8,400	$8,400	$8,400	$8,400
Water Meter Install Fee	$14,006	$8,265	$8,018	$10,724	$5,000	$8,000
Total Revenues	**$4,358,728**	**$4,755,303**	**$4,920,806**	**$4,322,225**	**$4,581,628**	**$3,846,038**
Expenses						
Salaries & Benefits	$1,217,968	$1,168,983	$1,165,302	$1,299,809	$1,565,976	$1,612,243
Services	$440,097	$284,472	$348,495	$358,264	$538,363	$564,625
Supplies	$147,577	$100,683	$82,066	$117,593	$142,949	$151,490
Napa Purchased Water	$1,178,401	$1,189,926	$1,327,251	$1,272,770	$1,311,272	$1,349,019
Maintenance	$91,794	$68,433	$78,880	$124,006	$195,116	$172,579
Taxes, Insurances & Contributions	$102,988	$74,528	$79,111	$91,930	$147,415	$133,167
Capital	$13,175	$33,471	$11,886	$15,056	$59,785	$137,925
Transfers	$179,836	$0	$200,000	$979,380	$111,995	$0
Debt	$349,084	$396,126	$343,980	$196,547	$1,008,078	$1,001,067
Total Expenses	**$3,720,918**	**$3,316,623**	**$3,636,971**	**$4,455,356**	**$5,080,949**	**$5,122,115**
Operating Fund Net Revenues	**$637,810**	**$1,438,681**	**$1,283,835**	**($133,132)**	**($499,321)**	**($1,276,077)**
WATER CAPITAL FUND						
Revenues						
Transfers in	$182,000	$92,045	$200,000	$979,380	$75,541	$0
Total Revenues	**$182,000**	**$92,045**	**$200,000**	**$979,380**	**$75,541**	**$0**
Expenses						
Salaries & Benefits	$110,984	$349	$0	$0	$0	$0
Professional Services	$233,894	$430,235	$1,638,364	$424,649	$0	$0
Training	$0	$0	$0	$38	$0	$0
Supplies	$0	$17,802	$14,030	$2,382	$0	$0
Advertising	$421	$0	$0	$0	$0	$0
Taxes and Charges	$0	$0	$0	$3,120	$0	$0
Capital Projects Budget	$0	$0	$0	$4,092	$0	$0
Capital Equipment	$0	$0	$5,875	$0	$0	$0
Capital Imp Equipment	$0	$222,039	$10,759	$0	$0	$0
Total Expenses	**$345,300**	**$670,426**	**$1,669,028**	**$434,282**	**$0**	**$0**
Capital Fund Net Revenues	**($163,300)**	**($578,381)**	**($1,469,028)**	**$545,098**	**$75,541**	**$0**
WATER IMPACT FUND						
Revenues						
Investment Revenue	$1,054	$17	$569	$1,787	$1,500	$1,800
Other Revenue	$0	$21,381	$0	$45,937	$0	$0
Water Impact Fees	$321,951	$169,417	$287,140	$152,989	$110,000	$100,000
Total Revenues	**$323,005**	**$190,815**	**$287,709**	**$200,713**	**$111,500**	**$101,800**
Expenses						
Transfers Out	$182,000	$92,045	$0	$0	$0	$0
Total Expenses	**$182,000**	**$92,045**	**$0**	**$0**	**$0**	**$0**
Water Impact Fund Net Revenues	**$141,005**	**$98,770**	**$287,709**	**$200,713**	**$111,500**	**$101,800**

Source: City of St. Helena Financial Data.

rev exp

Attachment 2

Table A-3
City of St. Helena Water Rate Study
Historical Expenditures

	Actuals Fiscal Year Ending				**Estimated**	**Budgeted**
Expenses	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Operations						
Salaries & Benefits	$509,098	$442,817	$448,242	$507,936	$678,792	$706,986
Services	$271,166	$91,007	$127,243	$137,836	$290,421	$311,925
Supplies	$11,086	$13,053	$12,308	$10,918	$20,513	$18,792
Napa Purchased Water	$0	$0	$0	$0	$0	$0
Maintenance	$6,942	$6,959	$10,452	$21,512	$13,246	$13,197
Taxes, Insurances & Contributions	$86,653	$64,812	$68,027	$79,911	$123,415	$113,467
Capital	$0	$5,272	$113	$551	$8,234	$1,925
Transfers	$179,836	$0	$200,000	$979,380	$111,995	$0
Debt	$349,084	$396,126	$343,980	$196,547	$1,008,078	$1,001,067
Subtotal Operations	**$1,413,864**	**$1,020,046**	**$1,210,366**	**$1,934,592**	**$2,254,694**	**$2,167,359**
Distribution						
Salaries & Benefits	$362,007	$357,787	$357,186	$413,670	$497,637	$490,637
Services	$50,639	$56,393	$72,008	$76,939	$86,957	$85,700
Supplies	$20,493	$16,111	$10,127	$21,459	$21,810	$28,298
Napa Purchased Water	$0	$0	$0	$0	$0	$0
Maintenance	$37,922	$36,834	$44,189	$52,003	$57,389	$60,295
Taxes, Insurances & Contributions	$0	$0	$0	$0	$0	$0
Capital	$12,238	$0	$0	$0	$26,000	$21,000
Transfers	$0	$0	$0	$0	$0	$0
Debt	$0	$0	$0	$0	$0	$0
Subtotal Distribution	**$483,298**	**$467,126**	**$483,510**	**$564,071**	**$689,793**	**$685,930**
Treatment						
Salaries & Benefits	$346,863	$368,378	$359,875	$378,203	$389,547	$414,620
Services	$84,949	$89,641	$94,000	$89,843	$102,350	$109,900
Supplies	$109,114	$59,140	$49,245	$73,764	$74,988	$91,600
Napa Purchased Water	$1,178,401	$1,189,926	$1,327,251	$1,272,770	$1,311,272	$1,349,019
Maintenance	$36,589	$24,384	$21,299	$50,197	$104,518	$83,587
Taxes, Insurances & Contributions	$16,335	$9,716	$11,084	$12,019	$24,000	$19,700
Capital	$937	$28,199	$1,356	$14,505	$14,776	$115,000
Transfers	$0	$0	$0	$0	$0	$0
Debt	$0	$0	$0	$0	$0	$0
Subtotal Treatment	**$1,773,187**	**$1,769,383**	**$1,864,109**	**$1,891,301**	**$2,021,451**	**$2,183,426**
Stonebridge Wells						
Salaries & Benefits	$0	$0	$0	$0	$0	$0
Services	$33,343	$47,430	$55,244	$53,646	$58,635	$57,100
Supplies	$6,884	$12,380	$10,386	$11,452	$25,638	$12,800
Napa Purchased Water	$0	$0	$0	$0	$0	$0
Maintenance	$10,341	$257	$2,940	$294	$19,963	$15,500
Taxes, Insurances & Contributions	$0	$0	$0	$0	$0	$0
Capital	$0	$0	$10,416	$0	$10,775	$0
Transfers	$0	$0	$0	$0	$0	$0
Debt	$0	$0	$0	$0	$0	$0
Subtotal Stonebridge Wells	**$50,568**	**$60,067**	**$78,986**	**$65,392**	**$115,011**	**$85,400**
Total Expenses	**$3,720,918**	**$3,316,623**	**$3,636,971**	**$4,455,356**	**$5,080,949**	**$5,122,115**

Source: City of St. Helena.

hist exp

Attachment 2

Table A-4
City of St. Helena Water Rate Study
Historical Water Use by Customer Category

Customer	2011	2012	2013	2014	2015	Average [1]	% of Avg.
				Figures in HCF			
Residential							
Single Unit	257,882	287,886	315,468	256,777	249,219	**262,941**	39%
Multi-Fam	53,603	53,447	54,233	47,016	41,356	**48,856**	7%
Mobile Homes	28,762	28,086	33,486	26,478	24,777	**27,026**	4%
Subtotal Residential	**340,247**	**369,419**	**403,187**	**330,271**	**315,352**	**338,822**	**50%**
Non-Residential							
Commercial	79,633	84,345	88,911	85,056	70,394	**79,857**	12%
Industrial	154,499	149,776	163,569	131,722	117,691	**138,422**	21%
Landscape	26,100	28,440	30,349	17,268	10,650	**20,615**	3%
Churches	3,308	3,462	3,911	2,847	1,895	**2,878**	0%
Wells	2,584	2,470	2,531	2,705	2,579	**2,585**	0%
Laundry	3,390	3,317	3,366	2,949	2,412	**3,017**	0%
Library Schools	20,009	19,613	20,981	18,022	20,162	**19,452**	3%
Motel/Hotel	28,650	32,351	32,173	27,028	27,720	**28,937**	4%
City Owned	9,664	10,554	14,963	11,559	13,088	**11,216**	2%
Subtotal Non-Residential	**327,837**	**334,328**	**360,754**	**299,156**	**266,591**	**306,978**	**46%**
Raw Water	**36,005**	**27,617**	**27,393**	**21,756**	**21,274**	**26,663**	**4%**
Total Billable	**704,089**	**731,364**	**791,334**	**651,183**	**603,217**	**672,463**	**100%**
Non-Billable	62,293	59,636	69,465	61,384	64,609	**61,980**	
Total Water	**766,382**	**791,000**	**860,799**	**712,567**	**667,826**	**725,950**	

Source: City of St. Helena use

[1] Average excludes 2013.

Table A-5
City of St. Helena Water Rate Study
Calculation of Unaccounted for Water

	2013	2014	2015	Average
		Gallons of Water		
Consumption	568,883,172	477,673,548	446,865,672	497,807,464
Production	601,650,524	506,733,207	501,660,534	536,681,422
Consumption as a % of Production	**95%**	**94%**	**89%**	**93%**
Water	***5%***	***6%***	***11%***	***7%***

Source: City of St. Helena.

unacc

Table A-6
City of St. Helena Water Rate Study
Estimated Ten-Year Schedule of Water Capital Improvements in 2016 $'s

Project	***Notes***	**Total Cost**	**Total Cost Less Existing Funding**	**Fiscal Year Ending**										
				2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Project Costs (2016 $'s)			**[1]**	*Costs are net of existing bond proceeds and grant funds*										
York Creek Upper Dam Removal/Mitigation	*Partially funded by grant and City (existing bond proceeds)*	*$ 6,177,117*	**$1,695,775**	$0	$847,888	$847,888	$0	$0	$0	$0	$0	$0	$0	$0
Meadowood Tank Upgrades	*Partially funded by grant and City (existing bond proceeds)*	*$500,000*	**$379,900**	$0	$0	$379,900	$0	$0	$0	$0	$0	$0	$0	$0
Bell Canyon Reservoir Improvements	*Funded by Reserves*	*$900,000*	**$900,000**	$0	$0	$0	$0	$0	$900,000	$0	$0	$0	$0	$0
Dwyer Road Booster	*Moved out 3 years*	*$842,523*	**$842,523**	$0	$0	$0	$459,190	$383,333	$0	$0	$0	$0	$0	$0
Bell Canyon Intake Mid-Valve Repair		*$14,387*	**$14,387**	$14,387	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bell Valve House Valve Replacement	*Funded by Reserves*	*$526,105*	**$526,105**	$0	$0	$0	$0	$0	$526,105	$0	$0	$0	$0	$0
Holmes Tank Upgrade	*Moved out 3 years*	*$1,383,000*	**$1,383,000**	$0	$0	$0	$58,000	$1,325,000	$0	$0	$0	$0	$0	$0
Bell Canyon Creek Flow Measurement	*Partially funded by City existing bond proceeds*	*$750,000*	**$492,750**	$0	$492,750	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Handling Program	*Moved out 2 years*	*$150,000*	**$150,000**	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0	$0
Raw Water Metering Station	*Moved out 1 year*	*$100,000*	**$100,000**	$0	$0	$0	$0	$0	$0	$0	$0	$100,000	$0	$0
Tank 2 Rehabilitation	*Moved out 1 year*	*$750,000*	**$750,000**	$0	$60,000	$690,000	$0	$0	$0	$0	$0	$0	$0	$0
Well Filter Rehabilitation		*$11,103*	**$11,103**	$11,103	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pump Station Upgrades	*Funded by New Debt*	*$200,000*	**$200,000**	$0	$200,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replace 12" Transmission Main	*Moved out 1 year*	*$400,000*	**$400,000**	$0	$0	$0	$0	$0	$0	$400,000	$0	$0	$0	$0
Lower York Creek Dam Rehab		*$480,695*	**$480,695**	$190,695	$0	$0	$0	$0	$0	$0	$290,000	$0	$0	$0
Bell Canyon Intake Tower Replacement	*Funded by New Debt*	*$2,000,000*	**$2,000,000**	$650,000	$1,350,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
WTP Condition Assessment	*Moved out 2 years*	*$150,000*	**$150,000**	$0	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0
Spill Containment at Bell Creek Intake	*Funded by Reserves*	*$75,000*	**$75,000**	$0	$75,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
SCADA Improvements (Rutherford & Holmes)		*$150,000*	**$150,000**	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0	$0
Spill Containment at Stonebridge Well	*Funded by Reserves*	*$75,000*	**$75,000**	$0	$75,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Upgrade Rutherford Pump Station		*$500,000*	**$500,000**	$0	$0	$50,000	$450,000	$0	$0	$0	$0	$0	$0	$0
Remove Restriction at Rutherford PS		*$150,000*	**$150,000**	$0	$50,000	$100,000	$0	$0	$0	$0	$0	$0	$0	$0
Install Smart Meters	*Unfunded* [2]	*$0*	**$0**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Water System		*$50,000*	**$50,000**	$0	$0	$0	$50,000	$0	$0	$0	$0	$0	$0	$0
Water Master Plan Update		*$150,000*	**$150,000**	$0	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0
Replace Mains < 6-Inch Diameter	*Moved out and increased in later years*	*$4,000,000*	**$4,000,000**	$0	$0	$0	$0	$400,000	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Replace 1% of Water Mains Annually		*$150,000*	**$150,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$150,000
Additional Storage		*$1,000,000*	**$1,000,000**	$0	$0	$0	$0	$0	$0	$500,000	$500,000	$0	$0	$0
Annual Maintenance Program		*$950,000*	**$950,000**	$50,000	$50,000	$50,000	$50,000	$250,000	$50,000	$50,000	$50,000	$50,000	$250,000	$50,000
Total Estimated Project Costs (2016 $'s)		***$22,584,930***	**$17,726,238**	**$916,185**	**$3,200,638**	**$2,117,788**	**$1,367,190**	**$2,658,333**	**$2,076,105**	**$1,550,000**	**$1,440,000**	**$750,000**	**$850,000**	**$800,000**

Source: City of St. Helena and HEC.

2016 cip

[1] Total Cost Less Existing Funding = Total Cost - Existing Bonds - Existing Grants

[2] Installing Smart Meters program is currently unfunded. Total cost for the program is estimated at $1.5 million.

Attachment 2

Table A-7
City of St. Helena Water Rate Study
Estimated Ten-Year Schedule of Water Capital Improvements in Future $'s

			Fiscal Year Ending										
Project	*Notes*	**Existing Funding [3]**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Project Costs (Future $'s) [1]								***Annual Increase 3.1%***					
York Creek Upper Dam Removal/Mitigation	*Partially funded by grant and City (existing bond proceeds)*	**$1,829,635**	$0	$900,939	$928,696	$0	$0	$0	$0	$0	$0	$0	$0
Meadowood Tank Upgrades	*Partially funded by grant and City (existing bond proceeds)*	**$416,107**	$0	$0	$416,107	$0	$0	$0	$0	$0	$0	$0	$0
Bell Canyon Reservoir Improvements	*Funded by Reserves*	**$1,079,726**	$0	$0	$0	$0	$0	$1,079,726	$0	$0	$0	$0	$0
Dwyer Road Booster	*Moved out 3 years*	**$964,587**	$0	$0	$0	$518,449	$446,137	$0	$0	$0	$0	$0	$0
Bell Canyon Intake Mid-Valve Repair		**$14,830**	$14,830	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bell Valve House Valve Replacement	*Funded by Reserves*	**$631,166**	$0	$0	$0	$0	$0	$631,166	$0	$0	$0	$0	$0
Holmes Tank Upgrade	*Moved out 3 years*	**$1,607,570**	$0	$0	$0	$65,485	$1,542,085	$0	$0	$0	$0	$0	$0
Bell Canyon Creek Flow Measurement	*Partially funded by City existing bond proceeds*	**$523,581**	$0	$523,581	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Handling Program	*Moved out 2 years*	**$169,358**	$0	$0	$0	$169,358	$0	$0	$0	$0	$0	$0	$0
Raw Water Metering Station	*Moved out 1 year*	**$131,403**	$0	$0	$0	$0	$0	$0	$0	$0	$131,403	$0	$0
Tank 2 Rehabilitation	*Moved out 1 year*	**$819,515**	$0	$63,754	$755,761	$0	$0	$0	$0	$0	$0	$0	$0
Well Filter Rehabilitation		**$11,445**	$11,445	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pump Station Upgrades	*Funded by New Debt*	**$212,514**	$0	$212,514	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replace 12" Transmission Main		**$494,663**	$0	$0	$0	$0	$0	$0	$494,663	$0	$0	$0	$0
Lower York Creek Dam Rehab		**$566,250**	$196,570	$0	$0	$0	$0	$0	$0	$369,680	$0	$0	$0
Bell Canyon Intake Tower Replacement	*Funded by New Debt*	**$2,104,494**	$670,026	$1,434,468	$0	$0	$0	$0	$0	$0	$0	$0	$0
WTP Condition Assessment	*Moved out 2 years*	**$174,576**	$0	$0	$0	$0	$174,576	$0	$0	$0	$0	$0	$0
Spill Containment at Bell Creek Intake	*Funded by Reserves*	**$79,693**	$0	$79,693	$0	$0	$0	$0	$0	$0	$0	$0	$0
SCADA Improvements (Rutherford & Holmes)		**$169,358**	$0	$0	$0	$169,358	$0	$0	$0	$0	$0	$0	$0
Spill Containment at Stonebridge Well	*Funded by Reserves*	**$79,693**	$0	$79,693	$0	$0	$0	$0	$0	$0	$0	$0	$0
Upgrade Rutherford Pump Station		**$562,839**	$0	$0	$54,765	$508,073	$0	$0	$0	$0	$0	$0	$0
Remove Restriction at Rutherford PS		**$162,659**	$0	$53,128	$109,531	$0	$0	$0	$0	$0	$0	$0	$0
Install Smart Meters	*Unfunded [2]*	**$0**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Water System		**$56,453**	$0	$0	$0	$56,453	$0	$0	$0	$0	$0	$0	$0
Water Master Plan Update		**$174,576**	$0	$0	$0	$0	$174,576	$0	$0	$0	$0	$0	$0
Replace Mains < 6-Inch Diameter	*Moved out and increased in later years*	**$5,131,085**	$0	$0	$0	$0	$465,535	$719,817	$741,995	$764,855	$788,420	$812,711	$837,751
Replace 1% of Water Mains Annually		**$209,438**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$209,438
Additional Storage		**$1,255,708**	$0	$0	$0	$0	$0	$0	$618,329	$637,379	$0	$0	$0
Annual Maintenance Program		**$1,166,546**	$51,540	$53,128	$54,765	$56,453	$290,959	$59,985	$61,833	$63,738	$65,702	$338,630	$69,813
Total Estimated Project Costs (Future $'s)		**$20,799,466**	**$944,412**	**$3,400,897**	**$2,319,626**	**$1,543,629**	**$3,093,869**	**$2,490,694**	**$1,916,820**	**$1,835,653**	**$985,525**	**$1,151,341**	**$1,117,001**

Source: City of St. Helena and HEC.

future cip

[1] Estimated costs increased by historical Engineering News Record Construction Cost Index 20-year average increase.

[2] Installing Smart Meters program is currently unfunded. Total cost for the program is estimated at $1.5 million.

[3] Total Cost Less Existing Funding = Total Cost - Existing Bonds - Existing Grants

Table A-8
City of St. Helena Water Rate Study
Total Cost by Water System and Share of Cost to Existing Customers

Project	Funding Source	Percent Share Existing Customers	Percent Share in Rate Model	Total Cost	Fiscal Year Ending										
					2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Project Costs (2016 $'s)		**per City CIP**													
York Creek Upper Dam Removal/Mitigation	Cash	100%	100%	**$1,695,775**	$0	$847,888	$847,888	$0	$0	$0	$0	$0	$0	$0	$0
Meadowood Tank Upgrades	Cash	67%	67%	**$254,900**	$0	$0	$254,900	$0	$0	$0	$0	$0	$0	$0	$0
Bell Canyon Reservoir Improvements	Reserves	100%	100%	**$900,000**	$0	$0	$0	$0	$0	$900,000	$0	$0	$0	$0	$0
Dwyer Road Booster	Cash	50%	50%	**$421,262**	$0	$0	$0	$229,595	$191,667	$0	$0	$0	$0	$0	$0
Bell Canyon Intake Mid-Valve Repair	Cash	100%	100%	**$14,387**	$14,387	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bell Valve House Valve Replacement	Reserves	85%	85%	**$447,189**	$0	$0	$0	$0	$0	$447,189	$0	$0	$0	$0	$0
Holmes Tank Upgrade	Cash	50%	50%	**$691,500**	$0	$0	$0	$29,000	$662,500	$0	$0	$0	$0	$0	$0
Bell Canyon Creek Flow Measurement	Cash	83%	83%	**$409,107**	$0	$409,107	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Handling Program	Cash	100%	100%	**$150,000**	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0	$0
Raw Water Metering Station	Cash	100%	100%	**$100,000**	$0	$0	$0	$0	$0	$0	$0	$0	$100,000	$0	$0
Tank 2 Rehabilitation	Cash	85%	85%	**$637,500**	$0	$51,000	$586,500	$0	$0	$0	$0	$0	$0	$0	$0
Well Filter Rehabilitation	Cash	100%	100%	**$11,103**	$11,103	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pump Station Upgrades	Debt	100%	100%	**$200,000**	$0	$200,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replace 12" Transmission Main	Cash	100%	100%	**$400,000**	$0	$0	$0	$0	$0	$0	$400,000	$0	$0	$0	$0
Lower York Creek Dam Rehab	Cash	100%	100%	**$480,695**	$190,695	$0	$0	$0	$0	$0	$0	$290,000	$0	$0	$0
Bell Canyon Intake Tower Replacement	Debt	85%	85%	**$1,700,000**	$552,500	$1,147,500	$0	$0	$0	$0	$0	$0	$0	$0	$0
WTP Condition Assessment	Ops Cash	100%	100%	**$150,000**	$0	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0
Spill Containment at Bell Creek Intake	Reserves	100%	100%	**$75,000**	$0	$75,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
SCADA Improvements (Rutherford & Holmes)	Cash	100%	100%	**$150,000**	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0	$0
Spill Containment at Stonebridge Well	Reserves	100%	100%	**$75,000**	$0	$75,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Upgrade Rutherford Pump Station	Cash	100%	100%	**$500,000**	$0	$0	$50,000	$450,000	$0	$0	$0	$0	$0	$0	$0
Remove Restriction at Rutherford PS	Cash	100%	100%	**$150,000**	$0	$50,000	$100,000	$0	$0	$0	$0	$0	$0	$0	$0
Install Smart Meters	Unfunded	100%	100%	**$0**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Water System	Ops Cash	100%	100%	**$50,000**	$0	$0	$0	$50,000	$0	$0	$0	$0	$0	$0	$0
Water Master Plan Update	Ops Cash	100%	100%	**$150,000**	$0	$0	$0	$0	$150,000	$0	$0	$0	$0	$0	$0
Replace Mains < 6-Inch Diameter	Cash	100%	100%	**$4,000,000**	$0	$0	$0	$0	$400,000	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Replace 1% of Water Mains Annually	Cash	100%	100%	**$150,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$150,000
Additional Storage	Cash	100%	100%	**$1,000,000**	$0	$0	$0	$0	$0	$0	$500,000	$500,000	$0	$0	$0
Annual Maintenance Program	Cash	100%	100%	**$950,000**	$50,000	$50,000	$50,000	$50,000	$250,000	$50,000	$50,000	$50,000	$50,000	$250,000	$50,000
Total Estimated Project Costs (2016 $'s)				**$15,913,418**	**$818,685**	**$2,905,495**	**$1,889,288**	**$1,108,595**	**$1,804,167**	**$1,997,189**	**$1,550,000**	**$1,440,000**	**$750,000**	**$850,000**	**$800,000**

Table A-8
City of St. Helena Water Rate Study
Total Cost by Water System and Share of Cost to Existing Customers

Project	**Funding Source**	**Percent Share Existing Customers**	**Percent Share in Rate Model**	**Total Cost**	**Fiscal Year Ending**										
					2017	**2018** Year 1	**2019** Year 2	**2020** Year 3	**2021** Year 4	**2022** Year 5	**2023** Year 6	**2024** Year 7	**2025** Year 8	**2026** Year 9	**2027** Year 10
Estimated Project Costs (Future $'s) [1]															
York Creek Upper Dam Removal/Mitigation	Cash	100%	100%	**$1,829,635**	$0	$900,939	$928,696	$0	$0	$0	$0	$0	$0	$0	$0
Meadowood Tank Upgrades	Cash	67%	67%	**$279,194**	$0	$0	$279,194	$0	$0	$0	$0	$0	$0	$0	$0
Bell Canyon Reservoir Improvements	Reserves	100%	100%	**$1,079,726**	$0	$0	$0	$0	$0	$1,079,726	$0	$0	$0	$0	$0
Dwyer Road Booster	Cash	50%	50%	**$482,293**	$0	$0	$0	$259,225	$223,069	$0	$0	$0	$0	$0	$0
Bell Canyon Intake Mid-Valve Repair	Cash	100%	100%	**$14,830**	$14,830	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bell Valve House Valve Replacement	Reserves	85%	85%	**$536,491**	$0	$0	$0	$0	$0	$536,491	$0	$0	$0	$0	$0
Holmes Tank Upgrade	Cash	50%	50%	**$803,785**	$0	$0	$0	$32,743	$771,043	$0	$0	$0	$0	$0	$0
Bell Canyon Creek Flow Measurement	Cash	83%	83%	**$434,704**	$0	$434,704	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Handling Program	Cash	100%	100%	**$169,358**	$0	$0	$0	$169,358	$0	$0	$0	$0	$0	$0	$0
Raw Water Metering Station	Cash	100%	100%	**$131,403**	$0	$0	$0	$0	$0	$0	$0	$0	$131,403	$0	$0
Tank 2 Rehabilitation	Cash	85%	85%	**$696,588**	$0	$54,191	$642,397	$0	$0	$0	$0	$0	$0	$0	$0
Well Filter Rehabilitation	Cash	100%	100%	**$11,445**	$11,445	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pump Station Upgrades	Debt	100%	100%	**$212,514**	$0	$212,514	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replace 12" Transmission Main	Cash	100%	100%	**$494,663**	$0	$0	$0	$0	$0	$0	$494,663	$0	$0	$0	$0
Lower York Creek Dam Rehab	Cash	100%	100%	**$566,250**	$196,570	$0	$0	$0	$0	$0	$0	$369,680	$0	$0	$0
Bell Canyon Intake Tower Replacement	Debt	85%	85%	**$1,788,820**	$569,522	$1,219,298	$0	$0	$0	$0	$0	$0	$0	$0	$0
WTP Condition Assessment	Ops Cash	100%	100%	**$174,576**	$0	$0	$0	$0	$174,576	$0	$0	$0	$0	$0	$0
Spill Containment at Bell Creek Intake	Reserves	100%	100%	**$79,693**	$0	$79,693	$0	$0	$0	$0	$0	$0	$0	$0	$0
SCADA Improvements (Rutherford & Holmes)	Cash	100%	100%	**$169,358**	$0	$0	$0	$169,358	$0	$0	$0	$0	$0	$0	$0
Spill Containment at Stonebridge Well	Reserves	100%	100%	**$79,693**	$0	$79,693	$0	$0	$0	$0	$0	$0	$0	$0	$0
Upgrade Rutherford Pump Station	Cash	100%	100%	**$562,839**	$0	$0	$54,765	$508,073	$0	$0	$0	$0	$0	$0	$0
Remove Restriction at Rutherford PS	Cash	100%	100%	**$162,659**	$0	$53,128	$109,531	$0	$0	$0	$0	$0	$0	$0	$0
Install Smart Meters	Unfunded	100%	100%	**$0**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Water System	Ops Cash	100%	100%	**$56,453**	$0	$0	$0	$56,453	$0	$0	$0	$0	$0	$0	$0
Water Master Plan Update	Ops Cash	100%	100%	**$174,576**	$0	$0	$0	$0	$174,576	$0	$0	$0	$0	$0	$0
Replace Mains < 6-Inch Diameter	Cash	100%	100%	**$5,131,085**	$0	$0	$0	$0	$465,535	$719,817	$741,995	$764,855	$788,420	$812,711	$837,751
Replace 1% of Water Mains Annually	Cash	100%	100%	**$209,438**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$209,438
Additional Storage	Cash	100%	100%	**$1,255,708**	$0	$0	$0	$0	$0	$0	$618,329	$637,379	$0	$0	$0
Annual Maintenance Program	Cash	100%	100%	**$1,166,546**	$51,540	$53,128	$54,765	$56,453	$290,959	$59,985	$61,833	$63,738	$65,702	$338,630	$69,813
Total Estimated Project Costs (Future $'s)				**$18,754,322**	**$843,908**	**$3,087,287**	**$2,069,348**	**$1,251,662**	**$2,099,757**	**$2,396,019**	**$1,916,820**	**$1,835,653**	**$985,525**	**$1,151,341**	**$1,117,001**
2016 $'s															
Cash - Capital Fund				**$12,166,229**	$266,185	$1,407,995	$1,889,288	$1,058,595	$1,504,167	$650,000	$1,550,000	$1,440,000	$750,000	$850,000	$800,000
Cash - Operations Fund				**$350,000**	$0	$0	$0	$50,000	$300,000	$0	$0	$0	$0	$0	$0
Debt - Capital Fund				**$1,900,000**	$552,500	$1,347,500	$0	$0	$0	$0	$0	$0	$0	$0	$0
Reserves				**$1,497,189**	$0	$150,000	$0	$0	$0	$1,347,189	$0	$0	$0	$0	$0
Total				**$15,913,418**	**$818,685**	**$2,905,495**	**$1,889,288**	**$1,108,595**	**$1,804,167**	**$1,997,189**	**$1,550,000**	**$1,440,000**	**$750,000**	**$850,000**	**$800,000**
Future $'s															
Cash - Capital Fund				**$14,571,782**	$274,386	$1,496,091	$2,069,348	$1,195,209	$1,750,606	$779,802	$1,916,820	$1,835,653	$985,525	$1,151,341	$1,117,001
Cash - Operations Fund				**$405,604**	$0	$0	$0	$56,453	$349,151	$0	$0	$0	$0	$0	$0
Debt - Capital Fund				**$2,001,334**	$569,522	$1,431,811	$0	$0	$0	$0	$0	$0	$0	$0	$0
Reserves				**$1,775,602**	$0	$159,385	$0	$0	$0	$1,616,217	$0	$0	$0	$0	$0
Total				**$18,754,322**	**$843,908**	**$3,087,287**	**$2,069,348**	**$1,251,662**	**$2,099,757**	**$2,396,019**	**$1,916,820**	**$1,835,653**	**$985,525**	**$1,151,341**	**$1,117,001**

Source: City of St. Helena and HEC.

exist share

[1] Estimated costs increased by historical Engineering News Record Construction Cost Index 20-year average increase.

Attachment 2

Table A-9
City of St. Helena Water Rate Study
Existing Annual Debt Service

Fiscal Year Ending	Principal	Interest	Total	Remaining Principal
2017	$514,130	$475,121	$989,251	$11,121,087
2018	$528,043	$454,873	$982,916	$10,593,043
2019	$550,870	$434,897	$985,767	$10,042,174
2020	$568,696	$413,677	$982,373	$9,473,478
2021	$591,522	$388,991	$980,513	$8,881,956
2022	$618,261	$361,871	$980,132	$8,263,696
2023	$641,087	$333,464	$974,551	$7,622,609
2024	$668,913	$305,114	$974,027	$6,953,696
2025	$696,739	$275,177	$971,916	$6,256,956
2026	$728,478	$241,012	$969,490	$5,528,478
2027	$760,217	$203,870	$964,087	$4,768,261
2028	$800,870	$166,167	$967,037	$3,967,391
2029	$836,522	$128,353	$964,874	$3,130,870
2030	$877,174	$90,504	$967,678	$2,253,696
2031	$908,913	$51,095	$960,008	$1,344,783
2032	$949,565	$23,400	$972,965	$395,217
2033	$395,217	$7,904	$403,122	$0

Source: City of St. Helena and HEC.

debt serv

Attachment 2

Table A-10
City of St. Helena Water Rate Study
Meter Replacement Costs Estimate

Item	**Assumption / Total**	**Meter Size** **5/8"**	**3/4"**	**1"**	**1-1/2"**	**2"**	**3"**	**4"**	**6"**
New Meter with Transponder [1]		$200	$250	$350	$550	$700	$1,500	$3,300	$4,550
Installation Costs [2]	20%	$40	$50	$70	$110	$140	$300	$660	$910
Administration Costs	3%	$6	$8	$11	$17	$21	$45	$99	$137
Total Cost per Meter	**$374**	**$246**	**$308**	**$431**	**$677**	**$861**	**$1,845**	**$4,059**	**$5,597**
Replacement Interval (years)		20	20	20	20	20	20	20	20
Cost per Meter per Year		$12	$15	$22	$34	$43	$92	$203	$280
Monthly Cost per Meter		**$1.03**	**$1.28**	**$1.79**	**$2.82**	**$3.59**	**$7.69**	**$16.91**	**$23.32**
Monthly Cost per Billing Meter [3]		**$1.05**	**$1.31**	**$1.83**	**$2.88**	**$3.66**	**$7.84**	**$17.26**	**$23.79**

Source: City of St. Helena and HEC.

meter prog

[1] Approximate prices based on HEC experience.

[2] Actual installation costs vary by meter size as a percentage of meter cost.

[3] Accounts for an estimated vacancy rate of: 2%

Attachment 2

Table A-11
City of St. Helena Water Rate Study
Comparison of Historical Operating Expenses to Standard Indices

	Actuals Fiscal Year Ending				Estimated	Change	
Historical Water Operating Expenses	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**	**Avg. Annual**
Salaries & Benefits	$1,217,968	$1,168,983	$1,165,302	$1,299,809	$1,565,976	$348,008	6.5%
Services	$440,097	$284,472	$348,495	$358,264	$538,363	$98,266	5.2%
Supplies	$147,577	$100,683	$82,066	$117,593	$142,949	($4,628)	-0.8%
Napa Purchased Water	$1,178,401	$1,189,926	$1,327,251	$1,272,770	$1,311,272	$132,872	2.7%
Maintenance	$91,794	$68,433	$78,880	$124,006	$195,116	$103,322	20.7%
Taxes, Insurances & Contributions	$102,988	$74,528	$79,111	$91,930	$147,415	$44,427	9.4%
Total Expenses	**$3,178,823**	**$2,887,026**	**$3,081,105**	**$3,264,373**	**$3,901,091**	**$722,268**	**5.3%**
Engineering News Record	*Dec 2011*	*Dec 2012*	*Dec 2013*	*Dec 2014*	*Dec 2015*		
ENR Construction Cost Index 20-City [1]	9,172.00	9,412.00	9,668.00	9,936.00	10,135.00	963.00	2.5%
ENR Construction Cost Index San Francisco	10,204.79	10,355.09	10,898.84	10,915.84	11,155.41	950.62	2.3%
Bureau of Labor Statistics							
Consumer Price Index - California	232.99	237.71	241.53	244.81	250.71	17.73	1.9%
Consumer Price Index - San Francisco	234.33	239.53	245.71	252.27	260.29	25.96	2.7%

Source: City of St. Helena, California Department of Finance, and the Engineering News Record.

indices

[1] Engineering News Record (ENR) Consumer Cost Index (CCI) change 1995 to 2015:

ENR CCI 1995	5,524	Change	Annual Avg. % Change
ENR CCI 2015	10,135	4,611	**3.1%**

Table A-12
City of St. Helena Water Rate Study
Estimated Depreciation of New Assets

	Asset	**Fiscal Year Ending**										
New Asset	**Life**	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	years											
York Creek Upper Dam Removal/Mitigation	n.a.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Meadowood Tank Upgrades	50	$0	$0	$8,322.14	$8,322	$8,322	$8,322	$8,322	$8,322	$8,322	$8,322	$8,322
Bell Canyon Reservoir Improvements	80	$0	$0	$0	$0	$0	$13,497	$13,497	$13,497	$13,497	$13,497	$13,497
Dwyer Road Booster	50	$0	$0	$0	$10,369	$19,292	$19,292	$19,292	$19,292	$19,292	$19,292	$19,292
Bell Canyon Intake Mid-Valve Repair	10	$1,483	$1,483	$1,483	$1,483	$1,483	$1,483	$1,483	$1,483	$1,483	$1,483	$1,483
Bell Valve House Valve Replacement	50	$0	$0	$0	$0	$0	$12,623	$12,623	$12,623	$12,623	$12,623	$12,623
Holmes Tank Upgrade	50	$0	$0	$0	$1,310	$32,151	$32,151	$32,151	$32,151	$32,151	$32,151	$32,151
Bell Canyon Creek Flow Measurement	40	$0	$13,090	$13,090	$13,090	$13,090	$13,090	$13,090	$13,090	$13,090	$13,090	$13,090
Sludge Handling Program	40	$0	$0	$0	$4,234	$4,234	$4,234	$4,234	$4,234	$4,234	$4,234	$4,234
Raw Water Metering Station	15	$0	$0	$0	$0	$0	$0	$0	$0	$8,760	$8,760	$8,760
Tank 2 Rehabilitation	50	$0	$1,275	$16,390	$16,390	$16,390	$16,390	$16,390	$16,390	$16,390	$16,390	$16,390
Well Filter Rehabilitation	10	$1,145	$1,145	$1,145	$1,145	$1,145	$1,145	$1,145	$1,145	$1,145	$1,145	$1,145
Pump Station Upgrades	50	$0	$4,250	$4,250	$4,250	$4,250	$4,250	$4,250	$4,250	$4,250	$4,250	$4,250
Replace 12" Transmission Main	80	$0	$0	$0	$0	$0	$0	$6,183	$6,183	$6,183	$6,183	$6,183
Lower York Creek Dam Rehab	20	$9,829	$9,829	$9,829	$9,829	$9,829	$9,829	$9,829	$28,313	$28,313	$28,313	$28,313
Bell Canyon Intake Tower Replacement	80	$8,375	$26,306	$26,306	$26,306	$26,306	$26,306	$26,306	$26,306	$26,306	$26,306	$26,306
WTP Condition Assessment	10	$0	$0	$0	$0	$17,458	$17,458	$17,458	$17,458	$17,458	$17,458	$17,458
Spill Containment at Bell Creek Intake	50	$0	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594
SCADA Improvements (Rutherford & Holmes)	10	$0	$0	$0	$16,936	$16,936	$16,936	$16,936	$16,936	$16,936	$16,936	$16,936
Spill Containment at Stonebridge Well	50	$0	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594	$1,594
Upgrade Rutherford Pump Station	50	$0	$0	$1,095	$11,257	$11,257	$11,257	$11,257	$11,257	$11,257	$11,257	$11,257
Remove Restriction at Rutherford PS	50	$0	$1,063	$3,253	$3,253	$3,253	$3,253	$3,253	$3,253	$3,253	$3,253	$3,253
Install Smart Meters	15	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Water System	10	$0	$0	$0	$5,645	$5,645	$5,645	$5,645	$5,645	$5,645	$5,645	$5,645
Water Master Plan Update	10	$0	$0	$0	$0	$17,458	$17,458	$17,458	$17,458	$17,458	$17,458	$17,458
Replace Mains < 6-Inch Diameter	80	$0	$0	$0	$0	$5,819	$14,817	$24,092	$33,653	$43,508	$53,667	$64,139
Replace 1% of Water Mains Annually	80	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,618
Additional Storage	50	$0	$0	$0	$0	$0	$0	$12,367	$25,114	$25,114	$25,114	$25,114
Annual Maintenance Program	10	$5,154	$10,467	$15,943	$21,589	$50,685	$56,683	$62,866	$69,240	$75,810	$109,673	$116,655
Total Estimated Annual Depreciation		**$25,985**	**$72,094**	**$104,294**	**$158,594**	**$268,189**	**$309,305**	**$343,313**	**$390,479**	**$415,665**	**$459,687**	**$479,758**

Source: City of St. Helena and HEC.

new dep

Attachment 2

Table A-13
City of St. Helena Water Rate Study
Depreciation of Existing Assets

Asset Category	Current Depreciation
Buildings	$36,008
Vehicles	$8,383
Equipment	$155,600
Improvements	$559,834
Pipes	$115,319
Total	**$875,144**

Source: City of St. Helena. curr depr

Attachment 2

Table A-14
City of St. Helena Water Rate Study
Allocation of Plant in Service

	Percent Allocation					**Cost Allocation**				
Facility	**Customer**	**Capacity**	**Fire Capacity**	**Use**	**Total**	**Customer**	**Capacity**	**Fire Capacity**	**Use**	**Cost Basis**
Buildings	100%				100%	$1,656,932	$0	$0	$0	$1,656,932
Vehicles	25%	40%		35%	100%	$10,522	$16,835	$0	$14,730	$42,086
Equipment	10%	50%		40%	100%	$206,127	$1,030,636	$0	$824,509	$2,061,272
Improvements		75%	10%	15%	100%	$0	$7,482,162	$997,622	$1,496,432	$9,976,217
Pipes		75%		25%	100%	$0	$2,887,942	$0	$962,647	$3,850,589
Total Plant in Service						**$1,873,580**	**$11,417,575**	**$997,622**	**$3,298,319**	**$17,587,095**
% of Plant in Service						11%	65%	6%	19%	100%

Source: City of St. Helena and HEC.

plant

Attachment 2

Table A-15
City of St. Helena Water Rate Study
Functional Allocation of Revenue Requirement

Expenditures	BUDGET 2016/17	Allocation Basis	Customer	Capacity	Fire Capacity	Use	Unclassified
Operations							
Salaries & Benefits	$706,986	Avg. of Classified	0%	0%	0%	0%	100%
Services	$311,925	Customers	100%	0%	0%	0%	0%
Supplies	$18,792	Avg. of Classified	0%	0%	0%	0%	100%
Maintenance	$13,197	Plant In Service	11%	65%	6%	19%	0%
Taxes, Insurances & Contributions	$113,467	Avg. of Classified	0%	0%	0%	0%	100%
Capital	$1,925	Plant In Service	11%	65%	6%	19%	0%
Debt	$1,001,067	Ratio Avg. to Peak Month	0%	74%	0%	26%	0%
Subtotal Operations	**$2,167,359**						
Distribution							
Salaries & Benefits	$490,637	Avg. of Classified	0%	0%	0%	0%	100%
Services & Supplies	$52,228	Avg. of Classified	0%	0%	0%	0%	100%
Utilities	$61,770	Avg. of Classified	0%	0%	0%	0%	100%
Maintenance	$60,295	Plant In Service	11%	65%	6%	19%	0%
Capital	$21,000	Plant In Service	11%	65%	6%	19%	0%
Subtotal Distribution	**$685,930**						
Treatment							
Salaries & Benefits	$414,620	Ratio Avg. to Peak Month	0%	74%	0%	26%	0%
Services & Supplies	$64,000	Ratio Avg. to Peak Month	0%	74%	0%	26%	0%
Utilities & Chemicals	$137,500	Utilities & Chemicals	0%	0%	0%	100%	0%
Maintenance	$83,587	Plant In Service	11%	65%	6%	19%	0%
Taxes, Insurances & Contributions	$19,700	Avg. of Classified	0%	0%	0%	0%	100%
Capital	$115,000	Plant In Service	11%	65%	6%	19%	0%
Subtotal Treatment	**$834,407**						
Stonebridge Wells							
Services	$57,100	Utilities & Chemicals	0%	0%	0%	100%	0%
Supplies	$12,800	Utilities & Chemicals	0%	0%	0%	100%	0%
Maintenance	$15,500	Plant In Service	11%	65%	6%	19%	0%
Subtotal Stonebridge Wells	**$85,400**						
Napa Purchased Water	**$1,349,019**	Napa	0%	75%	0%	25%	0%
TOTAL OPERATING EXPENDITURES	**$5,122,115**		**$345,003**	**$2,313,324**	**$17,613**	**$982,594**	**$1,463,580**
Reallocate As All Others			$138,017	$925,435	$7,046	$393,082	
ALLOCATION OF OP. EXP.	**$5,122,115**		**$483,021**	**$3,238,759**	**$24,659**	**$1,375,676**	
	100%		9.4%	63.2%	0.5%	26.9%	

Source: City of St. Helena and HEC.

func

Attachment 2

Table A-16
City of St. Helena Water Rate Study
Number of Meters

Meter		Customer Type											
Size	TOTAL	Commercial	Industrial	Residential			Landscape	Churches	Laundry	Library/Schools	Motel/Hotel	All Other	City-Owned
				SF	MF	Mob		[2]					
	[1]												
5/8"	1,987	131	12	1,776	36	1	12	7	0	1	5	0	6
1"	330	40	0	232	36	0	6	6	0	1	2	0	7
1.5"	61	11	1	11	20	1	6	1	1	3	2	0	4
2"	47	11	1	8	6	1	7	1	0	6	4	0	2
3"	7	1	0	0	3	0	1	0	0	0	1	0	1
4"	9	2	1	1	0	0	0	0	0	3	1	1	0
6"	11	1	6	0	1	1	0	0	0	0	1	0	1
Total	**2,452**	**197**	**21**	**2,028**	**102**	**4**	**32**	**15**	**1**	**14**	**16**	**1**	**21**

Source: City of St. Helena.

meters

[1] Compound meters counted only once.

[2] Includes all religious places and community centers

Table A-17
City of St. Helena Water Rate Study
Calculated Consumption Charges for Seasonal Water Rates

Allocated		Fiscal Year Ending										
Peak & Off-Peak		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Allocated Cost		$3,799,993	$4,387,001	$4,958,147	$5,102,274	$5,225,724	$5,351,120	$5,488,329	$5,567,635	$5,613,794	$5,636,044	$5,657,543
Off-Peak Water Use (Nov-Apr)	37%	240,040	239,015	239,436	240,404	240,688	240,939	241,176	241,506	241,799	242,079	242,329
Peak Water Use (May-Oct)	63%	405,760	404,027	404,739	406,376	406,856	407,280	407,682	408,238	408,734	409,208	409,631
Total Water Use		**645,800**	**643,042**	**644,175**	**646,780**	**647,544**	**648,219**	**648,858**	**649,744**	**650,533**	**651,287**	**651,960**
Off-Peak Costs per HCF		**$5.50**	**$6.37**	**$7.19**	**$7.37**	**$7.54**	**$7.71**	**$7.90**	**$8.01**	**$8.06**	**$8.08**	**$8.11**
Peak Costs per HCF	**1.11**	**$6.11**	**$7.09**	**$8.00**	**$8.20**	**$8.38**	**$8.58**	**$8.79**	**$8.90**	**$8.97**	**$8.99**	**$9.02**

Source: City of St. Helena and HEC.

seasonal rates

Table A-18
City of St. Helena Water Rate Study
Projection of Water Demand

Customer	**Fiscal Year Ending**										
	2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Residential					*All figures in Hundreds of Cubic Feet*						
Single Unit	262,941	261,914	262,758	264,154	264,862	265,537	266,199	266,954	267,672	268,377	269,052
Multi-Fam	48,856	48,665	48,696	48,830	48,836	48,836	48,833	48,848	48,856	48,861	48,861
Mobile Homes	27,026	26,920	26,938	27,012	27,015	27,015	27,014	27,022	27,026	27,029	27,029
Subtotal Residential	**338,822**	**337,499**	**338,393**	**339,995**	**340,713**	**341,388**	**342,046**	**342,823**	**343,554**	**344,267**	**344,942**
Non-Residential											
Commercial	79,857	79,272	79,369	79,778	79,797	79,797	79,789	79,834	79,857	79,874	79,873
Industrial	138,422	138,084	138,140	138,377	138,387	138,387	138,383	138,409	138,422	138,432	138,432
Landscape	20,615	20,413	20,447	20,587	20,594	20,594	20,591	20,606	20,615	20,620	20,620
Churches	2,878	2,867	2,869	2,876	2,877	2,877	2,877	2,878	2,878	2,878	2,878
Wells	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585
Laundry	3,017	3,010	3,011	3,016	3,016	3,016	3,016	3,017	3,017	3,017	3,017
Library Schools	19,452	19,357	19,372	19,439	19,442	19,442	19,441	19,448	19,452	19,454	19,454
Motel/Hotel	28,937	28,768	28,796	28,914	28,920	28,920	28,918	28,930	28,937	28,942	28,942
City Owned	11,216	11,189	11,193	11,213	11,213	11,213	11,213	11,215	11,216	11,217	11,217
Subtotal Non-Residential	**306,978**	**305,543**	**305,782**	**306,785**	**306,831**	**306,831**	**306,812**	**306,921**	**306,979**	**307,020**	**307,018**
Total Billable	**645,800**	**643,042**	**644,175**	**646,780**	**647,544**	**648,219**	**648,858**	**649,744**	**650,533**	**651,287**	**651,960**
Non-Billable [1]	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980
Total Water	**707,781**	**705,022**	**706,155**	**708,760**	**709,525**	**710,199**	**710,838**	**711,724**	**712,513**	**713,267**	**713,941**

Source: City of St. Helena and HEC.

demand

[1] Non-Billable water includes unaccounted and/or unbilled water e.g. leaks, and certain city agreements.

Table A-19
City of St. Helena Water Rate Study
Assumptions for the Effect of Increasing Prices on Water Demand (Price Elasticity)

Customer Type	**Estimated Elasticity**	**2018** Year 1	**2019** Year 2	**2020** Year 3	**2021** Year 4	**2022** Year 5	**2023** Year 6	**2024** Year 7	**2025** Year 8	**2026** Year 9	**2027** Year 10
% Change in Price to Meet Revenue Requirement		17.1%	14.7%	4.5%	4.0%	4.0%	4.2%	3.1%	2.5%	2.1%	2.1%
Assumption for Inflation		2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Price Increase Adjusted for Inflation		**14.6%**	**12.2%**	**2.0%**	**1.5%**	**1.5%**	**1.7%**	**0.6%**	**0.0%**	**-0.4%**	**-0.4%**
Residential											
Single Unit	-0.08	-1.2%	-1.0%	-0.2%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Multi-Fam	-0.08	-1.2%	-1.0%	-0.2%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Mobile Homes	-0.08	-1.2%	-1.0%	-0.2%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Non-Residential											
Commercial	-0.15	-2.2%	-1.8%	-0.3%	-0.2%	-0.2%	-0.3%	-0.1%	0.0%	0.1%	0.1%
Industrial	-0.05	-0.7%	-0.6%	-0.1%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Landscape	-0.20	-2.9%	-2.4%	-0.4%	-0.3%	-0.3%	-0.3%	-0.1%	0.0%	0.1%	0.1%
Churches	-0.08	-1.2%	-1.0%	-0.2%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Laundry	-0.05	-0.7%	-0.6%	-0.1%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Library Schools	-0.10	-1.5%	-1.2%	-0.2%	-0.1%	-0.2%	-0.2%	-0.1%	0.0%	0.0%	0.0%
Motel/Hotel	-0.12	-1.8%	-1.5%	-0.2%	-0.2%	-0.2%	-0.2%	-0.1%	0.0%	0.1%	0.0%
City Owned	-0.05	-0.7%	-0.6%	-0.1%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%

Source: HEC.

elasticity

Attachment 2

Table A-20
City of St. Helena Water Rate Study
Projected Changes in Water Demand due to Price Changes

	Fiscal Year Ending									
	2018	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Customer Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Residential										
Single Unit [1]	262,941	263,617	264,292	264,968	265,644	266,320	266,995	267,671	268,347	269,023
Multi-Fam	48,856	48,856	48,856	48,856	48,856	48,856	48,856	48,856	48,856	48,856
Mobile Homes	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026
Subtotal Residential	**338,822**	**339,498**	**340,174**	**340,849**	**341,525**	**342,201**	**342,877**	**343,552**	**344,228**	**344,904**
Non-Residential										
Commercial	79,857	79,857	79,857	79,857	79,857	79,857	79,857	79,857	79,857	79,857
Industrial	138,422	138,422	138,422	138,422	138,422	138,422	138,422	138,422	138,422	138,422
Landscape	20,615	20,615	20,615	20,615	20,615	20,615	20,615	20,615	20,615	20,615
Churches	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878
Wells	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585
Laundry	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017
Library Schools	19,452	19,452	19,452	19,452	19,452	19,452	19,452	19,452	19,452	19,452
Motel/Hotel	28,937	28,937	28,937	28,937	28,937	28,937	28,937	28,937	28,937	28,937
City Owned	11,216	11,216	11,216	11,216	11,216	11,216	11,216	11,216	11,216	11,216
Subtotal Non-Residential	**306,978**	**306,978**	**306,978**	**306,978**	**306,978**	**306,978**	**306,978**	**306,978**	**306,978**	**306,978**
Total Billable Water	**645,800**	**953,454**	**954,129**	**954,805**	**955,481**	**956,157**	**956,832**	**957,508**	**958,184**	**958,860**
Change in Demand due to Price [2]										
Residential										
Single Unit	-1,027	-858	-139	-106	-106	-120	-42	1	31	30
Multi-Fam	-191	-159	-26	-20	-20	-22	-8	0	6	5
Mobile Homes	-106	-88	-14	-11	-11	-12	-4	0	3	3
Subtotal Residential	**-1,324**	**-1,105**	**-179**	**-136**	**-137**	**-155**	**-53**	**1**	**39**	**38**
Non-Residential										
Commercial	-585	-488	-79	-60	-60	-68	-23	1	17	16
Industrial	-338	-282	-45	-35	-35	-39	-13	0	10	10
Landscape	-201	-168	-27	-21	-21	-23	-8	0	6	6
Churches	-11	-9	-2	-1	-1	-1	0	0	0	0
Laundry	-7	-6	-1	-1	-1	-1	0	0	0	0
Library Schools	-95	-79	-13	-10	-10	-11	-4	0	3	3
Motel/Hotel	-170	-141	-23	-17	-17	-20	-7	0	5	5
City Owned	-27	-23	-4	-3	-3	-3	-1	0	1	1
Subtotal Non-Residential	**-1,435**	**-1,196**	**-193**	**-147**	**-147**	**-166**	**-57**	**1**	**42**	**40**
Total Billable Water	**-2,758**	**-2,301**	**-372**	**-283**	**-284**	**-321**	**-111**	**3**	**81**	**78**

Source: HEC.

elas demand

[1] Assumes growth of 5 units per year.

[2] Change applied to summer months consumption only.

Percent of Year	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%

Attachment 2

Table A-21
City of St. Helena Water Rate Study
Operating Expenses (FY2016) Peak to Off-Peak Ratio

Expenses	TOTAL Excl. Debt	Percent of Year Total
Jul-15	$280,972	8%
Aug-15	$156,745	5%
Sep-15	$373,717	11%
Oct-15	$367,289	11%
Nov-15	$297,387	9%
Dec-15	$391,236	11%
Jan-16	$256,759	7%
Feb-16	$158,108	5%
Mar-16	$267,578	8%
Apr-16	$252,836	7%
May-16	$155,424	5%
Jun-16	$471,651	14%
TOTAL	**$3,429,701**	**100%**
PEAK	$1,805,798	
PEAK AS % OF TOTAL	53%	
OFF-PEAK	$1,623,903	
PEAK AVG.	$300,966	
OFF-PEAK AVG.	$270,650	
PEAK TO OFF-PEAK RATIO	**1.11**	

Source: City of St. Helena. exp monthly 2

[1] Excludes operating costs not influenced by seasonal changes; debt, taxes, insurance, and capital.

Attachment 2

Table A-22
City of St. Helena Water Rate Study
Calculated Drought and Non-Drought Year Water Costs

Source **Costs**	**Imported** *City of Napa*	**Surface Water** *Bell Canyon*	**Ground Water** *Stonebridge Wells*	**Total** *All Sources*
			Fiscal Year 2015	
Cost per 1,000 Galls	**$6.70**	**$2.82**	**$0.65**	
DROUGHT YEAR				
Wtd. Avg. Cost per 1,000 Galls.	**$2.53**	**$1.31**	**$0.10**	**$3.94**
Source of Supply	38%	46%	16%	100%
NON-DROUGHT YEAR				
Wtd. Avg. Cost per 1,000 Galls.	**$2.12**	**$1.13**	**$0.19**	**$3.43**
Source of Supply	32%	40%	28%	100%
All Other Operations Costs (assumed not to change) [1]				$1,814,740
All Other Operations Costs per 1,000 Gallons of City produced water				$5.68
TOTAL DROUGHT YEAR COST PER 1,000 GALLONS				**$9.62**
TOTAL NON-DROUGHT YEAR COSTS PER 1,000 GALLONS				**$9.10**
Ratio of Drought to Non-Drought			***1.06***	

Source: City of St. Helena and HEC. cost by source

[1] Includes general operations costs; excludes distribution costs, debt, capital, and transfers.

Attachment 2

HANSFORD ECONOMIC CONSULTING

City of St. Helena (2016) Wastewater Rate Study Technical Memorandum

FINAL

October 31, 2016

HEC Project #150182

HANSFORD ECONOMIC
CONSULTING

PO Box 10384
Truckee, CA 96162

Phone: 530-412-3676
Email: catherine@hansfordecon.com

Technical Memorandum
WASTEWATER RATE STUDY

To: **City of St. Helena**

From: Catherine Hansford **Date:** October 31, 2016

This technical memorandum presents the detailed wastewater rate study. Support tables are provided in **Attachment A.**

THE WASTEWATER FUND

Table A-1 in **Attachment A** shows comprehensive audited financial report data for the wastewater fund from 2011 through 2015. Detailed historical revenues and expenses are shown in **Table A-2,** with supporting data in **Table A-3**.

Revenues

The wastewater system is funded through rates, annexation fees, investment earnings, and sewer connection fees. More than 99% of revenue is from wastewater rates. Rate revenue is generated according to the current wastewater rate schedule shown on the following page in **Table 1**. Under the current rate schedule all customers pay a service charge (or base charge) and a flow charge per HCF based on average winter month water use. Residential single family customers pay a flat monthly base charge, and a flow charge. For non-residential customers, including residential multi-family customers, the service charge is different by meter size, and the flow charge is different by customer type.

Expenses

Figure 1 displays the components of expenditures for the past five years for the wastewater capital and operating funds combined. Personnel costs (salaries and benefits), services, and capital projects have been the largest expenditure items.

Figure 1
Typical Annual Wastewater Fund Expenditures

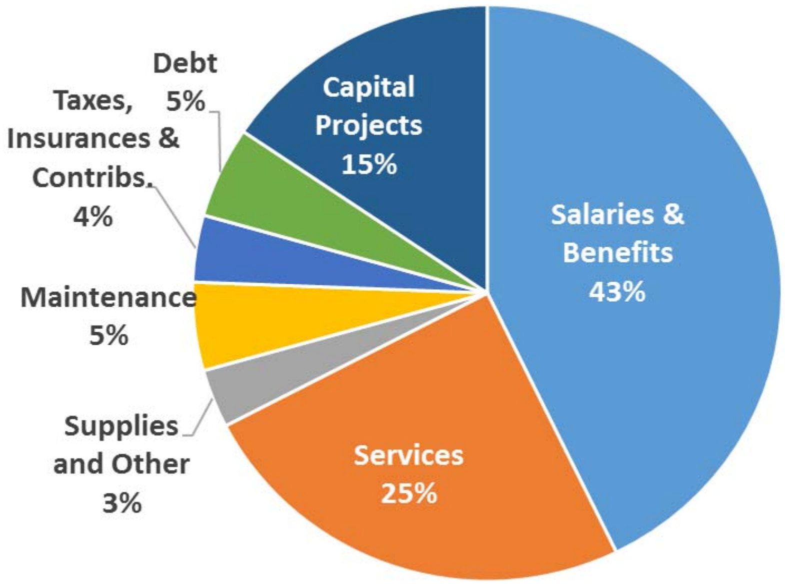


Table 1
Current Wastewater Rate Schedule

Land Use	Base Monthly Rate (2016)	Usage Rate ($ per hcf of Winter Water Use)
Residential		[1]
Single Family	$47.35	$3.94
Multi-family	[2]	$3.94
Non-Residential Base Rates		
5/8" & 3/4" Meter	$42.12	
1" Meter	$102.42	
1 1/2" Meter	$202.92	
2" Meter	$323.53	
3" Meter	$604.94	
4" Meter	$1,006.96	
6" Meter	$2,012.00	
Non-Residential Usage Rates (per hcf)		
Car Wash		$2.85
Schools		$3.17
Laundry/Laundromat		$3.34
Churches		$3.64
City Buildings		$3.64
Commercial (General)		$3.64
Winery (Sutter Home)		$4.27
Motels without Food		$4.35
Service Stations/Auto Repair		$4.70
Mixed Retail with Food		$6.79
Motels with Food		$8.75
Restaurant		$11.68
Grocery		$11.87
Mortuary		$11.87
Winery (Merryvale)		$20.94
Winery (Spottswoode)		$20.94

Source: City of St. Helena. curr

[1] Single family usage charge based on average winter water use, determined as average monthly usage for billing cycles with read dates from January through March. Months with zero usage are to be excluded from the averaging. Usage charge to be adjusted annually in April, based on the newest winter average.

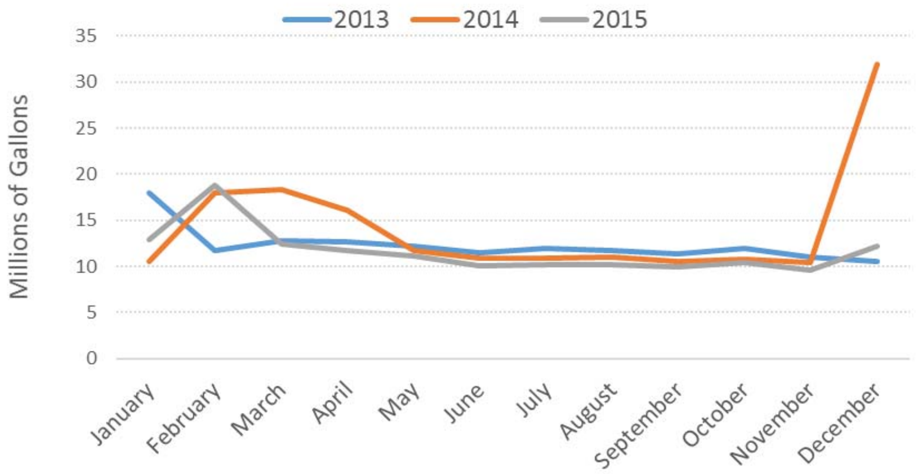
[2] Multi-family pays same base charges based on meter size as non-residential.

THE WASTEWATER SYSTEM

The City's wastewater system consists of a collection system of more than 22 miles of pipe. Effluent is treated at the 0.5 million gallons a day (average daily dry weather flow) treatment plant. The wastewater treatment plant was built in 1967. The secondary level treatment plant discharges to the Napa River or land (City-owned grass fields, redwood/willow trees, and mosquito fish ponds). The City's National Pollutant Discharge Elimination System (NPDES) permit was renewed in March 2016; at the same time a Cease and Desist Order (CDO) No. R2-2016-0004 was issued because the City is unable to meet the more stringent effluent requirements of the renewed NPDES permit. A draft feasibility study was prepared for the City in August 2016 which recommends improvements at the wastewater treatment plant so that the City can be in compliance and the CDO lifted.

Figure 2 shows historical monthly influent at the wastewater treatment plant. Data is provided in **Table A-4**. Wastewater inflow at the treatment plant currently averages 0.4 million gallons per day (MGD).

Figure 2
Historical Wastewater Plant Monthly Influent Flow



Customer Characteristics

The number of customers and total calculated flow for each customer and customer category, BOD and TSS characteristics are summarized in **Table 2.**

Table 2
Summary of User Characteristics

			Wastewater Characteristics			Existing Treatment Capacity/Load			Total Annual Capacity/Load		
Customer Category	Billing Basis	No. Billing Units	Flow GPD	BOD MG/L	SS MG/L	Flow MGD	BOD Lbs/Day	SS Lbs/Day	Flow MG	BOD Lbs/Year	SS Lbs/Year
		(A)	*(B)*	*(C)*	*(D)*	*(E)=(A)x(B)/1000000*	*(F)= (C)x(E)x8.34*	*(G)= (D)x(E)x8.34*	*(H)=(E)x365* [1]	*(I)=(C)x(H)x8.34*	*(J)=(D)x(H)x8.34*
Residential											
Single Family	Unit	1,503	175	200	200	0.26	439.25	439.25	96.12	160,328	160,328
Multi-Family	Unit	669	106	200	200	0.07	118.29	118.29	25.89	43,177	43,177
Mobile Homes (Vineyard Valley)	Unit	211	157	200	200	0.03	55.33	55.33	12.11	20,197	20,197
School	Student	1,437	8	130	100	0.01	11.68	8.99	1.94	2,103	1,618
Non-Residential											
Car Wash	Account	1	1,005	20	150	0.00	0.17	1.26	0.37	61	459
Religious Places/Community Centers	Account	13	156	130	110	0.00	2.20	1.86	0.74	802	679
Commercial [2]	Account	126	241	150	200	0.03	37.96	50.61	11.08	13,855	18,473
Groceries and Mortuaries	Account	3	691	800	800	0.00	13.84	13.84	0.76	5,052	5,052
Laundry	Account	1	4,181	150	110	0.00	5.23	3.84	1.53	1,909	1,400
Mixed Retail w/ Food	Account	3	1,319	240	600	0.00	7.92	19.80	1.44	2,891	7,228
Motel with Food	Account	2	5,429	500	600	0.01	45.28	54.34	3.96	16,528	19,833
Motel without Food	Account	8	2,297	310	120	0.02	47.51	18.39	6.71	17,340	6,712
Restaurant	Account	19	1,354	1,000	600	0.03	214.60	128.76	9.39	78,328	46,997
Napa Valley College	Account	1	12,925	130	100	0.01	14.01	10.78	4.72	5,115	3,935
Service Station	Account	5	318	180	280	0.00	2.38	3.71	0.58	870	1,353
Winery Production (Merryvale/Spottswoode)	Account	2	937	2,800	400	0.00	43.78	6.25	0.68	15,981	2,283
Sutter Home Winery	Account	1	3,195	200	200	0.00	5.33	5.33	1.17	1,945	1,945
TOTAL (ADWF 0.5 MGD)						**0.50**	**1,064.78**	**940.64**	**179.17**	**386,483**	**341,669**

Source: City of St. Helena, California Department of Education Educational Demographics Unit, and HEC.

char

[1] Schools multiplied by 180 days per year.

[2] Commercial includes City buildings.

REVENUE REQUIREMENT

The revenue requirement refers to the amount of money that must be raised through rates. The projection of revenue requirement is the cornerstone for calculation of rates. This section explains the derivation of revenue requirement for this Study. Components of revenue requirement include:

- Capital Improvements
- Debt Service
- Operations Expenses and Reserves
- System Rehabilitation
- Wastewater Fund Reserves

Non-water sales revenue projections are credited against projected operations costs. Non-water sales include investment earnings and sewer connection fees.

Capital Improvements

Table 3 summarizes the capital improvement costs identified by the City as necessary in the next ten years. The costs do not include project costs that already have funding sources identified (i.e. have a grant secured or are to be funded with existing City bond proceeds). All costs are expressed in future dollars. The total ten-year capital improvement projects (CIP) costs is estimated at $17.7 million. Of this total it is anticipated that $13.0 million will be spent in the next five years.

Table A-5 and **Table A-6** provide the wastewater system CIP list of facilities, provided by the City for the next 10 years, in current and future dollars respectively. Major necessary improvements include phase 1 upgrades to the wastewater treatment plant, replacing the wastewater reclamation facility operations building and shop, and sewer mains replacement or rehabilitation.

Costs are further allocated to existing and future customers based on their estimated use of the facilities. Only $125,000 of the total cost is for projects partially benefiting future customers. These projects include reclamation field facilities and miscellaneous maintenance improvements. Supporting data is provided in **Table A-7,** in 2016 dollars, and **Table A-8**, in future dollars. All other CIP items are allocated entirely to existing customers. Existing customers' costs included in rates are shown in **Table A-9**.

Future costs are inflated using the Engineering News Record Construction Cost Index (ENR CCI) past 20-year annual average increase of 3.1%.

Table 3
Wastewater Capital Improvement Costs by Customer Share

Customer	Estimated CIP Costs in Future Dollars Through 2022	2023 to 2027	Total CIP
Existing Customer Share	$12,909,786	$4,699,894	$17,609,680
Future Customer Share	$57,033	$68,049	$125,082
Total Existing and Future	**$12,966,819**	**$4,767,944**	**$17,734,763**

Source: HEC. cip share

CIP funding sources of costs are shown in **Table 4.**

Table 4
Sources of Funding for Existing Customers CIP Costs

Project	Total Cost Less Existing Funding	Total Through FY 2022	Fiscal Year Ending 2017	2018	2019	2020	2021	2022
			Future $'s					
Cash - Capital Fund	$4,636,494	$2,636,034	$521,023	$426,887	$391,846	$686,181	$270,883	$339,214
Cash - Operations Fund	$561,029	$462,386	$15,462	$69,067	$235,491	$16,936	$17,458	$107,973
Debt - Capital Fund	$8,746,428	$8,495,287	$239,259	$743,798	$3,582,746	$3,693,130	$116,384	$119,970
Reserves	$3,665,729	$1,316,079	$0	$0	$0	$0	$116,384	$1,199,695
Total CIP	**$17,609,680**	**$12,909,786**	**$775,744**	**$1,239,752**	**$4,210,083**	**$4,396,247**	**$521,108**	**$1,766,852**

Source: City of St. Helena and HEC. exis rates

Debt Service

The City has wastewater system debt associated with a 2005 bond issue, and refunding of that bond issue in 2012. Yearly debt service for the wastewater system is shown in **Table A-9**.

New debt is anticipated to be incurred for phase 1 and phase 2 of the wastewater treatment plant (WWTP) upgrades. For the rate study it is assumed these projects are funded with a Clean Water State Revolving Fund (CWSRF) loan. Due to the size of the projects, a 15% contingency factor was added to the estimated City cost. The estimated new CWSRF debt service is shown in **Table 5**. A year of debt service must be accumulated prior to repayment of the loan, which begins one year after completion of construction.

Table 5
Estimated CWSRF Debt Financing for WWTP Upgrades

Item	Construction Fiscal Year
Treatment Plant Phase 1	**2019**
Construction Cost Estimate	$8,258,933
Contingency (15%) [1]	$1,238,840
Total	**$9,497,773**
Estimated Annual Debt Service [2]	**$592,124**
Estimated Total Financing Costs	$2,344,700
Treatment Plant Phase 2	**2022**
Construction Cost Estimate	$487,495
Contingency (15%) [1]	$73,124
Total	**$560,619**
Estimated Annual Debt Service [2]	**$34,951**
Estimated Total Financing Costs	$138,399
Total Debt-Financed Infrastructure Cost	**$10,058,393**
Estimated Total Financing Costs	$2,483,099

Source: State Water Resources Control Board and HEC. new debt

[1] State-funded projects typically cost more (more administration as well as American Iron and Steel requirements, and labor reporting).

[2] CWSRF loan assumptions:

Interest Rate	2.2%
Term (years)	20

Operations Expenses and Reserves

Estimated fiscal year 2015/16 operating expenses are used to project future year operating expenditures. All operating expenditures are increased 5% each year with the exception of capital, which is increased at 3% per year, and maintenance, taxes, insurances and contributions which are increased at 10% per year to be more consistent with higher historical increases for these expenses. **Table A-10** shows historical annual average operating cost increases of 14.6%. Fiscal year 2015/16 was abnormally high. Taking this out of the calculation, the data shows historical annual average operating cost increases of only 4.9%.

System Rehabilitation Costs

Depreciation is used as the basis for which to collect rates to cover system rehabilitation costs. Inclusion of system rehabilitation costs demonstrates fiscal responsibility toward the assets to potential future investors and helps to establish good credit[1]. Depreciation is calculated based on existing wastewater assets and new assets added to the wastewater system in the next five years. **Table 6** shows the total annual amount of depreciation for existing and new assets included in the rate study. If the collected revenue is not applied to a CIP rehabilitation project it should be designated within the fund for the purposes of repair and rehabilitation only. Supporting data is provided in **Tables A-11** and **A-12**.

Table 6
System Rehabilitation Annual Costs

Asset	**Fiscal Year Ending**					
List	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Existing Assets	$340,044	$350,521	$361,320	$372,452	$383,928	$395,756
Projected Assets Annual Depreciation	$16,613	$41,264	$98,143	$159,973	$176,412	$230,848
Total Annual Depreciation	**$356,657**	**$391,785**	**$459,463**	**$532,425**	**$560,339**	**$626,604**
Percent Depreciation for System Rehabilitation	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*
System Rehabilitation	**$356,700**	**$391,800**	**$459,500**	**$532,400**	**$560,300**	**$626,600**

Source: City of St. Helena and HEC. depr

Revenue Requirement

Table 7 on the next page provides the projection of annual costs and revenues and the resulting revenue requirement through fiscal year ending 2027. Total revenue requirement is projected to increase from $3.0 million in the fiscal year 2017 to $4.6 million in fiscal year 2022 to $5.7 million in fiscal year 2027.

---

[1] Per Governmental Accounting Standards Board (GASB) 34, local governments must report on the value of their infrastructure assets and plan for asset maintenance (including collecting sufficient revenue) to obtain good credit when issuing bonds or procuring other forms of financing for long-term construction projects.

Table 7
Projected Revenue Requirement

Revenues and Expenses		Assumptions	Fiscal Year Ending 2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Operating Expenses			Budgeted										
Salaries & Benefits	**	5.0%	$1,071,519	$1,125,095	$1,181,350	$1,240,417	$1,302,438	$1,367,560	$1,435,938	$1,507,735	$1,583,122	$1,662,278	$1,745,392
Services		5.0%	$319,189	$335,148	$351,906	$369,501	$387,976	$407,375	$427,744	$449,131	$471,588	$495,167	$519,925
Supplies		5.0%	$75,942	$79,739	$83,726	$87,912	$92,308	$96,923	$101,770	$106,858	$112,201	$117,811	$123,702
Maintenance	**	10.0%	$130,513	$143,564	$157,921	$173,713	$191,084	$210,192	$231,212	$254,333	$279,766	$307,743	$338,517
Taxes, Insurances & Contribs.	**	10.0%	$105,967	$116,564	$128,220	$141,042	$155,146	$170,661	$187,727	$206,500	$227,150	$249,865	$274,851
Capital	**	3.0%	$101,700	$104,751	$107,894	$111,130	$114,464	$117,898	$121,435	$125,078	$128,831	$132,695	$136,676
Wet Weather Flow Monitoring			$0	$0	$54,765	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Sewer System			$0	$53,128	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Master Plan			$0	$0	$164,296	$0	$0	$0	$0	$0	$0	$0	$0
CCTV Program			$15,462	$15,939	$16,430	$16,936	$17,458	$17,995	$18,550	$19,121	$19,711	$20,318	$20,944
Recycled Water Feasibility Study			$0	$0	$0	$0	$0	$89,977	$0	$0	$0	$0	$0
Total Operating Expenses			**$1,820,292**	**$1,973,928**	**$2,246,507**	**$2,140,652**	**$2,260,874**	**$2,478,583**	**$2,524,375**	**$2,668,756**	**$2,822,367**	**$2,985,876**	**$3,160,007**
Debt Service													
Existing Debt			$252,876	$253,904	$256,030	$252,890	$253,823	$255,392	$250,938	$251,669	$252,022	$252,310	$251,490
WWTP New Debt - Phase 1			$0	$0	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124
WWTP New Debt - Phase 2			$0	$0	$0	$0	$0	$34,951	$34,951	$34,951	$34,951	$34,951	$34,951
Total Debt Service	**		**$252,876**	**$253,904**	**$848,154**	**$845,014**	**$845,947**	**$882,467**	**$878,012**	**$878,744**	**$879,097**	**$879,384**	**$878,565**
Capital Projects			$164,323	$35,087	$0	$153,781	$0	$0	$154,028	$0	$0	$0	$0
System Rehabilitation			$356,700	$391,800	$459,500	$532,400	$560,300	$626,600	$690,300	$712,900	$732,900	$775,900	$797,200
Operating Reserves			$400,000	$775,000	$725,000	$805,000	$875,000	$625,000	$650,000	$850,000	$900,000	$900,000	$900,000
SUBTOTAL Annual Cost			**$2,994,191**	**$3,429,719**	**$4,279,161**	**$4,476,847**	**$4,542,121**	**$4,612,649**	**$4,896,715**	**$5,110,400**	**$5,334,364**	**$5,541,161**	**$5,735,771**
	**	*Base*	*$1,662,575*	*$1,743,878*	*$2,423,538*	*$2,511,316*	*$2,609,080*	*$2,748,778*	*$2,854,324*	*$2,972,389*	*$3,097,965*	*$3,231,965*	*$3,374,001*
		Use	*$1,331,616*	*$1,685,841*	*$1,855,623*	*$1,965,531*	*$1,933,042*	*$1,863,871*	*$2,042,391*	*$2,138,010*	*$2,236,399*	*$2,309,196*	*$2,361,771*
Credits													
Investment Earnings			$4,615	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Connection Fee			$900	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Credits			**$5,515**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
REVENUE REQUIREMENT			**$2,988,676**	**$3,429,719**	**$4,279,161**	**$4,476,847**	**$4,542,121**	**$4,612,649**	**$4,896,715**	**$5,110,400**	**$5,334,364**	**$5,541,161**	**$5,735,771**
Annual Percentage Change			42%	15%	25%	5%	1%	2%	6%	4%	4%	4%	4%
Base Costs Percentage			56%	51%	57%	56%	57%	60%	58%	58%	58%	58%	59%
Use Costs Percentage			44%	49%	43%	44%	43%	40%	42%	42%	42%	42%	41%

Source: HEC.

rev req

**** Amounts included in Base Costs**

RATES ANALYSIS

In the financial modeling for the wastewater rate study two rate scenarios were considered for collection of the revenue requirement; a modified rate structure and a new rate structure. Under the modified rate structure:

- Residential single family continues to pay a flat monthly charge per unit, plus a flow charge per HCF of winter water use.
- Non-Residential, including multi-family and mobile homes, pay a flat monthly charge by water meter size plus a flow charge per HCF of winter water use by customer type.
- Religious paces/community centers are placed into their own customer category (previously included as commercial).

Under the new rate structure:

- Residential single family, multi-family, and mobile homes pay a flat monthly charge per housing unit.
- Schools pay a flat monthly charge on a per student basis.
- Non-Residential pay a flat monthly charge by customer type plus a flow charge by customer type per HCF of winter water use.

In the new rate structure, there are no charges based on water meter size and all costs are allocated on flow and strength customer characteristics.

Per the August 4th, 2016 and September 13th, 2016 Task Force meetings, the City's Task Force chose the new rate structure as the preferred rate structure; therefore, the body of this memorandum includes the methodology and results of the new rate structure only. For record keeping the modified rate structure is presented in **Attachment B.**

New Rate Structure

The following four steps outline how wastewater rates are calculated such that the monthly wastewater rates meet legal requirements. The accompanying tables show the calculations for the first year of the analysis, fiscal year 2016-17, in order to demonstrate the model and illustrate how the rates are calculated. The same cost allocation methodology is used for all years considered in this analysis.

1. **Establish the Wastewater Customer Base and User Characteristics** – The wastewater customer base includes residential (single family, multi-family, and mobile homes), schools, car wash, religious places/community center, commercial, grocery and mortuary, laundry, mixed retail with food, motel with food, motel without food, restaurant, Napa Valley College, service station, winery production, and Sutter Home Winery users. Wastewater flow parameters are based on City winter average (January through March) water meter reads and sewer strength is based on industry standards. *Wastewater inflow at the treatment plant currently averages 0.5 million gallons per day (MGD). The number of customers and total calculated flow for each customer and customer category, Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS) characteristics were summarized earlier in the report in* ***Table 2.***

2. **Project Revenue Requirement and Allocate to Collection and Treatment** –Projections of annual costs and non-rate revenues are used to determine revenue requirement as previously described. *The revenue requirement (the amount to be funded through wastewater service charges/rates) for fiscal year 2016-17 is $3.0 million. The revenue requirement is allocated between collection and treatment. Of this total cost, approximately 72% is for the treatment plant and 28% for the collection system.* ***Table 8*** *shows the allocation of projected costs between the wastewater collection system and the treatment plant for fiscal year 2016-17.*

3. **Allocate Revenue Requirement based on Flow and Strength and Determine Unit Costs** – The revenue requirement is allocated based on flow and load (strength) depending on the percentage distribution of operations and maintenance operations attributed to flow, BOD, or TSS. Per unit revenue requirement for each projected year is determined by dividing the allocated revenue requirement by the demand for each customer type.

   Costs are allocated to customer categories as follows:

   A. Allocate the costs (by Cost Category) to flow, BOD and TSS
   B. Determine the Unit Cost by Cost Category

   Each of these steps is described in greater detail below.

   A. Cost Allocation to Flow, BOD, and SS

   Costs are allocated to flow, BOD, and SS based on percentage allocation or distribution factors. These percentage allocation factors are based on the estimated distribution of the treatment and collection facilities O&M activities between or related to flow, BOD, and TSS.

Table 9 shows the calculation of unit costs by cost category for flow, BOD, and TSS. Collection costs are strictly related to flow and therefore, 100 percent of the collection costs are allocated to flow. Treatment plant costs are allocated by cost category for flow, BOD and TSS using the subtotal percentages from the collection and treatment cost allocations.

Table 8
Revenue Requirement Distributed between Collection and Treatment
- New Rate Structure based on Flow and Strength

FY 2017

	Projected	**Allocation**		**Collection**			**Treatment**		
Expenditures	**Total**	Collection	Treatment	Operations	Capital	Total	Operations	Capital	Total
Salaries & Benefits	$1,071,519	21%	79%	$227,165		$227,165	$844,354		$844,354
Services	$319,189	4%	96%	$12,682		$12,682	$306,507		$306,507
Supplies	$75,942	22%	78%	$16,619		$16,619	$59,323		$59,323
Maintenance	$130,513	11%	89%	$14,137		$14,137	$116,376		$116,376
Taxes, Insurances & Contribs.	$105,967	0%	100%	$0		$0	$105,967		$105,967
Capital	$101,700	0%	100%	$0		$0	$101,700		$101,700
Wet Weather Flow Monitoring	$0	100%	0%		$0	$0		$0	$0
Update GIS Maps of Sewer System	$0	50%	50%		$0	$0		$0	$0
Sewer Master Plan	$0	50%	50%		$0	$0		$0	$0
CCTV Program	$15,462	100%	0%		$15,462	$15,462		$0	$0
Recycled Water Feasibility Study	$0	0%	100%		$0	$0		$0	$0
Total Debt Service	$252,876	100%	0%		$252,876	$252,876		$0	$0
Capital Projects	$164,323	0%	100%		$0	$0		$164,323	$164,323
System Rehabilitation	$356,700	50%	50%		$178,350	$178,350		$178,350	$178,350
Total Operating Expenses	**$2,594,191**	**28%**	**72%**	**$270,603**	**$446,689**	**$717,291**	**$1,534,227**	**$342,673**	**$1,876,900**
Operating Reserve	$400,000								
Less Offsetting Revenue	($5,515)								
Total	**$2,988,676**								

Source: HEC.

alloc

Table 9
Unit Cost Determination
- New Rate Structure based on Flow and Strength

FY 2017

Cost Category	Allocated Costs	Percent Allocation			Cost			Total Influent			Unit Cost Per:		
		Flow	BOD	SS	Flow	BOD	SS	Flow MG	BOD Klbs	SS Klbs	Mgal of Flow ($/Mgal)	Klb of BOD ($/Klb)	Klb of SS ($/Klb)
	(A)	*(B)*	*(C)*	*(D)*	*(E) = (A)*(B)*	*(F)=(A)*(C)*	*(G)=(A)*(D)*	*(H)*	*(I)*	*(J)*	*(K)=(E)/(H)*	*(L)=(F)/(I)*	*(M)=(G)/(J)*
Operating Costs	Table 8								Table 2				
Collection System Costs	$270,603	100%	0%	0%	$270,603	$0	$0	179	386	342	$1,510.29	$0.00	$0.00
Treatment Costs	$1,534,227	34%	33%	33%	$521,637	$506,295	$506,295	179	386	342	$2,911.36	$1,310.01	$1,481.83
Capital Costs													
Collection System Costs	$446,689	100%	0%	0%	$446,689	$0	$0	179	386	342	$2,493.05	$0.00	$0.00
Treatment Costs	$342,673	34%	33%	33%	$116,509	$113,082	$113,082	179	386	342	$650.26	$292.59	$330.97
Subtotal Collection Costs	**$717,291**	**100%**	**0%**	**0%**	**$717,291**	**$0**	**$0**	**179**	**386**	**342**	**$4,003.34**	**$0.00**	**$0.00**
Subtotal Treatment Costs	**$1,876,900**	**34%**	**33%**	**33%**	**$638,146**	**$619,377**	**$619,377**	**179**	**386**	**342**	**$3,561.61**	**$1,602.60**	**$1,812.80**
Subtotal Costs	**$2,594,191**	**52%**	**24%**	**24%**	**$1,355,437**	**$619,377**	**$619,377**				**$7,564.96**	**$1,602.60**	**$1,812.80**
Other Costs													
Operating Reserve	$400,000	52%	24%	24%	$208,996	$95,502	$95,502	179	386	342	$1,166.45	$247.11	$279.52
Less Offsetting Revenue	($5,515)	52%	24%	24%	($2,882)	($1,317)	($1,317)	179	386	342	($16.08)	($3.41)	($3.85)
Subtotal Other Costs	**$394,485**	**52%**	**24%**	**24%**	**$206,114**	**$94,185**	**$94,185**				**$1,150.36**	**$243.70**	**$275.66**
TOTAL COSTS	**$2,988,676**				**$1,561,552**	**$713,562**	**$713,562**				**$8,715.32**	**$1,846.30**	**$2,088.46**

Source: HEC.

unit

B. Unit Cost by Cost Category

The allocated costs are then divided by total annual capacity from **Table 2** to determine the unit cost by flow, BOD, and TSS units of measurement. These unit costs are used to determine the cost allocated to each customer type in the next step.

4. **Determine Revenue Requirement by Customer Type** – The per unit costs are multiplied by the flow and strength characteristics of each customer category to determine the annual cost by customer type. *The unit costs determined in **Table 9** are multiplied by the flow, BOD, or TSS for each customer type. These costs are then summed to determine the total costs allocated to each customer type, as shown in **Table 10.***

Total allocated costs to each customer category are shown in **Table 11.** Residential customers are responsible for 69% of the total costs, schools are responsible for 1% of the total costs, and non-residential customers are responsible for 30% of the total costs. Total treatment cost per hundred cubic feet is greatest for high strength customers such as winery production customers, restaurants, groceries and mortuaries, and lowest for customers such as car washes and religious places/community centers which have low strength wastewater. This data is shown graphically in **Figure 3.**

Figure 3
Cost per Hundred Cubic Feet by Customer Type

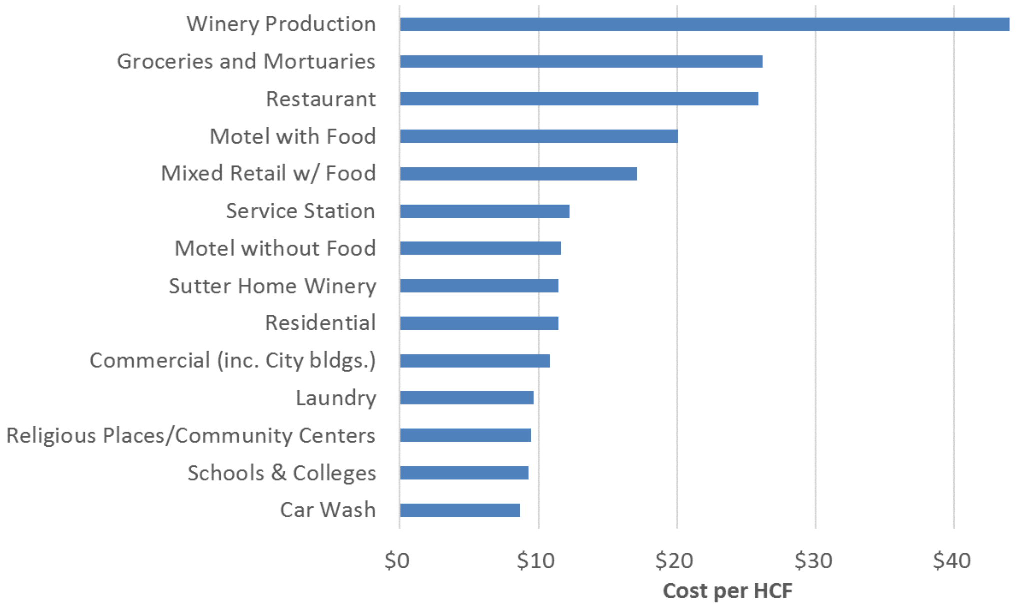


Table 10
Allocation of Costs to Flow, BOD, and SS by Customer Category
- *New Rate Structure based on Flow and Strength*

FY 2017

				Collection	Treatment			Other			TOTAL
Unit Cost/Customer Category	**Flow MG/Yr**	**BOD Klb/Yr**	**SS Klb/Yr**	**Flow ($/Mgal)**	**Flow ($/Mgal)**	**BOD ($/Klb)**	**SS ($/Klb)**	**Flow ($/Mgal)**	**BOD ($/Klb)**	**SS ($/Klb)**	
Unit Cost	*Table 9*	*---------------->*		*$4,003.34*	*$3,561.61*	*$1,602.60*	*$1,812.80*	*$1,150.36*	*$243.70*	*$275.66*	
Residential											
Single Family	96	160	160	$384,800	$342,342	$256,941	$290,642	$110,573	$39,072	$44,196	$1,468,566
Multi-Family	26	43	43	$103,629	$92,195	$69,196	$78,271	$29,778	$10,522	$11,902	$395,493
Mobile Homes	12	20	20	$48,474	$43,125	$32,367	$36,612	$13,929	$4,922	$5,567	$184,996
School	2	2	2	$7,766	$6,909	$3,371	$2,933	$2,232	$513	$446	$24,170
Non-Residential											
Car Wash	0	0	0	$1,469	$1,307	$98	$832	$422	$15	$127	$4,270
Religious Places/Community Centers	1	1	1	$2,961	$2,635	$1,285	$1,230	$851	$195	$187	$9,345
Commercial [1]	11	14	18	$44,338	$39,445	$22,204	$33,488	$12,740	$3,376	$5,092	$160,685
Groceries and Mortuaries	1	5	5	$3,031	$2,697	$8,096	$9,158	$871	$1,231	$1,393	$26,477
Laundry	2	2	1	$6,109	$5,435	$3,059	$2,538	$1,755	$465	$386	$19,748
Mixed Retail w/ Food	1	3	7	$5,783	$5,145	$4,633	$13,103	$1,662	$705	$1,993	$33,022
Motel with Food	4	17	20	$15,867	$14,117	$26,488	$35,954	$4,559	$4,028	$5,467	$106,480
Motel without Food	7	17	7	$26,850	$23,887	$27,789	$12,168	$7,715	$4,226	$1,850	$104,485
Restaurant	9	78	47	$37,599	$33,450	$125,529	$85,196	$10,804	$19,089	$12,955	$324,622
Napa Valley College	5	5	4	$18,887	$16,803	$8,197	$7,133	$5,427	$1,247	$1,085	$58,778
Service Station	1	1	1	$2,320	$2,064	$1,394	$2,453	$667	$212	$373	$9,483
Winery Production (Merryvale/Spottswoode)	1	16	2	$2,740	$2,437	$25,612	$4,139	$787	$3,895	$629	$40,239
Sutter Home Winery	1	2	2	$4,669	$4,154	$3,117	$3,526	$1,342	$474	$536	$17,818
TOTAL	**179**	**386**	**342**	**$717,291**	**$638,146**	**$619,377**	**$619,377**	**$206,114**	**$94,185**	**$94,185**	**$2,988,676**

Source: HEC.

alloc cost

[1] Commercial includes City buildings.

Table 11
Calculated Cost per Hundred Cubic Feet
- New Rate Structure based on Flow and Strength

FY 2017

Customer Category	Allocated Cost	Percentage of Cost	Annual Flow (MG)	Cost per 1,000 Gallons	Cost per HCF
Residential					
Single Family	$1,468,566	49%	96.12	$15.28	$11.43
Multi-Family	$395,493	13%	25.89	$15.28	$11.43
Mobile Homes	$184,996	6%	12.11	$15.28	$11.43
Subtotal Residential	**$2,049,055**	**69%**	**134.11**	**$15.28**	**$11.43**
School	$24,170	1%	1.94	$12.46	**$9.32**
Non-Residential					
Car Wash	$4,270	0%	0.37	$11.64	$8.70
Religious Places/Community Centers	$9,345	0%	0.74	$12.63	$9.45
Commercial [1]	$160,685	5%	11.08	$14.51	$10.85
Groceries and Mortuaries	$26,477	1%	0.76	$34.97	$26.16
Laundry	$19,748	1%	1.53	$12.94	$9.68
Mixed Retail w/ Food	$33,022	1%	1.44	$22.86	$17.10
Motel with Food	$106,480	4%	3.96	$26.87	$20.10
Motel without Food	$104,485	3%	6.71	$15.58	$11.65
Restaurant	$324,622	11%	9.39	$34.56	$25.85
Napa Valley College	$58,778	2%	4.72	$12.46	$9.32
Service Station	$9,483	0%	0.58	$16.36	$12.24
Winery Production (Merryvale/Spottswoode)	$40,239	1%	0.68	$58.80	$43.98
Sutter Home Winery	$17,818	1%	1.17	$15.28	$11.43
Subtotal Non-Residential	**$915,452**	**31%**	**43.12**	**$21.23**	**$15.88**
TOTAL	**$2,988,676**	**100%**	**179.17**	**$16.68**	**$12.48**

Source: HEC. flow cost

[1] Commercial includes City buildings.

Table 12 presents the calculated rates for February 8, 2017. The total allocated costs to each customer category provide the basis for the rates. It is projected that 59% of costs will be recovered through flat monthly charges (residential and school customers, as well as base charges for non-residential customers) and 41% of costs will be recovered through consumption charges. Customers with consumption charges pay for average monthly winter water passing through the water meter, measured from January through March.

Table 13 shows the projected wastewater rate schedule through fiscal year 2027.

Table 12
Wastewater Rates Calculations for February 8, 2017
- New Rate Structure based on Flow and Strength

FY 2017

Customer Category	**Billing Basis**	**No. Billing Units**	**Allocated Cost**	**Base**	**Flow**	**Annual Cost per Billing Unit**			**Monthly Cost**	
				59%	41%	Base	Flow	Total	Base	Usage
Residential										*per HCF*
Single Family	Unit	1,503	$1,468,566	$866,454	$602,112	$576	$401	$977	$48.04	$4.69
Multi-Family	Unit	669	$395,493	$233,341	$162,152	$349	$242	$591	$29.07	$4.69
Mobile Homes	Unit	211	$184,996	$109,148	$75,848	$517	$359	$877	$43.11	$4.69
Residential			**$2,049,055**	**$1,208,943**	**$840,113**					
School	Student	1,437	$24,170	$14,260	$9,910	$10	$7	$17	$1.40	
Non-Residential ($ per hcf of Winter Water Use)										
Car Wash	Account	1	$4,270	$2,519	$1,751	$2,519	$1,751	$4,270	$209.93	$3.43
Religious Places/Community Centers	Account	13	$9,345	$5,513	$3,831.32	$424	$295	$719	$35.34	$3.72
Commercial [1]	Account	126	$160,685	$94,804	$65,881	$752	$523	$1,275	$62.70	$4.27
Groceries and Mortuaries	Account	3	$26,477	$15,621	$10,856	$5,207	$3,619	$8,826	$433.93	$10.30
Laundry	Account	1	$19,748	$11,651	$8,097	$11,651	$8,097	$19,748	$970.94	$3.81
Mixed Retail w/ Food	Account	3	$33,022	$19,483	$13,539	$6,494	$4,513	$11,007	$541.20	$6.73
Motel with Food	Account	2	$106,480	$62,823	$43,657	$31,412	$21,828	$53,240	$2,617.64	$7.91
Motel without Food	Account	8	$104,485	$61,646	$42,839	$7,706	$5,355	$13,061	$642.15	$4.59
Restaurant	Account	19	$324,622	$191,527	$133,095	$10,080	$7,005	$17,085	$840.03	$10.18
Napa Valley College	Account	1	$58,778	$34,679	$24,099	$34,679	$24,099	$58,778	$2,889.93	$3.67
Service Station	Account	5	$9,483	$5,595	$3,888	$1,119	$778	$1,897	$93.25	$4.82
Winery Production (Merryvale/Spottswoode)	Account	2	$40,239	$23,741	$16,498	$11,871	$8,249	$20,120	$989.21	$17.31
Sutter Home Winery	Account	1	$17,818	$10,512	$7,305	$10,512	$7,305	$17,818	$876.04	$4.50
Non-Residential and Schools			**$939,621**	**$554,376**	**$385,245**					
TOTAL			**$2,988,676**	**$1,763,319**	**$1,225,357**					

Source: City of St. Helena, California Department of Education Educational Demographics Unit, and HEC.

rates

[1] Commercial includes City buildings.

Table 13
Projected Wastewater Rate Schedule
- New Rate Structure based on Flow and Strength

		Fiscal Year Ending										
Customer Category		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
	*Billing Period Beginning * ----->*	*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*	*11/8/2022*	*11/8/2023*	*11/8/2024*	*11/8/2025*	*11/8/2026*
Residential												
Single Family	monthly per unit	$48.04	$55.24	$70.13	$73.03	$74.18	$75.23	$79.74	$83.28	$86.84	$90.13	$93.20
Multi-Family	monthly per unit	$29.07	$33.42	$42.43	$44.18	$44.88	$45.52	$48.24	$50.39	$52.54	$54.53	$56.39
Mobile Homes	monthly per unit	$43.11	$49.57	$62.93	$65.53	$66.56	$67.51	$71.55	$74.73	$77.93	$80.87	$83.63
Residential Rate per HCF	*per HCF*	*$4.69*	*$5.39*	*$6.84*	*$7.12*	*$7.23*	*$7.34*	*$7.78*	*$8.12*	*$8.47*	*$8.79*	*$9.09*
Schools Flat Rate per Student	monthly per student	$1.40	$1.62	$2.15	$2.21	$2.26	$2.28	$2.41	$2.52	$2.62	$2.71	$2.80
Non-Residential												
Car Wash	monthly per account	$209.93	$243.25	$328.36	$336.45	$343.13	$346.45	$365.12	$382.42	$397.39	$411.10	$423.62
Religious Places/Community Centers	monthly per account	$35.34	$40.85	$54.06	$55.68	$56.71	$57.34	$60.54	$63.35	$65.91	$68.25	$70.41
Commercial [1]	monthly per account	$62.70	$72.20	$92.64	$96.19	$97.78	$99.09	$104.91	$109.63	$114.25	$118.51	$122.47
Groceries and Mortuaries	monthly per account	$433.93	$492.12	$552.00	$595.15	$599.41	$613.71	$658.17	$683.48	$717.89	$749.95	$781.06
Laundry	monthly per account	$970.94	$1,121.45	$1,475.85	$1,522.21	$1,549.87	$1,567.76	$1,656.08	$1,732.56	$1,802.98	$1,867.65	$1,927.33
Mixed Retail w/ Food	monthly per account	$541.20	$617.30	$730.21	$775.32	$783.78	$799.17	$852.68	$887.69	$929.47	$968.22	$1,005.31
Motel with Food	monthly per account	$2,617.64	$2,978.36	$3,444.90	$3,681.23	$3,715.59	$3,795.12	$4,057.95	$4,220.11	$4,424.57	$4,614.57	$4,797.54
Motel without Food	monthly per account	$642.15	$738.08	$933.28	$972.87	$987.93	$1,002.28	$1,062.67	$1,109.72	$1,157.47	$1,201.49	$1,242.73
Restaurant	monthly per account	$840.03	$952.80	$1,070.03	$1,153.27	$1,161.63	$1,189.23	$1,275.22	$1,324.33	$1,390.92	$1,452.93	$1,513.11
Napa Valley College	monthly per account	$2,889.93	$3,341.62	$4,436.77	$4,565.57	$4,651.20	$4,701.87	$4,962.71	$5,194.00	$5,402.37	$5,593.58	$5,769.41
Service Station	monthly per account	$93.25	$107.06	$134.07	$140.12	$142.20	$144.37	$153.21	$159.92	$166.89	$173.33	$179.38
Winery Production (Merryvale/Spottswoode)	monthly per account	$989.21	$1,116.93	$1,199.98	$1,310.53	$1,315.85	$1,351.87	$1,455.91	$1,508.79	$1,588.84	$1,663.63	$1,736.98
Sutter Home Winery	monthly per account	$876.04	$1,007.39	$1,278.85	$1,331.67	$1,352.66	$1,371.89	$1,454.02	$1,518.68	$1,583.65	$1,643.55	$1,699.58
Car Wash	*per HCF*	*$3.43*	*$3.97*	*$5.36*	*$5.49*	*$5.60*	*$5.65*	*$5.96*	*$6.24*	*$6.48*	*$6.71*	*$6.91*
Religious Places/Community Centers	*per HCF*	*$3.72*	*$4.30*	*$5.69*	*$5.86*	*$5.97*	*$6.03*	*$6.37*	*$6.67*	*$6.94*	*$7.18*	*$7.41*
Commercial [1]	*per HCF*	*$4.27*	*$4.92*	*$6.31*	*$6.55*	*$6.66*	*$6.75*	*$7.15*	*$7.47*	*$7.78*	*$8.07*	*$8.34*
Groceries and Mortuaries	*per HCF*	*$10.30*	*$11.68*	*$13.10*	*$14.12*	*$14.22*	*$14.56*	*$15.62*	*$16.22*	*$17.03*	*$17.79*	*$18.53*
Laundry	*per HCF*	*$3.81*	*$4.40*	*$5.79*	*$5.97*	*$6.08*	*$6.15*	*$6.50*	*$6.80*	*$7.07*	*$7.33*	*$7.56*
Mixed Retail w/ Food	*per HCF*	*$6.73*	*$7.68*	*$9.08*	*$9.64*	*$9.75*	*$9.94*	*$10.60*	*$11.04*	*$11.56*	*$12.04*	*$12.50*
Motel with Food	*per HCF*	*$7.91*	*$9.00*	*$10.41*	*$11.12*	*$11.23*	*$11.47*	*$12.26*	*$12.75*	*$13.37*	*$13.94*	*$14.50*
Motel without Food	*per HCF*	*$4.59*	*$5.27*	*$6.67*	*$6.95*	*$7.06*	*$7.16*	*$7.59*	*$7.93*	*$8.27*	*$8.58*	*$8.88*
Restaurant	*per HCF*	*$10.18*	*$11.54*	*$12.96*	*$13.97*	*$14.07*	*$14.41*	*$15.45*	*$16.04*	*$16.85*	*$17.60*	*$18.33*
Napa Valley College	*per HCF*	*$3.67*	*$4.24*	*$5.63*	*$5.79*	*$5.90*	*$5.97*	*$6.30*	*$6.59*	*$6.86*	*$7.10*	*$7.32*
Service Station	*per HCF*	*$4.82*	*$5.53*	*$6.93*	*$7.24*	*$7.35*	*$7.46*	*$7.92*	*$8.26*	*$8.62*	*$8.95*	*$9.27*
Winery Production (Merryvale/Spottswoode)	*per HCF*	*$17.31*	*$19.55*	*$21.00*	*$22.93*	*$23.03*	*$23.66*	*$25.48*	*$26.40*	*$27.80*	*$29.11*	*$30.40*
Sutter Home Winery	*per HCF*	*$4.50*	*$5.17*	*$6.57*	*$6.84*	*$6.95*	*$7.04*	*$7.47*	*$7.80*	*$8.13*	*$8.44*	*$8.73*

Source: HEC.

rate sum

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

[1] Commercial includes City buildings.

Special user rates are calculated for new industries moving to the City that have special requirements attached to their operating permit with the City. Municipal code 13.20.020E would have to be revised from the current formula of A(V)+B(BOD)+C(SS)+D to remove D, which is no longer applicable under the new rate structure. In the special user charges formula:

V is volume of water in millions of gallons

BOD is biochemical oxygen demand in pounds

SS is total suspended solids in pounds

A is allocated cost for each million gallons of flow

B is allocated cost per pound for biochemical oxygen demand

C is allocated cost per pound of total suspended solids

D is charge for water meter size

Table 14 shows the calculated special user rates through fiscal year 2022.

Table 14
Special User Rates

		Fiscal Year Ending					
Municipal Code 13.20.020 E	**Current**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
*Billing Period Beginning * ----->*		*2/8/2017*	*11/8/2017*	*11/8/2018*	*11/8/2019*	*11/8/2020*	*11/8/2021*
	[1]						
A (per million gallons of flow)	$2,107.21	$8,715.32	$10,206.65	$14,910.59	$14,979.88	$15,353.37	$15,416.45
B (per pound of BOD)	$1.02	$1.85	$2.07	$2.08	$2.32	$2.32	$2.39
C (per pound of SS)	$1.17	$2.09	$2.34	$2.35	$2.62	$2.62	$2.71

Source: City of St. Helena and HEC. special

*** Dates reflect the current billing cycle; if the billing cycle date changes so will these effective dates.**

[1] Current rates were set July 2011.

CASH FLOW

Table 15 shows the projected cash flow for the wastewater fund and **Figure 4** demonstrates cash balances with and without rate increases. With adoption of the calculated rates it is anticipated that the City will be able to meet all wastewater enterprise fund obligations, including existing and potential debt service coverage requirements, and achieve at least six months of operating expenses in cash reserves in each year of the projection. The cash flow table demonstrates that a debt service coverage ratio of at least 1.20 will be met. In addition, the City may be able to designate (put aside) up to $1.7 million by fiscal year ending 2022, and $3.8 million by fiscal year ending 2027 for future cash funding of system rehabilitation.

Table 15
Projected Cash Flow

Revenues and Expenses	Fiscal Year Ending 2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	New EDUs	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*
Operating Revenues											
Charges For Services	$2,533,343	$3,282,705	$3,996,014	$4,410,951	$4,520,363	$4,589,140	$4,802,027	$5,039,172	$5,259,709	$5,472,228	$5,670,901
Growth in Services		$4,850	$5,578	$7,081	$7,373	$7,489	$7,596	$8,050	$8,408	$8,768	$9,100
Total Sewer Sales	**$2,533,343**	**$3,287,555**	**$4,001,591**	**$4,418,032**	**$4,527,736**	**$4,596,629**	**$4,809,622**	**$5,047,222**	**$5,268,118**	**$5,480,997**	**$5,680,001**
Investment Earnings	$4,615	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Connection Fee	$900	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Operating Revenues	**$2,538,858**	**$3,287,555**	**$4,001,591**	**$4,418,032**	**$4,527,736**	**$4,596,629**	**$4,809,622**	**$5,047,222**	**$5,268,118**	**$5,480,997**	**$5,680,001**
Operating Expenses	**$1,820,292**	**$1,973,928**	**$2,246,507**	**$2,140,652**	**$2,260,874**	**$2,478,583**	**$2,524,375**	**$2,668,756**	**$2,822,367**	**$2,985,876**	**$3,160,007**
Operating Revenue before Capital Improvements and Debt Service	**$718,566**	**$1,313,627**	**$1,755,084**	**$2,277,380**	**$2,266,862**	**$2,118,047**	**$2,285,247**	**$2,378,466**	**$2,445,751**	**$2,495,120**	**$2,519,994**
Debt Service											
Existing Debt	$252,876	$253,904	$256,030	$252,890	$253,823	$255,392	$250,938	$251,669	$252,022	$252,310	$251,490
WWTP New Debt - Phase 1	$0	$0	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124	$592,124
WWTP New Debt - Phase 2	$0	$0	$0	$0	$0	$34,951	$34,951	$34,951	$34,951	$34,951	$34,951
Total Debt Service	**$252,876**	**$253,904**	**$848,154**	**$845,014**	**$845,947**	**$882,467**	**$878,012**	**$878,744**	**$879,097**	**$879,384**	**$878,565**
Debt Service Coverage [1]	2.84	5.17	2.07	2.70	2.68	2.40	2.60	2.71	2.78	2.84	2.87
System Rehabilitation	$356,700	$391,800	$459,500	$532,400	$560,300	$626,600	$690,300	$712,900	$732,900	$775,900	$797,200
Net Revenues (Deficit)	**$108,989**	**$667,923**	**$447,430**	**$899,967**	**$860,615**	**$608,980**	**$716,935**	**$786,822**	**$833,754**	**$839,836**	**$844,230**
Beginning Fund Balance [2]	**$1,110,075**	$1,054,742	$1,687,578	$2,202,662	$2,948,848	$3,982,496	$3,679,166	$1,892,423	$3,156,634	$4,487,090	$5,669,380
Net Revenues (Deficit)	$108,989	$667,923	$447,430	$899,967	$860,615	$608,980	$716,935	$786,822	$833,754	$839,836	$844,230
Cash Funded Capital Improvements	($164,323)	($35,087)	$0	($153,781)	$0	$0	($154,028)	$0	$0	$0	$0
Add Back System Rehabilitation	$0	$0	$67,654	$0	$289,417	$287,386	$0	$477,388	$496,702	$342,454	$546,224
Replace WRF Operations Building and Shop	$0	$0	$0	$0	($116,384)	($1,199,695)	($2,349,650)	$0	$0	$0	$0
Ending Fund Balance	**$1,054,742**	**$1,687,578**	**$2,202,662**	**$2,948,848**	**$3,982,496**	**$3,679,166**	**$1,892,423**	**$3,156,634**	**$4,487,090**	**$5,669,380**	**$7,059,834**
Months of Operating Expenses in Reserve	*7*	*10*	*12*	*17*	*21*	*18*	*9*	*14*	*19*	*23*	*27*
Designated Balance [4]	$0	$0	$0	$800,000	$1,700,000	$1,700,000	$1,700,000	$1,700,000	$1,700,000	$2,600,000	$3,800,000
Undesignated Balance	**$1,054,742**	**$1,687,578**	**$2,202,662**	**$2,148,848**	**$2,282,496**	**$1,979,166**	**$192,423**	**$1,456,634**	**$2,787,090**	**$3,069,380**	**$3,259,834**
Months of Operating Expenses in Reserve	*7*	*10*	*12*	*12*	*12*	*10*	*1*	*7*	*12*	*12*	*12*
Target Operating Reserves [3]	$1,820,292	$1,973,928	$2,246,507	$2,140,652	$2,260,874	$2,478,583	$2,524,375	$2,668,756	$2,822,367	$2,985,876	$3,160,007

Source: HEC.

flow

[1] Debt service coverage should be at least 1.20.
[2] Estimated beginning balance for the operating and capital funds combined per the City 2016/17 Budget.
[3] Minimum six months and target balance is one year of operating expenses.
[4] Designation for future system rehabilitation costs in new, separate fund.

Figure 4
Projected Wastewater Cash Balances

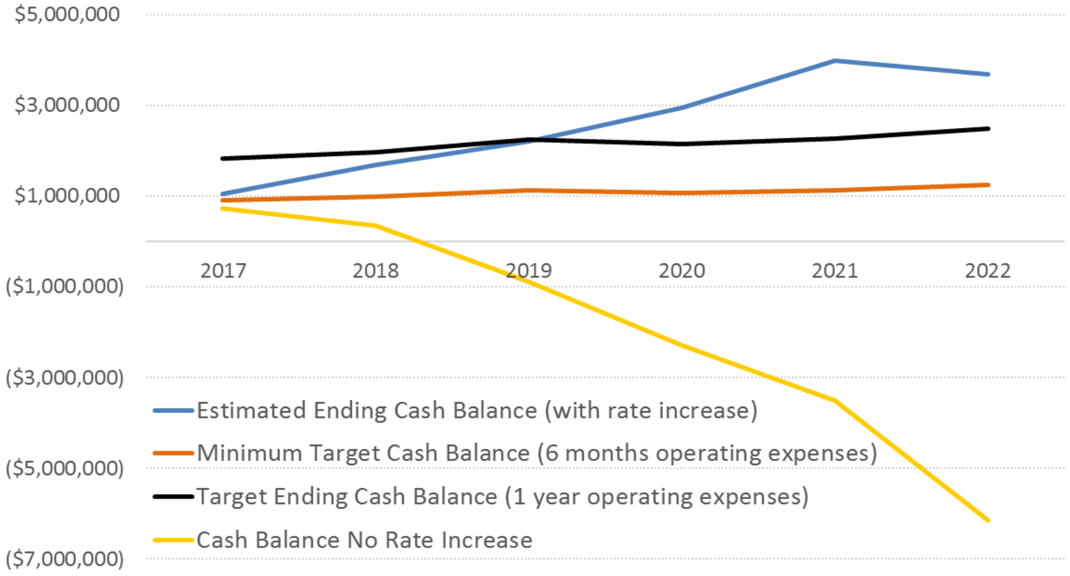


Table 16 on the following page shows the projected cash flow by fund.

Table 16
Projected Wastewater Fund Balances

	Fiscal Year Ending										
Fund	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Operating Fund 571											
Beginning Balance	($79,805)	$29,184	$697,108	$1,212,192	$2,112,159	$3,262,191	$3,658,557	$1,875,492	$2,389,702	$3,720,159	$4,902,449
Net Revenue	$108,989	$667,923	$447,430	$899,967	$860,615	$608,980	$716,935	$786,822	$833,754	$839,836	$844,230
Add Back System Rehabilitation	$0	$0	$67,654	$0	$289,417	$287,386	$0	$477,388	$496,702	$342,454	$546,224
Transfer Out to Capital Fund	$0	$0	$0	$0	$0	($500,000)	($2,500,000)	($750,000)	$0	$0	$0
Ending Balance	**$29,184**	**$697,108**	**$1,212,192**	**$2,112,159**	**$3,262,191**	**$3,658,557**	**$1,875,492**	**$2,389,702**	**$3,720,159**	**$4,902,449**	**$6,292,902**
Capital Fund 773											
Beginning Balance	$1,189,880	$1,025,557	$990,470	$990,470	$836,689	$720,305	$20,610	$16,932	$766,932	$766,932	$766,932
Transfer In from Operating Fund	$0	$0	$0	$0	$0	$500,000	$2,500,000	$750,000	$0	$0	$0
Capital Projects Expenses [1]	($164,323)	($35,087)	$0	($153,781)	($116,384)	($1,199,695)	($2,503,678)	$0	$0	$0	$0
Ending Balance	**$1,025,557**	**$990,470**	**$990,470**	**$836,689**	**$720,305**	**$20,610**	**$16,932**	**$766,932**	**$766,932**	**$766,932**	**$766,932**
Combined Operating and Capital Funds	**$1,054,742**	**$1,687,578**	**$2,202,662**	**$2,948,848**	**$3,982,496**	**$3,679,166**	**$1,892,423**	**$3,156,634**	**$4,487,090**	**$5,669,380**	**$7,059,834**
Impact Fee Fund 774											
Beginning Balance	$698,783	$676,115	$675,355	$674,546	$673,683	$672,767	$671,793	$670,760	$669,665	$668,505	$633,753
Fee Revenues [2]	$4,700	$4,819	$4,941	$5,065	$5,193	$5,325	$5,459	$5,597	$5,739	$5,884	$6,032
Expenses											
Miscellaneous Maintenance Projects	($5,412)	($5,578)	($5,750)	($5,928)	($6,110)	($6,298)	($6,492)	($6,692)	($6,899)	($40,636)	($7,330)
Reclamation Field Improvements	($21,956)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Project Expenses	**($27,368)**	**($5,578)**	**($5,750)**	**($5,928)**	**($6,110)**	**($6,298)**	**($6,492)**	**($6,692)**	**($6,899)**	**($40,636)**	**($7,330)**
Ending Balance	**$676,115**	**$675,355**	**$674,546**	**$673,683**	**$672,767**	**$671,793**	**$670,760**	**$669,665**	**$668,505**	**$633,753**	**$632,455**

Source: HEC.

flow by fund

[1] Cash-funded projects only. Projects that are debt-funded are included in the operating fund.

[2] Assumes growth of 5 units per year and the current impact fee o	$0.47	per building square foot
Fee assumed to grow 2.5% per year.	2,000	average home building square feet
The impact fee needs to be revised for these CIP costs.	**$940**	**Average fee per unit**

Attachment 2

ATTACHMENT A

WASTEWATER RATE STUDY

SUPPORT TABLES

Attachment 2

Table A-1
City of St. Helena Wastewater Rate Study
Historical Wastewater Fund Financial Performance

Revenues and Expenses	**Actual Financials for Fiscal Year Ending**					**Avg. Annual Percentage Change**
	2011	**2012**	**2013**	**2014**	**2015**	
OPERATING						
Revenues						
Charges For Services	$1,616,414	$2,008,709	$2,050,983	$2,143,947	$2,208,105	8.1%
Miscellaneous	$1,098	$1,200	$17,708	$8,925	$32,759	133.7%
Subtotal Revenues	**$1,617,512**	**$2,009,909**	**$2,068,691**	**$2,152,872**	**$2,240,864**	8.5%
Expenses						
Personnel	$842,317	$829,804	$795,479	$827,027	$938,472	2.7%
Contracted Services	$68,782	$806	$0	$0	$0	-100.0%
Fuel	$0	$0	$0	$0	$0	n.a.
Utilities	$80,906	$74,339	$85,819	$85,755	$87,970	2.1%
Other Supplies and Expenses	$313,342	$327,119	$361,451	$429,526	$525,742	13.8%
Depreciation and Amortization	$472,561	$483,070	$473,784	$473,784	$713,189	10.8%
Subtotal Expenses	**$1,777,908**	**$1,715,138**	**$1,716,533**	**$1,816,092**	**$2,265,373**	6.2%
NON OPERATING						
Gains (Loss) on Capital Asset Disposals	($1,169)	($2,762)	$0	$0	$0	-100.0%
Interest and Investment Revenue	$9,180	$7,990	$3,478	$5,515	$10,347	3.0%
Interest Expense	($81,081)	($78,070)	($86,521)	($69,139)	($41,398)	-15.5%
Net Operating Revenues	**($73,070)**	**($72,842)**	**($83,043)**	**($63,624)**	**($31,051)**	-19.3%
Capital Contributions	**$94,235**	**$217,765**	**$98,047**	**$4,900**	**$19,600**	
Change in Net Assets	**($139,231)**	**$439,694**	**$367,162**	**$278,056**	**($35,960)**	
Net Assets Beginning Balance	**$8,421,556**	**$8,282,325**	**$8,592,123**	**$8,959,285**	**$9,237,341**	
Net Assets Ending Balance	**$8,282,325**	**$8,722,019**	**$8,959,285**	**$9,237,341**	**$9,201,381**	

Source: City of St. Helena.

cafr

Attachment 2

Table A-2
City of St. Helena Wastewater Rate Study
Historical Revenues and Expenditures

Revenues and Expenses	**Actuals Fiscal Year Ending**				**Estimated**	**Budgeted**
	2012	**2013**	**2014**	**2015**	**2016**	**2017**
OPERATING FUND						
Revenues						
Investment Earnings	$1,380	$1,532	$2,697	$1,000	$4,500	$4,615
Annexation Fees	$500	$3,428	$8,925	$0	$0	$0
Rates	$2,008,709	$2,050,983	$2,143,947	$2,151,615	$2,260,735	$2,105,132
Sewer Connection Fee	$0	$0	$4,900	$0	$0	$900
Subtotal Revenues	**$2,010,589**	**$2,055,942**	**$2,160,470**	**$2,152,615**	**$2,265,235**	**$2,110,647**
Expenses						
Salaries & Benefits	$829,613	$795,480	$827,047	$896,865	$987,778	$1,071,519
Services	$231,717	$194,235	$220,039	$406,364	$822,159	$319,189
Supplies	$48,460	$55,452	$80,836	$41,318	$91,641	$75,942
Maintenance	$81,882	$72,003	$68,000	$118,625	$167,473	$130,513
Taxes, Insurances & Contribs.	$76,885	$54,533	$64,460	$73,328	$122,416	$105,967
Capital	$22,631	$26,001	$58,925	$817	$170,139	$101,700
Transfers	$2,763	$200,000	$100,000	$1,541,664	$352,634	$0
Debt	$78,071	$86,521	$69,140	$41,398	$258,105	$252,877
Subtotal Expenses	**$1,372,022**	**$1,484,224**	**$1,488,447**	**$3,120,379**	**$2,972,345**	**$2,057,707**
Operating Fund Net Revenues	**$638,567**	**$571,718**	**$672,023**	**($967,764)**	**($707,110)**	**$52,940**
CAPITAL FUND						
Revenues						
Transfers In	$86,000	$609,793	$100,000	$1,541,664	$389,087	$0
Subtotal Revenues	**$86,000**	**$609,793**	**$100,000**	**$1,541,664**	**$389,087**	**$0**
Expenses						
Salaries & Benefits	$118,932	$6,737	$0	$0	$0	$0
Professional Services	$61,042	$57,831	$69,810	$502,161	$0	$0
Advertising	$344	$0	$0	$803	$0	$0
Equipment Rental	$2,345	$11,727	$0	$0	$0	$0
Supplies	$2,999	$741	$4,315	$464	$0	$0
Maintenance	$8,172	$0	$0	$0	$0	$0
Capital Imp Land	$21,993	$0	$0	$0	$0	$0
Capital Projects Budget	$0	$0	$0	$12,420	$0	$0
Capital Equipment	$0	$3,261	$17,765	$13,831	$0	$0
Capital Imp Equipment	$73,415	$1,056,244	$122,351	$19,229	$0	$0
Subtotal Expenses	**$289,243**	**$1,136,540**	**$214,241**	**$548,909**	**$0**	**$0**
Capital Fund Net Revenues	**($203,243)**	**($526,747)**	**($114,241)**	**$992,755**	**$389,087**	**$0**
IMPACT FUND						
Revenues						
Investment Earnings	$6,423	$1,872	$2,818	$2,587	$2,000	$2,500
Other Revenues	$0	$14,281	$0	$30,625	$0	$0
Impact Fees	$217,766	$98,047	($81,929)	$19,600	$15,000	$18,000
Subtotal Revenues	**$224,188**	**$114,200**	**($79,111)**	**$52,812**	**$17,000**	**$20,500**
Expenses						
Transfers Out	$86,000	$409,793	$0	$0	$0	$0
Subtotal Expenses	**$86,000**	**$409,793**	**$0**	**$0**	**$0**	**$0**
Impact Fund Net Revenues	**$138,188**	**($295,593)**	**($79,111)**	**$52,812**	**$17,000**	**$20,500**

Source: City of St. Helena.

rev exp

Attachment 2

Table A-3
City of St. Helena Wastewater Rate Study
Historical Wastewater Operating Fund Expenses by Fund

Expenses	Actuals Fiscal Year Ending 2012	2013	2014	2015	Estimated 2016	Budgeted 2017
TREATMENT						
Salaries & Benefits	$304,386	$283,226	$333,535	$311,489	$374,936	$383,496
Services	$108,212	$125,718	$140,438	$185,439	$439,873	$124,950
Supplies	$25,216	$40,359	$62,141	$22,082	$60,285	$44,800
Maintenance	$71,106	$61,752	$54,974	$90,803	$145,017	$104,787
Taxes, Insurances & Contribs.	$8,390	$7,793	$14,879	$8,557	$17,723	$16,000
Capital	$22,631	$20,729	$58,911	$817	$20,305	$100,000
Transfers	$0	$0	$0	$0	$0	$0
Debt	$0	$0	$0	$0	$0	$0
Subtotal Treatment	**$539,940**	**$539,577**	**$664,878**	**$619,187**	**$1,058,139**	**$774,033**
COLLECTION						
Salaries & Benefits	$177,746	$185,921	$176,868	$191,484	$106,094	$103,176
Services	$1,349	$3,295	$2,734	$4,437	$3,972	$5,170
Supplies	$12,655	$5,382	$8,690	$8,918	$11,926	$12,550
Maintenance	$3,833	$3,293	$3,164	$6,400	$9,410	$12,729
Taxes, Insurances & Contribs.	$0	$0	$0	$0	$0	$0
Capital	$0	$0	$0	$0	$141,600	$0
Transfers	$0	$0	$0	$0	$0	$0
Debt	$0	$0	$0	$0	$0	$0
Subtotal Collection	**$195,583**	**$197,891**	**$191,456**	**$211,239**	**$273,002**	**$133,625**
OPERATIONS						
Salaries & Benefits	$347,482	$326,332	$316,644	$393,892	$506,748	$584,847
Services	$122,156	$65,222	$76,868	$216,488	$378,314	$189,069
Supplies	$10,590	$9,710	$10,005	$10,318	$19,430	$18,592
Maintenance	$6,942	$6,959	$9,861	$21,422	$13,046	$12,997
Taxes, Insurances & Contribs.	$68,495	$46,740	$49,581	$64,771	$104,693	$89,967
Capital	$0	$5,272	$13	$0	$8,234	$1,700
Transfers	$2,763	$200,000	$100,000	$1,541,664	$352,634	$0
Debt	$78,071	$86,521	$69,140	$41,398	$258,105	$252,877
Subtotal Operations	**$636,498**	**$746,756**	**$632,112**	**$2,289,953**	**$1,641,204**	**$1,150,049**
Total Expenses	**$1,372,022**	**$1,484,224**	**$1,488,447**	**$3,120,379**	**$2,972,345**	**$2,057,707**

Source: City of St. Helena.

op exp

Attachment 2

Table A-4
City of St. Helena Wastewater Rate Study
Historical Wastewater Plant Influent Flow

Month	2013	2014	2015
	Total Flow (millions of gallons)		
January	17.953	10.586	12.838
February	11.676	17.922	18.802
March	12.789	18.283	12.453
April	12.641	16.041	11.762
May	12.131	11.722	11.142
June	11.461	10.912	10.021
July	11.918	10.851	10.118
August	11.717	10.962	10.162
September	11.405	10.478	9.973
October	11.928	10.802	10.416
November	10.990	10.436	9.539
December	10.546	31.952	12.211
Yearly Total	**147.155**	**170.947**	**139.4374**

Source: City of St. Helena.

inf flow

Table A-5
City of St. Helena Wastewater Rate Study
Wastewater Capital Improvements Schedule in 2016 $'s

			Total Cost Less	**Fiscal Year Ending**										
Project	***Notes***		**Existing**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
		Total Cost	**Funding**	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Project Costs (2016 $'s)			[1]											
Sewer Collection System														
Miscellaneous Maintenance Projects		*$550,000*	**$550,000**	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$200,000	$35,000
Replace 1% of Sewer Mains Annually		*$1,650,000*	**$1,650,000**	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Crinella Pump Station Upgrades		*$500,000*	**$500,000**	$0	$0	$75,000	$425,000	$0	$0	$0	$0	$0	$0	$0
Add Sewer Pump Stations to SCADA		*$150,000*	**$150,000**	$0	$0	$0	$0	$50,000	$100,000	$0	$0	$0	$0	$0
Wet Weather Flow Monitoring		*$50,000*	**$50,000**	$0	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Sewer System		*$50,000*	**$50,000**	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Master Plan		*$150,000*	**$150,000**	$0	$0	$150,000	$0	$0	$0	$0	$0	$0	$0	$0
Replace Rodding Machine		*$40,000*	**$40,000**	$0	$0	$40,000	$0	$0	$0	$0	$0	$0	$0	$0
CCTV Program		*$165,000*	**$165,000**	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
Subtotal Sewer Collection		***$3,305,000***	$3,305,000	**$200,000**	**$250,000**	**$515,000**	**$625,000**	**$250,000**	**$300,000**	**$200,000**	**$200,000**	**$200,000**	**$365,000**	**$200,000**
Treatment Plant														
WWTP Upgrades Ph. 1	*Funded by New Debt*	*$7,474,108*	**$7,474,108**	$232,108	$700,000	$3,271,000	$3,271,000	$0	$0	$0	$0	$0	$0	$0
Reclamation Field Improvements		*$142,000*	**$142,000**	$142,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pond 2 & 3 Levee		*$120,000*	**$120,000**	$60,000	$0	$60,000	$0	$0	$0	$0	$0	$0	$0	$0
Facilities Automation		*$144,000*	**$144,000**	$0	$144,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
New Well		*$65,000*	**$65,000**	$65,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Removal		*$150,000*	**$150,000**	$75,000	$75,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Recycled Water Feasibility Study		*$75,000*	**$75,000**	$0	$0	$0	$0	$0	$75,000	$0	$0	$0	$0	$0
Temp Trailer at WRF		*$28,000*	**$28,000**	$5,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$5,000	$0	$0	$0
Replace WRF Operations Building and Shop	*Funded by Reserves*	*$3,000,000*	**$3,000,000**	$0	$0	$0	$0	$100,000	$1,000,000	$1,900,000	$0	$0	$0	$0
Upgrade Chemical Storage Facilities		*$500,000*	**$500,000**	$0	$0	$0	$0	$0	$0	$500,000	$0	$0	$0	$0
Phase 2 WWTP Upgrades	*Funded by New Debt*	*$400,000*	**$400,000**	$0	$0	$0	$0	$100,000	$100,000	$100,000	$100,000	$0	$0	$0
Subtotal Treatment Plant		***$12,098,108***	$12,098,108	**$579,108**	**$922,000**	**$3,334,000**	**$3,274,000**	**$203,000**	**$1,178,000**	**$2,503,000**	**$105,000**	**$0**	**$0**	**$0**
Total Estimated Project Costs (2016 $'s)		***$15,403,108***	$15,403,108	**$779,108**	**$1,172,000**	**$3,849,000**	**$3,899,000**	**$453,000**	**$1,478,000**	**$2,703,000**	**$305,000**	**$200,000**	**$365,000**	**$200,000**

Source: City of St. Helena and HEC.

2016 cip

[1] Total Cost Less Existing Funding = Total Cost - Existing Bonds - Existing Grants

Table A-6
City of St. Helena Wastewater Rate Study
Wastewater Capital Improvements Schedule in Future $'s

Project	*Notes*		**Fiscal Year Ending**										
			2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
		Total Cost	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Project Costs (Future $'s) [1]				***Annual Increase***	***3.1%***								
Sewer Collection System													
Miscellaneous Maintenance Projects		**$687,508**	$36,078	$37,190	$38,336	$39,517	$40,734	$41,989	$43,283	$44,617	$45,991	$270,904	$48,869
Replace 1% of Sewer Mains Annually		**$1,988,624**	$154,621	$159,385	$164,296	$169,358	$174,576	$179,954	$185,499	$191,214	$197,105	$203,178	$209,438
Crinella Pump Station Upgrades		**$561,995**	$0	$0	$82,148	$479,847	$0	$0	$0	$0	$0	$0	$0
Add Sewer Pump Stations to SCADA		**$178,161**	$0	$0	$0	$0	$58,192	$119,970	$0	$0	$0	$0	$0
Wet Weather Flow Monitoring		**$54,765**	$0	$0	$54,765	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Sewer System		**$53,128**	$0	$53,128	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Master Plan		**$164,296**	$0	$0	$164,296	$0	$0	$0	$0	$0	$0	$0	$0
Replace Rodding Machine		**$43,812**	$0	$0	$43,812	$0	$0	$0	$0	$0	$0	$0	$0
CCTV Program		**$198,862**	$15,462	$15,939	$16,430	$16,936	$17,458	$17,995	$18,550	$19,121	$19,711	$20,318	$20,944
Subtotal Sewer Collection		**$3,931,152**	**$206,162**	**$265,642**	**$564,083**	**$705,658**	**$290,959**	**$359,909**	**$247,332**	**$254,952**	**$262,807**	**$494,399**	**$279,250**
Treatment Plant													
WWTP Upgrades Ph. 1	*Funded by New Debt*	**$8,258,933**	$239,259	$743,798	$3,582,746	$3,693,130	$0	$0	$0	$0	$0	$0	$0
Reclamation Field Improvements		**$146,375**	$146,375	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pond 2 & 3 Levee		**$127,567**	$61,849	$0	$65,718	$0	$0	$0	$0	$0	$0	$0	$0
Facilities Automation		**$153,010**	$0	$153,010	$0	$0	$0	$0	$0	$0	$0	$0	$0
New Well		**$67,003**	$67,003	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Removal		**$157,003**	$77,311	$79,693	$0	$0	$0	$0	$0	$0	$0	$0	$0
Recycled Water Feasibility Study		**$89,977**	$0	$0	$0	$0	$0	$89,977	$0	$0	$0	$0	$0
Temp Trailer at WRF		**$32,189**	$5,154	$3,188	$3,286	$3,387	$3,492	$3,599	$3,710	$6,374	$0	$0	$0
Replace WRF Operations Building and Shop	*Funded by Reserves*	**$3,665,729**	$0	$0	$0	$0	$116,384	$1,199,695	$2,349,650	$0	$0	$0	$0
Upgrade Chemical Storage Facilities		**$618,329**	$0	$0	$0	$0	$0	$0	$618,329	$0	$0	$0	$0
Phase 2 WWTP Upgrades	*Funded by New Debt*	**$487,495**	$0	$0	$0	$0	$116,384	$119,970	$123,666	$127,476	$0	$0	$0
Subtotal Treatment Plant		**$13,803,610**	**$596,950**	**$979,688**	**$3,651,751**	**$3,696,517**	**$236,259**	**$1,413,241**	**$3,095,354**	**$133,850**	**$0**	**$0**	**$0**
Total Estimated Project Costs (Future $'s)		**$17,734,763**	**$803,112**	**$1,245,330**	**$4,215,833**	**$4,402,174**	**$527,219**	**$1,773,150**	**$3,342,686**	**$388,801**	**$262,807**	**$494,399**	**$279,250**
Total Estimated Project Costs (2016 $'s)		**$15,403,108**	**$779,108**	**$1,172,000**	**$3,849,000**	**$3,899,000**	**$453,000**	**$1,478,000**	**$2,703,000**	**$305,000**	**$200,000**	**$365,000**	**$200,000**
Total Estimated Project Costs (Future $'s)		**$17,734,763**	**$803,112**	**$1,245,330**	**$4,215,833**	**$4,402,174**	**$527,219**	**$1,773,150**	**$3,342,686**	**$388,801**	**$262,807**	**$494,399**	**$279,250**

Source: City of St. Helena and HEC.

future cip

[1] Estimated costs increased by historical ENR Construction Cost Index 20 year average increase.

Table A-7
City of St. Helena Wastewater Rate Study
Existing Customers Share of CIP Costs in 2016 $'s

					Fiscal Year Ending										
Project	**Funding Source**	**Percent Share Existing Customers**	**Percent Share Existing Customers in Rate Model**	**Total Cost**	**2017 Current**	**2018 Year 1**	**2019 Year 2**	**2020 Year 3**	**2021 Year 4**	**2022 Year 5**	**2023 Year 6**	**2024 Year 7**	**2025 Year 8**	**2026 Year 9**	**2027 Year 10**
Estimated Project Costs (2016 $'s)															
Sewer Collection System															
Miscellaneous Maintenance Projects	Cash	85%	85%	**$467,500**	$29,750	$29,750	$29,750	$29,750	$29,750	$29,750	$29,750	$29,750	$29,750	$170,000	$29,750
Replace 1% of Sewer Mains Annually	Cash	100%	100%	**$1,650,000**	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Crinella Pump Station Upgrades	Cash	100%	100%	**$500,000**	$0	$0	$75,000	$425,000	$0	$0	$0	$0	$0	$0	$0
Add Sewer Pump Stations to SCADA	Cash	100%	100%	**$150,000**	$0	$0	$0	$0	$50,000	$100,000	$0	$0	$0	$0	$0
Wet Weather Flow Monitoring	Ops Cash	100%	100%	**$50,000**	$0	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Sewer System	Ops Cash	100%	100%	**$50,000**	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Master Plan	Ops Cash	100%	100%	**$150,000**	$0	$0	$150,000	$0	$0	$0	$0	$0	$0	$0	$0
Replace Rodding Machine	Cash	100%	100%	**$40,000**	$0	$0	$40,000	$0	$0	$0	$0	$0	$0	$0	$0
CCTV Program	Ops Cash	100%	100%	**$165,000**	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
Subtotal Collection System				**$3,222,500**	**$194,750**	**$244,750**	**$509,750**	**$619,750**	**$244,750**	**$294,750**	**$194,750**	**$194,750**	**$194,750**	**$335,000**	**$194,750**
Treatment Plant															
WWTP Upgrades Ph. 1	Debt	100%	100%	**$7,474,108**	$232,108	$700,000	$3,271,000	$3,271,000	$0	$0	$0	$0	$0	$0	$0
Reclamation Field Improvements	Cash	85%	85%	**$120,700**	$120,700	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pond 2 & 3 Levee	Cash	100%	100%	**$120,000**	$60,000	$0	$60,000	$0	$0	$0	$0	$0	$0	$0	$0
Facilities Automation	Cash	100%	100%	**$144,000**	$0	$144,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
New Well	Cash	100%	100%	**$65,000**	$65,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Removal	Cash	100%	100%	**$150,000**	$75,000	$75,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Recycled Water Feasibility Study	Ops Cash	100%	100%	**$75,000**	$0	$0	$0	$0	$0	$75,000	$0	$0	$0	$0	$0
Temp Trailer at WRF	Cash	100%	100%	**$28,000**	$5,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$5,000	$0	$0	$0
Replace WRF Operations Building and Shop	Reserves	100%	100%	**$3,000,000**	$0	$0	$0	$0	$100,000	$1,000,000	$1,900,000	$0	$0	$0	$0
Upgrade Chemical Storage Facilities	Cash	100%	100%	**$500,000**	$0	$0	$0	$0	$0	$0	$500,000	$0	$0	$0	$0
Phase 2 WWTP Upgrades	Debt	100%	100%	**$400,000**	$0	$0	$0	$0	$100,000	$100,000	$100,000	$100,000	$0	$0	$0
Subtotal Treatment				**$12,076,808**	**$557,808**	**$922,000**	**$3,334,000**	**$3,274,000**	**$203,000**	**$1,178,000**	**$2,503,000**	**$105,000**	**$0**	**$0**	**$0**
Total Estimated Project Costs (2016 $'s)				**$15,299,308**	**$752,558**	**$1,166,750**	**$3,843,750**	**$3,893,750**	**$447,750**	**$1,472,750**	**$2,697,750**	**$299,750**	**$194,750**	**$335,000**	**$194,750**
Cash - Capital Fund				**$3,935,200**	$505,450	$401,750	$357,750	$607,750	$232,750	$282,750	$682,750	$184,750	$179,750	$320,000	$179,750
Cash - Operations Fund				**$490,000**	$15,000	$65,000	$215,000	$15,000	$15,000	$90,000	$15,000	$15,000	$15,000	$15,000	$15,000
Debt - Capital Fund				**$7,874,108**	$232,108	$700,000	$3,271,000	$3,271,000	$100,000	$100,000	$100,000	$100,000	$0	$0	$0
Reserves				**$3,000,000**	$0	$0	$0	$0	$100,000	$1,000,000	$1,900,000	$0	$0	$0	$0
Total				**$15,299,308**	**$752,558**	**$1,166,750**	**$3,843,750**	**$3,893,750**	**$447,750**	**$1,472,750**	**$2,697,750**	**$299,750**	**$194,750**	**$335,000**	**$194,750**

Source: City of St. Helena.

2016 exist share

Attachment 2

Table A-8
City of St. Helena Wastewater Rate Study
Existing Customers Share of CIP Costs in Future $'s

Project	Funding Source	Percent Share Existing Customers	Percent Share Existing Customers in Rate Model	Total Cost	Fiscal Year Ending										
					2017 Current	2018 Year 1	2019 Year 2	2020 Year 3	2021 Year 4	2022 Year 5	2023 Year 6	2024 Year 7	2025 Year 8	2026 Year 9	2027 Year 10
Estimated Project Costs (Future $'s) [1]						*Annual Increase*	*3.1%*								
Sewer Collection System															
Miscellaneous Maintenance Projects	Cash	85%	85%	**$584,382**	$30,667	$31,611	$32,585	$33,589	$34,624	$35,691	$36,791	$37,924	$39,093	$230,268	$41,538
Replace 1% of Sewer Mains Annually	Cash	100%	100%	**$1,988,624**	$154,621	$159,385	$164,296	$169,358	$174,576	$179,954	$185,499	$191,214	$197,105	$203,178	$209,438
Crinella Pump Station Upgrades	Cash	100%	100%	**$561,995**	$0	$0	$82,148	$479,847	$0	$0	$0	$0	$0	$0	$0
Add Sewer Pump Stations to SCADA	Cash	100%	100%	**$178,161**	$0	$0	$0	$0	$58,192	$119,970	$0	$0	$0	$0	$0
Wet Weather Flow Monitoring	Ops Cash	100%	100%	**$54,765**	$0	$0	$54,765	$0	$0	$0	$0	$0	$0	$0	$0
Update GIS Maps of Sewer System	Ops Cash	100%	100%	**$53,128**	$0	$53,128	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Master Plan	Ops Cash	100%	100%	**$164,296**	$0	$0	$164,296	$0	$0	$0	$0	$0	$0	$0	$0
Replace Rodding Machine	Cash	100%	100%	**$43,812**	$0	$0	$43,812	$0	$0	$0	$0	$0	$0	$0	$0
CCTV Program	Ops Cash	100%	100%	**$198,862**	$15,462	$15,939	$16,430	$16,936	$17,458	$17,995	$18,550	$19,121	$19,711	$20,318	$20,944
Subtotal Collection System				**$3,828,026**	**$200,750**	**$260,064**	**$558,332**	**$699,730**	**$284,849**	**$353,610**	**$240,839**	**$248,259**	**$255,908**	**$453,764**	**$271,920**
Treatment Plant															
WWTP Upgrades Ph. 1	Debt	100%	100%	**$8,258,933**	$239,259	$743,798	$3,582,746	$3,693,130	$0	$0	$0	$0	$0	$0	$0
Reclamation Field Improvements	Cash	85%	85%	**$124,419**	$124,419	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Pond 2 & 3 Levee	Cash	100%	100%	**$127,567**	$61,849	$0	$65,718	$0	$0	$0	$0	$0	$0	$0	$0
Facilities Automation	Cash	100%	100%	**$153,010**	$0	$153,010	$0	$0	$0	$0	$0	$0	$0	$0	$0
New Well	Cash	100%	100%	**$67,003**	$67,003	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sludge Removal	Cash	100%	100%	**$157,003**	$77,311	$79,693	$0	$0	$0	$0	$0	$0	$0	$0	$0
Recycled Water Feasibility Study	Ops Cash	100%	100%	**$89,977**	$0	$0	$0	$0	$0	$89,977	$0	$0	$0	$0	$0
Temp Trailer at WRF	Cash	100%	100%	**$32,189**	$5,154	$3,188	$3,286	$3,387	$3,492	$3,599	$3,710	$6,374	$0	$0	$0
Replace WRF Operations Building and Shop	Reserves	100%	100%	**$3,665,729**	$0	$0	$0	$0	$116,384	$1,199,695	$2,349,650	$0	$0	$0	$0
Upgrade Chemical Storage Facilities	Cash	100%	100%	**$618,329**	$0	$0	$0	$0	$0	$0	$618,329	$0	$0	$0	$0
Phase 2 WWTP Upgrades	Debt	100%	100%	**$487,495**	$0	$0	$0	$0	$116,384	$119,970	$123,666	$127,476	$0	$0	$0
Subtotal Treatment				**$13,781,654**	**$574,994**	**$979,688**	**$3,651,751**	**$3,696,517**	**$236,259**	**$1,413,241**	**$3,095,354**	**$133,850**	**$0**	**$0**	**$0**
Total Estimated Project Costs (Future $'s)				**$17,609,680**	**$775,744**	**$1,239,752**	**$4,210,083**	**$4,396,247**	**$521,108**	**$1,766,852**	**$3,336,193**	**$382,109**	**$255,908**	**$453,764**	**$271,920**
2016 $'s															
Cash - Capital Fund				**$3,935,200**	$505,450	$401,750	$357,750	$607,750	$232,750	$282,750	$682,750	$184,750	$179,750	$320,000	$179,750
Cash - Operations Fund				**$490,000**	$15,000	$65,000	$215,000	$15,000	$15,000	$90,000	$15,000	$15,000	$15,000	$15,000	$15,000
Debt - Capital Fund				**$7,874,108**	$232,108	$700,000	$3,271,000	$3,271,000	$100,000	$100,000	$100,000	$100,000	$0	$0	$0
Reserves				**$3,000,000**	$0	$0	$0	$0	$100,000	$1,000,000	$1,900,000	$0	$0	$0	$0
Total				**$15,299,308**	**$752,558**	**$1,166,750**	**$3,843,750**	**$3,893,750**	**$447,750**	**$1,472,750**	**$2,697,750**	**$299,750**	**$194,750**	**$335,000**	**$194,750**
Future $'s															
Cash - Capital Fund				**$4,636,494**	$521,023	$426,887	$391,846	$686,181	$270,883	$339,214	$844,328	$235,512	$236,198	$433,446	$250,976
Cash - Operations Fund				**$561,029**	$15,462	$69,067	$235,491	$16,936	$17,458	$107,973	$18,550	$19,121	$19,711	$20,318	$20,944
Debt - Capital Fund				**$8,746,428**	$239,259	$743,798	$3,582,746	$3,693,130	$116,384	$119,970	$123,666	$127,476	$0	$0	$0
Reserves				**$3,665,729**	$0	$0	$0	$0	$116,384	$1,199,695	$2,349,650	$0	$0	$0	$0
Total				**$17,609,680**	**$775,744**	**$1,239,752**	**$4,210,083**	**$4,396,247**	**$521,108**	**$1,766,852**	**$3,336,193**	**$382,109**	**$255,908**	**$453,764**	**$271,920**

Source: City of St. Helena.

fut exist share

[1] Estimated costs increased by historical ENR Construction Cost Index 20 year average increase.

Attachment 2

Table A-9
City of St. Helena Wastewater Rate Study
Existing Wastewater Debt Service Schedule

Fiscal Year Ending	Principal	Interest	Total	Remaining Principal
2015	$126,522	$125,841	$252,363	$3,063,478
2016	$133,696	$121,538	$255,233	$2,929,783
2017	$135,870	$117,007	$252,876	$2,793,913
2018	$141,957	$111,947	$253,904	$2,651,957
2019	$149,130	$106,900	$256,030	$2,502,826
2020	$151,304	$101,586	$252,890	$2,351,522
2021	$158,478	$95,345	$253,823	$2,193,044
2022	$166,739	$88,653	$255,392	$2,026,304
2023	$168,913	$82,025	$250,938	$1,857,391
2024	$176,087	$75,582	$251,669	$1,681,304
2025	$183,261	$68,762	$252,022	$1,498,044
2026	$191,522	$60,788	$252,310	$1,306,522
2027	$199,783	$51,708	$251,490	$1,106,739
2028	$209,130	$42,220	$251,351	$897,609
2029	$218,478	$32,763	$251,241	$679,131
2030	$227,826	$23,359	$251,185	$451,304
2031	$236,087	$13,584	$249,671	$215,217
2032	$105,435	$6,500	$111,935	$109,783
2033	$109,783	$2,196	$111,978	$0

Source: City of St. Helena.

debt service

Attachment 2

Table A-10
City of St. Helena Wastewater Rate Study
Operating Expenses Cost Escalation Factors

Expenses	**Actuals Fiscal Year Ending**				**Estimated**	**Total**	**Annual Avg.**
	2012	**2013**	**2014**	**2015**	**2016**	**Change**	**% Change**
Salaries & Benefits	$829,613	$795,480	$827,047	$896,865	$987,778	$158,165	4.5%
Services	$231,717	$194,235	$220,039	$406,364	$822,159	$590,442	37.2%
Supplies	$48,460	$55,452	$80,836	$41,318	$91,641	$43,181	17.3%
Maintenance	$81,882	$72,003	$68,000	$118,625	$167,473	$85,591	19.6%
Taxes, Insurances & Contribs.	$76,885	$54,533	$64,460	$73,328	$122,416	$45,531	12.3%
Total Expenses	**$1,268,557**	**$1,171,702**	**$1,260,382**	**$1,536,500**	**$2,191,467**	**$922,910**	**14.6%**
Engineering News Record	*Dec 2011*	*Dec 2012*	*Dec 2013*	*Dec 2014*	*Dec 2015*		
ENR Construction Cost Index 20-City [1]	9,172.00	9,412.00	9,668.00	9,936.00	10,135.00	963.00	2.5%
ENR Construction Cost Index San Francisco	10,204.79	10,355.09	10,898.84	10,915.84	11,155.41	950.62	2.3%
Bureau of Labor Statistics							
Consumer Price Index - California	232.99	237.71	241.53	244.81	250.71	17.73	1.9%
Consumer Price Index - San Francisco	234.33	239.53	245.71	252.27	260.29	25.96	2.7%

Source: City of St. Helena, Bureau of Labor Statistics, and the Engineering New Record.

index

[1] Engineering News Record (ENR) Consumer Cost Index (CCI) change 1995 to 2015:

ENR CCI 1995	5,524	Change	Annual Avg. % Change
ENR CCI 2015	10,135	4,611	**3.1%**

Attachment 2

Table A-11
City of St. Helena Wastewater Rate Study
Existing Asset Depreciation

Asset Category	Current Depreciation
Buildings	$22,667
Vehicles	$18,067
Equipment	$43,216
Improvements	$239,170
Pipes	$16,925
Total	**$340,044**

Source: City of St. Helena and HEC. cur depr

Table A-12
City of St. Helena Wastewater Rate Study
Estimated Depreciation of Projected Assets

Improvement Type	Average Life of Asset (years)	Fiscal Year Ending										
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Sewer Collection System [1]												
Miscellaneous Maintenance Projects	10	$3,608	$7,327	$11,160	$15,112	$19,186	$23,384	$27,713	$32,174	$36,774	$63,864	$68,751
Reclamation Field Improvements	50	$2,927	$2,927	$2,927	$2,927	$2,927	$2,927	$2,927	$2,927	$2,927	$2,927	$2,927
Replace 1% of Sewer Mains Annually	80	$1,933	$3,925	$5,979	$8,096	$10,278	$12,527	$14,846	$17,236	$19,700	$22,240	$24,858
New Well	40	$1,675	$1,675	$1,675	$1,675	$1,675	$1,675	$1,675	$1,675	$1,675	$1,675	$1,675
Crinella Pump Station Upgrades	50	$0	$0	$1,643	$11,240	$11,240	$11,240	$11,240	$11,240	$11,240	$11,240	$11,240
Add Sewer Pump Stations to SCADA	10	$0	$0	$0	$0	$5,819	$17,816	$17,816	$17,816	$17,816	$17,816	$17,816
Wet Weather Flow Monitoring	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Update GIS Maps of Sewer System	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sewer Master Plan	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Replace Rodding Machine	15	$0	$0	$2,921	$2,921	$2,921	$2,921	$2,921	$2,921	$2,921	$2,921	$2,921
CCTV Program	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Subtotal Sewer Collection		**$10,143**	**$15,854**	**$26,306**	**$41,971**	**$54,046**	**$72,491**	**$79,138**	**$85,990**	**$93,053**	**$122,683**	**$130,188**
Treatment Plant [1]												
WWTP Upgrades Ph. 1	80	$2,991	$12,288	$57,073	$103,237	$103,237	$103,237	$103,237	$103,237	$103,237	$103,237	$103,237
Pond 2 & 3 Levee	40	$1,546	$1,546	$3,189	$3,189	$3,189	$3,189	$3,189	$3,189	$3,189	$3,189	$3,189
Facilities Automation	20	$0	$7,650	$7,650	$7,650	$7,650	$7,650	$7,650	$7,650	$7,650	$7,650	$7,650
Sludge Removal	40	$1,933	$3,925	$3,925	$3,925	$3,925	$3,925	$3,925	$3,925	$3,925	$3,925	$3,925
Recycled Water Feasibility Study	5	$0	$0	$0	$0	$0	$17,995	$17,995	$17,995	$17,995	$17,995	$17,995
Temp Trailer at WRF	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Replace WRF Operations Building and Shop	80	$0	$0	$0	$0	$1,455	$16,451	$45,822	$45,822	$45,822	$45,822	$45,822
Upgrade Chemical Storage Facilities	50	$0	$0	$0	$0	$0	$0	$12,367	$12,367	$12,367	$12,367	$12,367
Phase 2 WWTP Upgrades	40	$0	$0	$0	$0	$2,910	$5,909	$9,000	$12,187	$12,187	$12,187	$12,187
Subtotal Treatment Plant		**$6,470**	**$25,410**	**$71,837**	**$118,001**	**$122,366**	**$158,357**	**$203,186**	**$206,372**	**$206,372**	**$206,372**	**$206,372**
Total Cumulative Depreciation		**$16,613**	**$41,264**	**$98,143**	**$159,973**	**$176,412**	**$230,848**	**$282,324**	**$292,363**	**$299,425**	**$329,056**	**$336,560**

Source: City of St. Helena.

new depr

[1] Depreciation in future dollars.

Attachment 2

Table A-13
City of St. Helena Wastewater Rate Study
Calculated Winter Use and Total Billed Water Use for Sewer by Customer Type

Customer Type	Winter Months Jan-Mar 2015	# Units /Accounts /Students	Winter Months Jan-Mar 2015	Average	Average in Gallons
Residential	Total Water Use		Use per Unit per Day in HCF	HCF per Day	GPD
Single Family	34,381	1,503	0.25	0.24	175
Multi-Family	9,259	669	0.15	0.15	106
Mobile Homes (Vineyard Valley)	4,331	211	0.23	0.22	157
Residential	**47,971**	**2,383**	**0.22**	**0.21**	**154**
Non-Residential					
Car Wash	126	1	1.40	1.40	1,005
Church/CommCenter	254	13	0.22	0.22	156
Commercial	3,803	126	0.34	0.34	241
Grocery	260	3	0.96	0.96	691
Laundry	524	1	5.82	5.82	4,181
Mixed Retail w/ Food	496	3	1.84	1.84	1,319
Motel w/ Food	1,361	2	7.56	7.56	5,429
Motel w/out Food	2,303	8	3.20	3.20	2,297
Restaurant	3,225	19	1.89	1.89	1,354
Napa Valley College	1,620	1	18.00	18.00	12,925
Service Station	199	5	0.44	0.44	318
Merryvale Winery	235	2	1.31	1.31	937
Sutter Home (industrial) [1]	8,009	1	88.99	4.45	3,195
School	1,304	1,437	0.01	0.01	7

Source: City of St. Helena.

winter

[1] Only 5% of winter water use for this account is estimated to reach the wastewater plant.

Attachment 2

ATTACHMENT B

MODIFIED WASTEWATER RATE STRUCTURE

METHODOLOGY

1. **Determine Number of Sewer Meter Equivalents** – First establish the daily flow for one EDU (equivalent dwelling unit). This flow is the flow per day for a 5/8" meter since almost all residential units have a 5/8" water meter. Calculate the number of sewer meter equivalents using the current City meter ratios. *Using metered water usage data, it is determined that residential units use 280 gallons per day on average; however, only 180 gallons per day reaches the wastewater treatment plant, determined by average winter water use.* ***Table B-1*** *shows the flow per day by meter size and the calculation of estimated sewer meter equivalents for non-residential customers.*

2. **Allocate Revenue Requirement to Residential and Non-Residential** – Single Family residential customers are allocated costs based on percentage of flow. They are then further allocated to fixed base costs collected in flat monthly charges by dwelling unit and use costs collected in consumption charges. Non-residential costs, including multi-family, are allocated based on percentage of flow by non-residential customers. Non-residential costs are further allocated to fixed base costs collected in flat monthly charges by meter size and use costs collected in consumption charges. ***Table B-2*** *shows the allocation of revenue requirement. Costs are allocated 57% to residential and 43% to non-residential.*

3. **Calculate Rates** – Divide base residential costs by the number of residential units. Divide residential use costs by typical residential winter water use. Divide non-residential base costs by the number of sewer meter equivalents. Divide non-residential use costs by typical non-residential winter water use. *Calculated rates are shown in* ***Table B-2.***

4. **Compare Rates** – A comparison of current and calculated wastewater rates for the next ten years, through fiscal year 2027, is included in **Table B-3.**

Attachment 2

Table B-1
City of St. Helena Wastewater Rate Study
Calculation of Non-Residential Meter Equivalents

Item	Number of Meters	Meter Ratios	Flow per Day in Gallons	Estimated Sewer Meter Equivalents
Single Family (One EDU)			180	
Non-Residential				
5/8"	150	1.00	180	150
1"	73	2.43	438	178
1.5"	40	4.82	867	193
2"	32	7.68	1,383	246
3"	7	14.36	2,585	101
4"	7	23.91	4,303	167
6"	6	47.77	8,598	287
Total Estimated Non-Residential Sewer Equivalents				**1,321**

Source: City of St. Helena and HEC.

m equivs

Attachment 2

Table B-2
City of St. Helena Wastewater Rate Study
Allocation of Revenue Requirement to Residential and Non-Residential

		Fiscal Year Ending										
Item		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Revenue Requirement		**$2,988,676**	**$3,429,719**	**$4,279,161**	**$4,476,847**	**$4,542,121**	**$4,612,649**	**$4,896,715**	**$5,110,400**	**$5,334,364**	**$5,541,161**	**$5,735,771**
Residential												
Base Costs	29%	$866,454	$994,317	$1,240,581	$1,297,893	$1,316,816	$1,337,263	$1,419,618	$1,481,567	$1,546,497	$1,606,450	$1,662,870
Use Costs	28%	$840,113	$964,089	$1,202,866	$1,258,435	$1,276,784	$1,296,609	$1,376,460	$1,436,526	$1,499,482	$1,557,612	$1,612,317
Number of Units (single family only)		1,503	1,508	1,513	1,518	1,523	1,528	1,533	1,538	1,543	1,548	1,553
Base Annual Cost		$576.48	$659.36	$819.95	$855.00	$864.62	$875.17	$926.04	$963.31	$1,002.27	$1,037.76	$1,070.75
Monthly Base Charge per Residential Unit		**$48.04**	**$54.95**	**$68.33**	**$71.25**	**$72.05**	**$72.93**	**$77.17**	**$80.28**	**$83.52**	**$86.48**	**$89.23**
Estimated Annual Billed Usage		186,767	187,212	187,658	188,103	188,548	188,994	189,439	189,884	190,329	190,775	191,220
Use Charge per HCF		**$4.50**	**$5.15**	**$6.41**	**$6.69**	**$6.77**	**$6.86**	**$7.27**	**$7.57**	**$7.88**	**$8.16**	**$8.43**
Non-Residential												
Base Costs	30%	$896,865	$1,029,217	$1,284,124	$1,343,447	$1,363,035	$1,384,200	$1,469,444	$1,533,569	$1,600,777	$1,662,835	$1,721,235
Use Costs	13%	$385,245	$442,096	$551,590	$577,072	$585,486	$594,577	$631,194	$658,738	$687,607	$714,264	$739,349
Meter Equivalents		1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Base Charge per Meter Equivalent		$679.18	$779.41	$972.45	$1,017.37	$1,032.21	$1,048.23	$1,112.79	$1,161.35	$1,212.25	$1,259.24	$1,303.47
Monthly Base Charge per Meter Equivalent		**$56.60**	**$64.95**	**$81.04**	**$84.78**	**$86.02**	**$87.35**	**$92.73**	**$96.78**	**$101.02**	**$104.94**	**$108.62**
5/8"	1.0	$56.60	$64.95	$81.04	$84.78	$86.02	$87.35	$92.73	$96.78	$101.02	$104.94	$108.62
1"	2.4	$137.63	$157.94	$197.05	$206.16	$209.16	$212.41	$225.49	$235.33	$245.64	$255.17	$264.13
1.5"	4.8	$272.67	$312.91	$390.41	$408.45	$414.40	$420.84	$446.75	$466.25	$486.68	$505.55	$523.31
2"	7.7	$434.74	$498.90	$622.46	$651.22	$660.71	$670.97	$712.29	$743.37	$775.95	$806.03	$834.34
3"	14.4	$812.89	$932.84	$1,163.88	$1,217.65	$1,235.40	$1,254.59	$1,331.85	$1,389.97	$1,450.89	$1,507.13	$1,560.06
4"	23.9	$1,353.10	$1,552.78	$1,937.35	$2,026.86	$2,056.41	$2,088.34	$2,216.95	$2,313.69	$2,415.09	$2,508.71	$2,596.82
6"	47.8	$2,703.62	$3,102.59	$3,871.01	$4,049.85	$4,108.89	$4,172.70	$4,429.67	$4,622.97	$4,825.57	$5,012.65	$5,188.69
Use Charge per HCF	Est. Annual Billed Use											
Car Wash	511	$3.43	$3.93	$4.90	$5.13	$5.21	$5.29	$5.61	$5.86	$6.11	$6.35	$6.57
Religious Places/Community Centers	1,030	$3.72	$4.27	$5.33	$5.57	$5.65	$5.74	$6.09	$6.36	$6.64	$6.90	$7.14
Commercial	15,423	$4.27	$4.90	$6.12	$6.40	$6.49	$6.59	$7.00	$7.30	$7.62	$7.92	$8.20
Groceries and Mortuaries	1,054	$10.30	$11.81	$14.74	$15.42	$15.65	$15.89	$16.87	$17.60	$18.38	$19.09	$19.76
Laundry	2,125	$3.81	$4.37	$5.46	$5.71	$5.79	$5.88	$6.24	$6.51	$6.80	$7.06	$7.31
Mixed Retail w/ Food	2,012	$6.73	$7.72	$9.64	$10.08	$10.23	$10.39	$11.03	$11.51	$12.01	$12.48	$12.92
Motel with Food	5,520	$7.91	$9.08	$11.32	$11.85	$12.02	$12.21	$12.96	$13.52	$14.12	$14.66	$15.18
Motel without Food	9,340	$4.59	$5.26	$6.57	$6.87	$6.97	$7.08	$7.51	$7.84	$8.19	$8.50	$8.80
Restaurant	13,079	$10.18	$11.68	$14.57	$15.24	$15.47	$15.71	$16.67	$17.40	$18.16	$18.87	$19.53
Napa Valley College	6,570	$3.67	$4.21	$5.25	$5.49	$5.57	$5.66	$6.01	$6.27	$6.55	$6.80	$7.04
Service Station	807	$4.82	$5.53	$6.90	$7.22	$7.32	$7.44	$7.89	$8.24	$8.60	$8.93	$9.25
Winery Production (Merryvale/Spottswoode)	953	$17.31	$19.87	$24.79	$25.93	$26.31	$26.72	$28.36	$29.60	$30.90	$32.09	$33.22
Sutter Home Winery	1,624	$4.50	$5.16	$6.44	$6.74	$6.84	$6.94	$7.37	$7.69	$8.03	$8.34	$8.63
Schools	5,288	$1.87	$2.15	$2.68	$2.81	$2.85	$2.89	$3.07	$3.20	$3.34	$3.47	$3.60

Source: City of St. Helena and HEC.

curr alloc rates

Attachment 2

Table B-3
City of St. Helena Wastewater Rate Study
Calculated Wastewater Rates - Modified Current Rate Structure

Land Use	**Current** *Rates Effective*	**2017** *2/8/2017*	**2018** *11/8/2017*	**2019** *11/8/2018*	**2020** *11/8/2019*	**2021** *11/8/2020*	**2022** *11/8/2021*	**2023** *11/8/2022*	**2024** *11/8/2023*	**2025** *11/8/2024*	**2026** *11/8/2025*	**2027** *11/8/2026*
Residential												
Flat Monthly Charge per Unit	$47.35	$48.04	$54.95	$68.33	$71.25	$72.05	$72.93	$77.17	$80.28	$83.52	$86.48	$89.23
Use Charge per HCF	$3.94	$4.50	$5.15	$6.41	$6.69	$6.77	$6.86	$7.27	$7.57	$7.88	$8.16	$8.43
Non-Residential												
Flat Monthly Charge per Account												
5/8"	$42.12	$56.60	$64.95	$81.04	$84.78	$86.02	$87.35	$92.73	$96.78	$101.02	$104.94	$108.62
1"	$102.42	$137.63	$157.94	$197.05	$206.16	$209.16	$212.41	$225.49	$235.33	$245.64	$255.17	$264.13
1.5"	$202.92	$272.67	$312.91	$390.41	$408.45	$414.40	$420.84	$446.75	$466.25	$486.68	$505.55	$523.31
2"	$323.53	$434.74	$498.90	$622.46	$651.22	$660.71	$670.97	$712.29	$743.37	$775.95	$806.03	$834.34
3"	$604.94	$812.89	$932.84	$1,163.88	$1,217.65	$1,235.40	$1,254.59	$1,331.85	$1,389.97	$1,450.89	$1,507.13	$1,560.06
4"	$1,006.96	$1,353.10	$1,552.78	$1,937.35	$2,026.86	$2,056.41	$2,088.34	$2,216.95	$2,313.69	$2,415.09	$2,508.71	$2,596.82
6"	$2,012.00	$2,703.62	$3,102.59	$3,871.01	$4,049.85	$4,108.89	$4,172.70	$4,429.67	$4,622.97	$4,825.57	$5,012.65	$5,188.69
Use Charge per HCF												
Car Wash	$2.85	$3.43	$3.93	$4.90	$5.13	$5.21	$5.29	$5.61	$5.86	$6.11	$6.35	$6.57
Religious Places/Community Centers	$3.64	$3.72	$4.27	$5.33	$5.57	$5.65	$5.74	$6.09	$6.36	$6.64	$6.90	$7.14
Commercial	$3.64	$4.27	$4.90	$6.12	$6.40	$6.49	$6.59	$7.00	$7.30	$7.62	$7.92	$8.20
Groceries and Mortuaries	$11.87	$10.30	$11.81	$14.74	$15.42	$15.65	$15.89	$16.87	$17.60	$18.38	$19.09	$19.76
Laundry	$3.34	$3.81	$4.37	$5.46	$5.71	$5.79	$5.88	$6.24	$6.51	$6.80	$7.06	$7.31
Mixed Retail w/ Food	$6.79	$6.73	$7.72	$9.64	$10.08	$10.23	$10.39	$11.03	$11.51	$12.01	$12.48	$12.92
Motel with Food	$8.75	$7.91	$9.08	$11.32	$11.85	$12.02	$12.21	$12.96	$13.52	$14.12	$14.66	$15.18
Motel without Food	$4.35	$4.59	$5.26	$6.57	$6.87	$6.97	$7.08	$7.51	$7.84	$8.19	$8.50	$8.80
Restaurant	$11.68	$10.18	$11.68	$14.57	$15.24	$15.47	$15.71	$16.67	$17.40	$18.16	$18.87	$19.53
Napa Valley College	$3.64	$3.67	$4.21	$5.25	$5.49	$5.57	$5.66	$6.01	$6.27	$6.55	$6.80	$7.04
Service Station	$4.70	$4.82	$5.53	$6.90	$7.22	$7.32	$7.44	$7.89	$8.24	$8.60	$8.93	$9.25
Winery Production (Merryvale/Spottswoode)	$20.94	$17.31	$19.87	$24.79	$25.93	$26.31	$26.72	$28.36	$29.60	$30.90	$32.09	$33.22
Sutter Home Winery	$4.27	$4.50	$5.16	$6.44	$6.74	$6.84	$6.94	$7.37	$7.69	$8.03	$8.34	$8.63
Schools	$3.17	$1.87	$2.15	$2.68	$2.81	$2.85	$2.89	$3.07	$3.20	$3.34	$3.47	$3.60

Source: City of St. Helena and HEC.

calc rates

Attachment 3

CITY OF ST. HELENA

RESOLUTION NO. 2017-____

RESOLUTION ESTABLISHING A REVISED FIVE-YEAR SCHEDULE OF WATER AND WASTEWATER BASE RATES, USE RATES AND RATE STRUCTURES BEGINNING WITH THE DECEMBER 2017 BILLING CYCLE (INCLUSIVE OF SERVICE PROVIDED IN NOVEMBER 2017)

RECITALS

WHEREAS, The City of St. Helena provides water and wastewater services throughout the City, including to certain customers outside the boundaries of the City; and

WHEREAS, The City of St. Helena's Water and Wastewater system is operated as self-supporting utility enterprises; and

WHEREAS, Pursuant to the provisions of Article 13D, Section 6, of the California Constitution (e.g., Proposition 218), prior to extending, imposing or increasing water or sewer (wastewater) rates, property owners shall be provided at least 45 days' notice of a public hearing to consider such modifications to the water and sewer rates together with an explanation of: (1) the amount of the propose rates, (2) the basis on which the rates are calculated, (3) the reason for the rate modifications, and (4) the date, time and place of a public hearing to consider the rate modifications, together with an explanation of the rights of property owners to submit written protests to the proposed rate modifications. The proposed rate modifications may not be imposed if, prior to the close of the Public Hearing, written protests are submitted by property owners or tenants representing a majority of the properties subject to the modified rates ("majority protest"); and

WHEREAS, Notice of the Public Hearing to consider proposed adjustments to the water and wastewater rates were mailed at least 45 days prior to the scheduled Public Hearing as required by state law (Cal. Cons. Art. XIIID, §6); and

WHEREAS, On November 28, 2017, the City Council conducted a Public Hearing, considered testimony, and at the conclusion of the hearing determined that a majority protest did not exist and;

WHEREAS, the City Council finds and determines that, based on the entire record before the City Council, including but not limited to the Staff Report and attachments thereto:

1) Revenues derived from the proposed water and wastewater rates will not exceed the funds required to provide water and wastewater service, respectively.

(2) Revenues derived from the proposed water and wastewater rates will not be used for any purpose other than that for they were imposed.

(3) The amount of the water and wastewater rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of the service attributable to the parcel.

(4) The water and wastewater rates are imposed for a service for services that are actually used by, or immediately available to, the owner of the property in question.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. The procedures followed and the rate schedules proposed herein are in compliance with the California Constitution Article XIII D and California Government Code section 53755.

2. The City Council hereby finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

3. The City Council hereby finds that the rate increase is exempt from CEQA under the "General Rule", Section 15061 (b) (3), in that it can be seen with certainty that no environmental impacts will result from this action, and under CEQA Guideline section 15273 as it applies only to rates to obtain funds necessary to operate and maintain service for the water and sewer system.

4. Water and Wastewater Rate Schedules
    a. The City Council adopts the water and wastewater rate schedules in “Exhibit A” attached hereto and incorporated herein by this reference.

5. Time of Effectiveness

a. The charges for both water and wastewater listed in “Exhibit A” will become effective on various dates as listed.
b. Pursuant to Government Code section 53756(d), notice must be given at least thirty (30) days prior to any rate adjustment occurring pursuant to the approved rate schedules.

Approved at a Regular Meeting of the St. Helena City Council on November 28, 2017, by the following vote:

Mayor Galbraith: ___________
Vice Mayor White: ___________
Councilmember Dohring: ___________
Councilmember Koberstein: ___________
Councilmember Ellsworth: ___________

APPROVED:	ATTEST:
__________________________	__________________________
Alan Galbraith, Mayor	Cindy Tzafopoulos, City Clerk

Report to the City Council
Council Meeting of November 28, 2017

Agenda Section: **New Business**

Subject: **Informational Update on Traffic Safety Enhancements on Highway 29 and Pratt Avenue Vicinity**

CEQA Determination: **Not a CEQA project**

Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer

Reviewed By:

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On May 9, 2017, the City Council formed a Parking Ad-Hoc Committee and appointed Vice Mayor White, Councilmember Dohring and Public Works Director Ahmann Smithies to discuss parking, delivery, and safety concerns in the residential neighborhoods adjacent to the Las Alcobas Hotel. Locations of concern have been Pratt Avenue, Elmhurst Avenue, Main Street and Park Street.

On July 11, 2017, the Ad-Hoc Committee brought a report before Council regarding the parking concerns near the Las Alcobas Hotel. At that time, the committee also brought forth their recommendation that Las Alcobas, along with Beringer Winery, the City, and Caltrans, should explore a lighted pedestrian crosswalk across Main Street/Highway 29 near Pratt Avenue.

On September 26, 2017, City staff provided City Council with the following different safety enhancements options for implementation on Highway 29 near Pratt Avenue:

- A complete signalized intersection
- An enhanced pedestrian crossing device, such as a high-intensity activated crosswalk (HAWK) beacon, or a rectangular rapid flash beacon (RRFB), are user-activated supplemental devices which alert drivers to pedestrians. RRFB amber LED lights can be activated either by a push button, or passively by a

pedestrian detection system, and use an irregular flash pattern that is similar to emergency flashers on police vehicles.

- A radar speed feedback sign, or radar speed sign, which is a traffic calming device designed to slow speeders down by alerting them of their speed. Devices are often equipped with the capacity to collect data for analysis, as well as reporting mechanisms to generate a variety of different reports.

In addition to the options above, Staff informed City Council that any one of the projects would need to go through traffic analysis and would need to be submitted for review and approval to Caltrans. City Council directed staff to move forward with the radar signs at a minimum, but also to include review of enhancing safety at Highway 29 and Pratt Avenue and potential funding from adjacent businesses (e.g. Las Alcobas, Beringer, and Culinary Institute of America) to implement safety enhancements.

DISCUSSION

City staff requested a cost proposal from GHD with the options provided to City Council on September 26, 2017. The attached scope of work provided by GHD includes: pedestrian counts on Highway 29 at Pratt Avenue, traffic warrants, speed surveys, analyzing the options and costs for pedestrian enhancements, and implementing a traffic analysis, site plan, and Caltrans encroachment permit specifically for installing radar signs on Highway 29 north of Pratt Avenue. Staff is anticipating a kick-off meeting with GHD at the beginning of December 2017 with initial contract deliverables as early as February 2018.

Additional steps will be to open dialogue with Las Alcobas, Beringer and the Culinary Institute of America with regard to partnering financially on the implementation of any recommended improvements for the intersection.

FISCAL IMPACT

Public Works budgeted $20,000 in operations specifically for Traffic Engineering assistance in Fiscal Year 2017/2018. GHD's proposed scope of work is slightly higher at $22,067, but the Public Works Administrative operations budget will be able to absorb the slight overage with some internal adjustments. In addition, the purchase and installation of two radar signs were budgeted for purchase and implementation in Fiscal Year 2017/2018.

ATTACHMENTS

Attachment 1 GHD Contract Proposal for Traffic Safety Enhancements Hwy 29-Pratt Ave

October 25, 2017

Ms. Erica Ahmann Smithies
Public Works Director/City Engineer
City of St. Helena
1480 Main Street
St. Helena, CA 94574

RE: Professional Engineering Services for Traffic Calming/Safety Enhancements on Highway 29 and Pratt Avenue Vicinity Project

Dear Ms. Ahmann Smithies,

GHD is pleased to submit this proposal for professional engineering services for the Traffic Safety Enhancements on Highway 29 and Pratt Avenue Vicinity Project. Per our discussions with the City of St. Helena (City) and review the Staff Report to City Council (Council Meeting of September 26, 2017) we have prepared this scope and fee to meet your requirements for a potential contract amendment.

Project Understanding

With the recent opening of Las Alcobas Hotel, there has been an increase in pedestrians utilizing the existing marked pedestrian crossing of Highway 29 (Main Street) at Pratt Avenue. In addition, residents have requested a reduced speed limit to increase safety for both drivers and pedestrians. The current speed limit throughout this stretch of Highway 29 is 35 miles per hour.

It is understood that the City will furnish and install solar powered radar/speed feedback signs on Highway 29 and needs assessment for justification and plans prepared for a Caltrans Encroachment Permit.

In addition, the City would also like to evaluate options to enhance pedestrian safety at the existing marked crossing of Highway 29 at Pratt Avenue.

General Assumptions and Exclusions

- The City will provide information for the City-furnished radar speed feedback signs, if they are to be implemented with the project. It is assumed that these signs are solar powered. Installation would be based on manufacturer’s installation instructions.
- The City will provide resident/citizen feedback to include in needs assessment with Caltrans Encroachment Permit for the project.
- The City will provide Police Department feedback that supports the installation of the radar speed feedback signs, including confirmation of speeding in location on regular basis. Data such as speed ticketing information is assumed to be provided.
- This scope assumes preparation of up to two (2) Caltrans Encroachment Permit applications for the project and up to two (2) resubmittals. One encroachment permit will be needed for the traffic data collection and another will be needed for the radar feedback signs installation.

- Preparation of conformed construction documents is not required.
- GHD is preparing construction documents (plans only) for installation of radar speed feedback signs only. Other potential improvements identified with the study portion of the work would be designed and/or have construction documents prepared under separate contract or task amendment.
- Development of specifications for the work is not required.
- Development of specifications for handling and disposing of hazardous materials during construction is excluded.
- A topographic or boundary survey is not included and is not part of this scope of work.
- Accessibility improvements, such as curb extension, curb ramps, or sidewalk improvements may need topographic survey to complete the design. If it is determined that these improvements are part of the project scope, GHD would negotiate with the City for a contract amendment.

GHD proposes the following scope of work, based on our project understanding.

Scope of Work

Task 1 – Project Management and Coordination

Additional work includes project administration and quality control as stated in the following sub-sections:

Task 1.1 Internal Coordination and Administration

- Budget and schedule tracking
- Provide project and contract oversight
- Project invoicing

Task 1.2 QA/QC

- Provide internal QA/QC at project milestones and in support of final design.

Task 1.3 Project Meetings

- Attend one (1) on-site kick-off meeting to visit the site and discuss issues such as project concepts, preliminary engineering, design approach, and overall project review. The Project Manager will attend this meeting.
- Attend one (1) project review meeting via online WebEx teleconference with the City following the scoped draft preliminary engineering technical memorandum. The Project Manager will attend this meeting.

Deliverables: *Preparation of meeting agendas, notes, and as-needed progress reports.*

Task 2 – Traffic Data Collection

To evaluate Warrant 1 – Eight-Hour Vehicular Volume, Warrant 2 – Four-Hour Vehicular Volume, Warrant 3 – Peak Hour Volume and Warrant 4 - Pedestrian Volume, GHD's subconsultant, Counts Unlimited will collect the following traffic data at or near the intersection of Highway 29 and Pratt Avenue. We have included time to obtain an encroachment permit from Caltrans to conduct the data collection under Task 5.

- Collect weekday intersection turning movement count AM and PM peak hour
- Collect weekday pedestrian and bicycle counts between hours of 7:00 AM and 7:00 PM at the intersection of Highway 29 and Pratt Avenue
- Collect weekday 48 hour volume and vehicle classification count on Highway 29 near Pratt Avenue.
- Collect weekday 48 hour volume and vehicle classification count on Pratt Avenue.

GHD will prepare a public records request to obtain the current Engineering and Traffic Survey (ET&S) for segment(s) of Highway 29 near Pratt Avenue and any other traffic data information that Caltrans may provide and will obtain crash records from SWITRS for the last 3 years (2016 to 2014) for supporting information.

The City may be able to capture speed data on Highway 29 with portable speed feedback sign trailer. If needed, as an optional task, GHD will collected radar speed surveys on Highway 29 (northbound and southbound) near the intersection of Pratt Avenue in support of the installation of radar feedback signs for traffic calming.

Task 3 – Pedestrian Safety Enhancements Study at Highway 12/Pratt Ave.

3.1 Warrant Analysis

In this task, GHD will evaluate CA MUTCD traffic signal Warrants 1, 2, 3 and 4. Based on outcome of the warrants, GHD will discuss findings with the City for use in develop/refinement of two (2) project alternatives in the subsequent task.

3.2 Develop and Refine Project Alternatives

Based on outcome of the warrants, GHD will discuss findings with the City for use in develop/refinement of two (2) project alternatives, including potential treatments, options for pedestrian activated signal systems and create figures displaying the conceptual design of each alternative. Potential signal system components include:

- High Visibility Crosswalk Markings and Signage
- Rectangular Rapid Flashing Beacons

Other enhancements will be evaluated, such as curb extensions (bulb-outs), lighting and general accessibility requirements, such as curb ramp improvements.

3.3 Recommend Project

The results of the warrant analysis and development of project alternatives will be summarized with the conceptual designs in a draft Technical Memorandum for the City's review. The draft tech memo will describe the components of each alternative, discuss pros and cons, and include an opinion of probable cost for each alternative. Each alternative will be evaluated based on the following qualitative and quantitative criteria:

- Pedestrian safety and visibility to oncoming vehicular traffic
- Estimated capital cost

Following the City's review of the draft Technical Memorandum, GHD will finalize the Technical Memorandum including the recommendations for the preferred project alternative. The Final Alternatives Technical Memorandum will be stamped and signed by a Traffic Engineer registered in the State of California.

Deliverables:

- Two (2) copies of Draft Alternatives Technical Memorandum
- Two (2) copies of Final Alternatives Technical Memorandum
- One set of electronic documents for each submittal delivered electronically

Task 4 – Design

GHD will provide short narrative providing engineering evaluation/support for radar feedback signs based on results of the ad hoc radar speed surveys, City-furnished resident/citizen requests for installation of the radar feedback signs, City-furnished communication and support from the Police Department confirming the location is where speeding is observed on a regular basis and crash data. GHD is assuming that all of the above information supports the need as established by the City.

GHD will prepare plans for City-furnish and City-installation of solar radar feedback signs (2 EA). The plans will utilize a suitable orthographic aerial basemap and APN parcel lines to indicated approximate right-of-way (topographic survey or boundary survey not anticipated). Plans will be prepared utilizing GHD CAD standards in Autodesk C3D 2016. Interim and final submittals will be prepared for City review as outlined below under "deliverables." Comments and recommendations provided by the City will be incorporated into the subsequent design submittal. Written responses to City comments will also be provided.

Deliverables:

- Two (2) full size (22" x 34" bond) sets of 90% plans, SSPs for Caltrans (if required) and opinion of probable construction cost for Caltrans Encroachment Permit.
- Two (2) full size (22" x 34" bond) sets of 100% (final stamped) plans, SSPs for Caltrans (if required) and opinion of probable construction cost for Caltrans Encroachment Permit.
- One set of electronic documents for each submittal delivered electronically.

Task 5 – Caltrans Encroachment Permit

- GHD will prepare the Caltrans Encroachment Permit application for City submittal and follow through with Caltrans, including providing the City with 6-copies of plans and SSPs.
- GHD will respond to Caltrans comments, if necessary (up to two review cycles).

Deliverables:

- Caltrans Encroachment Permit Application – project and Caltrans Encroachment Permit Application – traffic data collection.
- One set of electronic documents for each submittal delivered electronically.

Fee

The estimated fee for professional services is $22,067. See the attachment for breakdown of the estimated fee.

Closing

It is assumed that upon agreement of the scope of work for the engineering services pertaining to the services requested by the City, the City will issue a task order consistent with the terms in our Master Agreement with the City. The Notice to Proceed will be the date of written authorization by the City to proceed.

If you have any questions or comments regarding this proposal, please free to contact me at 523-1010.

Sincerely,
GHD

Matthew J. Wargula

Matt Wargula, PE, TE
Project Manager

Attachment: Fee Estimate Spreadsheet

Cc: Bill Silva, Principal

EXHIBIT B - PROJECT FEE ESTIMATING SHEET

Project Name: Traffic Calming/Safety Enhancements on Highway 29 and Pratt Avenue Vicinity Project

Client: City of St. Helena

Prepared by: M. Wargula

Reviewed by: B. Silva

Date: October 25, 2017

Job Number: 11146310

	LABOR COSTS							FEE COMPUTATION		
	BS	MW	JS	NT	EM	EO				
Task / Item LABOR CATEGORY > RATE >	Proj. Dir. / QA/QC $260 /Hr	Proj. Mgr. Sr. Eng. $185 /Hr	Project Engineer $175 /Hr	Staff Engineer $130 /Hr	CAD / Graphics $120 /Hr	PA $110 /Hr	TOTAL HOURS	*OTHER DIRECT COSTS	Sub-Consultants	TOTAL FEE
Task 1 - Project Management and Coordination										
1.1 Internal Coordination and Administration		2				2	4	$24		$614
1.2 QA/QC	2						2	$12		$532
1.3 Project Meetings		8					8	$48		$1,528
SUBTOTAL TASK 1	**2**	**10**	**0**	**0**	**0**	**2**	**14**	**$84**	**$0**	**$2,674**
Task 2 - Traffic Data Collection										
2.1 Traffic Data Collection		1				1	2	$12	$1,700	$2,007
SUBTOTAL TASK 2	**0**	**1**	**0**	**0**	**0**	**1**	**2**	**$12**	**$1,700**	**$2,007**
Task 3 - Pedestrian Safety Enhancements Study at Highway 12/Pratt Ave.										
3.1 Warrant Analysis		2	10				12	$72		$2,192
3.2 Develop and Refine Project Alternatives		4	10	8	8		30	$180		$4,670
3.3 Recommend Project		2	10				12	$72		$2,192
SUBTOTAL TASK 3	**0**	**8**	**30**	**8**	**8**	**0**	**54**	**$324**	**$0**	**$9,054**
Task 4 - Design										
4.1 Design		8	12	8	16		44	$264		$6,804
SUBTOTAL TASK 4	**0**	**8**	**12**	**8**	**16**	**0**	**44**	**$264**	**$0**	**$6,804**
Task 5 - Caltrans Encroachment Permit										
5.1 Caltrans Encroachment Permit Application - Project		4					4	$24		$764
5.2 Caltrans Encroachment Permit Application - Traffic Data Collection		4					4	$24		$764
							0	$0		$0
SUBTOTAL TASK 5	**0**	**8**	**0**	**0**	**0**	**0**	**8**	**$48**	**$0**	**$1,528**
PROJECT TOTALS	**2**	**35**	**42**	**16**	**24**	**3**	**122**	**$732**	**$1,700**	**$22,067**

*OTHER DIRECT COSTS include telephone, mileage, printing, photocopies and other miscellaneous direct expenses.

From: Matt Wargula
To: Erica Ahmann Smithies
Cc: Bill Silva
Subject: RE: Proposal for Traffic Calming/Pedestrian Safety Enhancements near Hwy 29/Pratt Ave.
Date: Friday, November 10, 2017 2:24:48 PM

Hi Erica,

Based on timing for the traffic counts (would want to avoid holidays, need school in-session, etc.) would be better to wait for TMC, ped and bike counts and vehicle classification counts, we might want to consider just getting the radar spot speed surveys first, so that we can complete A Tentative schedule for the Traffic Calming/Pedestrian Safety Enhancements:

Activity/Task	**Date**
Notice to Proceed/Kick-off Meeting	December 12, 2017
Task 2: Traffic Data Collection (radar spot speed only) / gather background data (resident requests, Collision history, speed ticketing from police, etc.)	January 31, 2018
Task 4: Design (narrative engineering evaluation/support, plans prep and cost estimate) – 90% Submittal	February 9, 2018
City Review (2 weeks)	February 23, 2018
Task 4: Design (narrative engineering evaluation/support, plans prep and cost estimate) – 100% (final) Submittal	March 5, 2018
Task 5: Caltrans Encroachment Permit – project (estimate)	March 30, 2018
City Install Radar Feedback Signs	April – May 2018
Task 2: Traffic Data Collection (TMC, peds, bikes, ADT)	April 2018
Task 3: Pedestrian Safety Enhancements Study (draft)	May 25, 2018
City Review (2 weeks)	June 8, 2018
Task 3: Pedestrian Safety Enhancements Study (final)	June 22, 2018

Let me know if this looks okay.

Thanks!

Matt

Matt Wargula, PE, TE
GHD
T: 707 523 1010 | F: 707 527 8679 | D: 707 540 9689 | VOIP: 849689 | C: 707 477 5386 | E: matt.wargula@ghd.com

---

From: Erica Ahmann Smithies [mailto:ESmithies@cityofsthelena.org]
Sent: Thursday, November 09, 2017 9:27 PM
To: Matt Wargula <Matt.Wargula@ghd.com>