



AMENDED 8-23-19
City of St. Helena
Regular City Council Meeting
Tuesday, August 27, 2019 @ 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 please observe the time limit of four minutes.

Page

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
Mayor: Geoff Ellsworth, Vice Mayor: Paul Dohring, City Council Members:
Anna Chouteau, David Knudsen 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 4 minutes. Each person is entitled to speak on any non-agendized item only once at any meeting. Brief questions by Council Members for clarifications may be posed and answered, and Council Members 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.
5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:
Reports by staff and/or Council Members on items of general interest. Brief questions for clarification may be posed and answered, and Council Members 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 and recognition for the Retirement of Dan Brunetti 9
[Proclamation](#)
 - 6.2. Oath of Office for Officer Carlos Lopez
7. STAFF BRIEFING
 - 7.1. Police Department 2018 Year in Review 11 - 30
[Presentation](#)
 - 7.2. *NEW ITEM 8-23-19 31 - 36
Fire Department Emergency Preparedness Mailing

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

Recommendation:
Informational report. No action required.

[Fire Department Emergency Preparedness Mailing - Pdf](#)

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 Regular Meeting Minutes of June 11, 2019. 37 - 44

[Minutes](#)

- 8.2. Consideration and proposed approval of a resolution authorizing the St. Helena High School annual homecoming parade on Main Street and authorizing City staff to provide traffic control before, during, and after the parade. 45 - 58

CEQA Determination: Categorically Exempt, Section 15323

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

Recommendation:

Staff recommends the City Council adopt the resolution authorizing the St. Helena High School annual homecoming parade on Main Street authorizing City staff to provide traffic control before, during, and after the parade.

[Staff Report - Pdf](#)

- 8.3. Consideration and proposed approval of a resolution acknowledging and accepting an offer of dedication from Nest Properties of St. Helena LLC of a twenty nine foot (29') wide portion of the property located at 632 McCorkle Avenue for public right of way, authorizing the City Manager to execute the certificate of acceptance of grant deed, and accepting the right of way into the City's street system. 59 - 78

CEQA Determination: Approval of resolution not a "project" as defined in Section 15378(a) of State CEQA Guidelines. Even if determined to be a "project" subject to CEQA, action is exempt under the common sense exemption set forth in Section 15061(b)(3).

Prepared By: Edrees Argand, Junior Assistant Engineer

Recommendation:

Staff recommends City Council adopt the attached resolution (Attachment 1), acknowledging and accepting an offer of dedication from Nest Properties of St. Helena LLC, as reflected in the grant deed ([Attachment 2](#)), of a twenty nine foot (29') wide portion of the property located at 632 McCorkle Avenue for public right of way, authorizing the City Manager to execute the Certificate of Acceptance of Grant Deed (Attachment 3), and accepting the right of way into the City's street system.

[Staff Report - Pdf](#)

- 8.4. Consideration and proposed approval of the attached resolution acknowledging and accepting an irrevocable offer of dedication from 79 - 102

Gregory Parish Fowler and Christin Diane Fowler of a fifteen foot (15') wide portion of the property located at 2600 Sulphur Springs Avenue for public right of way and utility purposes along Vallejo Street, authorizing the City Manager to execute the acceptance of the irrevocable offer of dedication, determining that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet, and accepting the right of way into the City's street system

CEQA Determination: Approval of resolution not a "project" as defined in Section 15378(a) of State CEQA Guidelines. Even if determined to be a "project" subject to CEQA, action is exempt under the common sense exemption set forth in Section 15061(b)(3).

Prepared By: Edrees Argand, Junior Assistant Engineer

Recommendation:

Staff recommends City Council adopt the attached resolution ([Attachment 1](#)), acknowledging and accepting an Irrevocable Offer Of Dedication from Gregory Parish Fowler and Christin Diane Fowler, of a fifteen foot (15') wide portion of the property located at 2600 Sulphur Springs Avenue for public right of way and utility purposes on Vallejo Street ([Attachment 2](#)), authorizing the City Manager to execute the Certificate of Acceptance of Irrevocable Offer of Dedication ([Exhibit C to Attachment 2](#)), accepting the right of way into the City's street system, and finding by a 4/5ths vote of the City Council that the public convenience and necessity demand the acquisition, construction and maintenance of a street less than 40 feet wide.

[Staff Report - Pdf](#)

- | | | |
|------|--|-----------|
| 8.5. | Authorize the Mayor to sign a letter of support for SB5, (as amended, Beall) which would establish an Affordable Housing and Community Development Investment Program in California. | 103 - 144 |
|------|--|-----------|

CEQA Determination: Not a CEQA project

Prepared By: Jessica Deakyne, Asst. to the City Manager

Recommendation:

Staff recommends that the City Council authorize the Mayor to sign a letter of support for SB5 on behalf of the City Council.

[Staff Report - Pdf](#)

- | | | |
|------|---|-----------|
| 8.6. | Conduct second reading and proposed adoption and of an ordinance amending Section 17.08.060 and adding Section 17.08.200 to Chapter 17.08 of Title 17 of the St. Helena Municipal Code Authorizing Refunds of City's Defense Costs on Appeal to Residential Projects. | 145 - 155 |
|------|---|-----------|

CEQA Determination: Not a CEQA project

Prepared By: Michael G. Biddle, City Attorney

Recommendation:

Staff recommends the City Council adopt the draft Ordinance amending Section 17.08.060 and adding Section 17.08.200 to Chapter 17.08 of Title 17 of The St. Helena Municipal Code Authorizing Refunds of City's Defense Costs on Appeal to Residential Projects.

[Staff Report - Pdf](#)

- 8.7. Consideration and proposed resolution authorizing the City Manager to execute Work Order #2 in the amount of \$271,883 to the Master Professional Services Agreement with EKI Environment & Water, Inc. - STH Contract: FY 2020-024 - to provide professional consulting services for the Upper York Creek Habitat Restoration Project, CIP Project No. W-26 for a total not-to-exceed amount of \$296,743. 157 - 242

CEQA Determination: Environmental Impact Report (SCH. No. 2006092096)

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

Recommendation:

Staff recommends that City Council approve a resolution authorizing the City Manager to execute Work Order #2 (WO2) in the amount of \$271,883 to Master Professional Services Agreement with EKI Environment & Water, Inc. (STH Contract: FY 2020-024) to provide professional consulting services for the Upper York Creek Habitat Restoration Project, CIP Project No. W-26 for a total not-to-exceed amount of \$296,743.

[Staff Report - Pdf](#)

- 8.8. Consideration and approval of a Resolution rescinding Resolution 2016-79 and Resolution 2018-115 and approval of a Resolution reaffirming the use Affordable Housing Trust Funds in the amount of \$40,000 to facilitate one Very Low Income family to be able to own and occupy a unit in the Brenkle Court self-help affordable housing project and reaffirm temporary bridge loan of \$80,000 as authorized in Resolutions 2016-79 and 2018-115. (Staff report forthcoming) Provided 8-23-19 243 - 249

CEQA Determination: Not a CEQA project

Prepared By: April Mitts, Finance Director

Recommendation:

Staff recommends City Council adopt a Resolution (Attachment 3) rescinding Resolutions 2016-79 and 2018-115 and approval of a Resolution reaffirming the use of \$40,000 to facilitate one Very Low Income family to be able to own and occupy a unit in the Brenkle Court self-help affordable housing project and reaffirm temporary bridge loan of \$80,000 as authorized in Resolutions 2016-79 and 2018-115.

[Staff Report - Pdf](#)

9. PUBLIC HEARINGS

- 9.1. Introduction and first reading of an ordinance amending Chapter 3.04, Title 3 of the St. Helena Municipal Code In Its Entirety to Effectuate Changes to Sections 3.04.100, 3.04.110, 3.04.120 and 3.04.170 of Article 2, Chapter 3.04, Title 3 of the St. Helena Municipal Code Regarding Increases to Purchase Order Limits for Supplies, General Services and Equipment and Sections 3.04.210, 3.04.230, 3.04.240 and 3.04.250 of Article 3, Chapter 3.04, Title 3 of the St. Helena Municipal Code Regarding Increases to Bidding Limits Under the Uniform Public Construction Cost Accounting Act for Public Works Projects. (Staff report forthcoming) Provided 8-23-19 251 - 301

CEQA Determination: Not a CEQA project

Prepared By: April Mitts, Finance Director

Recommendation:

Staff recommends City Council review of the draft Ordinance amending Chapter 3.04, Title 3 of the St. Helena Municipal Code in its entirety, which effectuates changes to Sections 3.04.100, 3.04.110, 3.04.120 and 3.04.170 of Article 2, Chapter 3.04, Title 3 of the St. Helena Municipal Code regarding increases to Purchase Order Limits for Supplies, General Services and Equipment and Sections 3.04.210, 3.04.230, 3.04.240 and 3.04.250 of Article 3, Chapter 3.04, Title 3 of the St. Helena Municipal Code regarding increases to bidding limits under the Uniform Public Construction Cost Accounting Act for public works projects to conform with increased limits set by Assembly Bill 2249. Accordingly, staff recommends the City Council:

1. Approve the proposed amendments to the SHMC as described above and reflected in the draft Ordinance in redline format (Attachment A); and
2. Introduce and conduct a first reading of the draft Ordinance (Attachment B), by title only and waive further reading.

[Staff Report - Pdf](#)

10. OLD BUSINESS

10.1. *UPDATED TITLE 8-23-19

303 - 357

Consideration and proposed approval of a resolution approving and authorizing the City Manager to execute, enter into and carry out the terms of a Loan Agreement between the City of St. Helena and Our Town St. Helena in an amount not to exceed \$450,000 from the Affordable Housing Trust Fund (751) and Measure E Fund (752) for the acquisition of property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000) (~~Staff report forthcoming~~) Provided 8-23-19

CEQA Determination: Approval of resolution authorizing the Loan Agreement for the acquisition of 963 Pope Street is governed by Section 15310 of State CEQA Guidelines which exempts the approval of mortgages for the purchase of existing structures where the loan will not be used for new construction.

Prepared By: Michael G. Biddle, City Attorney

Recommendation:

Staff recommends City Council adopt the attached resolution (Attachment 3) authorizing the City Manager to execute, enter into and carry out the terms of the Loan Agreement between the City of St. Helena and Our Town St. Helena in an amount not to exceed \$450,000 from the Affordable Housing Trust Fund (751) and Measure E Fund (752) for the acquisition of property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000).

[Staff Report - Pdf](#)

10.2. Discuss and provide direction on Council Liaisons to Meadowood Water Tanks Discussions and 2019 Workplan Housing Goal Objectives

359 - 369

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager
Recommendation:
Provide direction to the City Manager.

[Staff Report - Pdf](#)

11. NEW BUSINESS

- 11.1. Review and Discussion of Proposed Reduction in Home Generator Permitting Fees 371 - 372

CEQA Determination: Not a CEQA project
Prepared By: Aaron Hecock, Acting Planning & Building Director
Recommendation:
Discuss and provide direction to the City Manager.

[Staff Report - Pdf](#)

- 11.2. *UPDATED ATTACHMENTS 8/23/19 373 - 404

Discussion and authorization to submit Grand Jury Response letter for the 2018-2019 Napa County Grand Jury Report, "Napa County Water Quality - It's a Matter of Taste"

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager
Recommendation:
Discussion and authorization for the City Manager to sign and submit the City of St. Helena's Response letter for the 2018-2019 Napa County Grand Jury Report, "Napa County Water Quality - It's a Matter of Taste"

[Staff Report - Pdf](#)

- 11.3. *UPDATED ATTACHMENTS 8/23/19 405 - 454

Discussion and authorization to submit Grand Jury Response letter for the 2018-2019 Napa County Grand Jury Report "St. Helena: A Small Town with Big City Problems"

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager
Recommendation:
Discussion and authorization for the City Manager to sign and submit the City of St. Helena's Response letter for the 2018-2019 Napa County Grand Jury Report, "St. Helena: A Small Town with Big City Problems"

[Staff Report - Pdf](#)

- 11.4. *Updated Agreement 8/27/19 455 - 489

Proposed adoption of a Resolution authorizing the City Manager to enter into a Police Shared Services Agreement with the City of Calistoga for Police Officer and Police Dispatcher services on an as-needed basis and authorizing City Manager to coordinate City of St. Helena participation in Calistoga/St. Helena shared services delivery structure analysis.

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager

Recommendation:

1) Adopt a Resolution authorizing the City Manager to enter into a Police Shared Services Agreement with the City of Calistoga for Police Officer and Police Dispatcher services on an as-needed basis; and 2) Authorize City Manager to coordinate City of St. Helena participation in Calistoga/St. Helena shared services delivery structure analysis.

[Staff Report - Pdf](#)

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

12.1.

August City Council Meetings:

8/26 Special CC Mtg Reimagine (Vintage Hall 6pm)

September City Council Meetings:

9/10 (staff reports due 8/23)

9/13 Upper York Special Mtg

9/24 (staff reports due 9/6)

9/24 5pm (Tentative) Special CC Mtg Antonio's Project

9/18/19 (NVTa) Transportation Summit 2019 in Napa

Closed Session:

CONSENT:

9/13 Award of contract for phase 1 of Upper York Creek

9/10 Britton Tree Contract

9/10 SPLASH Contract

OLD BUSINESS:

9/24 Legal Services RFP award

9/10 Pratt/Main

Pratt/Silverado Discussion

9/10 Pratt Ave. speed control and bridge

9/10 Will-serve discussion

PH or NEW BUSINESS:

9/24 Adopt speed survey - PW

9/24 Elm Tunnel Update

9/10 LOCC annual conference voting delegate and resolutions

Sewer Annexation

Mid Managers, Exec Staff and SHEA Mou's

October City Council Meetings:

10/8 (staff reports due 9/20)

10/22 (staff reports due 10/4)

CONSENT:

Cell tower lease renewal - Finance

Joint use agreement with SHUSD for the use of Vintage Hall
(Expires February 2020)

13. ADJOURNMENT

The next Regular City Council meeting is scheduled for September 10, 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 ~~August 16, 2019~~. Reposted August 23, 2019



Cindy Tzaopoulos, 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.

**CITY OF ST. HELENA
PROCLAMATION AWARD
TO DANIEL BRUNETTI FOR 30 YEARS OF SERVICE
TO THE CITY OF ST. HELENA AND
THE DEPARTMENT OF PUBLIC WORKS**

WHEREAS, Daniel Brunetti was first employed by the City on June 23, 1989 as an Operator-in-Training for the Wastewater Treatment Plant, and

WHEREAS, Dan Brunetti attained his wastewater certification to become a Wastewater Treatment Operator June 1990, as well as attaining his water certification to be fully certified; and

WHEREAS, Dan Brunetti moved to the Water Treatment Plant to serve as a Water Treatment Operator II in April 1993, earned his Water Treatment Operator III certification June 1995, and served as Water Treatment Operator III August of 2000; and

WHEREAS, Dan Brunetti was promoted to serve as the City's Chief Water Treatment Operator May 2001, and has held that post for over 18 years; and

WHEREAS, the City of St. Helena was incorporated in 1876, and Dan Brunetti has been in faithful City employment for 21% of the City's incorporation history; and

WHEREAS, Dan Brunetti has been a conscientious and trustworthy employee whose dedicated interest and devotion to his duties have a valuable effect on providing the residents and St. Helena establishments with clean and safe water which has earned the respect and affection of residents and co-workers alike; and

WHEREAS, Dan Brunetti's services have contributed to the safety, health, and well being of the community which is greatly dependent upon the facilities provided by St. Helena Public Works Department; and

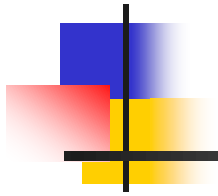
WHEREAS, this evidence of commendation and appreciation is hereby bestowed upon Dan Brunetti for his 30 years of dedication to public service specifically in the area of Public Works, in the City of St. Helena; and

NOW, THEREFORE, I, Geoff Ellsworth, Mayor of the City of St. Helena, do proclaim that on behalf of the entire City Council and the citizens of St. Helena we express our appreciation for Daniel Brunetti's 30 years of distinguished and dedicated service.

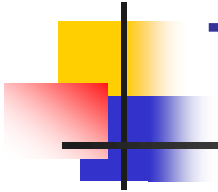
IN WITNESS WHEREOF, I do hereby set my hand, and cause the Seal of the City of St. Helena to be affixed this 27th day of August, 2019.

Geoff Ellsworth, Mayor
City of St. Helena

Saint Helena Police Department

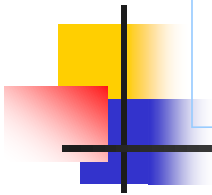


2018 ANNUAL REPORT



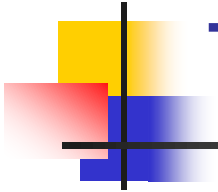
The Police Department

- On Duty 24 hours a day, 7 days a week, 365 days a year.
- Fulltime Dispatch and Communications Center
- Patrol Services
- Community Services
- Animal Services
- Volunteer Program



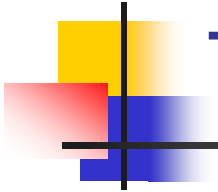
Our Mission

- Maintain Peace and Civil Order
- Professional and Courteous Service
- Conduct Criminal Investigations
- Arrest Criminal Offenders
- Enforce Traffic Laws
- Enforce Parking Laws
- Partner with our Citizens in Policing our Community



The Delivery of Police Services

- Visible Patrol and Deter Crime
- Motorcycle Patrol
- Canine Patrol
- Foot Patrol
- Bicycle Patrol
- School Resource Officer
- Juvenile Diversion Program
- Community Liaison Officer
- Volunteer Program



The Delivery of Police Services

- Fingerprinting and Livescan Services
- Bicycle Safety Helmet Program
- Free Gun Lock Safety Program
- Vacation Home Checks
- Community Engagement
- Disaster Preparedness
- VIPS Program (Volunteers in Policing)

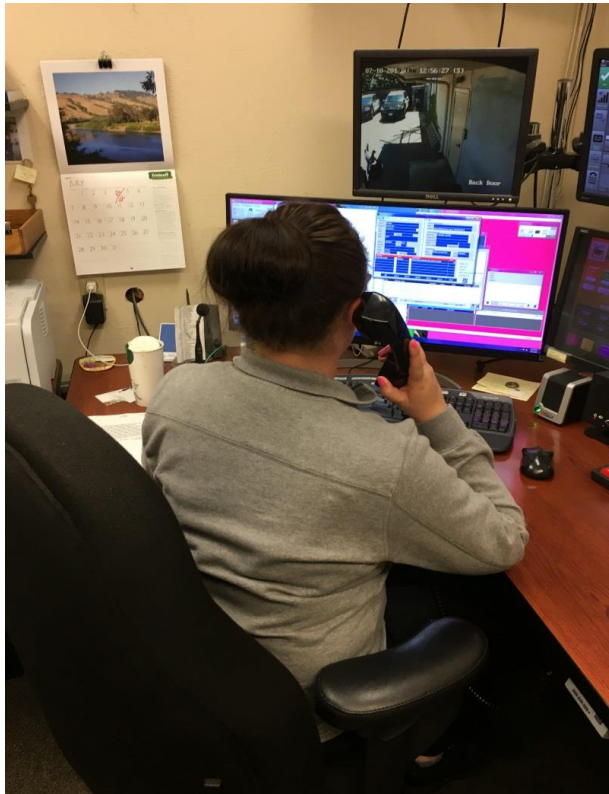


The Department Personnel

- 12 Uniformed Police Officers
- 5 Full Time Dispatchers
- 1 (3/4) Time Community Service Officer
- 1 Reserve Officer
- 1 School Resource Officer
- 6 Volunteers

This is the authorized staffing level for the department.
In 2018 we short staffed by 1 Officer and 1 Dispatch.

Dispatch and Communications



967-2850

Business Line

Dispatch is available
24/7 365 days a year.

St. Helena Police Dog Barret and Officer Stephen Coultrup



Community Services and Relations



Community Events in 2018

(Partial List)

Traffic Control for St. Helena "Fun Run Day"
Cinco de Mayo Events
Moms and Muffins in May
Dads and Donuts in December
Fire/Police Open House
Harvest Festival
Business Security Checks
Homecoming Events
School Tours of Police Department
St. Helena Youth Alcohol and Substance Abuse Task Force
Full Time School Resource Officer
Juvenile Diversion Program
Disaster Preparedness Training Upon Request
Members of Up Valley Youth Coalition
Members of Up Valley Youth Coalition Steering Committee
Coffee with a Cop
Sponsor and Supporters for Special Olympics



Community Events in 2018

(Continued)



Our Bicycle Safety Helmet Program



In 2018 we
distributed...

53 Helmets

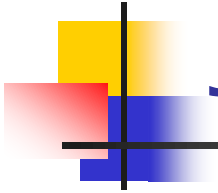
More than 200 ice cream
certificates given to children
wearing helmets



Bicycle Safety Program



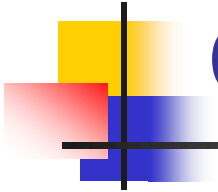
WARNING!!!!!!!
Sometimes even
a helmet won't
help you.



Juvenile Diversion Program

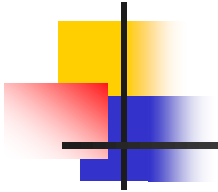
A cooperative effort with the Calistoga Police Department and the Upvalley Family Center

Diverting a juvenile offender into a productive and restorative program is in the best interest of society and the youth.



Combined Operations

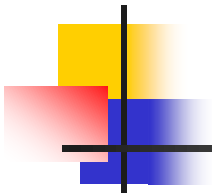
- Contactor Stings
- Pedestrian Stings
- Napa County OES
- Calistoga Police Department
- California State Licensing Board
- California Highway Patrol
- Active Shooter Exercises



2017/2018 Statistics



■ Total Incidents	11451	16263	+
■ Calls for Service	5105	5391	+
■ Officer Initiated	6348	10872	+
■ Traffic Stops	2006	1752	
■ Other OIA	4342	912	
■ Buss./Home Cks	1460	1111	
■ Total Ofc Reports	997	896	
■ Collision Reports	92	86	
■ Courtesy Reports	15	18	
■ Criminal Collision	20	40	



Statistics Continued

■ Felony Reports	95	75
■ Information Reports	388	364
■ Infraction Reports	26	13
■ Misdemeanor Reports	346	293
■ Voided Reports	14	7
■ Total Arrests	241	205
■ Misdemeanor Arrests	220	183
■ Felony Arrests	21	22



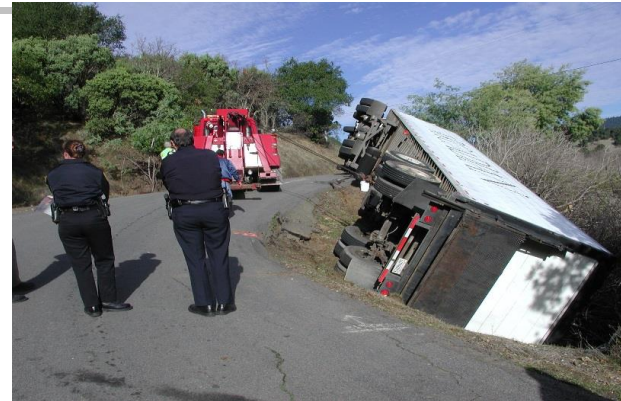
Statistics Continued

■ Total Citations	1119	1164
■ Criminal Cites	56	32
■ Moving Cites	425	447
■ Muni Code Cites	25	26
■ Parking Cites	579	639
■ Unclassified	29	18
■ Cases to NDA	300	249
■ Cases Charged	251	215
■ Cases Rejected	42	22
■ Cases Dismissed	7	11

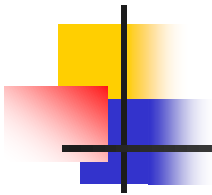
TRAFFIC COLLISIONS

2017/2018

- FATAL – 0 / 0
- INJURY – 17 / 6
- HIT AND RUN – 24 / 42
- PEDS – 3 / 3
- BICYCLE – 0 / 1
- DUI – 4 / 7
- TOTAL – 115 / 125



What do all these numbers mean?



- Our officers initiate or respond to an average of 44.5 incidents/day

This includes:

- Police Calls for service
- Traffic Enforcement stops
- Criminal Investigations
- Public Assistance
- Citizen Contacts
- Parking Citations



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Staff Briefing

Subject: Fire Department Emergency Preparedness Mailing

CEQA Determination: Not a CEQA project

Prepared By: John Sorensen, Fire Chief

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

As part of their Community Wildfire Safety Program, PG&E has starting implementing periodic precautionary Public Safety Power Shutdown (PSPS) during times of high fire potential. No single factor drives a PSPS as each situation is unique. PG&E will review a combination of criteria when determining if power will be turned off for safety. These factors generally include, but are not limited to:

- A Red Flag Warning declared by the National Weather Service
- Low humidity levels, generally 20% and below
- Forecasted sustained winds generally above 25 mph and wind gusts in excess of approximately 45 mph
- Condition of dry fuel on the ground and live vegetation (moisture content)
- On-the-ground, real-time observations from PG&E's Wildfire Safety Operations Center and field crews

DISCUSSION

The St. Helena Fire Department wants all of our citizens to be well prepared in case of a PSPS or another emergency. The City has developed a packet of essential information to enhance our community's readiness and mailed to every St. Helena household. The material explains what a PSPS is and what steps should be taken in preparation. In addition, it provides a list of what to put in an emergency kit and includes links to additional online resources. The packet will consist of a cover letter signed by the Fire Chief, a four-page informational handout, and a refrigerator magnet with a list of

reminders. The City also has updated its Emergency Preparedness link on the City's website (cityofsthelena.org) to include direct links to English and Spanish PG&E PSPS resources.

FISCAL IMPACT

Packets will be produced in house and magnets will be ordered through Vistaprint. Cost of paper, magnets and postage will be approximately \$2,000. GL 101-4800-2170 Fire Prevention Education has a budget of \$5,000.

RECOMMENDED ACTION

Informational report. No action required.

ATTACHMENTS

[Are you evacuation ready Magnet](#)

[PSPS Cover Letter](#)

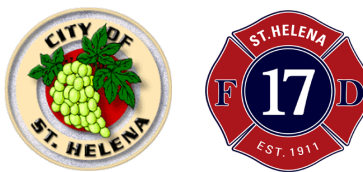
[Be Prepared!](#)



**ST. HELENA
FIRE DEPARTMENT**
707-967-2880
SHFDfire@cityofstheleena.org

ARE YOU EVACUATION READY?

- Keep your vehicle fuel tank over half-full and parked facing out
- Keep an emergency supply kit (go-bag) in your home and in your vehicle
- Keep prescription medications together in a convenient place
- Keep copies of important documents in your go-bag
- Sign up for NIXLE alerts on nixle.com
- Tune into 1440 AM or 99.3 FM for updates
- Maintain a list of emergency contact numbers in your go-bag
- Make an evacuation plan for you, your family and your pets (routes, lodging, etc.)
- **Visit: Cityofstheleena.org (emergency preparedness)**



FIRE DEPARTMENT
1480 Main Street
St. Helena, CA 94574
Phone: (707) 967-2792
Fax: (707) 963-7748

www.cityofsthelena.org

City of St. Helena

*"We will conduct city affairs on behalf of our citizens
using an open and creative process."*

August 23, 2019

Dear St Helena Resident,

The St. Helena Fire Department is committed to the safety and protection of our community. We want you and your family to be well prepared in case of an emergency. The enclosed handouts provide essential information that will better equip you if an emergency should arise.

Please read and follow the instructions provided in these handouts and keep them in a convenient place so you may refer back to them.

Best regards,

John Sorensen

A handwritten signature in blue ink, appearing to read 'John Sorensen', with a stylized flourish at the end.

Fire Chief
City of St. Helena
Fire Department
707-967-2880

City of St. Helena • 1480 Main Street, St. Helena, CA 94574
Phone: (707) 967-2792 • Fax: (707) 963-7748 • Website: www.cityofsthelena.org

Stay Informed

All the information provided in this handout
and more can be found at the following websites:



FIRE.CA.GOV



READYforWILDFIRE.com

PREPAREforPOWERDOWN.com



CITYOFSTHELENA.org

(click emergency preparedness)



NIXLE.COM

(emergency alert service)

St. Helena Fire Department

(707) 967.2880 SHFDfire@cityofsthelelena.org



August 2019

BE PREPARED!



Emergency Preparation Guide

PUBLIC SAFETY POWER SHUTOFF

ARE YOU PREPARED?

In an effort to prevent wildfires, PG&E will be initiating planned power outages during times of extreme weather. Although these outages will be announced in advance, it's important that you be prepared.



The list below will help prepare you and your household for a **Public Safety Power Shutoff (PSPS)**.

STAY SAFE. TAKE ACTION.

- ♦ **Update your contact information with PG&E**
- ♦ **Identify backup charging methods** for phones and keep hard copies of emergency numbers
- ♦ **Plan for any medical needs** like medications that need to be refrigerated or devices that require power
- ♦ **Plan for the needs of pets and livestock**
- ♦ **Build or restock your emergency kit** with flashlights, fresh batteries, first aid supplies and cash
- ♦ **Designate an emergency meeting location**
- ♦ **Know how to manually open your garage door**
- ♦ **Ensure any backup generators are ready to safely operate**
- ♦ **Identify the unique needs of your family and loved ones in the area for your emergency plan**



IS YOUR **GO-BAG** READY?

In the event of an evacuation we want you to be as prepared as possible. This involves having the necessary supplies to care for you and your family.

Take time to prepare an emergency supply kit (**GO-BAG**).

Not sure what to pack? Use the list below as a guide:

- ♦ **Evacuation Plan and maps.** Includes completed Household Safety Plan already filled out.
- ♦ **Water**—one gallon per person per day
- ♦ **Three-day supply of food** for each person: Dried or canned food that doesn't require cooking is preferable
- ♦ **A couple changes of clothes** and sturdy shoes. Consider warm and cold weather.
- ♦ **Personal hygiene items:** toothbrush, tooth paste, hair brush etc.
- ♦ **Medication/medical documents**, including non-prescription meds with copies of prescriptions and a list of known allergies.
- ♦ **Visual aids;** spare eye glasses, contacts and eye solution.
- ♦ **Pet emergency supply kit**– Food, water, bowl, plastic bags, litter, leash, medical and immunization records, medicine, transport carrier, etc.
- ♦ **Personal documents:** copies of insurance policies, birth certs., etc.
- ♦ **Identification:** copies of DL/ID card, health insurance cards
- ♦ **Cash in small denominations, Credit Cards**
- ♦ **Cell phone charger** (home and car)
- ♦ **Blanket or sleeping bag**
- ♦ **First aid kit** with manual
- ♦ **Sanitation supplies**—disposable wipes, toilet paper, garbage bags, etc.
- ♦ **Emergency Lighting**—flashlights, headlamps, batteries
- ♦ **Small tool kit:** screwdrivers, pliers, hammer, multi-purpose tool, etc.
- ♦ **Radio:** tune to 1440AM or 99.3FM for emergency updates
- ♦ **Utensils and cups**
- ♦ **Duct Tape/rope or twine** and zip ties
- ♦ **Dust mask and work gloves**
- ♦ **Deck of cards or small games**
- ♦ **Extra set of keys**
- ♦ **A whistle** to signal for help
- ♦ **Sign up for NIXLE alerts** at nixle.com

Please visit **PREPAREforPOWERDOWN.COM** | St. Helena Fire Department: (707) 967.2880

Please visit **READYforWILDFIRE.COM** | St. Helena Fire Department: (707) 967.2880

MINUTES
City of St. Helena
Regular City Council Meeting
Tuesday, June 11, 2019 @ 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://stheleena.civicweb.net/Portal/> or by calling the City Clerk at (707) 968-2742. The City Council video is the official record of the Council meeting.

Present: Mayor Geoff Ellsworth, Vice Mayor Paul Dohring, Council Member Anna Chouteau, Council Member David Knudsen, and Council Member Mary Koberstein

Absent:

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC FORUM:

Peter Edland, Arthur Pena, Anthony Micheli and Mike Hackett addressed the City Council.

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

City Attorney Michael Biddle reported that there was no reportable action taken at the June 6, 2019 special City Council closed session meeting.

Council Member Koberstein requested that Municipal Finance Consultant Ken Deaker be agendized for a future meeting to discuss funding sources and options. Mayor Ellsworth supported the request.

Vice Mayor Dohring requested the opening of the Pratt Street bridge be agendized for a future meeting. Council Member Knudsen supported the request.

Reports by Staff and City Council Members were made.

6. PRESENTATIONS AND PUBLIC RECOGNITIONS

- 6.1 Proclamation for Outstanding Service to the Community was presented to Jesse Duarte. ~~(will be provided prior to the meeting)~~

Regular City Council
June 11, 2019

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)

- 8.1 Consideration of resolution 2019-70 authorizing staff to file and administer an SB 2 the Building Jobs and Homes Act Grant application in the amount of \$160,000

CEQA Determination: Not a CEQA project

Prepared By: Mandy Kellogg, Admin Services Mgr

Recommendation:

It is recommended that the City Council review the provided grant application and resolution and approve the resolution authorize staff to file and administer an SB 2 the Building Jobs and Homes Act Grant application.

- 8.2 Consideration and proposed approval of a resolution 2019-69 authorizing the purchase of one John Deere 325G Track Loader in the amount of \$77,068.19 and one Trail King TKT 16 U Trailer in the amount of \$17,354 from Pape' Machinery Inc. for the Public Works Wastewater Treatment Division.

CEQA Determination: Not a CEQA project

Prepared By: Felix Hernandez III, Utilities Operations Manager

Recommendation:

Staff recommends City Council adopt a resolution, authorizing the purchase of one John Deere 325G Track Loader in the amount of \$77,068.19 and one Trail King TKT 16 U Trailer in the amount of \$17,354 from Pape' Machinery Inc. for the Public Works Wastewater Treatment Division.

Vice Mayor Paul Dohring moved to approve items 8.1 and 8.2. The motion was seconded by Council Member Mary Koberstein and on roll call carried by the following vote:

AYES: Mayor Geoff Ellsworth, Vice Mayor Paul Dohring, Council Member Anna Chouteau, Council Member David Knudsen, and Council Member Mary Koberstein

NOES: None

ABSENT: None

ABSTAIN: None

RECUSE: None

9. PUBLIC HEARINGS

Regular City Council
June 11, 2019

9.1 None

New Business was heard prior to Old Business.

City Attorney Michael Biddle left the dais and meeting room due to a conflict with item 11.1.

City Attorney Harriet Steiner was seated at the dais.

11. NEW BUSINESS

11.1 NEW ITEM 6-7-19

City of St. Helena Public Comment Letter to the California Public Utilities Commission on the Construction of the Fulton-Calistoga 60kV Power Line Reconductoring Project

CEQA Determination: Not a CEQA project

Prepared By: Mark T. Prestwich, City Manager

Recommendation:

Discuss and authorize submittal of Public Comment Letter to the California Public Utilities Commission on the Construction of the Fulton-Calistoga 60kV Power Line Reconductoring Project.

City Manager Prestwich reported on this item.

Jennifer Hague, Kevin Hague, William Wagner, John Livingston, Daniel Villaseñor, Allison Hackett, Coco Lopez and Mike Hackett addressed the City Council.

Mayor Ellsworth and Vice Mayor Dohring will work with City Manager Prestwich to review the draft letter to the California Public Utilities Commission prior to distribution.

Mayor Ellsworth called for a recess at 7:27 pm and reconvened at 7:32 pm.

City Attorney Harriet Steiner left the dais and City Attorney Michael Biddle entered the meeting room and joined the dais.

10. OLD BUSINESS

10.1 Consideration and Direction Regarding Conceptual Indemnity and Defense Ordinance for Certain Housing Projects, citywide.

CEQA Determination: Not a CEQA project

Prepared By: Thomas B. Brown, City Attorney

Recommendation:

Regular City Council
June 11, 2019

It is recommended that the City Council:

1. Review the provided materials and background and provide direction to staff regarding the preparation of an Ordinance to amend the applicable code sections to direct that the City would cover the legal costs of developers of certain housing projects, as specified by the attached draft Ordinance, or as otherwise directed by the City Council.

City Attorney Michael Biddle reported on this item.

Glenn Goalz, Mary Stephenson and Joe McGrath addressed the City Council.

It was the consensus of the City Council to include language making the matter retroactive.

10.2 St. Helena Downtown Streetscape Plan Update and Discussion

CEQA Determination: Not a CEQA project

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

Recommendation:

Information, discussion, and feedback from City Council.

City Engineer Erica Ahmann Smithies reported on this item.

Noll & Tam Architects Principal Janet Tam provided a presentation.

Marcus Marquez addressed the City Council.

Vice Mayor Paul Dohring moved to continue the meeting beyond 9:00 pm. The motion was seconded by Council Member Mary Koberstein and on roll call carried by the following vote:

AYES: Vice Mayor Paul Dohring and Council Member Mary Koberstein

NOES: None

ABSENT: None

ABSTAIN: None

RECUSE: None

10.3 Council discussion of potential amendments to the 2040 General Plan Update and direction to staff on how to best prioritize these amendments in keeping with the established Council Goals.

CEQA Determination: This item is purely an informational discussion to gain Council direction and is therefore not a CEQA project. Any formal decisions on individual projects will be subject to a complete analysis and determination under CEQA.

Regular City Council
June 11, 2019

Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation:

It is recommended that the City Council review the staff provided information and discuss the potential General Plan amendments to be prioritized by staff, in keeping with or separate from the adopted 2019 Council Goals.

Planning Director Noah Housh reported on this item.

Elizabeth Goelz addressed the City Council.

The City Council discussed various topics and provided direction. See attachment A.

10.4 Consideration and Proposed Approval of a Resolution 2019-71 Adopting Fiscal Year 2019-20 City of St. Helena Annual Operations Budget (~~Staff report forthcoming~~ Provided 6-4-19)

CEQA Determination: Exempt

Prepared By: April Mitts, Finance Director

Recommendation:

Staff recommends adoption of Resolution approving Fiscal Year 2019-20 budget.

Finance Director April Mitts reported on this item.

No public comment was received.

Council Member Mary Koberstein moved to adopt a resolution approving Fiscal Year 2019-20 budget. The motion was seconded by Council Member Anna Chouteau and on roll call carried by the following vote:

AYES: Mayor Geoff Ellsworth, Vice Mayor Paul Dohring, Council Member Anna Chouteau, Council Member David Knudsen, and Council Member Mary Koberstein

NOES: None

ABSENT: None

ABSTAIN: None

RECUSE: None

10.5 NEW ITEM 6-7-19
Provide Direction on Draft Request for Proposals (RFP) Scope of Work for Legal Services

CEQA Determination: Not a CEQA project

Prepared By: April Mitts, Finance Director

Regular City Council
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Recommendation:
Discuss and provide direction to the City Manager.

Finance Director April Mitts reported on this item.

No public comment was received.

Vice Mayor Dohring and Council Member Chouteau were appointed to review the proposals at the close of the submittal due date. At the conclusion of reviewing the proposals Vice Mayor Dohring and Council Member Chouteau will make a recommendation for consideration to the City Council at the September 10, 2019 regular City Council meeting.

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

11.1

<u>June City Council Meetings:</u>	
6/11 (staff reports due 5/24)	
6/25 (staff reports due 6/7)	
6/25 4:00pm CC/PC Joint Mtg Citywide Housing Issues	
6/24 5:30pm Special City Council Committee Interview Meeting	
<i>PROCLAMATIONS AND PUBLIC RECOGNITION:</i>	
6/25 Police Department VIP Graduation	
6/25 Oath for Sergeant Peterson	
6/25 Elder Abuse Proclamation	
6/25 Climate Action Proclamation	
<i>CONSENT:</i>	
6/25 Sidewalk Pavement Award	
6/25 On call MPSA	
6/25 Adopt speed survey - PW	
6/25 Certification of the election	
6/25 Out of state travel for the City Manager to attend a conference	
6/25 Napa County Special Investigation NSIB MOU	
6/25 Compensation Schedule Adoption	
6/25 Marin IT Contract	
<i>OLD BUSINESS:</i>	
Review expiring 6 month extension of Reso 2018-175 suspending curfew ordinance	
6/25 Goals Update	
<i>PH or NEW BUSINESS:</i>	
6/25 Board, Commission and Committee Appointments	
Shared Services Agreement with Calistoga	
6/25 PW Reorg	

Regular City Council
June 11, 2019

12. ADJOURNMENT

Mayor Ellsworth adjourned the meeting at 9:27 p.m.

The June 11, 2019 regular meeting minutes were adopted at the August 27, 2019 regular City Council meeting.

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzaferopoulos, City Clerk

Regular City Council
June 11, 2019

Attachment A

Discussion Topic		Priority	
	Short Term	Long Term	Zoning Code/Council Goal
1. Bicycle and Pedestrian Connectivity			Incorporate Active Transportation & Sustainability Committees Climate Action Directive's
2. Catholic School/Church Sites Designated PQP	X		Housing Related
3. City owned Properties	X		Railroad, Housing Related
4. Circulation Network/Street Extensions			Opportunities to create circulation analysis to consider future extensions and safety
5. CC Knudsen Comments	X		Housing Related, Incorporate Active Transportation & Sustainability Committees Climate Action Directive's
6. GHG Reduction Strategies			Incorporate Active Transportation & Sustainability Committees Climate Action Directive's
7. Historic Districts			Zoning Code update
8. Industrial Parcels/Land Use			Zoning Code update
9. Low-Medium Land Use			Remove
10. Winery Land Use			Zoning Code update
11. Montessori Parcels	X		Housing Related
12. Monte Vista Ct-High Density	X		Housing Related
13. McCorkle Zoning	X		Housing Related



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Consideration and proposed approval of a resolution authorizing the St. Helena High School annual homecoming parade on Main Street and authorizing City staff to provide traffic control before, during, and after the parade.

CEQA Determination: Categorically Exempt, Section 15323

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

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

The St. Helena High School annual homecoming parade on Main Street is a long standing tradition.

DISCUSSION

The St. Helena High School requests approval from the City Council to hold its annual homecoming parade on Main Street. The parade will take place on Friday, October 25, 2019, from 2:10 pm to 2:30 pm, starting at Sunshine Market parking lot, Main Street and Mitchell Drive, and ending with a rally at Lyman Park.

The Police Department also participates by controlling/detouring traffic during the parade festivities.

The St. Helena Unified School District is required to obtain an encroachment permit from Caltrans for the route traveled on Hwy 29.

FISCAL IMPACT

The City will provide staff to assist with pre-planning, setup and tear down of “no parking” and traffic control, and traffic control during the event. This will require approximately 15 hours of Public Works Department staff time, and approximately four hours from Police Department staff.

RECOMMENDED ACTION

Staff recommends the City Council adopt the resolution authorizing the St. Helena High School annual homecoming parade on Main Street authorizing City staff to provide traffic control before, during, and after the parade.

ATTACHMENTS

[Attachment 1: Resolution](#)

[Attachment 2: Encroachment Permit PW1908-001](#)

CITY OF ST. HELENA

RESOLUTION NO. 2019-

**Authorizing the St. Helena High School
annual homecoming parade on Main street
and authorizing City staff to provide traffic
control before, during, and after the parade**

RECITALS

- A. St. Helena High School has requested authorization to conduct their annual Homecoming Parade on Main Street on Friday, October 25, 2019 at 2:10 p.m. until 2:30 p.m.
- B. The parade shall start at the Sunshine Market Parking Lot and proceed up Main Street to Lyman Park.
- C. City staff is able to provide the necessary controlling and detouring of traffic on Highway 29, Railroad Avenue, and the parade route.
- D. Section 21101(e) of the California Vehicle Code provides the local authorities may, by resolutions, temporarily close a portion of any street for celebrations, parades, local special events, and other purposes when, in the opinion of local authorities having jurisdiction or a public officer or employee that the local authority designated by resolution, the closing is necessary for the safety and protection of persons who are to use that portion of the street during the temporary closing.

RESOLUTION

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

- 1. The City Council hereby approves the St. Helena High School request for a Homecoming Parade on Main Street on

Friday October 25, 2019 from 2:10 pm to 2:30 pm.

2. The City Council finds that the benefits derived from authorizing the St. Helena High School Homecoming Parade starting from Sunshine Market Parking Lot on Main Street and ending at Lyman Park outweigh the anticipated inconvenience to the businesses and citizens generally.
3. City staff is directed provide necessary traffic control for the safety and protection of persons who are to use the portion of Main Street during the Homecoming Parade.

Approved at a Regular Meeting of the St. Helena City Council on August 27, 2019, by the following vote:

Mayor Ellsworth: _____

Vice Mayor Dohring: _____

Councilmember Koberstein: _____

Councilmember Chouteau: _____

Councilmember Knudsen: _____

APPROVED: ATTEST:

Geoff Ellsworth, Mayor Cindy Tzafopoulous,
City Clerk

ENCROACHMENT PERMIT APPLICATION

Public Works Department
1572 Railroad Ave.
St. Helena, CA 94574
(707) 968-2658



OFFICE USE ONLY

Encroachment Permit #: DW1908-001
Building Permit #: _____

For Additional Information, or Forms and Documents Please Visit the Public Works Website @ <http://www.cityofstheleena.org/publicworks>

Property and Work Description

Site Address: Downtown St. Helena, starting at Michell Dr / Main St, ending at Pine St / Lyman Park

Related Building Permit Number _____ Work Description: St. Helena High School 2019 Homecoming Parade

DIAGRAM OF PROPOSED WORK *attach additional sheet if necessary*

2019 Homecoming Parade

Estimated Start Date Fri 10/25/2019

Estimated Completion Date Fri 10/25/2019

Property Owner

Owner Name: St. Helena High School / contacts: Ben Scinto, Principal & Diana Carr, Principal's Secretary

Address: 1401 Grayson Avenue

City: St. Helena State: CA Zip: 94574

Email: dcarr@stheleunaunified.org Phone #: (707) 967-2748

Contractor/Applicant *All communication from our office will be made to this person via email*

Company Name: same as above Contact Name: _____

Contractor License #: _____ Expires: _____

City of St. Helena Business License #: _____ Expires: _____

Address: _____

City: _____ State: _____ Zip: _____

Email: _____ Phone #: _____

Applicant Check Off List Permit fees are due at the time of application and are NON REFUNDABLE . <i>Incomplete submittals will not be accepted. Encroachment Permit applications are reviewed on a weekly basis. Please allow up to TWO (2) weeks for approval.</i>	
Check Off Major \$500.00 fee paid Proof of Insurance Coverage Copy of Civil Plans for Related Building Permit Traffic Control Plans Site Plans USA Tag #	Check Off Minor \$200.00 fee paid Proof of Insurance Coverage <i>will be provided early July 2019</i> Copy of Civil Plans for Related Building Permit Traffic Control Plans Site Plans <i>✓ submitted</i>
Conditions: <i>Have a pre-event meeting with HS. Principle and Staff, Public Works for review of route and duties of each</i> Standards Attached: <i>group</i>	
Street Supervisor Approval Signature: <i>[Signature]</i> Date: <i>8-7-19</i> Water Supervisor Approval Signature: _____ Date: _____	
Minimum Insurance Requirements Major Permit 2 Million, Minor Permit 1 Million Each Line <i>Special Circumstances May Arise Which Could Cause Changes to These Guidelines</i> Attach Certificate of Insurance (COI) and Endorsements The language in the Description section (bottom middle) must state the following: "The City of St. Helena, its agents, officers, officials, employees and volunteers" are named as additionally insured." Workers Comp Liability Auto Umbrella (optional)	
Disclosure Statement NOTICE: This application will expire in 180 days from the date of submission if the permit is not pursued in good faith. The permit will expire if work is not started in 180 days or if work is abandoned for more than 180 days. A request for an extension of time must be submitted, in writing, to the Public Works Department within 180 days of issuance, or 180 days from the last approvable inspection. Permit fees are due at the time of application and are NON REFUNDABLE . Incomplete submittals will not be accepted. I CERTIFY THAT IN THE PERFORMANCE OF THE WORK FOR WHICH THE PERMIT IS ISSUED WILL ADHERE TO THE CITY OF ST. HELENA CITY STANDARDS. I (We) agree to save, indemnify, and hold harmless the City of St. Helena, its Agents, Officers, Officials, Employees, and Volunteers against judgments, costs and expenses which may in any way accrue against said City in consequence of the granting of this permit. Signature: <i>[Signature]</i> Date: <i>06/12/2019</i> ☒ Owner ☐ Contractor	

CITY OF ST. HELENA
1484 Main St.
St. Helena, CA 94574

Date: 06/13/2019 Time: 09:15
Receipt No. 00192411

Account:CK 200.00

Encroachment Permit Mi
nor - 2019 Homecoming
Parade 200.00

Total		200.00
Check	9962	200.00
Cash		0.00

Total	200.00
Change	0.00

Bal Forward:

St. Helena High School
Customer #: 007038
465 Main Street

St. Helena, CA 94574

Cashier: mbeltran
Station: FRONT COUNTER

CID: NORTHBAY14

SID: 14348873

6/25/2019

CERTIFICATE OF LIABILITY COVERAGE

COVERAGE PROVIDER: BAY AREA SCHOOLS INSURANCE COOPERATIVE (BASIC) (a California Joint Powers Authority) 1750 Creekside Oaks Drive, Suite 200 Sacramento, CA 95833				NAMED COVERED MEMBER: North Bay Schools Insurance Authority St. Helena Unified School District 465 Main Street St. Helena, CA 94574		
THE REFERENCED MEMORANDUM OF COVERAGE(S) ("MOC") AND/OR INSURANCE POLICY(IES) EXTEND INDEMNITY PROTECTION TO THE NAMED COVERED MEMBER, IN KEEPING WITH THE TERMS AND CONDITIONS OF THE COVERAGE AGREEMENTS/ POLICIES, FOR THE EFFECTIVE COVERAGE DATES, AND WITH THE STATED COVERAGE LIMITS. COVERAGE PROVIDED BY MOCS IS EXTENDED PURSUANT TO THE RIGHTS AND LIMITATIONS OF CALIFORNIA GOV'T CODE § 990 & 6500, ET SEQ.						
TYPE OF COVERAGE	COVERAGE AFFORDED	MOC/POLICY NUMBER	EFFECTIVE DATE(S)	EXPIRATION DATE(S)	LIMITS	LIABILITY SELF INSURED RETENTION
GENERAL LIABILITY	General Liability Employment Practices Educators' Legal Liability Products Liability Completed Operations Liability	2019MOELC	07/01/2019	07/01/2020	\$ 2,000,000	\$500,000
AUTOMOBILE LIABILITY	Automobile Liability (All Owned, Hired, Leased, and Borrowed)	2019MOELC	07/01/2019	07/01/2020	\$ 2,000,000	\$500,000
THIS CERTIFICATE CONFERS NO RIGHT, BENEFIT, OR INTEREST IN THE REFERENCED MEMORANDUM(S) OF COVERAGE OR INSURANCE POLICY(IES), NOR DOES IT AMEND, MODIFY, ENLARGE OR ALTER THE COVERAGE AFFORDED BY SUCH DOCUMENTS. IF THE CERTIFICATE HOLDER IS CONTRACTUALLY ENTITLED TO BE NAMED AS AN ADDITIONAL COVERED MEMBER ("ACM") UNDER ANY COVERAGE AGREEMENT OR POLICY, THE CONTRACT IMPOSING THE OBLIGATION MUST BE PROVIDED TO THE NAMED COVERED MEMBER LISTED ABOVE FOR REVIEW AND APPROVAL BEFORE SUCH AN ENDORSEMENT WILL BE ISSUED; ACM COVERAGE IS NOT AUTOMATICALLY GRANTED.						
Description and Date (s) of Event/Operations/Locations/Vehicle: Additional remarks/schedule may be attached if more space is needed. Designed Covered Member - Auto, Additional Covered Member - Designated Person or Organization Re: St. Helena High School Homecoming Parade down Main Street The City of St. Helena, its Officials, Agents, Officers, Employees and Volunteers are named as additional covered member under the general liability and auto liability per the attached endorsements only with regard to this event. Auto Liability applies to St. Helena Unified School District Vehicles only. Primary Wording included.						
CERTIFICATE HOLDER: City of St. Helena Attn: Public Works 1480 Main Street St. Helena, CA 94574			Cancellation of Coverage: If any of the policies described herein be cancelled before their expiration dates, notice will be delivered in accordance with policy provisions. Issuer of this Certificate: Commercial Lines - (707) 779-1100 USI Insurance Services LLC - CA Lic#: 0D08408 1039 N. McDowell Blvd. Petaluma, CA 94954-1173			



CYB01A25/003321/02/04/05/0

- CONDITIONAL -
CITY OF ST. HELENA
NAPA COUNTY, CALIFORNIA
ENCROACHMENT PERMIT/CONTRACT
APPLICATION FOR CITY STREETS

PERMIT # _____

TO: DEPARTMENT OF PUBLIC WORKS
1480 MAIN STREET
ST. HELENA, CA 94574

PERMITTEE: St. Helena High School, Benjamin L. Scinto, Principal
 (Property Owner or Contractor)

ADDRESS: 1401 Grayson Avenue, St. Helena, California 94574
 (Address, City, State & Zip)

PHONE: (707) 967-2748

JOB LOCATON: Pope Street / Mitchell Sreet to Pine Street (Lyman Park)

I (or we) hereby apply for an encroachment permit to carry out the following work:
St. Helena High School 2019 Homecoming Parade

Estimated Start Date Fri 10/25/2019 2:10 pm Estimated Completion Date Fri 10/25/2019 2:30 pm

DIAGRAM OF LOCATION OF PROPOSED WORK
Attach diagram on separate sheet(s) if necessary

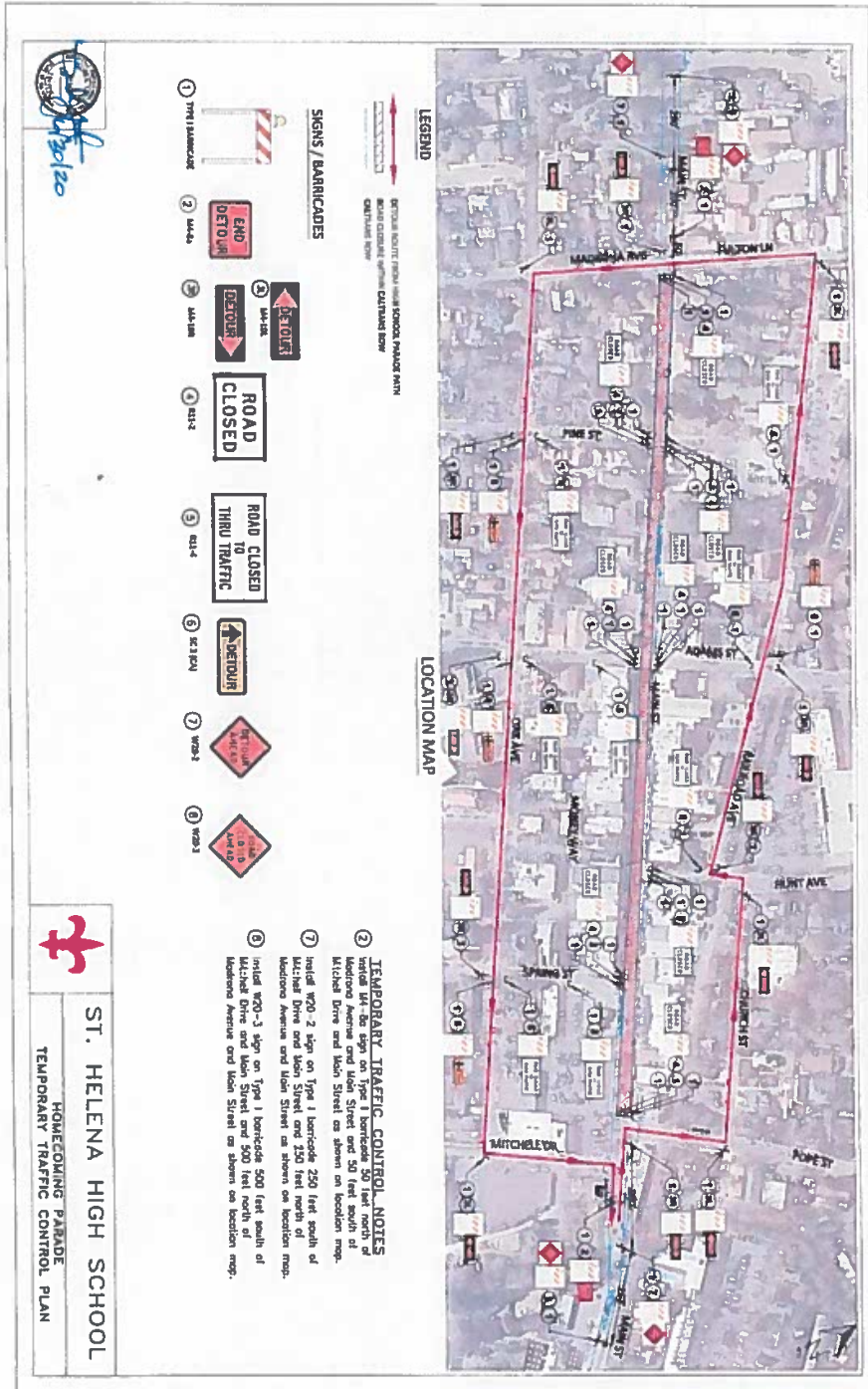
Permittee agrees to comply with all ordinances, regulations, specifications and conditions which may apply or be required as a condition of this Permit/Contract. (See insurance requirements and general and special conditions pages).

Permittee shall indemnify, defend and hold harmless The City of St. Helena and its agents, officers, officials employees and volunteers in interest from and against all claims, damages, losses and expenses including attorney fees arising out of or in connection with work performed under this Permit/Contract, except where caused by the sole negligence or willful misconduct of The City of St. Helena. This obligation of Permittee to indemnify, defend and hold harmless shall continue in effect after the completion of the project authorized under this Permit/Contract.

***State Law required U.S.A. to be alerted for all underground work two (2) working days prior to start date**

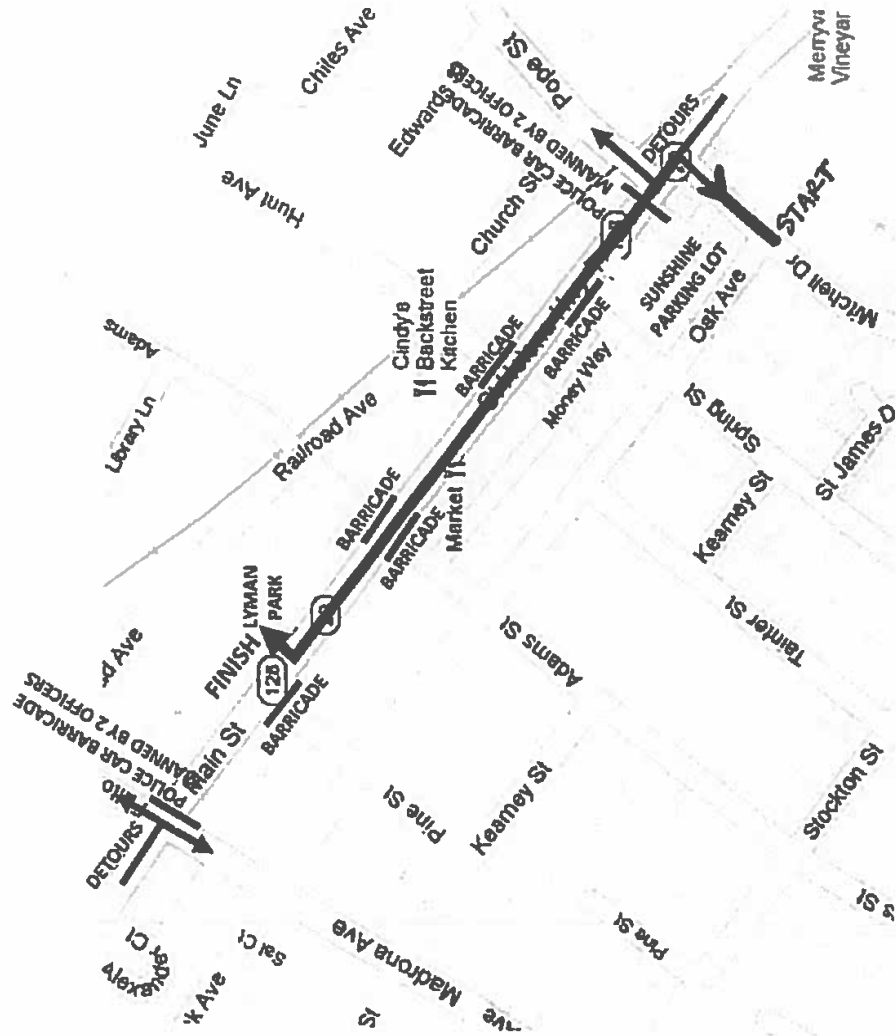
Authorized Representative  Principal 6/12/2019
 Signature Title Date

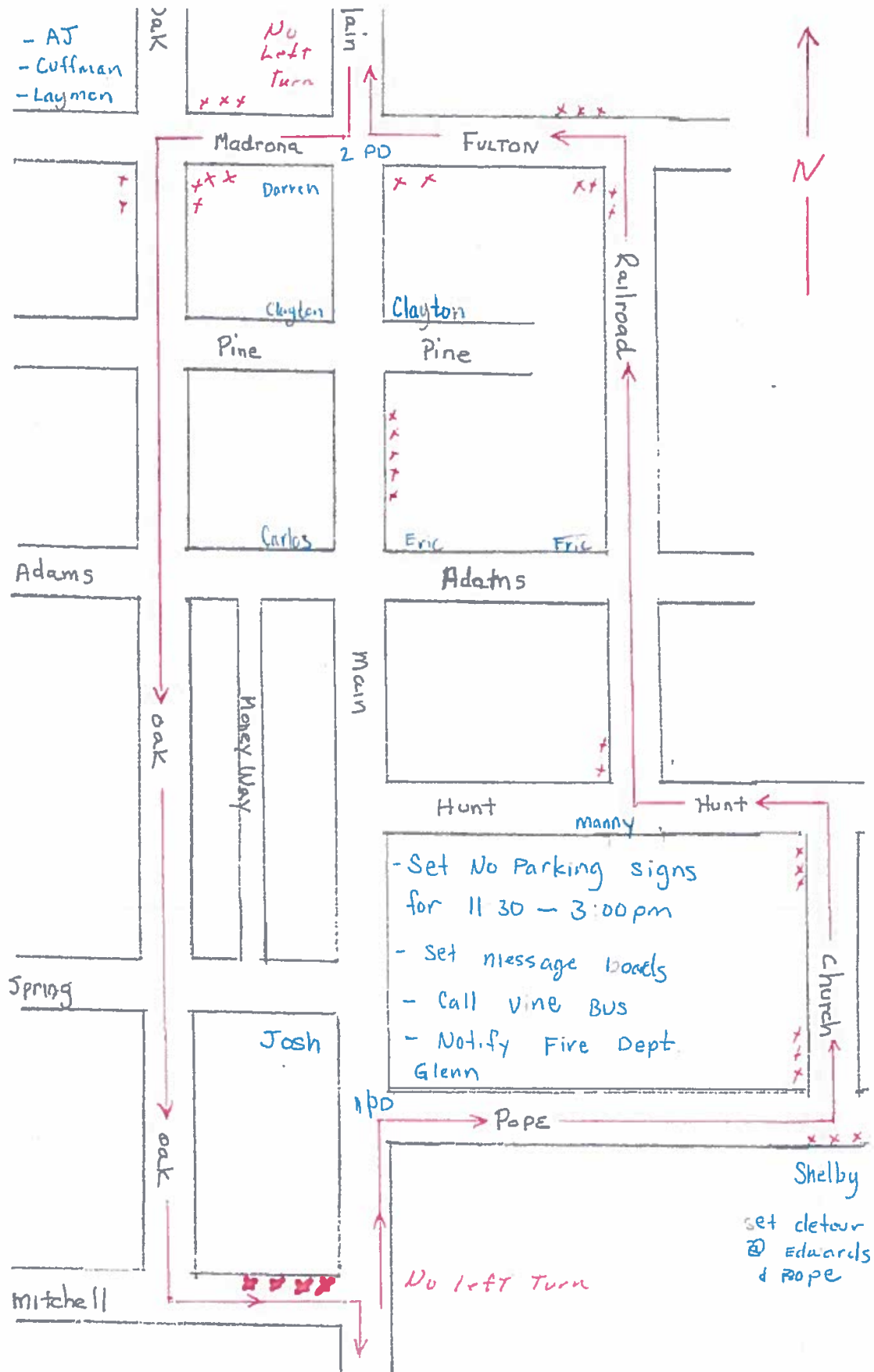
APPROVED BY: _____
 Public Works Staff Date



ST. HELENA HIGH SCHOOL: HOMECOMING PARADE

1401 Grayson Avenue
St. Helena, CA 94574
707 967-2740







Chris Hartley
Chief of Police

POLICE DEPARTMENT

1480 MAIN ST.

SAINT HELENA, CALIFORNIA 94574

(707) 967-2850

June 12, 2019

To: Benjamin L. Scinto, SHHS Principal
From: Chris Hartley, Acting Chief of Police

Subject: SHHS Homecoming Parade

This letter is to confirm that St. Helena Police Department will provide traffic control on Main Street (SR 29/128) in downtown St Helena from 2:10 pm -- 2:30 pm on Friday, October 25, 2019, during the "SHHS Homecoming" parade.

Regards,

Acting Police Chief Chris Hartley
Saint Helena Police Department
1480 Main St. Saint Helena, Ca 94574
(707) 967-2850
Chartley@cityofsthelena.org



June 12, 2019

St. Helena City Council
1480 Main Street
St. Helena, California 94574

Dear Council Members:

The student government of St. Helena High School would like to have our homecoming parade on Main Street on Friday, October 25, 2019, ending with a rally at Lyman Park.

Our first step in applying for permission to hold this parade is a resolution from the St. Helena City Council. This resolution should state the name of the organization, the date and time of the parade, the starting and ending points of the parade, and a statement that our local police department will do any necessary controlling or detouring of traffic on Highway 29.

The resolution requesting permission must be addressed to:

Permit Section, District 04
Cal Trans
P.O. Box 126
Napa, California 94558

The St. Helena High School Student Body would most appreciate if the City Council would pass such a resolution at their next meeting, as further approval must be obtained from the Napa Office of Highway Patrol and the Napa Office of Cal Trans.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Benjamin L. Scinto', is written over a light blue circular stamp.

Benjamin L. Scinto
Principal

1. Organization: St. Helena High School
2. Date: Friday, October 25, 2019
3. Time: 2:10 pm to 2:30 pm
4. Starting point: Main and Mitchell and Sunshine parking lot
Ending Point: Lyman Park

ST. HELENA HIGH SCHOOL – HOME OF THE SAINTS
*2015 CA Gold Ribbon School, 2015 & 2016 US News & World Report America's Best High School Silver Ranking,
2015 AP Honor Roll Recipient*

1401 GRAYSON AVENUE, ST. HELENA, CA 94574 – (P) 707.967.2740, (F) 707.967.2735



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Consideration and proposed approval of a resolution acknowledging and accepting an offer of dedication from Nest Properties of St. Helena LLC of a twenty nine foot (29') wide portion of the property located at 632 McCorkle Avenue for public right of way, authorizing the City Manager to execute the certificate of acceptance of grant deed, and accepting the right of way into the City's street system.

CEQA Determination: Approval of resolution not a "project" as defined in Section 15378(a) of State CEQA Guidelines. Even if determined to be a "project" subject to CEQA, action is exempt under the common sense exemption set forth in Section 15061(b)(3).

Prepared By: Edrees Argand, Junior Assistant Engineer

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

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

Although the existing street and utility improvements on McCorkle Avenue are maintained by the City, some portions of the street and parkway areas have never been dedicated and the existing public improvements are technically still on private property; therefore as properties seek redevelopment and/or significant design review City staff will condition project approval by requiring right of way dedication consistent with the circulation element of the general plan.

DISCUSSION

On December 6, 2016, the Planning Commission adopted Resolution PC2016-047, conditioning the property owners of 632 McCorkle Avenue, St. Helena, Napa County, California 94574 (Portion of APN No. 009-502-004) to provide a twenty-eight foot (28') wide right of way dedication on McCorkle Avenue and finding the dedication consistent

with the circulation element of the City's general plan. The specific condition included the following requirements:

"Construct standard frontage and ADA compliant improvements along the property front including driveway, sidewalk, curb, gutter, and any needed pavement widening. The standard frontage improvements cross section shall consist of a 5' landscape area, 5' sidewalk (measured from top of curb), 8' parking (including gutter pan), and 10' vehicle lane (in each direction). At such time the City elects to install a bicycle lane along McCorkle Avenue, on-street parking will be eliminated. Any new asphalt shall taper back to the existing edge of pavement. As a component of these frontage improvements, the project shall reconstruct the roadway to the centerline and slurry seal the entire road along the project frontage. A right-of-way dedication shall be provided as necessary for the said improvements, to the centerline of the existing McCorkle Avenue."

In addition to the twenty-eight foot (28') wide dedication, during construction the licensed surveyor determined an additional one foot (1') wide easement dedication to the City was needed to satisfy the 5' sidewalk requirement of the project.

Pursuant to St. Helena Municipal Code 16.32.280 C., the public improvements required of the project have been completed satisfactorily and accepted for public use. Therefore, City staff recommends City Council's acceptance of the dedication from Nest Properties of St. Helena LLC, as reflected in the grant deed ([Attachment 2](#)), and authorizing the City Manager to execute the Certificate of Acceptance of Grant Deed ([Attachment 3](#)).

Streets & Highways Code

Streets and Highways Code section 1806(b) provides that no public or private street or road shall become a city street or road until the governing body, by resolution, has caused the street or road to be accepted into the city street system. Upon acceptance into the city street system, the City will be responsible for and therefore authorized to expend public funds on maintenance of said roadway. Accordingly, concurrent with the acceptance of the right of way offer of dedication, it is also appropriate for the City Council to accept said right of way into the City's street system.

CEQA

For purposes of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.), a "project" is defined in State CEQA Guidelines Section 15378 (a) as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment". The right of way in question that is being dedicated has been in existence for some time. Accordingly the action to adopt this resolution and accept the right of way dedication and accept the roadway into the City's street system

will not result in any change in the environment and thus is not a project subject to the requirements of CEQA. Further, even if the action to adopt this resolution was deemed to be a project subject to CEQA, it is nevertheless exempt from CEQA under the common sense exemption set forth in Section 15061(b)(3), which provides that CEQA only applies to projects which have the potential for causing a significant effect on the environment, and thus where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. That is exactly the situation in this instance.

FISCAL IMPACT

There is no fiscal impact associated with this recommendation. Acceptance of this dedication is not expected to increase funding requirements for the maintenance of all public improvements on, under, over, across, and upon the City's street system.

RECOMMENDED ACTION

Staff recommends City Council adopt the attached resolution (Attachment 1), acknowledging and accepting an offer of dedication from Nest Properties of St. Helena LLC, as reflected in the grant deed ([Attachment 2](#)), of a twenty nine foot (29') wide portion of the property located at 632 McCorkle Avenue for public right of way, authorizing the City Manager to execute the Certificate of Acceptance of Grant Deed (Attachment 3), and accepting the right of way into the City's street system.

ATTACHMENTS

[Attachment 1: Resolution](#)

[Attachment 2: Grant Deed](#)

[Attachment 3: Certificate of Acceptance of Grant Deed](#)

[Attachment 4: Planning Commission Resolution PC2016-047](#)

CITY OF ST. HELENA

RESOLUTION No. 2019-

Resolution acknowledging and accepting an offer of dedication from Nest Properties of St. Helena LLC of a twenty nine foot (29') wide portion of the property located at 632 McCorkle Avenue for public right of way, authorizing the City Manager to execute the certificate of acceptance of grant deed, and accepting the right of way into the City's street system

- A. On December 6, 2016, the Planning Commission adopted Resolution PC2016-047, conditioning the property owners of 632 McCorkle Avenue, St. Helena, Napa County, California 94574 (Portion of APN No. 009-502-004) to provide a right-of-way dedication on McCorkle Avenue and finding the dedication consistent with the circulation element of the City's general plan; and
- B. The offer of dedication includes a twenty-eight-foot wide public right-of-way strip and one-foot sidewalk easement strip; and
- C. Pursuant to St. Helena Municipal Code 16.32.280 C., the public improvements have been completed satisfactorily and have been accepted for public use; and
- D. There is no fiscal impact associated with this recommendation.

RESOLUTION

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

1. For purposes of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.), a "project" is defined in State CEQA Guidelines Section 15378 (a) as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment". The right of way in question that is being accepted pursuant to this resolution has been in existence for some time. Accordingly, the City Council finds that the action to adopt this resolution and accept the right of way dedication and accept the roadway into the City's street system will not result in any change in the environment and thus is not a project subject to the requirements of CEQA. Further, even if the action to adopt this resolution was deemed to be a project subject to CEQA, it is nevertheless exempt from CEQA under the common sense exemption set forth in Section 15061(b)(3), which provides that CEQA only applies to projects which have the potential for causing a significant effect on the environment, and thus where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
2. The City Council acknowledges the receipt of the offer of dedication from Nest Properties of St. Helena LLC (i.e. Joseph C. McGrath and Sonali Syngal) of a

twenty nine foot (29') wide portion of the property located at 632 McCorkle Avenue (Portion of APN No. 009-502-004) for public right of way and sidewalk purposes, as set forth in the Grant Deed dated June 22, 2019.

3. The City Council hereby accepts the offer of dedication as reflected in the Grant Deed and authorizes the City Manager to execute the Certificate of Acceptance of Grant Deed on behalf of the City of St. Helena and take all necessary steps to cause said Grant Deed and Certificate of Acceptance of Grant Deed to be recorded in the Official Records of the Napa County.
4. In accordance with California Streets and Highways Code Section 1806, the City Council hereby accepts said right of way identified in the Grant Deed into the City's street system.

Approved at a Regular Meeting of the St. Helena City Council on August 27, 2019 by the following vote:

Mayor Ellsworth:	_____
Vice Mayor Dohring:	_____
Councilmember Koberstein:	_____
Councilmember Chouteau:	_____
Councilmember Knudsen:	_____

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzaopoulos, City Clerk

OAK #4845-6769-3216 v2

RECORDING REQUESTED BY:

APN: 009-502-004

When Recorded Mail Document and Tax Statements to:

City of St. Helena
1480 Main Street
St. Helena CA 94574

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

Grant Deed

The undersigned grantor(s) declare(s):

Documentary Transfer Tax is \$0.00 R&T Code 11911

() computed on full value of property conveyed, or

() computed on full value less of liens and encumbrances remaining at time of sale.

() Unincorporated area: (X) City of Saint Helena

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
Nest Properties of St. Helena LLC, a California limited liability company

hereby GRANT(S) to
City of St. Helena, a California charter city

that property in City of Saint Helena, Napa County, State of California, described as follows:
See "Exhibit A" and "B" attached hereto and made a part hereof.

Date: 06/22/19

Nest Properties of St. Helena LLC, a California limited
liability company

By: [Signature]
Joseph C. McGrath, Member

By: [Signature]
Sonali Syngal, Member

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Contra Costa

On June 22, 2019 before me, Lynne Konlon a Notary Public, personally appeared Joseph C. McGrath + Sonali Syngal who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Name: Lynne Konlon
(Typed or Printed)

(Seal)



Grant Deed Order No.

Page 2 of 2

28 Foot Right of Way Dedication
to the
City of Saint Helena
for the
632 McCorkle Ave. Property

Exhibit "A"

PARCEL ONE: A 28 foot wide strip of land for Right of Way Dedication to the City of Saint Helena for McCorkle Avenue, more particularly described as follows:

BEGINNING on the centerline of McCorkle Avenue at the most easterly corner of the lands of Nest Properties of St. Helena LLC, a California limited liability company, as described in Document Number 2019-0009854, Napa County Records; thence North 43° 34' 30" West 28.00 feet along the northeasterly boundary line as shown on the Record of Survey Map of said lands, filed in Book 45 at page 68, Napa County Records; thence South 46° 46' 30" West 68.56 feet parallel with McCorkle Avenue, to the southwesterly boundary of said lands; thence South 43° 37' 30" East 28.00 feet to the most southerly corner of said lands; thence North 46° 46' 30" East 68.53 feet to the point of beginning.

Together with A strip of land 1.00 feet wide for an easement to the City of Saint Helena for a sidewalk along McCorkle Avenue, more particularly described as follows:

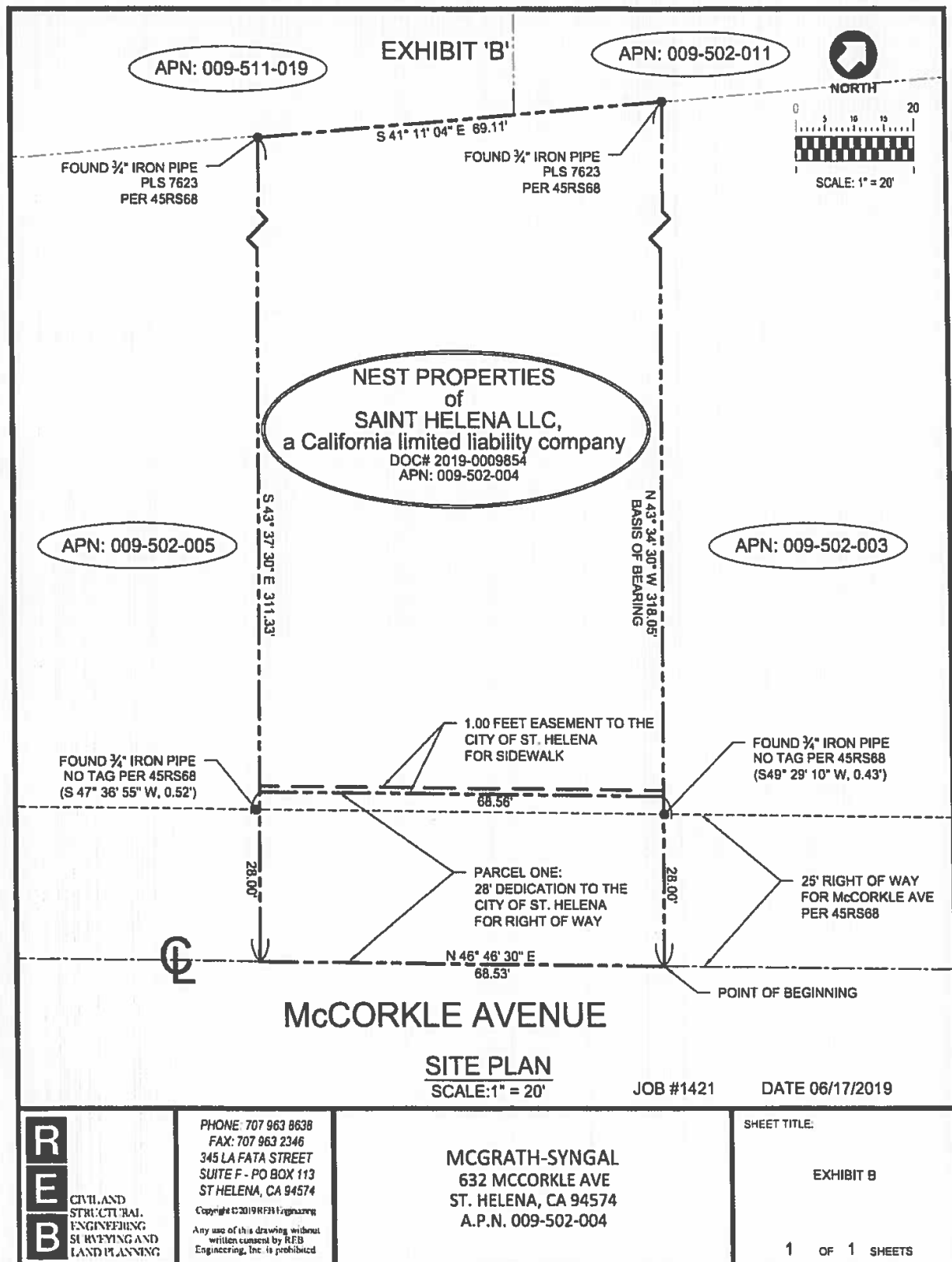
COMMENCING on the centerline of McCorkle Avenue at the most easterly corner of the lands of Nest Properties of St. Helena LLC, a California limited liability company, as described in Document Number 2019-0009854, Napa County Records; thence North 43° 34' 30" West 28.00 feet along the northeasterly boundary line as shown on the Record of Survey Map of said lands, filed in Book 45 at page 68, Napa County Records, to the True Point of Beginning of the 1 foot easement described herein; thence continuing along said northeasterly boundary North 43° 34' 30" West 1.00 feet; thence South 46° 46' 30" West 68.56 feet parallel with McCorkle Avenue, to the southwesterly boundary of said lands; thence South 43° 37' 30" East 1.00 feet; thence North 46° 46' 30" East 68.56 feet to the true point of beginning.

End Description

This description was prepared by:
Randal E. Bryant, P.E., P.L.S
California Licensed Land Surveyor No. LS6591
Renewal date December 31, 2019



jc



H:\C30 PROJECTS\PROJECTS\1421\PLAN\Survey\1421-EAS GRANT CLIENT TO CITY\1421-EAS GRANT CLIENT TO CITY-REV02_201805-17rth Plotted: 6-18-18 at 18:07 PLOTTED BY: RANDY BRYANT

[Handwritten signature]

CERTIFICATE OF ACCEPTANCE OF GRANT DEED
632 McCorkle Avenue, St. Helena, CA 94574

This is to certify that the interest in a portion of real property located at 632 McCorkle Avenue, St. Helena, Napa County, California 94574 (Portion of APN No. 009-502-004) to be conveyed by Grant Deed dated _____, 2019, executed by Nest Properties of St. Helena LLC, a California limited liability company (“Grantor”) and granted to the City of St. Helena, a California municipal corporation (“Grantee”), shall be accepted on behalf of the City by its City Manager pursuant to authority conferred by Resolution No. _____, adopted by the City Council of the City of St. Helena on _____, 2019, and that Grantee consents to recordation of the Grant Deed by its duly authorized officer.

Dated: _____, 2019 By: _____

 Mark Prestwich, City Manager

ATTEST:

By: _____
 Cindy Tzaopoulos, City Clerk

APPROVED AS TO FORM:

By : _____
 Michael G. Biddle, City Attorney

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

County of Napa)

On _____, 2019, before me,
_____,
(Name of Notary)

personally _____ appeared
_____ who proved to me
on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and
that by his/her/their signature(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Notary Signature)

CITY OF ST. HELENA

RESOLUTION PC2016-047

**DEMOLITION PERMIT AND DESIGN REVIEW NO. PL16-007
CITY OF ST. HELENA, STATE OF CALIFORNIA
GRANTED TO 632 McCORKLE AVENUE**

PROPERTY OWNER: Joe McGrath

APN: 009-502-004

Recitals

1. Request by Joe McGrath for Demolition Permit and Design Review approval to demolish an existing single-family home in order to construct an 8 unit multi-family dwelling on the property located at 632 McCorkle Avenue in the HR: High Density Residential district.
2. The Planning Commission of the City of St. Helena, State of California, considered the project, staff report, and all testimony, written and spoken, at a duly noticed public hearing on December 6, 2016.

Resolution

- A. In making the findings in this Resolution, the Planning Commission relied upon and hereby incorporates by reference all of the documents referenced in this Resolution and the associated staff reports, City files for this matter, correspondence, presentations and other materials.
- B. The Planning Commission hereby finds that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15332, which exempts projects characterized as in-fill development when the project is consistent with the general plan and zoning; occurs within city limits on less than five acres; has no valuable habitat; won't cause any significant environmental effects; and can be served by existing public services.
- C. As provided in Municipal Code Section 17.164.050(E), the Planning Commission finds that the demolition permit can be supported based on the following findings:
 1. *That based on the public record and testimony presented at a public hearing, the buildings are determined not to be significant architectural or historical buildings given the age of construction, deteriorated condition of the structures, and lack of inclusion of the City's Historical Resources Master List; and*
 2. *That the demolition does not eliminate elements that are required to maintain the essential character of the neighborhood in that the existing structures are in a dilapidated condition and that the neighborhood is a mix of single-family and multi-family housing units.*

632 McCorkle Avenue
Demolition Permit and Design Review
December 6, 2016

D. In accordance with the design review criteria identified in Municipal Code Section 17.164.030, the Planning Commission finds that the project demonstrates the following:

1. *Consistency and compatibility with applicable elements of the general plan in that a multi-family building is being constructed in the High Density Residential district;*
2. *Compatibility of design with the immediate environment of the site is supported in that modern building materials will be used in project construction typical of newly constructed residential buildings;*
3. *Relationship of the design to the site is found to be consistent in that the project was designed by a licensed architect in consideration of the unique characteristics of the site;*
4. *Determination that the design is compatible in areas considered by the board as having a unified design or historical character is found as a residential structure will be constructed in a residential area and that there are no historic elements of the property or design;*
5. *That the design promotes harmonious transition in scale and character in areas between different designated land use is found in that the project is located in a residentially zoned district with varying densities and scales and that the project is consistent with said district and character;*
6. *Compatibility with future construction both on and off the site is supported as the project is a residential structure in a residential district that will not negatively impact future construction on or off site;*
7. *That the architectural design of structures and their materials and colors are appropriate to the function of the project is supported in that the project will use common construction materials and colors for residential development;*
8. *That the planning and siting of the various functions and buildings on the site create an internal sense of order and provide a desirable environment for occupants, visitors and the general community is found in that the site and buildings were designed to create independent living units with adequate off-street parking; covered garbage enclosures; and common recreation areas.*
9. *That the amount and arrangement of open space and landscaping are appropriate to the design and the function of the structures is found to be appropriate through the common open space and landscaping surrounding the living and parking areas on the property;*
10. *That sufficient ancillary functions are provided to support the main functions of the project and that they are compatible with the project's design concept in that the project provides adequate off-street parking and recreational areas for residents with a design that is fully compatible with the residential structure;*
11. *That access to the property and circulation systems are safe and convenient for pedestrians, cyclists and vehicles is supported based on the existing roadway*

network, proposed access easements, and street frontage improvements including new sidewalks.

- 12. That natural features are appropriately preserved and integrated with the project is found in that this is an infill project and all development is in previously developed and/or disturbed areas of the property;*
- 13. That the materials, textures, colors and details of construction are an appropriate expression of its design concept and function and that they are compatible with the adjacent and neighboring structure and functions is supported in that the project will use common construction materials and colors for residential development and that the project is compatible with the character of the residential area;*
- 14. In areas considered by the board as having a unified design character or historical character, whether the design is compatible with such character is found as a residential structure will be constructed in a residential area and that there are no historic elements of the property or design;*
- 15. That the landscape design concept for the site, as shown by the relationship of plant masses, open space, scale, plant forms and foliage textures and colors create a desirable and functional environment and that the landscape concept depicts an appropriate unity with the various buildings on the site is found in that a detailed landscaping plan has been prepared and designed to complement the proposed buildings and site in general;*
- 16. That plant material is suitable and adaptable to the site, capable of being properly maintained on the site, and is of a variety which is suitable to the climate of St. Helena is supported based on the professionally prepared landscaping plan; and*
- 17. That sustainability and climate protection are promoted through the use of green building practices such as appropriate site/architectural design, use of green building materials, energy efficient systems and water efficient landscape materials is found based on the efficiencies gained through the construction of new buildings and infrastructure in compliance with the requirements of the California Building Code and the City of St. Helena Municipal Code.*

Planning Department Conditions of Approval

- E. The Planning Commission approves the demolition permit and design review for the above-described project with the following conditions of approval. The conditions noted below are particularly pertinent to this permit and shall not be construed to permit violation of other laws and policies not so listed.
 1. The project shall be in conformance with all city ordinances, rules, regulations and policies in effect at the time of issuance of a building permit.
 2. These approvals shall be vested within one (1) year from the date of final action. A building permit for the use allowed under this approval shall have been obtained within one (1) year from the effective date of this action or the approval shall expire, provided

632 McCorkle Avenue
Demolition Permit and Design Review
December 6, 2016

however that the approval may be extended for up to two (2) one-year periods pursuant to the St. Helena Municipal Code, Section 17.08.130, Extension of Permits and Approvals. Any request for an extension of this approval shall be justified in writing and received by the Planning Department at least thirty (30) days prior to expiration.

3. The approvals shall not become effective until fourteen (14) calendar days after approval, providing that the action is not appealed by the City Council or any other interested party within that 14-day period.
4. All required fees, including planning fees, development impact fees, residential in-lieu housing fees, building fees, toilet retrofit fees, and St. Helena Unified School District fees shall be paid prior to issuance of a building permit. Fees shall be those in effect at the time of the issuance of the building permit.
5. In any action or proceeding to attack, challenge, invalidate, set aside, void or annul the City's approval of applicant's Project, in whole or in part, applicant shall defend, at its own expense and without any cost to the City, and with counsel acceptable to the City, and shall fully and completely indemnify and hold the City, its agents, officers, and employees harmless from and against any and all claims, causes of action, damages, costs, attorney's fees and liability of any kind, so long as the City reasonably promptly notifies the applicant of any such claim, action, or proceedings and the City cooperates fully in the defense of the action or proceedings.
6. Provided they are in general compliance with this approval, minor modifications may be approved by the Planning Director.
7. Pursuant to St. Helena Municipal Code Section 17.08.110, this permit shall run with the land and shall be binding upon all parties having any right, title or interest in the real property or any part thereof, their heirs, successors and assigns, and shall inure to their benefit and benefit of the City of St. Helena.
8. The primary purpose of this review is for compliance with the General Plan and Zoning Ordinance. The property owners or their designee shall be responsible for meeting with the Building Official, Fire Inspector and or Public Works Department to review compliance with Building Codes, Fire Codes and specific Public Works Standards including fire protection systems and any applicable accessibility standards of Title 24.
9. Construction shall be in compliance with plans submitted and reviewed by the Planning Commission on December 6, 2016, except as modified herein.
10. AS a component of the construction process, the site shall be remediated to the satisfaction of the Napa County Environmental Health Department.
11. During construction, the project site shall be adequately screened and secured to minimize potential impacts to the neighborhood and surrounding community.
12. Exterior lighting shall be directed or shielded to prevent glare onto the public roadway or adjacent properties.
13. Property owners shall recognize that there exists a right to farm properties within the district and in the vicinity of the district. There is a good faith expectation that no

complaints will occur regarding legal, normal agricultural activities on properties in the district or in the vicinity of the district. Such activities may include day or night disbursement of chemicals, and creation of dust, noise, or fumes.

14. To reduce disturbance of residents in the project vicinity, construction activities which generate noise that can be heard at the property line of any parcel of real property within the City limits shall be limited to 8:00 a.m. to 5:00 p.m. Monday through Saturday. Delivery of materials/equipment and cleaning and servicing of machines/equipment shall be limited to 7:00 a.m. to 6:00 p.m. Exceptions to these time restrictions may be granted by the Public Works Director for one of the following reasons: (1) inclement weather affecting work, (2) emergency work, or (3) other work, if work and equipment will not create noise that may be unreasonably offensive to neighbors as to constitute a nuisance. The City Engineer must be notified and give approval in advance of such work. No construction activities shall occur on Sundays or federal or local holidays that generate noise that can be heard at the property line of any parcel of real property within the City limits.
15. The project shall comply with all housing allocation requirements per the City's Growth Management System (GMS) as approved by the City Council. This action allocates four (4) GMS permit allotments from the 2016 permit pool and anticipates the remaining four (4) GMS permit allotments will be drawn from the 2017 allotment pool.

Public Works Department Conditions of Approval

16. Approval of this project shall be subject to the requirements of, and all improvements shall be designed and constructed in accordance with, the most current version at the time of improvement plan submittal, Caltrans Standards and Specifications, the City of St. Helena Municipal Code, the St. Helena Water and Sewer Standards, the St. Helena Street, Storm Drain and Sidewalk Standards, and all current federal, state and county codes governing such improvements.
17. For any improvements outside the existing building envelope, a grading and drainage plan showing topographic data, all easements, infrastructure onsite and directly adjoining, and an erosion control plan shall be submitted for review and approval by the City Engineer prior to the issuance of a building permit. If the project entails more than 50 cubic yards of soil disturbance, 10,000 square feet of disturbance area, a cut or fill of 3 feet or more, or alteration of any drainage pattern, a grading permit shall be required.
18. Drainage needs to be routed to prevent inundation of neighboring properties. Grading and/or site improvement plans shall show how 2-year and 10-year storm flows shall be infiltrated on site and/or diverted at the property lines to prevent inundation of neighboring properties. The applicant shall submit a drainage and hydrology analysis for the project impact, including downstream erosion potential, to the City of St. Helena Public Works Department with the Improvement Plan

submittal in accordance with City of St. Helena, Napa County and State of California codes in effect at the time of improvement plan submittal.

19. Erosion and sediment control plans shall conform to the latest State and City codes at a minimum.
20. The applicant shall incorporate water conservation practices into the proposed project per the Theoretical Water Use Report prepared by Nest Properties, which includes offsite retrofits of the plumbing fixtures at 814 Hunt Street, 812 Chiles Avenue, and 1240-48 Grayson Avenue. Any and all non-conforming appliances and plumbing fixtures shall be removed from the premises. The water conservation requirements shall be replicated in full on the architectural plans.
21. A detailed Post-Construction Stormwater Control Plan (SWCP) that identifies and sizes all permanent post-construction stormwater treatment BMPs shall be prepared and submitted for review approval. The Plan shall be prepared in accordance with the latest edition of the Bay Area Stormwater Management Agencies Association (BASMAA) Post-Construction Manual and the requirements of the State Water Resources Control Board Phase II Municipal Separate Storm Water System (MS4) General Permit (Order 2013-0001 DWQ).
22. A Post Construction Stormwater Operations and Maintenance Plan that provides a color-coded plan sheet showing all storm drain and water quality infrastructure that is to be maintained, along with detailed instructions and schedules for the ongoing maintenance and operation of all post-construction stormwater BMPs shall be submitted for review and approval by the City Engineer. Once approved, the property owner shall enter into an agreement with the City that provides the terms, conditions, and security associated with the ongoing requirements of the Post Construction Stormwater Best Management Practices.
23. Prior to Certificate of Occupancy, the Applicant shall enter into and record a Post-Construction Stormwater Operations and Maintenance Agreement with the City.
24. If the project includes 500 square feet or more of new landscaping and/or 2,500 square feet or more of rehabilitated landscape, the proposed landscaping shall comply with the State's Model Water Efficient Landscape Ordinance (MWELO).
25. A detailed Soils Investigation/Geotechnical Report shall be prepared and submitted for review. The report shall address, at a minimum, potential for liquefaction, R-values, expansive soils and seismic risk. The improvement plans shall incorporate all design and construction criteria recommended in the Geotechnical Report.
26. Prior to demolition, the applicant shall provide an assessment of the existing structures for the presence of asbestos containing materials and lead based paint by a qualified professional.

27. Unless otherwise explicitly permitted, all existing wells, septic tanks/sytems and/or underground fuel storage tanks shall be abandoned under permit and inspection of Napa County Department of Environmental Services or other designated agency. If there are none, the project engineer shall provide a letter describing the scope of the search done to make this determination.
28. Site plan shall show the location of any trees within the project area. Provide a tree protection plan for approval by the Public Works Director prior to approval of the building permit. The plan shall be coordinated with any civil grading/drainage/improvement plans.
29. The Applicant shall keep adjoining public streets free and clean of project dirt, mud, materials, and debris during the construction period, as is found necessary by the City Engineer.
30. Any new and modified existing water laterals, meters and backflow prevention devices shall be required and constructed in accordance with the current requirements of the City of St. Helena's Water Standards and the California Department of Health Standards. Existing meter boxes located within a driveway shall be retrofitted with a traffic-rated box. New laterals shall be located perpendicular to the water main and outside any driveway/drive aisle.
31. Remodels or new construction which require fire sprinklers shall install an appropriately-sized water service with appropriate backflow and meter devices prior to Certificate of Occupancy. Fire system calculations shall be submitted with the Grading and Drainage Plan to verify fire service lateral and meter sizing. Deferred submittals are not accepted.
32. No construction may commence until adequate access to fire water supply is available to building sites as approved by the Fire Chief.
33. The applicant shall apply for annexation to the St. Helena Municipal Sewer District No. 1 prior to issuance of a Building Permit. The application shall be completed in accordance with the City of St. Helena's Sewer Annexation Procedures including all annexation, impact, connection, and sewer fees.
34. The developer shall construct a 6-inch sewer main sloped at a minimum of 1% or an 8-inch sewer main sloped at a minimum of 0.5% in accordance with City Standards. This improvement shall be coordinated with all civil improvement plans.
35. The applicant shall be responsible for the extension of sewer lines to the property.
36. Construct standard frontage and ADA compliant improvements along the property front including driveway, sidewalk, curb, gutter, and any needed pavement widening. The standard frontage improvements cross section shall consist of a 5' landscape area, 5' sidewalk (measured from TC), 8' parking (including gutter pan), and 10'

vehicle lane (in each direction). At such time the City elects to install a bicycle lane along McCorkle Avenue, on-street parking will be eliminated. Any new asphalt shall taper back to the existing edge of pavement. As a component of these frontage improvements, the project shall reconstruct the roadway to the centerline and slurry seal the entire road along the project frontage. A right-of-way dedication shall be provided as necessary for the said improvements, to the centerline of the existing McCorkle Avenue.

37. Trash areas, dumpsters and recycling containers shall be enclosed and roofed per State and County standards to prevent water run-on to the trash area and water runoff from the area, to contain litter and trash so that it is not dispersed by the wind or run-off during waste removal. In the event that wine or food is disposed in these areas, the enclosed trash area shall drain to the sanitary sewer system. An area drain connected to the sanitary sewer shall be installed in the enclosure area and a structural control such as an oil/water separator or sand filter shall be included. No other area shall drain into the trash enclosure. A sign shall be posted prohibiting the dumping of hazardous materials into the sanitary sewer.
38. The applicant shall repair all public improvements that are damaged by the construction process in accordance with the City Water/Sewer/Street/Storm Drain/Sidewalk Standards prior to Certificate of Occupancy.
39. Existing streets being cut by new utility services will require edge grinding and an A.C. overlay per City standards, extent to be determined by the Public Works Department.
40. The applicant shall be required to obtain an encroachment permit for improvements on public right-of-ways prior to receiving a grading or building permit authorizing site work or construction activities on the site.

Building Department Conditions of Approval

41. The applicant will be required to comply with the codes adopted at the time the applicant applies for a building permit. At this time the City of St. Helena utilizes the 2013 Title 24 codes.
42. When submitting plans for a building permit, the plans shall include all documentation listed on the building permit application checklist.
43. The applicant shall provide a construction waste management plan with the building permit application.
44. The plans for construction shall include a checklist for compliance with the California Green Buildings Standards Code, mandatory measures. Provide a reference on the checklist indicating where the mandatory measures can be found on the plans.
45. When submitting plans, the title page shall include all information referenced on the building permit application checklist Title Page requirements.

632 McCorkle Avenue
Demolition Permit and Design Review
December 6, 2016

46. Building Permit application materials and plans shall include any documentation pertaining to special loads applicable to the design and the specified section of the code that addresses the condition; special inspections for any systems or components requiring special inspection; requirements for seismic resistance; and a complete list of deferred submittals at time of application. Any deferral of the required submittal items shall have prior approval of the Building Official however deferral of fire sprinkler design is not allowed.

Fire Department Conditions of Approval

47. Fire sprinklers and fire hydrants shall be installed as required by Fire Code and the Fire Department.

I HEREBY CERTIFY that the foregoing demolition permit and design review was duly and regularly approved by the Planning Commission of the City of St. Helena at a regular meeting of said Planning Commission held on December 6, 2016 by the following roll call vote:

AYES: Commissioner Sweeney and Kistner

NOES: Commissioner Koberstein

ABSENT: None

ABSTAIN: None

RECUSED: Commissioner Parker and Monnette

APPROVED:



Grace Kistner
Chair, Planning Commission

ATTEST:



Noah Housh
Planning Director



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Consideration and proposed approval of the attached resolution acknowledging and accepting an irrevocable offer of dedication from Gregory Parish Fowler and Christin Diane Fowler of a fifteen foot (15') wide portion of the property located at 2600 Sulphur Springs Avenue for public right of way and utility purposes along Vallejo Street, authorizing the City Manager to execute the acceptance of the irrevocable offer of dedication, determining that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet, and accepting the right of way into the City's street system

CEQA Determination: Approval of resolution not a "project" as defined in Section 15378(a) of State CEQA Guidelines. Even if determined to be a "project" subject to CEQA, action is exempt under the common sense exemption set forth in Section 15061(b)(3).

Prepared By: Edrees Argand, Junior Assistant Engineer

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

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

The City has existing water main improvements located on an unimproved portion of Vallejo Street that is used by the public to connect to Sulphur Springs Avenue. The existing water main is technically still on private property and the access for the line is on an unimproved dirt and gravel portion of Vallejo Street that connects to Sulphur Spring Avenue. When the property owners of 2600 Sulphur Springs Avenue submitted a demolition and design review application, City staff recommended an irrevocable offer of dedication for both public right of way and for utility purposes consistent with the circulation element of the general plan.

DISCUSSION

On June 5, 2018, the Planning Commission adopted Resolution PC2018-024, conditioning the property owners of 2600 Sulphur Springs Avenue, St. Helena, Napa County, California 94574 (Portion of APN No. 009-607-001) to provide an irrevocable offer of dedication for a fifteen foot (15') wide public right of way and utility purposes on Vallejo Street and finding the dedication consistent with the circulation element of the City's general plan. The specific condition included the following requirements:

"Prior to issuance of a building permit by City to applicant for the construction of improvements on the property, applicant shall execute, acknowledge and record an irrevocable offer of dedication in the Official Records of Napa County, in a form and content acceptable to the City Manager and City Attorney, providing for the dedication of the southeasterly fifteen feet (15') of the property to the City of St. Helena for public right of way and utility purposes. Upon the acceptance of said irrevocable offer of dedication by resolution of the City Council of the City of St. Helena, the City shall thereafter be responsible for the installation, construction and maintenance of all public improvements thereon."

On June 27, 2019, in connection with the issuance of the building permit by the City for the construction of residential improvements in the property at 2600 Sulphur Springs Avenue, the property owners executed and acknowledged the requisite Irrevocable Offer of Dedication For Public Right Of Way And Utility Purposes in favor of the City and in compliance with the above referenced condition. See Attachment 2. Therefore, City staff recommends City Council's acceptance of the dedication and authorizing the City Manager to execute the Acceptance Of Irrevocable Offer of Dedication For Public Right Of Way And Utility Purposes (Exhibit C to Attachment 2).

Streets & Highways Code

Streets and Highways Code section 1806(b) provides that no public or private street or road shall become a city street or road until the governing body, by resolution, has caused the street or road to be accepted into the city street system. Upon acceptance into the city street system, the City will be responsible for and therefore authorized to expend public funds on maintenance of said roadway. Accordingly, concurrent with the acceptance of the irrevocable offer of dedication for public right of way and utility purposes, it is also appropriate for the City Council to accept said right of way into the City's street system.

Also note that Streets and Highways Code section 1805 provides in part that "[t]he width of all city streets, except state highways, bridges, alleys, and trails, shall be at least 40 feet, except that the governing body of any city may, by a resolution passed by a four-fifths vote of its membership, determine that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet and, after such determination, proceed with the acquisition, construction or maintenance of any such street."

Accordingly, recognizing that this stretch of Vallejo Street is currently only fifteen feet (15') wide, in order to accept the right of way into the City's street system and thereby ensure the ability of the public, including the City's public safety personnel, to pass through this area, the City Council will need to adopt this resolution by a 4/5ths vote. It should be noted that when the property owners acquired this property back in 2016, they initially placed a k-rail barrier across the area to prevent vehicular access which resulted in opposition from local neighbors and concern from public safety as a result of the diminished access within this area. After contact from the City, the property owners removed the barrier. Accordingly, in order to ensure the convenience and necessity of continued public access through this area, even though only comprising a 15' wide right of way, a 4/5ths vote of the City Council will be required to accept the right of way into the City street system and thereafter be able to undertake construction and maintenance thereof.

CEQA

For purposes of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.), a "project" is defined in State CEQA Guidelines Section 15378 (a) as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment". The right of way in question that is being dedicated has been in existence and use for some time, even though unimproved; further, the City's water line has been within this area for many years. Accordingly, the action to adopt this resolution and accept the right of way dedication and accept the roadway into the City's street system will not result in any change in the environment and thus is not a project subject to the requirements of CEQA. Further, even if the action to adopt this resolution was deemed to be a project subject to CEQA, it is nevertheless exempt from CEQA under the common sense exemption set forth in Section 15061(b)(3), which provides that CEQA only applies to projects which have the potential for causing a significant effect on the environment, and thus where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. That is exactly the situation in this instance.

FISCAL IMPACT

Acceptance of this dedication is not expected to increase funding requirements for the maintenance of all public improvements on, under, over, across, and upon the City's street system. Nevertheless, given the existing condition of the right of way in question which has significant ruts and dips, as well as concerns related to the depth of appropriate coverage over the City's water main, staff will need to take steps to rough grade the area and cover with aggregate base rock to create a safe and passable access. Further, appropriate signage may be appropriate to warn of the narrow right of way.

RECOMMENDED ACTION

Staff recommends City Council adopt the attached resolution (Attachment 1), acknowledging and accepting an Irrevocable Offer Of Dedication from Gregory Parish

Fowler and Christin Diane Fowler, of a fifteen foot (15') wide portion of the property located at 2600 Sulphur Springs Avenue for public right of way and utility purposes on Vallejo Street ([Attachment 2](#)), authorizing the City Manager to execute the Certificate of Acceptance of Irrevocable Offer of Dedication ([Exhibit C](#) to [Attachment 2](#)), accepting the right of way into the City's street system, and finding by a 4/5ths vote of the City Council that the public convenience and necessity demand the acquisition, construction and maintenance of a street less than 40 feet wide.

ATTACHMENTS

[Attachment 1: Resolution](#)

[Attachment 2: Irrevocable Offer of Dedication](#)

[Attachment 3: Certificate of Acceptance of Grant Deed](#)

[Attachment 4: Planning Commission Resolution PC2018-024](#)

CITY OF ST. HELENA

RESOLUTION No. 2019-

Resolution acknowledging and accepting an irrevocable offer of dedication from Gregory Parish Fowler and Christin Diane Fowler of a fifteen foot (15') wide portion of the property located at 2600 Sulphur Springs Avenue for public right of way and utility purposes along Vallejo Street, authorizing the City Manager to execute the acceptance of the irrevocable offer of dedication, determining that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet, and accepting the right of way into the City's street system

- A. On June 5, 2018, the Planning Commission adopted Resolution PC2018-024, conditioning the property owners of 2600 Sulphur Springs Avenue, St. Helena, Napa County, California 94574 (Portion of APN No. 009-607-001) to provide to the City of St. Helena an irrevocable offer of dedication of the southerly fifteen feet (15') of the property, commonly referred to as Vallejo Street, for public right of way and utility purposes and finding the dedication consistent with the circulation element of the City's general plan; and
- B. The acceptance of the fifteen-foot-wide parcel of land for public right-of-way and utility purposes is consistent with the circulation element of the City's general plan; and
- C. The dedication as required in the project conditions of approval did not require additional improvements to be made by the property owner as part of their project.

RESOLUTION

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

1. For purposes of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.), a "project" is defined in State CEQA Guidelines Section 15378 (a) as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment". The right of way in question that is being accepted pursuant to this resolution, and the public utility within it, have been in existence for some time. Accordingly, the City Council finds that the action to adopt this resolution and thereby accept the right of way dedication and accept the 15' wide roadway into the City's street system will not result in any change in the environment and thus is not a project subject to the requirements of CEQA. Further, even if the action to adopt this resolution was deemed to be a project subject to CEQA, it is nevertheless exempt from CEQA under the common sense exemption set forth in Section 15061(b)(3), which provides that CEQA only applies to projects which have the potential for causing a significant effect on the environment, and thus where it can be seen with

certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

2. The City Council acknowledges the receipt of the Irrevocable Offer Of Dedication For Public Right Of Way And Utility Purposes, dated June 27, 2019, from Gregory Parish Fowler and Christin Diane Fowler of a fifteen foot (15') wide portion of the property located at 2600 Sulphur Springs Avenue (Portion of APN No. 009-670-001-000)for public right of way and utility purposes on Vallejo Street.
3. The City Council hereby accepts the Irrevocable Offer Of Dedication For Public Right Of Way And Utility Purposes and authorizes the City Manager to execute the Acceptance of Irrevocable Offer Of Dedication For Public Right Of Way And Utility Purposes on behalf of the City of St. Helena and take all necessary steps to cause said documents to be recorded in the Official Records of the Napa County.
4. In accordance with California Streets and Highways Code Section 1805, the City Council hereby determines, by a 4/5ths vote, that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet.
5. In accordance with California Streets and Highways Code Section 1806, the City Council hereby accepts said right of way identified in the Irrevocable Offer Of Dedication For Public Right Of Way And Utility Purposes into the City's street system.

Approved at a Regular Meeting of the St. Helena City Council on August 27, 2019 by the following vote:

Mayor Ellsworth:	_____
Vice Mayor Dohring:	_____
Councilmember Koberstein:	_____
Councilmember Chouteau:	_____
Councilmember Knudsen:	_____

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzafopoulos, City Clerk

OAK #4813-5767-4656 v2

RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

City of St. Helena
1480 Main Street
St. Helena, California 94574

The City of St. Helena is Exempt from Recording Fees (Government Code §27383), Documentary Transfer Tax and City Transfer Tax (Rev. & Taxation Code §11922 and St. Helena Municipal Code §3.20.050), and Building Homes & Jobs Trust Fund Fee (Govt. Code §27388 I(a)(2)(D)).

APN: 009-670-001-000

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IRREVOCABLE OFFER OF DEDICATION FOR PUBLIC RIGHT OF WAY AND UTILITY PURPOSES

THE UNDERSIGNED, GREGORY PARISH FOWLER AND CHRISTIN DIANE FOWLER, TRUSTEES OF THE GREGORY PARISH FOWLER AND CHRISTIN DIANE FOWLER 1998 REVOCABLE TRUST ("Property Owner"), being the present fee title owner of record of the real property located at 2600 Sulphur Springs Avenue, St. Helena, County of Napa, California, does hereby make, pursuant to California Government Code Section 7050, an irrevocable offer of dedication ("Offer of Dedication") to the City of St. Helena, a California municipal corporation ("City"), of an easement for public right of way and underground public utility purposes on, under, over, across, and upon the real property situated in the City of St. Helena, County of Napa, State of California, and legally described in Exhibit A and depicted in Exhibit B ("Easement Area") attached hereto and incorporated herein by this reference.

A. This Offer of Dedication is made by Property Owner pursuant to the terms of Resolution No. PC2018-024 of the City of St. Helena Planning Commission, approved June 5, 2018, relating to Property Owner's application (File No. PL17-070) for approval of a demolition permit and design review for improvements.

B. City shall have the right to record this Offer of Dedication in the Official Records upon its execution and delivery by Property Owner. At such time as City may accept the foregoing Offer of Dedication by resolution of the City Council of the City of St. Helena, the acceptance thereof shall be made by executing and recording the Acceptance of Irrevocable Offer of Dedication (the "Acceptance") attached hereto as Exhibit C and incorporated herein by this reference.

C. Upon the execution and recording of the Acceptance by City, the City shall be responsible for the installation, construction and maintenance of all public improvements on, under, over, across, and upon the Easement Area.

IN WITNESS WHEREOF, Property Owner has executed this Irrevocable Offer Of Dedication For Public Right of Way And Utility Purposes as of the 27 day of JUNE, 2019.

OAK #4818-6516-2903 v1
05829-0051

PROPERTY OWNER:

GREGORY PARISH FOWLER AND
CHRISTIN DIANE FOWLER, TRUSTEES
OF THE GREGORY PARISH FOWLER
AND CHRISTIN DIANE FOWLER 1998
REVOCABLE TRUST

By: 
Gregory Parish Fowler, Trustee

By: 
Christin Diane Fowler, Trustee

ACKNOWLEDGMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF Napa)

On 6/27/19, 2019 before me, Sharon Ross,
Notary Public, personally appeared Gregory Parish Fowler,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Sharon Ross (seal)



ACKNOWLEDGMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

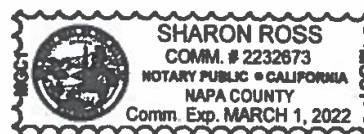
STATE OF CALIFORNIA)
COUNTY OF Napa)

On 6/27/, 2019 before me, Sharon Ross,
Notary Public, personally appeared Christin Diane Fowler,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Sharon Ross (seal)



OAK #4818-6516-2903 v1
05829-0051

EXHIBIT A

**LEGAL DESCRIPTION OF PUBLIC RIGHT OF WAY AND UTILITY EASEMENT
AREA**

Exhibit A

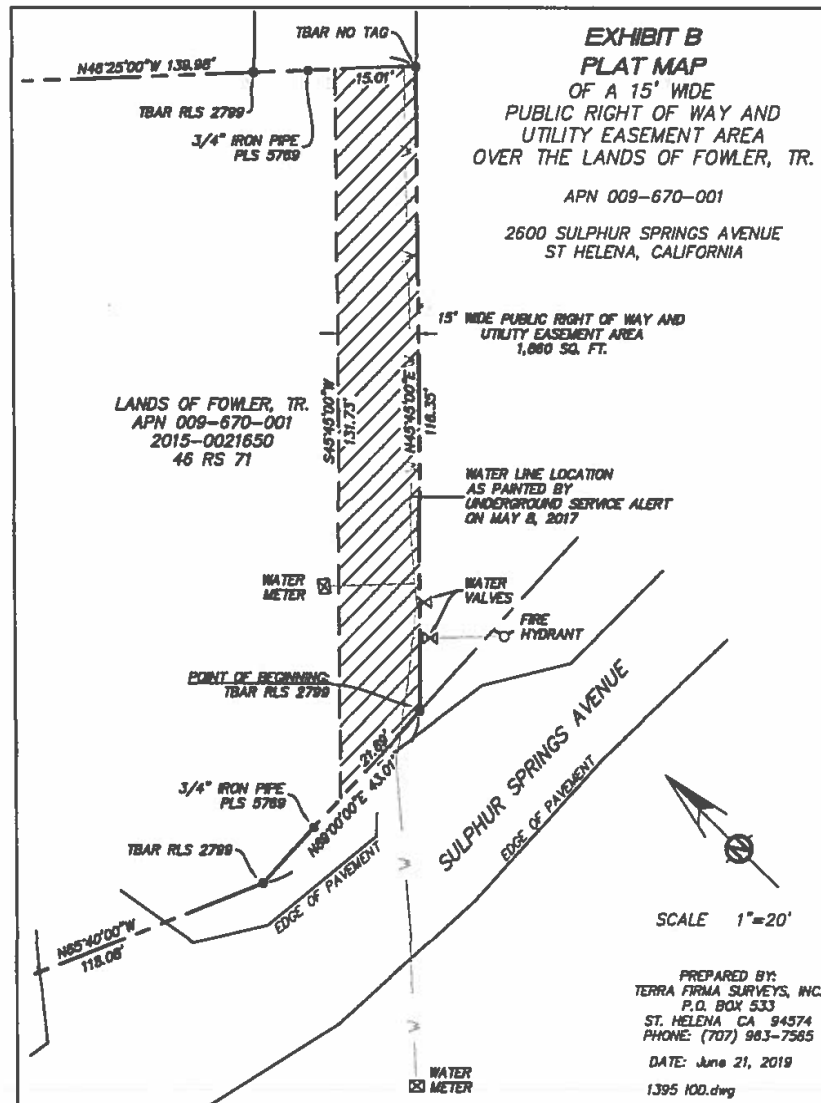
LEGAL DESCRIPTION

15-foot Wide Public Right of Way and Utility Easement Area

Beginning at a T-Bar and tag RLS 2799 at the southeasterly corner of the 0.51 acre tract shown on the map entitled "Record of Survey of the Lands of Gregory Parish Fowler and Christin Diane Fowler, Trustees", filed November 17, 2017 in Book 46 of Surveys at page 71 in the Office of the Napa County Recorder, said T-Bar also being on the northerly line of Sulphur Springs Avenue; thence along the southeasterly line of the lands of said Fowler as shown on said Map North 45°45'00" East 116.35 feet to the most easterly corner of the lands of said Fowler; thence along the northeasterly line of the lands of said Fowler as shown on said Map North 46°25'00" West 15.01 feet; thence leaving said northeasterly line along a line parallel to and 15.00 feet distant, at right angle measure, from said southeasterly line South 45°45'00" West 131.73 feet to the northerly line of Sulphur Springs Avenue, also being the southeasterly line of the lands of said Fowler; thence along the northerly line of Sulphur Springs Avenue North 89°00'00" East 21.89 feet to the point of beginning; containing 1,860 square feet of land, more or less.

EXHIBIT B

PLAT MAP OF PUBLIC RIGHT OF WAY AND UTILITY EASEMENT AREA



OAK #4818-6516-2903 v1
05829-0051

Exhibit B

EXHIBIT C

RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

City of St. Helena
1480 Main Street
St. Helena, California 94574

The City of St. Helena is Exempt from Recording Fees (Government Code §27383), Documentary Transfer Tax and City Transfer Tax (Rev. & Taxation Code §11922 and St. Helena Municipal Code §3.20.050), and Building Homes & Jobs Trust Fund Fee (Govt. Code §27388.1(u)(2)(D)).

APN: 009-670-001-000

(Space above this line for Recorder's use)

**ACCEPTANCE OF IRREVOCABLE OFFER OF DEDICATION FOR PUBLIC RIGHT
OF WAY AND UTILITY PURPOSES**

THE UNDERSIGNED, CITY OF ST. HELENA, a California municipal corporation ("City"), is in receipt of an Irrevocable Offer Of Dedication For Public Right Of Way And Utility Purposes ("Offer of Dedication") by GREGORY PARISH FOWLER AND CHRISTIN DIANE FOWLER, TRUSTEES OF THE GREGORY PARISH FOWLER AND CHRISTIN DIANE FOWLER 1998 REVOCABLE TRUST ("Property Owner"), pertaining to certain real property situated in the City of St. Helena, County of Napa, State of California, and described in Exhibit A and depicted in Exhibit B ("Easement Area") attached to said Offer of Dedication dated as of _____, 2019, and recorded in the Official Records of Napa County, California (the "Official Records") on _____, 2019, as Document No. _____.

The Offer of Dedication was made by Property Owner pursuant to the terms of Resolution No. PC2018-024 of the City of St. Helena Planning Commission, approved June 5, 2018, relating to Property Owner's application (File No. PL17-070) for approval of a demolition permit and design review for improvements.

This is to certify that the interest in real property conveyed by the Offer of Dedication dated as of _____, 2019, is hereby accepted by the undersigned officer on behalf of the City Council of the City of St. Helena pursuant to authority conferred by Resolution No. _____ of the City Council of the City of St. Helena adopted on _____, 20____, and the City consents to recordation thereof by its duly authorized officer.

Upon the execution and recording of this Acceptance Of Irrevocable Offer Of Dedication For Public Right Of Way And Utility Purposes, the City shall be responsible for the installation, construction and maintenance of all public improvements on, under, over, across, and upon the Easement Area.

OAK #4818-6516-2903 v1
05829-0051

EXHIBIT C-6

IN WITNESS WHEREOF, City has executed this Acceptance of Irrevocable Offer of Dedication for Public Right of Way and Utility Purposes as of the ____ day of _____, 20__.

CITY OF ST HELENA,
a California municipal corporation

By: _____
Name: _____
Its: City Manager

APPROVED AS TO FORM AND CONTENT:

By: _____
Name: _____
Its: City Attorney

ATTEST:

By: _____
Name: _____
Its: City Clerk

**CERTIFICATE OF ACCEPTANCE OF GRANT DEED
2600 Sulphur Springs Avenue, St. Helena, CA 94574**

This is to certify that the interest in a portion of real property located at 2600 Sulphur Springs Avenue, St. Helena, Napa County, California 94574 (Portion of APN No. 009-607-001) to be conveyed by Grant Deed dated _____, 2019, executed by Nest Properties of St. Helena LLC, a California limited liability company (“Grantor”) and granted to the City of St. Helena, a California municipal corporation (“Grantee”), shall be accepted on behalf of the City by its City Manager pursuant to authority conferred by Resolution No. _____, adopted by the City Council of the City of St. Helena on _____, 2019, and that Grantee consents to recordation of the Grant Deed by its duly authorized officer.

Dated: _____, 2019 By: _____
Mark Prestwich, City Manager

ATTEST:

By: _____
Cindy Tzaopoulos, City Clerk

APPROVED AS TO FORM:

By : _____
Michael G. Biddle, City Attorney

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

County of Napa)

On _____, 2019, before me,

(Name of Notary)

personally _____ appeared
_____ who proved to me
on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and
that by his/her/their signature(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Notary Signature)

CITY OF ST. HELENA PLANNING COMMISSION

RESOLUTION NO. PC2018-024

**GRANTING DEMOLITION PERMIT AND DESIGN REVIEW APPROVAL TO
2600 SULPHUR SPRINGS AVENUE (File No. PL17-070)**

PROPERTY OWNER: Greg & Christin Fowler

APN: 009-670-001

Recitals

1. The property owner requests adoption of a resolution approving a demolition permit and design review in order to demolish an existing single-family residence and associated structures to accommodate the construction of a new single-family home and garage on the property located at 2600 Sulphur Springs Avenue in the A-20 zoning district;
2. A Notice of Application was sent to all property owners and residents within 500 feet of the project site on January 5, 2018. This notice provided a description of the project and solicited questions or comments from the public on the project;
3. A public notice was published in the Napa Valley Register and mailed to residents and occupants within 300 feet of the project site in compliance with state and local law;
4. The Planning Commission of the City of St. Helena, State of California, considered the project, staff report, and all testimony, written and spoken, at a duly noticed public hearing on June 5, 2018; and
5. Now, therefore let it be found that, the Planning Commission approves the demolition permit and design review thereby authorizing the modifications contained in said plans based on the findings below and subject to the conditions of approval enumerated herein.

Resolution

- A. In making the findings in this Resolution, the Planning Commission relied upon and hereby incorporates by reference all of the documents referenced in this Resolution and the associated staff reports, City files for this matter, correspondence, presentations and other materials.
- B. The Planning Commission hereby finds that the project is exempt from the requirements of CEQA pursuant to Section 15301 which exempts the demolition and removal of small structures including single-family homes and Section 15303, which exempts the construction or conversion of small structures including single-family residences, garages, pools, etc.
- C. Pursuant to Municipal Code Section 17.164.050, the Planning Commission makes the following findings to support the motion to approve the demolition permit to allow for the demolition the existing structures on-site:

*2600 Sulphur Spring Avenue
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1. *That, based on the public record and testimony presented at a public hearing, the building is determined not to be a significant architectural or historical building in that the home was constructed in 1966 and is not listed on the City's Historical Resources Master List nor is it located in one of the City's three historic districts as described in the 1993 General Plan.*
 2. *That the demolition does not eliminate elements that are required to maintain the essential character of the neighborhood in that demolition of the existing home will not negatively affect the character of the neighborhood; and*
 3. *That design review of the proposed replacement structure has been approved in conjunction with the demolition permit.*
- D. In accordance with the design review criteria identified in Municipal Code Section 17.164.030, the Planning Commission finds that the project demonstrates the following:
1. *Consistency and compatibility with applicable elements of the general plan in that the project consists of constructing a replacement single-family home in an area where single-family homes are permitted;*
 2. *Compatibility of design with the immediate environment of the site in that the residence has been designed to be compatible with the site and its surroundings;*
 3. *Relationship of the design to the site is found to be consistent in that the project was designed in consideration of the unique characteristics of the site;*
 4. *That the design is compatible in areas considered by the board as having a unified design or historical character in that the home is not an area of with a unified design character and has been designed to be compatible with the site and the surrounding area;*
 5. *That the design promotes harmonious transition in scale and character in areas between different designated land uses in that the project is the construction of a single-family home in an area designated agricultural and residential land uses;*
 6. *Compatibility with future construction both on and off the site in that the project consists of constructing a single-family home in an area designated agricultural and residential land uses;*
 7. *That the architectural design of structures and their materials and colors are appropriate to the function of the project in that the project is a professionally designed single-family home;*
 8. *That the planning and siting of the various functions and buildings on the site create an internal sense of order and provide a desirable environment for occupants, visitors and the general community in that the home has been designed to be compatible with the site and its surroundings;*
 9. *That the amount and arrangement of open space and landscaping are appropriate to the design and the function of the structures in that the home and associated landscaping has been designed to be compatible with the site and its surroundings;*

- 10. Whether sufficient ancillary functions are provided to support the main functions of the project and whether they are compatible with the project's design concept in that the project meets all City requirements for the remodeling of a single-family home;*
- 11. That access to the property and circulation systems are safe and convenient for pedestrians, cyclists and vehicles in that access to the site will remain via Sulphur Springs Avenue and private access to existing homes on Vallejo Street will be maintained;*
- 12. That natural features are appropriately preserved and integrated with the project in that the residence and associated landscaping has been designed to be compatible with the site and its surroundings;*
- 13. That the materials, textures, colors and details of construction are an appropriate expression of its design concept and function and whether they are compatible with the adjacent and neighboring structure and functions in that in that the home will be constructed of modern building materials and will be compatible with surrounding residential development;*
- 14. In areas considered by the board as having a unified design character or historical character, whether the design is compatible with such character in that the home is not an area of with a unified design character and has been designed to be compatible with the site and the surrounding area;*
- 15. That the landscape design concept for the site, as shown by the relationship of plant masses, open space, scale, plant forms and foliage textures and colors create a desirable and functional environment and whether the landscape concept depicts an appropriate unity with the various buildings on the site in that the residence and associated landscaping has been designed to be compatible with the site and its surroundings;*
- 16. That plant material is suitable and adaptable to the site, capable of being properly maintained on the site, and is of a variety which is suitable to the climate of St. Helena in that the landscape plan was professionally prepared based on the characteristics of the site;*
- 17. That sustainability and climate protection are promoted through the use of green building practices such as appropriate site/architectural design, use of green building materials, energy efficient systems and water efficient landscape materials in that project related construction is required to meet all California Building Codes and City of St. Helena development standards.*

Planning Department Conditions of Approval

- E. The Planning Commission approves design review for the above-described project with the following conditions of approval. The conditions noted below are particularly pertinent to this permit and shall not be construed to permit violation of other laws and policies not so listed.

1. The project shall be in conformance with all city ordinances, rules, regulations and policies in effect at the time of issuance of a building permit.
2. The design review shall be vested within one (1) year from the date of final action. A building permit for the use allowed under this approval shall have been obtained within one (1) year from the effective date of this action or the approval shall expire, provided however that the approval may be extended for up to two (2) one-year periods pursuant to the St. Helena Municipal Code, Section 17.08.130, Extension of Permits and Approvals.
3. Any request for an extension of this approval shall be justified in writing and received by the Planning Department at least thirty (30) days prior to expiration.
4. The approvals shall not become effective until fourteen (14) calendar days after approval, providing that the action is not appealed by the City Council or any other interested party within that 14-day period.
5. All required fees, including planning fees, development impact fees, residential in-lieu housing fees, building fees, toilet retrofit fees, and St. Helena Unified School District fees shall be paid prior to issuance of a building permit. Fees shall be those in effect at the time of the issuance of the building permit.
6. Pursuant to City Council Resolution 2003-65, the owner and applicant are informed of the following:

In recognition of the need for additional affordable housing, and to mitigate the effects of this development on the supply and demand of affordable housing, the permittee shall be subject to a Housing Impact Fee, an inclusionary requirement, an in-lieu fee, and/or similar fair and appropriate mechanisms, to provide funds for or to develop additional affordable housing.
7. Compliance with all permit conditions shall occur in accordance with specific regulations but in all cases no later than prior to occupancy or initiation of use unless another time is set by law or by this approval. Occupancy or final inspection of a project may be withheld if all conditions, including payment of fees for services rendered by the City, are not met.
8. In any action or proceeding to attack, challenge, invalidate, set aside, void or annul the City's approval of applicant's Project, in whole or in part, applicant shall defend, at its own expense and without any cost to the City, and with counsel acceptable to the City, and shall fully and completely indemnify and hold the City, its agents, officers, and employees harmless from and against any and all claims, causes of action, damages, costs, attorney's fees and liability of any kind, so long as the City reasonably promptly notifies the applicant of any such claim, action, or proceedings and the City cooperates fully in the defense of the action or proceedings.
9. Provided they are in general compliance with this approval, minor modifications may be approved by the Planning Director.
10. Pursuant to St. Helena Municipal Code Section 17.08.110, this permit shall run with the land and shall be binding upon all parties having any right, title or interest in the

real property or any part thereof, their heirs, successors and assigns, and shall inure to their benefit and benefit of the City of St. Helena.

11. The primary purpose of this review is for compliance with the General Plan and Zoning Ordinance. The property owners or their designee shall be responsible for meeting with the Building Official, Fire Inspector and or Public Works Department to review compliance with Building Codes, Fire Codes and specific Public Works Standards including fire protection systems and any applicable accessibility standards of Title 24.
12. Construction shall be in compliance with plans submitted and reviewed by the Planning Commission on June 5, 2018, except as modified herein.
13. During construction, the project site shall be adequately fenced and secured to prevent trespassing.
14. Exterior lighting shall be directed or shielded to prevent glare onto the public roadway or adjacent properties.
15. A fifteen (15) foot wide section of the property that parallels Vallejo Street shall remain unobstructed, including landscaping.
16. Prior to issuance of a building permit by City to applicant for the construction of improvements on the property, applicant shall execute, acknowledge and record an irrevocable offer of dedication in the Official Records of Napa County, in a form and content acceptable to the City Manager and City Attorney, providing for the dedication of the southeasterly fifteen feet (15') of the property to the City of St. Helena for public right of way and utility purposes. Upon the acceptance of said irrevocable offer of dedication by resolution of the City Council of the City of St. Helena, the City shall thereafter be responsible for the installation, construction and maintenance of all public improvements thereon.
17. To reduce disturbance of residents in the project vicinity, construction activities which generate noise that can be heard at the property line of any parcel of real property within the City limits shall be limited to 8:00 a.m. to 5:00 p.m. Monday through Saturday. Delivery of materials/equipment and cleaning and servicing of machines/equipment shall be limited to 7:00 a.m. to 6:00 p.m. Exceptions to these time restrictions may be granted by the Public Works Director for one of the following reasons: (1) inclement weather affecting work, (2) emergency work, or (3) other work, if work and equipment will not create noise that may be unreasonably offensive to neighbors as to constitute a nuisance. The City Engineer must be notified and give approval in advance of such work. No construction activities shall occur on Sundays or federal or local holidays that generate noise that can be heard at the property line of any parcel of real property within the City limits.

Public Works Department Conditions of Approval

18. Approval of this project shall be subject to the requirements of, and all improvements shall be designed and constructed in accordance with, the most current version at the time of improvement plan submittal, Caltrans Standards and Specifications, the City of St. Helena Municipal Code, the St. Helena Water and

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June 5, 2018

Sewer Standards, the St. Helena Street, Storm Drain and Sidewalk Standards, and all current federal, state and county codes governing such improvements.

19. For any improvements outside the existing building envelope, a grading and drainage plan showing topographic data, all easements, infrastructure onsite and directly adjoining, and an erosion control plan shall be submitted for review and approval by the City Engineer prior to the issuance of a building permit. If the project entails more than 50 cubic yards of soil disturbance, 10,000 square feet of disturbance area, a cut or fill of 3 feet or more, or alteration of any drainage pattern, a grading permit shall be required.
20. Drainage needs to be routed to prevent inundation of neighboring properties. Grading and/or site improvement plans shall show how 2-year and 10-year storm flows shall be infiltrated on site and/or diverted at the property lines to prevent inundation of neighboring properties.
21. Prepare and implement a Stormwater Control Plan as required by the Bay Area Stormwater Management Agencies Association (BASMAA) Post-Construction Manual, dated July 14, 2014.
22. Erosion and sediment control plans shall conform to the latest State and City codes at a minimum.
23. Provide details of any and all proposed fencing, gates, and/or walls on all plans submitted for building permit review.
24. Provide a recorded copy of the dedicated utility easement.
25. The applicant shall install a traffic rated meter box and locate it as close to the public right of way as possible for City access.
26. The applicant shall install an approved backflow device behind the new water meter prior to Certificate of Occupancy. Any new and modified existing water laterals, meters and backflow prevention devices shall be required to be constructed and tested in accordance with the current requirements of the City of St. Helena's Water Standards and the California Department of Health Standards. Existing meter boxes located within a driveway shall be retrofitted with a traffic-rated box. New laterals shall be located perpendicular to the water main and outside any driveway/drive aisle. Applicants with an approved backflow device shall submit current test results prior to Certificate of Occupancy.
27. If the project includes 500 square feet or more of new landscaping and/or 2,500 square feet or more of rehabilitated landscape, the proposed landscaping shall comply with the State's Model Water Efficient Landscape Ordinance (MWELO).
28. Site plan shall show the location of any trees within the project area.
29. The applicant shall conform to the City of St. Helena Water and Sewer Standards Section 6-2.10 which includes assessing the adequacy of the lateral, replacing if necessary and installing any needed cleanouts prior to Certificate of Occupancy.

30. The applicant shall conform to Napa County Department of Environmental Management's regulations, policies & guidelines for the design/ construction of septic systems.
31. The applicant shall provide a copy of acceptance by the County for the approved septic system prior to Certificate of Occupancy.
32. Remodels or new construction which require fire sprinklers shall install an appropriately-sized water service with appropriate backflow and meter devices prior to Certificate of Occupancy. Fire system calculations shall be submitted with the Grading and Drainage Plan to verify fire service lateral and meter sizing. Deferred submittals are not accepted.
33. The applicant shall incorporate water conservation practices into the proposed project per the Water Neutrality Analysis prepared by Peter J. Collins Architects, dated April, 6, 2018. Any and all non-conforming appliances and plumbing fixtures shall be removed from the premises. The water conservation requirements shall be replicated in full on the architectural plans.
34. All driveway approaches shall be per current City and ADA standards. Where none exists, or where deteriorating or non-standard driveway approaches exist, they shall be installed or replaced at the direction of the Public Works Department prior to Certificate of Occupancy. The driveway shall be replaced in order to conform to current ADA Standards.
35. Any missing or broken curb and gutter along the project frontage shall be constructed and/or replaced prior to Certificate of Occupancy, extent to be determined by the Public Works Department.
36. The applicant shall repair all public improvements that are damaged by the construction process in accordance with the City Water/Sewer/Street/Storm Drain/Sidewalk Standards prior to Certificate of Occupancy.
37. Existing streets being cut by new utility services will require edge grinding and an A.C. overlay per City standards, extent to be determined by the Public Works Department.
38. An encroachment permit shall be required for any work performed in the public right of way.

Building Department Conditions of Approval

39. A building permit is required for all onsite demolition, construction and/or change of occupancy.
40. The applicant will be required to comply with the codes adopted at the time the applicant applies for a building permit. At this time the City of St. Helena utilizes the 2016 Title 24 codes.
41. When submitting plans for a building permit, the plans shall include all documentation listed on the building permit application checklist.

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42. The applicant shall provide a construction waste management plan with the building permit application.
43. The plans for construction shall include a checklist for compliance with the California Green Buildings Standards Code, mandatory measures. Provide a reference on the checklist indicating where the mandatory measures can be found on the plans.
44. When submitting plans, the title page shall include all information referenced on the building permit application checklist Title Page requirements.
45. Building Permit application materials and plans shall include any documentation pertaining to special loads applicable to the design and the specified section of the code that addresses the condition; special inspections for any systems or components requiring special inspection; requirements for seismic resistance; and a complete list of deferred submittals at time of application. Any deferral of the required submittal items shall have prior approval of the Building Official however deferral of fire sprinkler design is not allowed.
46. Properties which are on septic systems and proposing substantial renovations may require approval from the Napa County Environmental Health Department. Applicants are encouraged to engage with the County early in the building permit review process to reduce the potential for delay.

Fire Department Conditions of Approval

47. Fire sprinklers and fire hydrants shall be installed as required by Fire Code and the Fire Department.
48. On-site access roads shall be extended to the satisfaction of the Fire Marshal.
49. All on-site access roads must be designed and constructed in order to support the weight of a fire engine.
50. Any gates installed to control vehicular access to a property are required to be setback 30-feet from the property line and/or edge of pavement, whichever is greater. No vehicle gates may be installed without Fire Department and Public Works Department review and explicit approval.

I HEREBY CERTIFY that the foregoing demolition permit and design review application was duly and regularly approved by the Planning Commission of the City of St. Helena at a regular meeting of said Planning Commission held on June 5, 2018 by the following roll call vote:

AYES: Commissioner Hardy, Ponte, Knudsen, Monnette and Kistner

NOES: None

ABSENT: None

ABSTAIN: None

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APPROVED:



Grace Kistner
Chair, Planning Commission

ATTEST:



Noah Housh,
Planning and Community
Improvement Director



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Authorize the Mayor to sign a letter of support for SB5, (as amended, Beall) which would establish an Affordable Housing and Community Development Investment Program in California.

CEQA Not a CEQA project
Determination:

Prepared By: Jessica Deakyne, Asst. to the City Manager

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, subject to certain modifications. Existing law requires an annual reallocation of property tax revenue from local agencies in each county to the Educational Revenue Augmentation Fund (ERAF) in that county for allocation to specified educational entities. This bill would establish in state government the Affordable Housing and Community Development Investment Program, which would be administered by the Affordable Housing and Community Development Investment Committee.

The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority, transit village development district, or a combination of those entities, to apply to the Affordable Housing and Community Development Investment Committee to participate in the program and would authorize the committee to approve or deny plans for projects meeting specific criteria. The bill would also authorize certain local agencies to establish an affordable housing and community development investment agency and authorize an agency to apply for funding under the program and

issue bonds, as provided, to carry out a project under the program. This bill contains other related provisions and other existing laws.

DISCUSSION

This measure would incentivize cities throughout California to identify innovative solutions to address the housing crisis while also supporting other State policy objectives. SB 5 recognizes the diversity of California cities and acknowledges the flexibility cities need to spur housing construction and revitalize communities. Since the elimination of redevelopment agencies in 2011, the Legislature has created several new tools that use tax increment financing, which include the formation of enhanced infrastructure financing districts (EIFD), affordable housing authorities, and community revitalization investment authorities (CRIA).

While these new tools can be useful to local agencies, they are widely viewed as lacking sufficient financial capacity compared to what existed under former redevelopment agencies. The limited funding has resulted in few cities taking advantage of these new tools. SB 5 would create a local-State partnership to provide up to \$2 billion annually to fund State approved affordable housing, infrastructure, and economic development projects that also support State policies to reduce greenhouse gas emissions, expand transit oriented development (TOD), address poverty, and revitalize neighborhoods.

On July 10, 2019 the bill was passed as amended and re-referred to the Assembly Committee on Appropriations. This bill received its third reading in the Senate on May 29, 2019 and is moving through Assembly as of July 3, 2019.

FISCAL IMPACT

There is no fiscal impact to sign the letter of support for SB5. If SB5 is passed, the funding will come from ERAF already being contributed by local entities; however, it is not clear if SB5 will affect excess ERAF money currently refunded to cities, counties, and special districts.

RECOMMENDED ACTION

Staff recommends that the City Council authorize the Mayor to sign a letter of support for SB5 on behalf of the City Council.

ATTACHMENTS

[SB5 Full Bill Text](#)

[SB5 analysis](#)

[SB 5 DRAFT letter of support](#)

AMENDED IN ASSEMBLY JUNE 17, 2019

AMENDED IN SENATE MAY 24, 2019

AMENDED IN SENATE MAY 21, 2019

AMENDED IN SENATE APRIL 23, 2019

AMENDED IN SENATE APRIL 8, 2019

AMENDED IN SENATE MARCH 21, 2019

AMENDED IN SENATE MARCH 18, 2019

SENATE BILL

No. 5

Introduced by Senators Beall, McGuire, and Portantino

(Principal coauthor: Senator Roth)

(Coauthors: Senators *Bradford*, *Caballero*, *Hueso*, *Stern*, and *Wiener*)

(Coauthor: ~~Assembly Member Mullin~~)

(Coauthors: *Assembly Members Carrillo, Kalra, Mullin, Wicks, and Gabriel*)

December 3, 2018

An act to add Section 41202.6 to the Education Code, to add Part 4 (commencing with Section 55900) to Division 2 of Title 5 of, and to add Division 6 (commencing with Section 62300) to Title 6 of, the Government Code, and to add Section 97.68.1 to the Revenue and Taxation Code, relating to local government finance.

LEGISLATIVE COUNSEL'S DIGEST

SB 5, as amended, Beall. Affordable Housing and Community Development Investment Program.

SB 5

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Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, subject to certain modifications. Existing law requires an annual reallocation of property tax revenue from local agencies in each county to the Educational Revenue Augmentation Fund (ERAF) in that county for allocation to specified educational entities.

Existing law authorizes certain local agencies to form an enhanced infrastructure financing district, affordable housing authority, transit village development district, or community revitalization and investment authority for purposes of, among other things, infrastructure, affordable housing, and economic revitalization.

This bill would establish in state government the Affordable Housing and Community Development Investment Program, which would be administered by the Affordable Housing and Community Development Investment Committee. The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority, transit village development district, or a combination of those entities, to apply to the Affordable Housing and Community Development Investment Committee to participate in the program and would authorize the committee to approve or deny plans for projects meeting specific criteria. The bill would also authorize certain local agencies to establish an affordable housing and community development investment agency and authorize an agency to apply for funding under the program and issue bonds, as provided, to carry out a project under the program.

The bill would require the Affordable Housing and Community Development Investment Committee to adopt guidelines for plans. Subject to the Legislature enacting a budget bill for the applicable fiscal year that specifies the amount for the committee to allocate pursuant to the program, the bill would require the committee to approve no more than \$200,000,000 per year from July 1, 2021, to June 30, 2026, and \$250,000,000 per year from July 1, 2026, to June 30, 2030, in transfers from a county's ERAF for applicants for plans approved pursuant to this program. This bill would provide that eligible projects include, among other things, the predevelopment, development, acquisition, rehabilitation, and preservation of workforce and affordable housing, certain transit-oriented development, and projects promoting strong neighborhoods.

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The bill would require the Affordable Housing and Community Development Investment Committee, upon approval of a plan and subject to specified conditions, to issue an order directing the county auditor to transfer ad valorem property tax revenue from the county's ERAF into the Affordable Housing and Community Development Investment Fund, which is created by this bill in the treasury of each county, and allocate moneys in that fund as directed by the committee, as specified. The bill would require the auditor, if the applicant is an enhanced infrastructure financing district, affordable housing authority, affordable housing and community development investment agency, transit village development district, or community revitalization investment authority, to transfer to the city or county that created the authority or district an amount of property tax revenue equal to the amount approved by the Affordable Housing and Community Development Investment Committee for that authority or district. The bill would require the city or county that created the district to, upon receipt, transfer those funds to the authority or district in an amount equal to the affordable housing and community development investment amount for that authority or district. By imposing additional duties on local officials, the bill would impose a state-mandated local program. The bill would authorize applicants to use approved amounts to incur debt or issue bonds or other financing to support an approved project.

The bill also would require each applicant that has received funding to submit annual reports, as specified, and would require the Affordable Housing and Community Development Investment Committee to provide a report to the Joint Legislative Budget Committee, if it approves funding under the program, that includes certain project information.

Section 8 of Article XVI of the California Constitution sets forth a formula for computing the minimum amount of revenues that the state is required to appropriate for the support of school districts and community college districts for each fiscal year.

This bill would require the Director of Finance to adjust the percentage of General Fund revenues appropriated for school districts and community college districts for these purposes in a manner that ensures that the transfers from a county's ERAF pursuant to the Affordable Housing and Community Development Investment Program have no net fiscal impact upon the total amount of the General Fund revenue and local property tax revenue allocated to school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution, as specified.

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The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) In recent years the Legislature has created several new
4 opportunities to use tax increment financing, which include the
5 formation of enhanced infrastructure financing districts, affordable
6 housing authorities, and community revitalization investment
7 authorities. While these new tools can be useful to local agencies,
8 they are widely viewed as lacking sufficient financial capacity
9 compared to what existed under the former tax increment financing
10 tool utilized by community redevelopment agencies.

11 (1) Under redevelopment, all of the growth in property tax (tax
12 increment) within a project area over a base year, net of mandatory
13 pass-through payments, that would otherwise be allocated to cities,
14 counties, special districts and school districts was dedicated to
15 redevelopment purposes. Under the new tax increment tools,
16 however, property tax increment from affected taxing agencies
17 other than the initiating city or county can only be dedicated with
18 the approval of the affected local agencies.

19 (2) While potential local partnerships between cities, counties,
20 and special districts involving new economic development tools
21 continue to be explored by the state and local governments, a reality
22 is that the state and local governments often have other policy and
23 budget priorities, and lack incentives to participate.

24 (3) The language in the new tax increment laws currently
25 prohibit school districts from participating, largely reflecting state
26 concerns over potential backfill requirements for school funding
27 under the requirements of Proposition 98 of 1988.

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- 1 (b) The state shares many policy priorities with local
- 2 governments, including affordable housing and economic
- 3 development, that can be advanced by creating a new infrastructure
- 4 financing tool that would focus on the following:
- 5 (1) Increasing the production of affordable housing available
- 6 to very low, low-, and moderate-income families.
- 7 (2) Expanding transit-oriented development at higher densities.
- 8 (3) Reducing jobs-housing imbalances in areas with high job
- 9 growth.
- 10 (4) Increasing the availability of high-quality jobs through the
- 11 rehabilitation, construction, and maintenance of housing and
- 12 infrastructure.
- 13 (5) Improving the quality of life in neighborhoods and
- 14 disadvantaged communities.
- 15 (6) Incentivizing growth in urban areas, thereby reducing sprawl
- 16 and ensuring that open space is preserved throughout the state.
- 17 (7) Reducing poverty and caseloads of state and county safety
- 18 net support programs by incentivizing the training and hiring of
- 19 affected individuals to jobs where they can be self-supporting.
- 20 (8) Protecting communities dealing with the effects of sea level
- 21 rise, which is one of the most significant threats of climate change.
- 22 (c) The Legislature has declared that the policy priorities listed
- 23 in subdivision (b) are matters of statewide concern. It is therefore
- 24 appropriate that the state and local governments contribute
- 25 financially to the realization of these priorities.
- 26 (d) By allowing local agencies to reduce their contributions to
- 27 their county's Educational Revenue Augmentation Fund (ERAF)
- 28 to fund affordable housing projects and related infrastructure, the
- 29 state can advance its policy priorities while also protecting funding
- 30 for schools and limiting effects on the state budget. The state's
- 31 interests can be ensured and protected in the following manner:
- 32 (1) Requiring approval of the newly created Affordable Housing
- 33 and Community Development Investment Committee, to ensure
- 34 that the investment of property taxes otherwise allocated to schools
- 35 through a county's ERAF are used only for projects that maximize
- 36 state policy benefits while ensuring that an economic analysis
- 37 projects increased property tax revenues for schools in the affected
- 38 territory upon project completion.
- 39 (2) Offering additional incentives to participating counties and
- 40 special districts.

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(3) Establishing an annual cap on the total affordable housing and community development investment amount that may be approved to be allocated by the Affordable Housing and Community Development Investment Committee, as follows:

(A) Not to exceed two hundred million dollars (\$200,000,000) annually between July 1, 2021, and June 30, 2026.

(B) Not to exceed two hundred fifty million dollars (\$250,000,000) annually between July 1, 2026, and June 30, 2030.

(4) Requiring annual reports to the Legislature on the status of all projects funded through this program.

(e) It is the intent of the Legislature that schools and community colleges receive no less total funding from General Fund and local property tax revenue as a result of the bill.

(f) It is the intent of the Legislature to have the state provide increased funding in an amount that equals reductions in local ERAF funds to the point necessary for schools to meet their minimum funding guarantee pursuant to existing law.

(g) It is the intent of the Legislature that local agencies receive the same amount of excess ERAF as they would have if the program established by this bill were not in effect.

SEC. 2. Section 41202.6 is added to the Education Code, to read:

41202.6. (a) It is the intent of the Legislature to ensure that the program authorized by the Affordable Housing and Community Development Investment Program established by Part 4 (commencing with Section 55900) of Division 2 of Title 5 of the Government Code does not affect the amount of funding required to be applied for the support of school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution.

(b) The Director of Finance shall adjust “the percentage of General Fund revenues appropriated for school districts and community college districts” for the purpose of applying paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution in a manner that ensures that transfers from a county’s Educational Revenue Augmentation Fund authorized by Section 97.68.1 of the Revenue and Taxation Code shall have no net fiscal impact upon the total amount of General Fund revenue and local property tax revenue allocated to school districts and community college districts pursuant to Section 8 of Article XVI of the

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1 California Constitution. The Director of Finance shall make this
 2 adjustment effective with the 2021–22 fiscal year, consistent with
 3 the start of the grant program pursuant to paragraph (1) of
 4 subdivision (a) of Section 55906 of the Government Code. The
 5 Director of Finance shall update the adjustment for subsequent
 6 increases or decreases in the amount of transfers authorized by the
 7 Affordable Housing and Community Development Investment
 8 Program.

9 SEC. 3. Part 4 (commencing with Section 55900) is added to
 10 Division 2 of Title 5 of the Government Code, to read:

11
 12 PART 4. AFFORDABLE HOUSING AND COMMUNITY
 13 DEVELOPMENT INVESTMENT PROGRAM
 14

15 55900. This part is known and may be cited as the Affordable
 16 Housing and Community Development Investment Program.

17 55901. The Affordable Housing and Community Development
 18 Investment Program is hereby established to create a local-state
 19 partnership to reduce poverty and advance other state priorities
 20 financed, in part, by property tax increment.

21 55902. As used in this part, the following terms have the
 22 following meanings:

23 (a) “Affordable housing and community development investment
 24 amount” is the amount of property tax revenue allocated pursuant
 25 to Section 97.68.1 of the Revenue and Taxation Code.

26 (b) “Applicant” means any entity identified in subdivision (a)
 27 of Section 55905 that has submitted a plan to the committee
 28 pursuant to that section.

29 (c) “Committee” means the Affordable Housing and Community
 30 Development Investment Committee established by Section 55904.

31 (d) “Plan” means an application for one or more projects that
 32 is submitted to the committee.

33 (e) “Program” means the Affordable Housing and Community
 34 Development Investment Program established by this part.

35 (f) “Project” shall include:

36 (1) A project undertaken by a city, county, city or county, joint
 37 powers authority, enhanced infrastructure financing district,
 38 affordable housing authority, community revitalization and
 39 investment authority, affordable housing and community

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1 development investment agency, or a transit village development
2 district.
3 (2) A transit priority project that meets the requirements of
4 subdivision (d) of Section 65470.
5 (g) “Skilled and trained workforce” has the same meaning as
6 set forth in Chapter 2.9 (commencing with Section 2600) of Part
7 1 of Division 2 of the Public Contract Code.
8 (h) “Transit Priority Project Program” has the same meaning
9 as contained in Section 65470.
10 55903. (a) (1) Funding allocated to the program shall be used
11 to support a plan that includes affordable housing. Subject to
12 paragraph (2), eligible uses of this funding include:
13 (A) Predevelopment, development, acquisition, rehabilitation,
14 and preservation of affordable housing, as provided in subdivision
15 (b). For purposes of this section, the term “affordable housing”
16 means housing affordable to households earning under 120 percent
17 of area median income.
18 (B) Transit-oriented development for the purpose of developing
19 or facilitating the development of higher density uses within close
20 proximity to transit stations that will increase public transit
21 ridership and contribute to the reduction of vehicle miles traveled
22 and greenhouse gas emissions. Fiscal incentives shall be offered
23 to offset local community impacts associated with greater densities.
24 (C) Infill development to assist in the new construction and
25 rehabilitation of infrastructure that supports high-density,
26 affordable, and mixed-income housing in locations designated as
27 infill, including, but not limited to, any of the following:
28 (i) Park creation, development, or rehabilitation to encourage
29 infill development.
30 (ii) Water, sewer, or other public infrastructure costs associated
31 with infill development.
32 (iii) Transportation improvements related to infill development
33 projects.
34 (iv) Traffic mitigation.
35 (D) Promoting strong neighborhoods through support of local
36 community planning and engagement efforts to revitalize and
37 restore neighborhoods, including repairing infrastructure and parks,
38 rehabilitating and building housing and public facilities, promoting
39 public-private partnerships, supporting small businesses and job
40 growth for affected residents.

1 (E) Protecting communities dealing with the effects of climate
 2 change, including, but not limited to, sea level rise, wildfires,
 3 seismic safety, and flood protection. Eligible projects include the
 4 construction, repair, replacement, and maintenance of infrastructure
 5 related to protecting communities from climate change.

6 (F) The acquisition, construction, or rehabilitation of land or
 7 property pursuant to eligible uses of funding specified in
 8 subparagraphs (A) to (E), inclusive.

9 (2) Eligible uses allocated to an applicant under the program
 10 shall be limited to those uses described in subparagraphs (A) to
 11 (C), inclusive, of paragraph (1) if the applicant has taken any
 12 action, whether by the legislative body of the applicant or the
 13 electorate exercising its local initiative or referendum power, that
 14 has any of the following effects:

15 (A) Established or implemented any provision that:

16 (i) Limits the number of land use approvals or permits necessary
 17 for the approval and construction of housing that will be issued or
 18 allocated within all or a portion of the applicant.

19 (ii) Acts as a cap on the number of housing units that can be
 20 approved or constructed either annually or for some other time
 21 period.

22 (iii) Limits the population of the applicant.

23 (B) Imposes a moratorium or enforces an existing moratorium
 24 on housing development, including mixed-use development, within
 25 all or a portion of the jurisdiction of the applicant, except pursuant
 26 to a zoning ordinance that complies with the requirements of
 27 Section 65858.

28 (C) Requires voter approval of any updates to the applicant's
 29 housing element to comply with Article 10.6 (commencing with
 30 Section 65580) of Chapter 3 of Division 1 of Title 7, or any
 31 rezoning of sites or general plan amendment to comply with an
 32 updated housing element or Section 65863.

33 (D) Changes the zoning of a parcel or parcels of property to a
 34 less intensive use or reduces the intensity of land use within an
 35 existing zoning district below what was allowed under the general
 36 plan land use designation and zoning ordinances of the applicant
 37 in effect on January 1, 2018. For purposes of this subparagraph,
 38 "less intensive use" includes, but is not limited to, reductions to
 39 height, density, floor area ratio, or new or increased open space

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1 or lot size requirements, for property zoned for residential use in
 2 the applicant's general plan or other planning document.

3 (b) At least 50 percent of the funding provided pursuant to the
 4 program and at least 50 percent of the funding of each plan shall
 5 be allocated according to subparagraph (A) of paragraph (1) of
 6 subdivision (a), to be used as follows:

7 (1) At least 80 percent of the funds subject to this subdivision
 8 shall be used to provide rental and owner-occupied housing for
 9 low-income households with an annual income equal to or less
 10 than 80 percent of the area median income, subject to the following:

11 (A) Funds used for rental housing shall have average
 12 property-level affordability at or below the maximum level
 13 established by the California Tax Credit Allocation Committee to
 14 be eligible for low-income housing tax credits at the percentage
 15 prescribed in accordance with Section 42(b)(1)(B)(ii) of the Title
 16 26 of the United States Code, relating to method of prescribing
 17 percentages.

18 (B) Funds used for owner-occupied housing shall not exceed
 19 20 percent of the funds used for purposes of this paragraph.

20 (2) No more than 20 percent of the funds subject to this
 21 subdivision may be used for the production of moderate-income
 22 housing for households with an annual income greater than 80
 23 percent, but no more than 120 percent, of the area median income.

24 (3) The rent or sales price of any housing assisted with funds
 25 subject to this subdivision shall be in the following amounts:

26 (A) For housing for low-income households with an annual
 27 income equal to or less than 80 percent of the area median income,
 28 an amount that is at least 10 percent below the prevailing rent or
 29 sales price for the region.

30 (B) For housing for moderate-income households with greater
 31 than 80 percent, but no more than 120 percent, of the area median
 32 income, an amount that is at least 20 percent below the prevailing
 33 rent or sales price for the region.

34 (4) (A) Except as otherwise provided in subparagraph (B),
 35 housing assisted with funds subject to this subdivision shall be
 36 subject to a recorded affordability restriction for the following
 37 time periods:

38 (i) For rental housing, at least 55 years, except as otherwise
 39 provided.

40 (ii) For owner-occupied housing, at least 45 years.

1 (B) Notwithstanding subparagraph (A), self-help housing
 2 assisted with funds subject to this subdivision shall be subject to
 3 a recorded affordability restriction for at least 15 years.

4 (c) (1) Except as provided in paragraph (2), any plan approved
 5 pursuant to the program shall be subject to a recorded affordability
 6 restriction that requires the project or projects to include a
 7 minimum of 30 percent of the total number of housing units to be
 8 available at an affordable rent or affordable housing cost to, and
 9 occupied by, households earning below 120 percent of the area
 10 median income for at least 55 years.

11 (2) If the local agency has adopted a local ordinance that requires
 12 that greater than 30 percent of the units in a project be dedicated
 13 to housing affordable to households making below 120 percent of
 14 the area median income, that ordinance shall apply.

15 (d) The affordable housing and community development
 16 investment amount shall not be used to subsidize the construction
 17 of market rate units. It is the intent of the Legislature to preserve
 18 the incentives for affordable housing provided by existing density
 19 bonus law.

20 (e) (1) At least 12 percent of the overall funding for the program
 21 shall be set aside for counties with populations of less than 200,000.
 22 Of this amount, 2 percent shall be set aside to provide technical
 23 assistance for counties with populations of less than 200,000, which
 24 shall not be considered administrative costs for purposes of a plan.

25 (2) Notwithstanding subdivision (a) of Section 55906, to the
 26 extent that all funds set aside in one year for counties with
 27 populations of less than 200,000 are not dedicated to plans
 28 approved by the committee, the amount of funds not dedicated
 29 shall be available to counties with populations of less than 200,000
 30 residents in the following year pursuant to this program.

31 (f) All projects approved pursuant to the program shall be
 32 considered public work for purposes of Chapter 1 (commencing
 33 with Section 1720) of Part 7 of Division 2 of the Labor-Code.
 34 *Code, regardless of whether an exemption under Section 1720 of*
 35 *the Labor Code applies to the project.*

36 55904. (a) The Affordable Housing and Community
 37 Development Investment Committee is hereby established and
 38 shall be comprised of the following:

39 (1) The Chair of the Strategic Growth Council, or the chair's
 40 designee.

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- 1 (2) The Chair of the California Housing Finance Agency, or the
2 chair's designee.
- 3 (3) The Chair of California Workforce Investment Board, or
4 the chair's designee.
- 5 (4) The Director of Housing and Community Development, or
6 the director's designee.
- 7 (5) Two people appointed by the Speaker of the Assembly who
8 have knowledge and experience in finance, housing finance,
9 housing planning or development, or land use and planning.
- 10 (6) Two people appointed by the Senate Committee on Rules
11 who have knowledge and experience in finance, housing finance,
12 housing planning or development, or land use and planning.
- 13 (7) One public member appointed by the Joint Legislative
14 Budget Committee who has expertise in education finance.
- 15 (b) The committee shall review and approve or deny plans
16 received pursuant to Section 55905.
- 17 (c) The Department of Housing and Community Development
18 shall provide the technical assistance and administrative support
19 necessary for the committee to consider plans.
- 20 (d) *Members of the committee shall serve without compensation,*
21 *but shall be reimbursed for actual and necessary expenses incurred*
22 *in connection with the performance of their duties.*
- 23 55905. (a) A plan for the affordable housing and community
24 development investment amount may be submitted by any of the
25 following:
 - 26 (1) A city, county, or city and county.
 - 27 (2) A joint powers authority formed pursuant to Chapter 5
28 (commencing with Section 6500) of Division 7 of Title 1 that is
29 composed of entities that may submit a plan pursuant to this
30 subdivision.
 - 31 (3) An enhanced infrastructure financing district established
32 pursuant to Chapter 2.99 (commencing with Section 53398.50) of
33 Part 1 of Division 2 of Title 5.
 - 34 (4) An affordable housing authority established pursuant to
35 Division 5 (commencing with Section 62250) of Title 6.
 - 36 (5) A community revitalization and investment authority
37 established pursuant to Division 4 (commencing with Section
38 62000) of Title 6.

- 1 (6) An affordable housing and community development
2 investment agency established pursuant to Division 6 (commencing
3 with Section 62300) of Title 6.
- 4 (7) A transit village development district established pursuant
5 to Article 8.5 (commencing with Section 65460) of Chapter 3 of
6 Division 1 of Title 7.
- 7 (b) A plan to participate in the program may be submitted to
8 the committee and shall include all of the following information:
 - 9 (1) A description of the proposed project or projects to be
10 completed by the applicant pursuant to the plan and the funding
11 amount necessary for each year the applicant requests funding
12 pursuant to the program. The applicant may request funding for
13 no more than 30 years for each project included in the plan.
 - 14 (2) Information necessary to demonstrate that each project
15 proposed by the plan complies with all of the statutory requirements
16 of any statutory authorization pursuant to which the project is
17 proposed.
 - 18 (3) Certification that any low- and moderate-income housing
19 or other projects or portions of other projects that receive funding
20 from the program will comply with paragraph (8) of subdivision
21 (a) of Section 65913.4.
 - 22 (4) A strategy for outreach to, and retention of, women, minority,
23 disadvantaged youth, formerly incarcerated, and other
24 underrepresented subgroups in coordination with the California
25 Workforce Investment Board and local boards, to increase their
26 representation and employment opportunities in the building and
27 construction trades.
 - 28 (5) For each project identified in the plan, a requirement that
29 no eviction has been made on any project site within the last 10
30 years, and protections to avoid displacement of individuals affected
31 by the project.
 - 32 (6) A requirement that any project included in the plan would
33 not require the demolition of any of the following types of housing:
 - 34 (A) Housing that is subject to a recorded covenant, ordinance,
35 or law that restricts rents to levels affordable to persons and
36 families of moderate, low, or very low income.
 - 37 (B) Housing that is subject to any form of rent or price control
38 through a public entity's valid exercise of its police power.
 - 39 (C) Housing that has been occupied by tenants within the past
40 10 years.

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- 1 (7) A requirement that the site was not previously used for
- 2 housing that was occupied by tenants that was demolished within
- 3 10 years before the applicant submits a plan pursuant to this
- 4 section.
- 5 (8) A requirement that the development of the project or projects
- 6 included in the plan would not require the demolition of a historic
- 7 structure that was placed on a national, state, or local historic
- 8 register.
- 9 (9) A requirement that the project or projects included in the
- 10 plan would not contain present or former tenant-occupied housing
- 11 units that will be, or were, subsequently offered for sale to the
- 12 general public by the subdivider or subsequent owner of the
- 13 property.
- 14 (10) An economic and fiscal analysis, paid for by the applicant
- 15 and prepared by the applicant or an individual or entity approved
- 16 by the committee that includes the following information as it
- 17 pertains to the plan:
- 18 (A) The estimated cost of providing services or facilities for
- 19 each project included in the plan.
- 20 (B) The estimated revenue available to provide services or
- 21 facilities for each project included in the plan.
- 22 (C) Identification of the taxing entities that are participating in
- 23 the financing of each project included in the plan through the
- 24 pledge of an amount equal to the entity's incremental share of the
- 25 property tax or other means.
- 26 (D) Identification of the property tax, sales tax, and other public
- 27 funding available to invest in each project included in the plan or
- 28 the services or facilities needed by each project included in the
- 29 plan, as proposed, including, but not limited to, information from
- 30 the county auditor describing how the county or counties where
- 31 the applicant is from has historically distributed its educational
- 32 revenue augmentation fund revenue to schools and local agencies.
- 33 (E) Identification of the funding and financing methods that
- 34 will be used by each project included in the plan, including whether
- 35 the applicant intends to issue bonds that will be repaid from
- 36 property tax increment.
- 37 (F) The affordable housing and community development
- 38 investment amount requested by the applicant to complete each
- 39 project included in the plan or the services or facilities needed by
- 40 each project included in the plan, as proposed, and the proposed

1 date on which the annual allocation of the affordable housing and
2 community development investment amount will terminate.

3 (G) The amount of administrative costs associated with the plan.
4 The plan may set aside not more than 5 percent of the total
5 affordable housing and community development investment
6 amount requested in the plan for administrative costs.

7 (c) (1) ~~The~~ *Except as provided in paragraph (3), the* applicant
8 shall certify that a skilled and trained workforce will be used to
9 complete the project if the plan is approved.

10 (2) If the applicant has certified that a skilled and trained
11 workforce will be used to complete the project or projects and the
12 plan is approved, the following shall apply:

13 (A) The applicant shall require every contractor and
14 subcontractor at every tier performing work on the project to
15 provide the applicant with an enforceable commitment that the
16 contractor or subcontractor will individually use a skilled and
17 trained workforce to complete the project.

18 (B) Every contractor and subcontractor shall individually use
19 a skilled and trained workforce to complete the project.

20 (C) The applicant shall be considered an awarding body for
21 purposes of Section 2602 of the Public Contract Code.

22 (3) This subdivision shall not apply to ~~projects that meet the~~
23 ~~following criteria~~ *_____ a housing project that meets any of the*
24 *following criteria:*

25 (A) *One hundred percent of the housing project's units, exclusive*
26 *of any legally required manager's unit or units, are affordable to*
27 *households earning 80 percent or below of the area median*
28 *income.*

29 (B) *The housing project consists of 25 units or less.*

30 (C) *The housing project is located in a county with a population*
31 *of 100,000 or less.*

32 (d) (1) Within 30 days of receipt of a plan pursuant to this
33 section, the committee shall provide the applicant with a written
34 statement identifying any questions about the plan.

35 (2) If the committee denies approval of the plan, the committee
36 shall, not more than 30 days following the date the committee has
37 issued a decision, provide the applicant with a written statement
38 explaining the reasons why the plan was denied.

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1 (3) Subject to subdivision (e), the committee shall develop a
 2 rubric to determine which plan to approve. The rubric shall give
 3 priority to plans based on, but not limited to, the following factors:
 4 (A) The number of housing units created.
 5 (B) The share of housing units to be constructed that are
 6 available to individuals with an area median income below 120
 7 percent.
 8 (C) The share of housing units to be constructed that are
 9 available to individuals with an area median income below 80
 10 percent.
 11 (D) The share of housing units to be constructed that are
 12 available to individuals with an area median income below 50
 13 percent.
 14 (E) The level of local, state, and federal funds that will be
 15 dedicated toward the projects included in the plan, including, but
 16 not limited to, tax credits, in-kind transfers, personnel costs and
 17 services, and land.
 18 (F) Whether the applicant adopts plans that streamline
 19 development, including the following:
 20 (i) Plans adopted through a workforce housing opportunity zone
 21 (Article 10.10 (commencing with Section 65620) of Chapter 3 of
 22 Division 1 of Title 7) or a housing sustainability district (Chapter
 23 11 (commencing with Section 66200) of Division 1 of Title 7).
 24 (ii) Plans to streamline development funded by the Building
 25 Homes and Jobs Act (Chapter 2.5 (commencing with Section
 26 50470) of Part 2 of Division 31 of the Health and Safety Code).
 27 (iii) Other local measures adopted to reduce development costs,
 28 including, but not limited to, accelerating housing approvals,
 29 reducing the average time for issuing a conditional use or other
 30 development permit to less than one year, reducing fees imposed
 31 in connection with the approval of accessory dwelling units, and
 32 increasing density near transit.
 33 (e) Notwithstanding any other provision of this part, the
 34 committee may approve a plan submitted to it pursuant to this
 35 section only if it finds all of the following:
 36 (1) The conditions specified in paragraph (1) of subdivision (a)
 37 of Section 55906 have been satisfied for the applicable fiscal year.
 38 (2) (A) Except as otherwise provided in subparagraph (B), the
 39 applicant will provide matching resources, including, but not

1 limited to, financial, in-kind land dedication, or public-private
2 funds, for the state investment in the program.

3 (B) This paragraph shall not apply in the case of an applicant
4 located in a rural area of the state.

5 (3) (A) If applicable, the applicant has a housing element that
6 the Department of Housing and Community Development has
7 determined to be in substantial compliance with Article 10.6
8 (commencing with Section 65580) of Chapter 3 of Division 1 of
9 Title 7, pursuant to Section 65585.

10 (B) An applicant subject to this paragraph shall annually submit
11 its housing element to the Department of Housing and Community
12 Development for review to ensure that its housing element remains
13 in substantial compliance with state law. The Department of
14 Housing and Community Development shall certify to the
15 committee whether the housing element is in substantial
16 compliance and whether any rezoning of sites required by law,
17 including, but not limited to, Sections 65583, 65583.2, and 65863,
18 have been completed.

19 (4) If applicable, the applicant has not been found to have
20 violated the Housing Accountability Act (Section 65589.5) or the
21 Density Bonus Law (Chapter 4.3 (commencing with Section
22 65915) of Division 1 of Title 7) within the following time periods:

23 (A) Until January 1, 2024, the applicant has not been found to
24 have violated the provisions specified in this paragraph on or after
25 January 1, 2019.

26 (B) On and after January 1, 2024, the applicant has not been
27 found to have violated the provisions specified in this paragraph
28 within the five years preceding the date of the submission of the
29 applicant's plan pursuant to this section.

30 55906. (a) The committee shall adopt annual priorities
31 consistent with the objectives set forth in Section 55903 and shall
32 adhere to the following funding schedule:

33 (1) (A) Commencing January 1, 2021, the committee may only
34 approve a plan for funding pursuant to Section 55905 if the
35 Legislature enacts a budget bill for the applicable fiscal year that
36 specifies the amount available for the committee to allocate
37 pursuant to the program, subject to the limits of this section.

38 (B) Nothing in this paragraph shall affect or have any financial
39 impact upon previously approved funding pursuant to the program.

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- 1 (2) Subject to paragraph (1), for the five-year period
2 commencing July 1, 2021, and ending June 30, 2026, the committee
3 may approve no more than two hundred million dollars
4 (\$200,000,000) in funding in any year for plans approved pursuant
5 to the program.
- 6 (3) Subject to paragraph (1), for the four-year period
7 commencing July 1, 2026, and ending June 30, 2030, the committee
8 may approve no more than two hundred fifty million dollars
9 (\$250,000,000) in funding in any year for plans approved pursuant
10 to the program.
- 11 (4) ~~The Legislature~~ *Legislature, by statute,* may direct the
12 committee to suspend consideration of plans submitted pursuant
13 to Section 55903 in any fiscal year in which the Legislature passes
14 a bill described in Section 22 of Article XVI of the California
15 Constitution. Nothing in this paragraph shall affect or have any
16 financial impact upon previously approved funding pursuant to
17 this program.
- 18 (5) ~~The Legislature~~ *Legislature, by statute,* may direct the
19 committee to suspend consideration of plans submitted pursuant
20 to Section 55903 in any fiscal year in which the Legislature passes
21 a bill described in Section 8 of Article XVI of the California
22 Constitution. Nothing in this paragraph shall affect or have any
23 financial impact upon previously approved funding pursuant to
24 this program.
- 25 (b) The annual amounts dedicated to individual approved
26 projects shall be allocated based on the schedule of funding
27 included in the plan that includes the project, unless the committee
28 decides to allocate a different level of funding or change the
29 number of years that the project is to receive funding pursuant to
30 the program in accordance with the plan approved pursuant to
31 subdivision (d).
- 32 (c) The committee shall adopt guidelines to explain how
33 geographic equity will be maintained in the approval of plans
34 pursuant to this program.
- 35 (d) (1) The committee shall approve or deny a plan submitted
36 pursuant to Section 55905 upon both of the following:
37 (A) Receipt of the information required to be submitted pursuant
38 to paragraphs (1) through (4) of subdivision (b) of Section 55905.

1 (B) A determination that the affordable housing and community
 2 development investment amount requested is consistent with the
 3 guidelines adopted pursuant to subdivision (b).
 4 (2) The approval shall state the amount of the affordable housing
 5 and community development investment amount approved and
 6 the date upon which the affordable housing and community
 7 development investment amount terminates.
 8 (e) The committee may require the applicant to reimburse it for
 9 the reasonable cost incurred to review the plan to participate in
 10 the program.
 11 (f) The committee shall review, and may approve or deny, any
 12 changes to a plan submitted by the applicant.
 13 55907. (a) Upon approval of a plan pursuant to subdivision
 14 (d) of Section 55906, and subject to paragraph (1) of subdivision
 15 (a) of Section 55906, the committee shall issue an order directing
 16 the county auditor to transfer an amount of ad valorem property
 17 tax revenue pursuant to Section 97.68.1 of the Revenue and
 18 Taxation Code in an amount equal to the annual affordable housing
 19 and community development investment amount approved by the
 20 committee.
 21 (b) The revenues allocated to an applicant pursuant to Section
 22 97.68.1 of the Revenue and Taxation Code may be used for the
 23 purposes set forth in Section 55903.
 24 (c) The applicant may use the additional revenue received
 25 pursuant to Section 97.68.1 of the Revenue and Taxation Code to
 26 incur debt or issue bonds or other financing to support the project
 27 or projects included in the plan.
 28 55908. (a) On or before July 1, 2022, and annually thereafter,
 29 each applicant that has received financing pursuant to the program
 30 for any fiscal year shall provide a report to the committee that
 31 includes all of the following information for the previous fiscal
 32 year:
 33 (1) The affordable housing and community development
 34 investment amount that the county auditor reallocated to the
 35 applicant pursuant to Section 97.68.1 of the Revenue and Taxation
 36 Code.
 37 (2) The purposes for which that reallocated money was used,
 38 including the number of housing units constructed and at which
 39 income level.

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- 1 (3) The actions taken during the prior fiscal year to implement
- 2 the project.
- 3 (4) The total amount of funds expended for planning and general
- 4 administrative costs.
- 5 (b) Notwithstanding Section 10231.5, on or before March 1,
- 6 2021, and annually thereafter, if the committee has approved
- 7 funding pursuant to the program, the committee shall provide a
- 8 report to the Joint Legislative Budget Committee that includes all
- 9 of the following information for the preceding fiscal year:
- 10 (1) The name, location, and general description, including the
- 11 number of housing units constructed and at which income level,
- 12 of each project that received an affordable housing and community
- 13 development investment amount pursuant to this program.
- 14 (2) The total amount of money that county auditors reallocated
- 15 from affordable housing and community development investment
- 16 funds pursuant to the program in the previous fiscal year.
- 17 (3) An evaluation of the value of the state's investment through
- 18 the funding provided by this program as measured by a net revenue
- 19 increase to the General Fund and progress towards achieving the
- 20 purposes and intent of the program.
- 21 (c) The committee shall develop a corrective action plan for
- 22 noncompliance with the requirement of this part.
- 23 55909. (a) If, based on annual reports submitted to the
- 24 committee pursuant to Section 55908, the committee determines
- 25 that any of the following has occurred, the committee shall direct
- 26 the applicant to develop a corrective action plan based on
- 27 recommendations made by the committee:
- 28 (1) The applicant is not on track to produce the number of
- 29 housing units included in the plan.
- 30 (2) The applicant is not on track to spend at least 50 percent of
- 31 plan funds on affordable housing, as required by subdivision (b)
- 32 of Section 55903.
- 33 (3) The applicant is on track to exceed 5 percent of the
- 34 administrative limit.
- 35 (4) The applicant is found to have used funding provided by the
- 36 program for purposes not authorized by the act.
- 37 (5) The applicant is found to have used funds to subsidize market
- 38 rate housing.

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1 (6) The applicant has violated antidisplacement provisions
2 pursuant to paragraph (6), (7), (8), or (9) of subdivision (a) of
3 Section 55905.

4 (7) The applicant is not on track to complete all of the projects
5 included in the plan according to the timeline included in the plan.

6 (b) The applicant shall have one year from the date that the
7 committee directed the applicant to develop a corrective action
8 plan.

9 (c) The committee shall issue a finding that the applicant is out
10 of compliance with the program if the committee finds either of
11 the following apply:

12 (1) The applicant has not provided an adequate corrective action
13 plan to the committee within one year of the date the committee
14 directed the applicant to develop a corrective action plan.

15 (2) The annual report provided to the committee pursuant to
16 Section 55908 does not demonstrate that the applicant has taken
17 adequate steps to implement the corrective action plan that was
18 provided to the committee within one year of the date the
19 committee directed the applicant to develop a corrective action
20 plan.

21 (d) If the committee finds that the applicant is out of compliance
22 with the program, the committee shall direct the auditor to stop
23 transferring moneys from the county's ERAF pursuant to the
24 program under Section 97.68.1 of the Revenue and Taxation Code,
25 and prohibit the applicant from applying for additional funds for
26 this program for a period of five years.

27 (e) If an applicant is found to be out of compliance with the
28 program, the applicant shall be ineligible to apply for other state
29 grant programs for a period of five years.

30 SEC. 4. Division 6 (commencing with Section 62300) is added
31 to Title 6 of the Government Code, to read:

32

33 DIVISION 6. AFFORDABLE HOUSING AND COMMUNITY
34 DEVELOPMENT INVESTMENT AGENCIES

35

36 62300. As used in this division:

37 (a) "Agency" means an affordable housing and community
38 development investment agency created pursuant to this division.

39 (b) "Affordable housing and community development
40 investment amount" means the amount approved by the Affordable

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1 Housing and Community Development Investment Committee
 2 pursuant to Part 4 (commencing with Section 55900) of Division
 3 2 of Title 5 and allocated to an agency pursuant to Section 97.68.1
 4 of the Revenue and Taxation Code.
 5 (c) "Program" means the Affordable Housing and Community
 6 Development Investment Program established pursuant to Part 4
 7 (commencing with Section 55900) of Division 2 of Title 5.
 8 (d) "Project" has the same meaning as defined in Section 55902.
 9 (e) "Plan area" means the area that includes the territory
 10 described in any plan submitted by an agency pursuant to
 11 subdivision (b) of Section 55905.
 12 62302. (a) An affordable housing and community development
 13 investment agency created pursuant to this division shall be a
 14 public body, corporate and politic, with jurisdiction to carry out
 15 one or more projects within a project area. The agency shall have
 16 only those powers and duties specifically set forth in Section
 17 62304.
 18 (b) (1) Subject to paragraphs (2) and (3), an agency may be
 19 created in any one of the following ways:
 20 (A) A city, county, or city and county may adopt a resolution
 21 creating an agency. The composition of the governing board shall
 22 be comprised as set forth in subdivision (c).
 23 (B) Any of the following entities may create an authority by
 24 entering into a joint powers agreement pursuant to Chapter 5
 25 (commencing with Section 6500) of Division 7 of Title 1:
 26 (i) A city.
 27 (ii) A county.
 28 (iii) A city and county.
 29 (iv) A special district, as that term is defined in subdivision (m)
 30 of Section 95 of the Revenue and Taxation Code.
 31 (v) Any combination of entities described in clauses (i) through
 32 (iv), inclusive.
 33 (2) (A) A school entity, as defined in subdivision (f) of Section
 34 95 of the Revenue and Taxation Code, shall not participate in an
 35 agency created pursuant to this division.
 36 (B) A successor agency, as defined in subdivision (j) of Section
 37 34171 of the Health and Safety Code, shall not participate in an
 38 agency created pursuant to this division, and an agency created
 39 pursuant to this division shall not receive any portion of the

1 property tax revenues or other moneys distributed pursuant to
2 Section 34188 of the Health and Safety Code.

3 (3) An agency created by a city or county that created a
4 redevelopment agency that was dissolved pursuant to Part 1.85
5 (commencing with Section 34170) of Division 24 of the Health
6 and Safety Code shall not become effective until the successor
7 agency or designated local authority for the former redevelopment
8 agency has adopted findings of fact stating all of the following:

9 (A) The successor agency has received a finding of completion
10 from the Department of Finance pursuant to Section 34179.7 of
11 the Health and Safety Code.

12 (B) Former redevelopment agency assets that are the subject of
13 litigation against the state, where the city or county or its successor
14 agency or designated local authority are a named plaintiff, have
15 not been or will not be used to benefit any efforts of an agency
16 created under this division unless the litigation has been resolved
17 by entry of a final judgment by any court of competent jurisdiction
18 and any appeals have been exhausted.

19 (C) The successor agency has complied with all orders of the
20 Controller pursuant to Section 34167.5 of the Health and Safety
21 Code.

22 (c) (1) The governing board of an agency created pursuant to
23 subparagraph (A) of paragraph (1) of subdivision (b) shall be
24 appointed by the legislative body of the city, county, or city and
25 county that created the agency and shall include three members
26 of the legislative body of the city, county, or city and county that
27 created the agency and two public members. The appointment of
28 the two public members shall be subject to Section 54974. The
29 two public members shall live or work within the plan area.

30 (2) The governing body of an agency created pursuant to
31 subparagraph (B) of paragraph (1) of subdivision (b) shall be
32 comprised of a majority of members from the legislative bodies
33 of the public agencies that created the agency and a minimum of
34 two public members who live or work within the plan area. The
35 majority of the board shall appoint the public members to the
36 governing body. The appointment of the public members shall be
37 subject to Section 54974.

38 62304. An agency may do all of the following in order to carry
39 out a project:

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- 1 (a) Apply for funding to carry out the project pursuant to the
- 2 program.
- 3 (b) Accept an allocation of property tax revenues, in the form
- 4 of an affordable housing and community development investment
- 5 amount allocated under the program pursuant to Section 97.68.1
- 6 of the Revenue and Taxation Code.
- 7 (c) Issue bonds in accordance with Article 4.5 (commencing
- 8 with Section 53506) and Article 5 (commencing with Section
- 9 53510) of Chapter 3 of Part 1 of Division 2 of Title 5.
- 10 (d) Borrow money, receive grants, or accept financial or other
- 11 assistance or investment from the state or the federal government
- 12 or any other public agency or private lending institution for any
- 13 project within its area of operation. The agency may comply with
- 14 any conditions of a loan or grant received pursuant to this
- 15 subdivision.
- 16 (e) Receive funds allocated to it pursuant to a resolution adopted
- 17 by a city, county, or special district to transfer these funds from a
- 18 source described in subdivision (d), (e), or (f) of Section 53398.75,
- 19 subject to any requirements upon, or imposed by, the city, county,
- 20 or special district as to the use of these funds.
- 21 (f) Acquire and transfer real property.
- 22 (g) Any other act that is necessary to carry out a project in
- 23 accordance with the requirements of the program and the agency's
- 24 plan submitted pursuant to subdivision (b) of Section 55905.
- 25 SEC. 5. Section 97.68.1 is added to the Revenue and Taxation
- 26 Code, to read:
- 27 97.68.1. Notwithstanding any other provision of law, for each
- 28 fiscal year for which funding for a plan for the county is approved
- 29 under Part 4 (commencing with Section 55900) of Division 2 of
- 30 Title 5 of the Government Code, in allocating ad valorem property
- 31 tax revenue, all of the following shall apply:
- 32 (a) The county auditor shall transfer an amount, equal to the
- 33 countywide affordable housing and community development
- 34 investment amount, from the county's Educational Revenue
- 35 Augmentation Fund to the county's Affordable Housing and
- 36 Community Development Investment Fund established pursuant
- 37 to subdivision (b).
- 38 (b) (1) The county auditor shall, except as provided in paragraph
- 39 (2), deposit the countywide affordable housing and community
- 40 development investment amount into the Affordable Housing and

1 Community Development Investment Fund, which shall be
2 established in the treasury of each county. Moneys in the
3 Affordable Housing and Community Development Investment
4 Fund shall only be used for plans approved pursuant to Part 4
5 (commencing with Section 55900) of Division 2 of Title 5 of the
6 Government Code, and shall be allocated to the applicant as
7 directed by the committee.

8 (2) In the case of an applicant that is an enhanced infrastructure
9 financing district, affordable housing authority, community
10 revitalization investment authority, affordable housing and
11 community development investment agency, or transit village
12 development district, the auditor shall allocate an amount from the
13 county's Educational Revenue Augmentation Fund equal to the
14 enhanced infrastructure financing district's, affordable housing
15 authority's, community revitalization investment authority's,
16 affordable housing and community development investment
17 agency's, or transit village development district's affordable
18 housing and community development investment amount to the
19 city or county that created the enhanced infrastructure financing
20 district, affordable housing authority, community revitalization
21 investment authority, affordable housing and community
22 development investment agency, or transit village development
23 district. The city or county shall, upon receipt, transfer those funds
24 to that enhanced infrastructure financing district, affordable housing
25 authority, community revitalization investment authority,
26 affordable housing and community development investment
27 agency, or transit village development district, in an amount equal
28 to the affordable housing and community development investment
29 amount for that enhanced infrastructure financing district,
30 affordable housing authority, community revitalization investment
31 authority, affordable housing and community development
32 investment agency, or transit village development district.

33 (3) The county auditor shall allocate one-half of an amount
34 specified in paragraph (1) or (2) on or before January 31 of each
35 fiscal year, and the other one-half on or before May 31 of each
36 fiscal year.

37 (c) For purposes of this section, all of the following shall apply:

38 (1) "Affordable housing and community development
39 investment amount" for a particular city, county, or city and county
40 means the amount approved by the Affordable Housing and

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1 Community Development Committee pursuant to Part 4
 2 (commencing with Section 55900) of Division 2 of Title 5 of the
 3 Government Code.
 4 (2) “Countywide affordable housing and community
 5 development investment amount” means, for any fiscal year, the
 6 total sum of the amounts described in paragraph (1) for a county
 7 or a city and county, and each city and county.
 8 (d) This section shall not be construed to do any of the
 9 following:
 10 (1) Reduce any allocations of excess, additional, or remaining
 11 funds that would otherwise have been allocated to county
 12 superintendents of schools, cities, counties, and cities and counties
 13 pursuant to clause (i) of subparagraph (B) of paragraph (4) of
 14 subdivision (d) of Sections 97.2 and 97.3, Section 97.70, and
 15 Article 4 (commencing with Section 98) had this section not been
 16 enacted. The allocations required by this section shall be adjusted
 17 to comply with this paragraph.
 18 (2) Require an increased ad valorem property tax revenue
 19 allocation or increased tax increment allocation to a community
 20 redevelopment agency.
 21 (3) Alter the manner in which ad valorem property tax revenue
 22 growth from fiscal year to fiscal year is otherwise determined or
 23 allocated in a county.
 24 (4) Reduce ad valorem property tax revenue allocations required
 25 under Article 4 (commencing with Section 98).
 26 (e) If, for the fiscal year, after complying with subparagraph
 27 (B) of paragraph (1) of subdivision (a) of Section 97.70, there is
 28 not enough ad valorem property tax revenue that is otherwise
 29 required to be allocated to a county Educational Revenue
 30 Augmentation Fund for the county auditor to complete the transfer
 31 required by subdivision (a), the county auditor shall reduce the
 32 total amount of ad valorem property tax revenue that is otherwise
 33 required to be allocated to all school districts and community
 34 college districts in the county for that fiscal year by an amount
 35 equal to the difference between the countywide affordable housing
 36 and community development investment amount and the amount
 37 of ad valorem property tax revenue that is otherwise required to
 38 be allocated to the county Educational Revenue Augmentation
 39 Fund for that fiscal year. This reduction for each school district
 40 and community college district in the county shall be the percentage

1 share of the total reduction that is equal to the proportion that the
 2 total amount of ad valorem property tax revenue that is otherwise
 3 required to be allocated to the school district or community college
 4 district bears to the total amount of ad valorem property tax revenue
 5 that is otherwise required to be allocated to all school districts and
 6 community college districts in a county. For purposes of this
 7 subdivision, “school districts” and “community college districts”
 8 do not include any districts that are excess tax school entities, as
 9 defined in Section 95.

10 (f) Any transfer of ad valorem property tax revenues deposited
 11 in the county’s Educational Revenue Augmentation Fund as a
 12 result of subdivision (a) shall be applied exclusively to reduce the
 13 amounts that are allocated from that fund to school districts and
 14 county offices of education, and shall not be applied to reduce the
 15 amounts of ad valorem property tax revenues that are otherwise
 16 required to be allocated from that fund to community college
 17 districts.

18 (g) (1) A property tax revenue allocation or transfer made
 19 pursuant to subdivision (a) or (b) shall not be considered for
 20 purposes of determining under Section 96.1 the amount of property
 21 tax revenue allocated to a jurisdiction in the prior fiscal year.

22 (2) The county auditor may deduct its administrative costs
 23 related to this section from the affordable housing and community
 24 development investment amount before depositing that amount
 25 into the county’s Affordable Housing and Community
 26 Development Investment Fund pursuant to subdivision (a).

27 SEC. 6. If the Commission on State Mandates determines that
 28 this act contains costs mandated by the state, reimbursement to
 29 local agencies and school districts for those costs shall be made
 30 pursuant to Part 7 (commencing with Section 17500) of Division
 31 4 of Title 2 of the Government Code.

32 SEC. 7. Each provision of this act is a material and integral
 33 part of the act, and the provisions of this act are not severable. If
 34 any provision of this act or its application is held invalid, the entire
 35 act shall be null and void.

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1		_____
2	REVISIONS:	
3	Heading—Line 6.	
4		_____

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SENATE RULES COMMITTEE
Office of Senate Floor Analyses
(916) 651-1520 Fax: (916) 327-4478

SB 5

THIRD READING

Bill No: SB 5
Author: Beall (D), McGuire (D), and Portantino (D), et al.
Amended: 5/24/19
Vote: 21

SENATE GOVERNANCE & FIN. COMMITTEE: 6-0, 3/20/19
AYES: McGuire, Beall, Hertzberg, Hurtado, Nielsen, Wiener
NO VOTE RECORDED: Moorlach

SENATE HOUSING COMMITTEE: 9-1, 4/2/19
AYES: Wiener, Bates, Caballero, Durazo, McGuire, Roth, Skinner, Umberg,
Wieckowski
NOES: Morrell
NO VOTE RECORDED: Moorlach

SENATE APPROPRIATIONS COMMITTEE: 4-2, 5/16/19
AYES: Portantino, Bradford, Hill, Wieckowski
NOES: Bates, Jones

SUBJECT: Affordable Housing and Community Development Investment
Program

SOURCE: Author

DIGEST: This bill allows local agencies to reduce contributions of local property tax revenue to schools to build affordable housing and related infrastructure.

Senate Floor Amendments of 5/24/19 clarify that the Affordable Housing and Community Development Investment Committee, which approves plans, can only

approve a plan if the Legislature enacts a budget bill for the appropriate fiscal year, but does not also require the budget bill to direct county auditors to allocate funds on an annual basis.

ANALYSIS:

Existing law:

- 1) Dissolved California redevelopment agencies (RDAs) (ABX1 26, Blumenfield, Chapter 5, Statutes of 2011-12, First Extraordinary Session), which used property tax increment financing to pay for economic development projects in blighted areas.
- 2) Requires the state to provide a minimum level of funding for K-12 schools and community colleges.
- 3) Redirects almost one-fifth of total statewide property tax revenue from cities, counties, and special districts to K-12 and community college districts.
- 4) Requires county auditors deposit the redirected property tax revenue into a countywide fund for schools, also known as a county's Educational Revenue Augmentation Fund (ERAF).
- 5) Requires that counties with more ERAF revenue than necessary to offset all state aid to nonbasic aid K-12 and community college districts use these excess funds for countywide special education programs, and any remaining funds be returned to cities, counties, and special districts in proportion to the amount of property taxes they contributed to ERAF.
- 6) Replaces revenue lost when the vehicle license fee (VLF) was reduced in the early 2000s with (a) ERAF and, if ERAF revenues are not sufficient, from (b) nonbasic aid K-12 and community college districts, with all reductions in revenue to K-12 and community college districts offset by additional state aid.

This bill:

- 1) Establishes the Affordable Housing and Community Development Investment Program (Program).
- 2) Establishes the Affordable Housing and Community Development Investment Committee (Committee), comprised of nine specified state department

representatives and legislative appointees and gives it responsibility for reviewing and approving or denying local agency plans for projects proposed to be funded under the Program.

- 3) Requires the Department of Housing and Community Development (HCD) to provide technical assistance and administrative support necessary for the Committee to consider local plans.
- 4) Allows various local agencies to apply for the Program, either individually or jointly, as specified.
- 5) Authorizes a city, county, or special district to establish an Affordable Housing and Community Development Investment Agency, as specified, to apply for program funding.
- 6) Requires, for an applicant to receive funding, submission of the following information, as specified, not to exceed 30 years.
- 7) Allows the Committee to approve, deny, or modify an application.
- 8) Requires the Committee to ensure distribution of funds with geographic equity in mind, and create a scoring methodology that prioritizes projects based on the number and type of housing units created.
- 9) Outlines the following eligible uses of funding, subject to certain exclusions if the applicant has taken certain actions that hinder housing development:
 - a) Construction of affordable housing, defined as units affordable to households making 120 percent of area median income.
 - b) Transit-oriented development in priority locations that maximize density and transit use and contribute to the reduction of vehicle miles traveled and greenhouse gas emissions.
 - c) Infill development to assist in the construction or rehabilitation of infrastructure that supports high-density, affordable, and mixed-income housing in area designated as infill, as specified.
 - d) Promoting strong neighborhoods through supporting local community planning and engagement efforts to revitalize and restore neighborhoods including housing infrastructure and public facilities, as specified.

- e) Protecting communities from the effects of climate change, including the construction, repair, replacement, and maintenance of infrastructure.
- 10) Requires that at least 50% of the overall program funding and 50% of each plan's funding is used on the construction of affordable housing. At least 80% of this set-aside must be used to provide rental and owner-occupied housing for low-income households with an annual income of up to 80% of the area median income, as specified. The remaining funds may be used for the production of moderate-income housing (households with an annual income between 80% and 120 % of the area median income), as specified.
- 11) Subjects rental and sales prices for housing assisted with the 80% set aside to specified caps, and subjects all housing to the following recorded affordability restrictions: 55 years for rental housing; 45 years for owner-occupied housing; and at least 15 years for self-help housing.
- 12) Prohibits funds from subsidizing market rate units, but allows funding for infrastructure of developments that include market rate units.
- 13) Requires that plans dedicate at least 30 percent of housing units to affordable housing and keep those units affordable for at least 55 years.
- 14) Reserves at least 12 percent of overall program funding for counties with 200,000 residents or less, and two percent for technical assistance to such counties to make sure they have the technical capacity to apply for the program. If these counties do not spend all of these funds in any year, SB 5 reserves that funding for these counties in subsequent years.
- 15) Requires projects that receive funding to meet specified labor and anti-displacement requirements.
- 16) Allows the Committee to approve plans for the Program provided that the Legislature enacts a budget bill for the applicable fiscal year that specifies the amount available to the Committee.
- 17) Caps the amount of funding the Committee can approve to no more than \$200 million in any year from July 1, 2021, to June 30, 2026, and no more than \$250 million in any year from July 1, 2026, to June 30, 2030.
- 18) Allows the Legislature to direct the Committee to suspend the Program if the state taps into its Rainy Day account or suspends the Proposition 98 guarantee without impacting previously approved funding.

- 19) Allows the Committee, upon approval of a plan, to direct the county auditor to transfer an amount of property tax revenue that is equal to the amount approved by the Committee for that applicant from the ERAF to a specified county Fund established by this bill. The county auditor would then allocate specified funds to program applicants.
- 20) Specifies that these transfers can only come from ERAF amounts that were going to be used for K-12 schools to ensure that the General Fund backfills the lower property tax revenue to schools.
- 21) Gives the Department of Finance the ability to recalculate, or “rebench,” the Proposition 98 guarantee so that schools receive the same amount of funding they would have absent this Program.
- 22) Authorizes the county auditor to deduct its administrative costs from the amounts transferred from ERAF before allocating the balance to applicants with approved plans, as specified.
- 23) Requires the recipient of diverted ERAF funds to submit an annual report in years the applicant receives funding as specified.
- 24) Requires that the Committee, in years it allocates program funding, to compile these reports into an annual report, which it submits to the Legislature.
- 25) Allows the Committee to direct the applicant to develop a corrective action plan if the applicant does not spend the funds as laid out in their plan, as specified.
- 26) Gives the applicant one year to develop the corrective action plan and take steps to implement the plan.
- 27) Requires the Committee to direct the county auditor to stop any transfers from ERAF, and the applicant would be prohibited from applying for additional funding from this Program for five years or apply for other state grant programs, if the applicant does not comply with the corrective action plan.

Background

Redevelopment agencies. Citing a significant State General Fund deficit, Governor Brown’s 2011-12 Budget proposed eliminating RDAs and returning billions of dollars of property tax revenues to schools, cities, and counties to fund core services. Among the statutory changes that the Legislature adopted to implement

the 2011-12 Budget, ABX1 26 dissolved all RDAs. At the time of dissolution, over 400 RDAs statewide were diverting 12% of property taxes, over \$5.6 billion yearly. RDAs' dissolution deprived many local agencies of the primary tool they used to eliminate physical and economic blight, finance new construction, improve public infrastructure, rehabilitate existing buildings, and increase the supply of affordable housing. Until their dissolution, state law required RDAs to set-aside 20% of funding generated in a project area to increase the supply of low- and moderate-income housing. At the time RDAs were dissolved, the Controller estimated that statewide, RDAs were obligated to spend \$1 billion on affordable housing.

Education funding. Proposition 13 gave the state authority to allocate the local property tax among local agencies, schools, and community college districts. Each year, the state estimates how much each district will receive in local property tax revenue (and student fee revenue in the case of community colleges). Then, the annual Budget Act appropriates state General Fund to "make up the difference" and fund the district's revenue limit or apportionment at the intended level. For K-12 districts that require additional funding to meet the minimum guaranteed level of funding, known as nonbasic aid school districts, all funding shortfalls are backfilled automatically with additional state aid. In contrast, basic aid districts do not require state aid to meet the minimum guaranteed level of funding because local property tax is sufficient. Explicit state action is required to backfill community college funding shortfalls. In 1992-93 and 1993-94, in response to serious budgetary shortfalls, the state permanently redirected almost one-fifth of total statewide property tax revenue from cities, counties, and special districts to K-12 and community college districts. Under the changes in property tax allocation laws, county auditors deposit the redirected property tax revenue into a countywide fund for schools, also known as a county's ERAF.

Comments

- 1) *Purpose of the bill.* According to the author, "Nearly 130,000 men, women, and children lived on California's streets in 2018. A major driver for the increase in homelessness is high housing costs and underproduction of housing units, especially for those with the lowest income. Since the 1980s, California has failed to produce the estimated 180,000 necessary new housing units per year. According to HCD, California has a 1.5 million unit shortage of housing available to our lowest income households, who are most at risk of becoming homeless. The state must act with urgency to address the shortage of affordable housing units. SB 5 makes the state a long-term partner and

provides much needed money to build affordable housing construction across the state. It provides a significant ongoing investment, ramping up to \$2 billion annually over time, and offers an effective finance tool lost when the state dissolved redevelopment agencies. The intent of this bill is to respond to the needs of the cities and counties and get funds out the door to construct affordable housing units quickly. It creates desperately needed housing opportunities for hard-working Californians and will also help alleviate poverty, create jobs, and meet our statewide environmental goals without affecting school funding. According to economic analysis prepared by the Northern California Carpenters Regional Council and California Housing Partnership, this bill would create up to 86,000 new and rehabilitated housing units, 329,000 jobs and spur more than \$60 billion in economic activity over a ten year period.”

- 2) *General fund and education funding impact.* By reducing the amount of local property tax revenue going to schools, SB 5 indirectly requires the General Fund to backfill any reductions to nonbasic aid schools. While these backfills ensure that schools receive the same level of revenue as they would have in absence of the bill, like any General Fund expenditure, SB 5 results in less General Fund revenue available to support other programs and services. While the amount of General Fund dedicated on this program could put additional pressure on the state budget and schools, this bill includes provisions intended to hold schools harmless. Since the level of funding is subject to appropriation, the Legislature can control the annual magnitude of this adjustment. However, this could result in different funding amounts each year, creating difficulties for applicants planning to issue bonds.
- 3) *Work in progress.* Despite significant details regarding how the Program operates, there are still components of the program that warrant further specification. For example, this bill requires use of a skilled-and-trained workforce for some projects, but provides for an exemption to others that are currently undefined in this bill. In addition, this bill’s funding categories are relatively broad. One of the critiques of redevelopment was that funding was used for projects that were not the highest priority. Given the breadth of funding uses, it is possible that this new program could face similar criticisms when implemented. On the other hand, broader categories allow the program to be flexible and account for the various challenges local agencies face.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee:

- General Fund impacts of up to \$2 billion annually for up to 30 years when fully implemented, to the extent the Legislature authorizes the allocation of funding at the maximum amounts specified in this bill each year. General Fund expenditures would be up to \$200 million in 2021-22, increasing by up to \$200 million annually through 2025-26, then increasing by up to \$250 million annually through 2029-30, to reach a cumulative annual impact of \$2 billion by 2029-30. The funding mechanism in this bill requires a specified committee to make awards, to the extent authorized, and direct county officials to allocate property tax revenues from county ERAFs to specified local entities with an approved plan of projects each year. Each ERAF shift may have a duration of up to 30 years, as specified in the approved plans. The General Fund generally backfills any reductions in the school share of local property tax revenues, pursuant to the Proposition 98 minimum funding guarantees, including amounts transferred from ERAFs.
- Preliminary estimates indicate HCD would incur first year costs of approximately \$4.13 million, to the extent the maximum amount is authorized, and ongoing administrative costs of approximately \$3.78 million to support 23 PY of new staff time to establish the program, provide technical assistance and administrative support for the new committee to consider local plans, make awards, and conduct ongoing monitoring and administration of the program. (General Fund) Staff notes this bill authorizes HCD to charge local agency applicants for its reasonable costs to review local plans, which would provide for partial cost-recovery of an unknown portion of HCD costs.
- Unknown, potentially reimbursable local mandate costs associated with new requirements imposed on county auditors related to ERAF shifts and property tax allocations. Staff notes that this bill authorizes county auditors to deduct administrative costs from a portion of the funds allocated to local entities with an approved plan of projects, as specified. Ultimately, the Commission on State Mandates would determine whether certain duties mandated by this bill necessitate state reimbursement, after accounting for offsets to costs as a result of the fee authority, should local entities file a successful test claim.

SUPPORT: (Verified 5/28/19)

American Planning Association, California Chapter
 Associated Builders and Contractors Northern California Chapter
 Bay Area Council
 Big City Mayors
 California Apartment Association

California Association for Local Economic Development
California Association of Housing Authorities
California Association of Local Housing Finance Agencies
California Contract Cities Association
California Forward Action Fund
California Housing Partnership Coalition
California Labor Federation
California Legislative Conference of Plumbing, Heating, & Piping Industry
California State Association of Electrical Workers
California State Council of Laborers
California State Pipe Trades Council
Cities Association of Santa Clara County
City of Alameda
City of Albany
City of Brentwood
City of Burbank
City of Clovis
City of Concord
City of Cotati
City of Covina
City of Crescent City
City of Danville
City of East Palo Alto
City of Eureka
City of Fort Bragg
City of Fountain Valley
City of Garden Grove
City of Glendale
City of Hollister
City of La Mirada
City of Laguna Beach
City of Laguna Niguel
City of Lakeport
City of Lakewood
City of Los Alamitos
City of Mill Valley
City of Modesto
City of Moorpark
City of Napa
City of Novato

City of Orange Cove
City of Paramount
City of Pasadena
City of Pinole
City of Placentia
City of Rancho Cucamonga
City of Rohnert Park
City of Rosemead
City of Salinas
City of San Carlos
City of San Diego
City of San Jose
City of San Rafael
City of Sand City
City of Santa Cruz
City of South Pasadena
City of Stanton
City of Thousand Oaks
City of Vallejo
Electrical Contractors of California Trust
Engineering & Utility Contractors Association
First Community Housing
Housing California
Housing Network of Santa Clara County
Housing Trust Silicon Valley
International Union of Operating Engineers, Cal-Nevada Conference
Kosmont Companies
League of California Cities
League of California Cities, Los Angeles County Division
League of California Cities, San Diego County Division
Local Government Commission
Marin County Council of Mayors and Councilmembers
Mayor of San Jose Sam Liccardo
National Electrical Contractors Association, California Chapters
Non-Profit Housing Association of Northern California
Northern California Allied Trades
Northern California Carpenters Regional Council
Northern California Sheet Metal Worker's, Local 104
Petaluma Pie Company
Plumbers, Steamfitters, and HVAC/R Service Technicians UA Local Union 393

San Francisco Bay Area Planning and Urban Research Association
San Francisco Housing Action Coalition
San Joaquin Hispanic Chamber of Commerce
San Jose/Silicon Valley Branch of the NAACP
Santa Clara and San Benito Counties Building and Construction Trades Council
South Bay Cities Council of Governments
South Bay Labor Council
South Bay YIMBY
Southern California Association of Governments
Southwest California Legislative Council
Sprinkler Fitter and Apprentices Local 483
State Building and Construction Trades Council, AFL-CIO
Techequity Collaborative
Town of Corte Madera
Town of Fairfax
United Contractors
Ventura Council of Governments
Wall and Ceiling Alliance
Western States Council of Sheet Metal Workers
Western Wall and Ceiling Contractors Association
Working Partnerships USA

OPPOSITION: (Verified 5/28/19)

California Teachers Association
One individual

Prepared by: Jonathan Peterson / GOV. & F. / (916) 651-4119
5/28/19 16:19:30

**** **END** ****



City of St. Helena
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Phone: (707) 967-2792
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www.ci.st-helena.ca.us

Date: August 27, 2019

The Honorable Jim Beall
California State Senate
State Capitol Building, Room 2082
Sacramento, CA 95814

The Honorable Mike McGuire
California State Senate
State Capitol Building, Room 5061
Sacramento, CA 95814

**Re: SB 5 (Beall/McGuire) Local-State Sustainable Investment Incentive Program
Notice of SUPPORT (As Introduced 12/03/2018)**

Dear Senator Beall and Senator McGuire:

The City of St. Helena supports your SB 5 (Beall/McGuire), the Local-State Sustainable Investment Incentive Program.

The elimination of redevelopment in 2011 created a huge deficit in community revitalization resources throughout California, including an annual loss of \$1 billion in funding for low- and moderate-income housing.

SB 5 provides the opportunities for communities to access additional tax increment revenues to fund affordable housing, infrastructure, and economic development projects that advance state and local priorities, including reducing greenhouse gas emissions, expanding transit oriented development (TOD), addressing poverty, and revitalizing neighborhoods.

The City of St. Helena commends you for recognizing the diversity of California cities and acknowledging the need for flexible funding to spur housing construction and revitalize communities.

The time is right for the state to fill the void left by the elimination of redevelopment and provide more tools to support local efforts to build more affordable housing, provide essential infrastructure, and create opportunities in underserved communities. The City of St. Helena applauds your leadership in this effort to give cities the tools they need to improve their communities.

For these reasons, the City of St. Helena supports SB 5 (Beall/McGuire).

Sincerely,

Geoff Ellsworth
Mayor
The City of St. Helena

cc: Senator Bill Dodd & Assembly Member Cecilia M. Aguilar-Curry
Your League Regional Public Affairs Manager (via email)
Meg Desmond, League of California Cities, cityletters@cacities.org



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Conduct second reading and proposed adoption and of an ordinance amending Section 17.08.060 and adding Section 17.08.200 to Chapter 17.08 of Title 17 of the St. Helena Municipal Code Authorizing Refunds of City's Defense Costs on Appeal to Residential Projects.

CEQA Determination: Not a CEQA project

Prepared By: Michael G. Biddle, City Attorney

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

This item was introduced and a first reading approved at the August 13, 2019 regular City Council meeting. The City Council considered and adopted the recommendations of the Planning Commission, which reviewed the proposed ordinance at their regular meeting of August 6, 2019, as well as additional considerations identified by the City Attorney. It is recommended that the City Council adopt the second reading of the proposed ordinance, which will then go into effect 30 calendar days thereafter.

In January 2017, the City Council approved the design review and demolition permit for the eight-unit multifamily residential project proposed by Joe McGrath for the property located at 632 McCorkle Street. Two neighborhood groups challenged the City Council's decision approving the project in Court. The Napa Superior Court entered judgment in favor of the City and Mr. McGrath, ruling that the decision approving the project was valid in every respect asserted by the challengers. The petitioner groups appealed. The California Court of Appeal, in a published decision, affirmed the trial court's decision in favor of the City, and the California Supreme Court denied requests for review and de-publication.

In accordance with the terms of the project application and conditions of project approval, which the City imposes on all project applicants, Mr. McGrath has been required to pay the costs of the City's defense of the lawsuit. On several occasions, Mr. McGrath requested that the City Council relieve him of that obligation.

While the City Council initially declined that request, in March 2018 the City Council reconsidered the issue, on Mr. McGrath's specific request with respect to the costs of defending the appeal. The City Council considered Mr. McGrath's request for relief from his obligation to pay the City's litigation costs on appeal. A member of the petitioner groups that had unsuccessfully sued the City and Mr. McGrath, asserted during the public comment on the agenda item that relieving Mr. McGrath of the litigation costs would trigger California's prevailing wage law. The City then determined to request a determination from the California Department of Industrial Relations ("DIR") as to the applicability of the prevailing wage law to an ordinance or action relieving projects of the indemnity/defense obligation. The petitioner groups have submitted arguments to the DIR that the ordinance/action would trigger the PWL. DIR has not, to date, provided any determination.

At the June 11, 2019, regular meeting of the City Council, the issue was discussed and direction was provided to move forward with an ordinance providing the City Council with the discretion of refunding all or a portion of the City's litigation costs for certain residential projects that met certain conditions.

DISCUSSION

Eligibility For A Refund – "Residential Project"

The draft ordinance would amend the zoning ordinance to provide, as a matter of general applicability, that a "residential project" could file an application to seek a refund of the "City's defense costs on appeal".

The overarching intent is to provide the City Council the ability and discretion to provide relief to development that furthers the production of affordable housing consistent with the City's goals. As defined in the draft ordinance (see Section 17.08.200.A.(c)), a "residential project" that would be eligible to seek a refund of litigation costs paid by an applicant defending a decision of the City, is one that satisfies five (5) criteria:

- first, it is a residential development project as currently defined in Section 17.146.020 of the St. Helena Municipal Code (SHMC);
- second, it provides for affordable residential units as set forth in subsections A, B or C of Section 17.146.050 of the SHMC; which also qualify towards meeting/satisfying the City's regional housing needs allocation for either very low, low or moderate income households. Note, however, that subsection C of Section 17.146.050 provides for the payment of an in-lieu fee which does not result in the immediate creation of a unit. Accordingly, the requirement that the

units also satisfy RHNA obligations would only apply to the development of affordable units pursuant to subsections A or B of Section 17.146.050

- third, the permit application for the residential project was filed by the applicant with the City on or after January 1, 2016.

The Refund Application

The draft ordinance provides that in the event a “residential project” is approved by the City, a third party challenges the City’s approval of the project, and the trial court decision regarding the City’s action approving the project is appealed, then the project Applicant can file an application with the City to request a refund of the “City’s defense costs on appeal”. See Section 17.08.200.B. Note that at this stage the Applicant is about to start incurring legal costs on behalf of the City. Further, it is important to understand that the Applicant is not being relieved of the obligation to pay for the City’s costs. Rather, the application relates to a potential subsequent refund by the City of costs paid by the Applicant during the appeal that will be decided at a later date.

The refund application is to be filed by the Applicant with the City Clerk within thirty (30) days following the filing of the appeal, or thirty (30) days of the effective date of this ordinance for projects that have already received a “final decision on appeal” prior to the effective date of the ordinance. Accordingly, consistent with the Council’s desire that the ordinance have retroactive effect, an Applicant of a “residential project” that filed their permit application with the City on or after January 1, 2016 and obtained a “final decision on appeal” prior to the effective date of this proposed ordinance, would be able to file an application with the City to obtain a refund of the “City’s defense costs on appeal”. However, as noted, they would need to do so within thirty (30) days of the effective date of this ordinance.

An Applicant will forfeit their right to request a refund of the City’s defense costs on appeal should they fail to timely file an application, unless the failure to timely file the application is waived by the City Council upon a showing of good cause by the Applicant, as determined by the Council in its sole and exclusive discretion.

Upon receipt of an application for a refund of the City’s defense costs on appeal, the City Clerk is to provide a copy of the application to the City Attorney and Finance Director so that they can coordinate their activities going forward in order to separately account for the City’s defense costs on appeal that are about to be incurred by the City and paid by the Applicant. See Section 17.08.200.C.

The Final Decision On Appeal

Once an appeal of a trial court decision is filed, it may take anywhere from 12-18 months (or longer) for a “final decision on appeal” to be provided. As defined in the draft ordinance (see Section 17.08.200.A.(b)), a “final decision on appeal” means either the Supreme Court, or the court of appeal, will issue a remittitur to the trial court in

accordance with the California Code of Civil Procedure. In essence, once the higher court(s) have made their decision they will send their decision and the matter back to the trial court.

Once a “final decision on appeal” is issued, the Applicant is obligated to provide a copy to the City Clerk, who shall then provide a copy to the City Attorney and Finance Director. If the “final decision on appeal” reverses or overturns the City’s approval of the residential project, then the City Manager is to dismiss the refund application and the Applicant has no basis to appeal that action. On the other hand, if the “final decision on appeal” upholds the City’s approval of the residential project, then the City Clerk is to schedule the refund application for consideration by the City Council at their next available regular meeting. See Section 17.08.200.D.

City Council Consideration of Refund Application

As part of the City Council’s consideration of the refund application, the City Attorney and Finance Director are to provide the City Council with an accounting of the total amount of the City’s defense costs on appeal. Further, the City Attorney is to report whether the Applicant has paid all trial court litigation costs, City’s defense costs on appeal, and complied with all other indemnity obligations. See Section 17.08.200.E. If the Applicant has not adhered to these obligations, then unless waived by the City Council upon a showing of good cause by the Applicant, the refund application is to be denied. See Section 17.08.200.F.

In consideration of the refund application, the City Council retains full and complete discretion whether to deny, approve or approve in part the application. In the event the City Council chooses to approve the application, in whole or in part, since these expenses are not budgeted by the City, the City Council will need to appropriate and allocate funds to cover the expense of refunding all or a portion of the City’s defense costs on appeal to the Applicant. See Section 17.08.200.F.

In the context of a residential project that is part of a mixed use development, the amount of the City’s defense costs on appeal that would be eligible for a refund would be equal to a fraction derived by the floor area of the residential project divided by the overall floor area of the mixed use development. Thus if the floor area of a residential project is 40% of the overall floor area of a mixed use development of which it is a part, then the eligible amount of the refund is limited to 40% of the City’s defense cost on appeal. See Section 17.08.200.F.

Issuance of the Refund

Consistent with the overall intent of supporting the production of affordable housing consistent with the City’s goals, the sum determined by the City Council to be refunded to the Applicant is not to be paid until the residential units are actually constructed. Accordingly, within 30 days following the issuance of a certificate of occupancy for the

residential project, the City Manager and Finance Director are to take all necessary steps required to refund the amount approved by the City Council. See Section 17.08.200.G. Note that the refund may only be issued to the Applicant, and thus the Applicant cannot assign or otherwise pledge their right to the refund amount approved by the City Council to some third party and any attempt to do so is null and void. See Section 17.08.200.H.

Finally, It is important to bear in mind that the City's standard obligation is one that requires both defense and indemnity. The latter indemnity requirement is different from the defense obligation, and protects the City against any award of damages or attorney's fees that might be awarded were a court to rule against the City. The ordinance does not relieve applicants of that indemnity obligation. See Section 17.08.200.I.

Additional Consideration

During the drafting of revisions to the proposed ordinance to address the recommendations of the Planning Commission, the City Attorney noted an item that the City Council considered and included in the first reading of the proposed ordinance.

Section 17.08.060.B. was added to provide the "final decision making body" of the City the ability to relieve the Applicant of a residential project from the obligation to provide for the City's defense costs on appeal at the ***outset*** of the approval of the project application. As a result, while the Applicant would still be obligated for the City's costs at the trial court level, they would have no obligation to cover the City's defense costs on appeal and similarly not have to wait for a refund. However, unlike the proposed process outlined in the ordinance providing for a refund, there would be no assurance that the residential units would actually be created in exchange for the relief provided.

FISCAL IMPACT

There is no direct fiscal impact. If the City Council adopts the ordinance, it is impossible to predict the number of instances in the future in which the ordinance would apply, and in any event it would only apply to appeal costs for the relatively narrow class of "residential projects" as outlined above. However, the one "residential project" that would be eligible to submit a refund application to the City Council for its consideration, i.e. 632 McCorkle Street, the City's defense costs on appeal were \$86,717.77.

RECOMMENDED ACTION

Staff recommends the City Council adopt the draft Ordinance amending Section 17.08.060 and adding Section 17.08.200 to Chapter 17.08 of Title 17 of The St. Helena Municipal Code Authorizing Refunds of City's Defense Costs on Appeal to Residential Projects.

ATTACHMENTS

[St. Helena Indemnity and Defense Cost Ordinance](#)

CITY OF ST. HELENA

ORDINANCE NO. _____

AMENDING SECTION 17.08.060 AND ADDING SECTION 17.08.200 TO CHAPTER 17.08 OF TITLE 17 OF THE ST. HELENA MUNICIPAL CODE AUTHORIZING REFUNDS OF CITY'S DEFENSE COSTS ON APPEAL TO RESIDENTIAL PROJECTS

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

SECTION 1. Amending Section 17.08.060 And Adding Section 17.08.200 To Chapter 17.08 Of Title 17 Of The St. Helena Municipal Code. Section 17.08.060 is hereby amended and Section 17.08.200 is hereby added to Chapter 17.08 of Title 17 of the St. Helena Municipal Code to read in their entirety as shown on Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. CEQA. For purposes of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.), a "project" is defined in State CEQA Guidelines Section 15378 (a) as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment". The City Council hereby finds that the action to adopt this Ordinance will not result in any change in the environment and thus is not a project subject to the requirements of CEQA. Further, even if the action to adopt this Ordinance was deemed to be a project subject to CEQA, the City Council finds the proposed Ordinance is exempt from CEQA under the common sense exemption set forth in Section 15061(b)(3), which provides that CEQA only applies to projects which have the potential for causing a significant effect on the environment, and thus where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 3: General Plan Consistency. The City Council finds this Ordinance is consistent with the St. Helena General Plan.

SECTION 4. Severability. The City Council hereby declares every section, paragraph, sentence, cause and phrase is severable. If any section, paragraph, sentence, clause or phrase of this ordinance is for any reason found to be invalid or unconstitutional, such invalidity, or unconstitutionality shall not affect the validity or constitutionality of the remaining sections, paragraphs, sentences, clauses or phrases.

SECTION 5: Inclusion in the St. Helena Municipal Code. It is the intention of the St. Helena City Council that the text in Exhibit A of this Ordinance be made a part of the St. Helena Municipal Code and that the text may be renumbered or re-lettered and the

word "Ordinance" may be changed to "Section," "Chapter," or such other appropriate word or phrase to accomplish this intention.

SECTION 6. Effective Date; Retroactive Effect. This Ordinance shall take effect and be in force (thirty) 30 days after its adoption, and a summary of this Ordinance shall be published once with the names of the members of the Council voting for and against the Ordinance in the St. Helena Star, a newspaper of general circulation published in the City of St. Helena. Further, the City Council of the City of St. Helena hereby affirms its intent that the effect of this Ordinance shall apply retroactively to permit applications for a "residential project" submitted on or after January 1, 2016, that has obtained a "final decision on appeal", as those terms are defined in this Ordinance.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the St. Helena City Council on the 13th day of August 2019, and was adopted at a regular meeting of the St. Helena City Council on the 27th day of August, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Geoff Ellsworth, Mayor

ATTEST:

CITY OF ST. HELENA

Cindy Tzafoopoulos, City Clerk

I, CINDY TZAFPOULOS, CITY CLERK of the City of St. Helena, California, do hereby certify that the foregoing Ordinance was regularly introduced and placed upon its first reading at a regular meeting of the City Council on the 13th day of August, 2019. That thereafter said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 27th day of August, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Cindy Tzaferopoulos, City Clerk

APPROVED AS TO FORM:

Michael G. Biddle, City Attorney

EXHIBIT A

Section 17.08.060 Administrative Procedures

17.08.060 Authority of final decision-making body. Conditions of approval.

A. In considering an application for a permit or other discretionary approval authorized by this title, the final decision-making body may approve, deny or modify the application consistent with the evidence presented to it and the appropriate findings required by this title. Final decision-making bodies may require changes to applications and/or impose conditions of approval in order to affect the policies of the general plan and the purpose of this title. Such conditions include but are not limited to: dedication of land; installation of specific improvements; size, design and placement of buildings or structures; landscaping; the defense and indemnity of the City in litigation challenging the approval; and limitations on use and/or hours of operation. Such conditions shall be reasonably related to the use of the property for which the permit or other discretionary approval is requested. (Prior code § 27.405)

B. Notwithstanding the provisions of subsection A above, the final decision making body may condition its approval of an application for a permit or other discretionary approval for a residential project, as defined in Section 17.08.200.A.(c) below, to relieve the Applicant from the obligation to provide for the City's defense costs on appeal, as defined in Section 17.08.200.A.(a) below.

C. Notwithstanding the provisions of subsection A above, if the final decision making body has not relieved an Applicant of a residential project from the obligation to provide for the City's defense costs on appeal pursuant to subsection B above, upon application by an Applicant in accordance with Section 17.08.200 of this code, the City Council may authorize a refund of the City's defense costs on appeal paid by Applicant.

17.08.200 Refund of City's Defense Costs on Appeal.

A. As used in this Section, and Section 17.08.060 of this code, the following terms shall be defined as follows:

(a) "City's defense costs on appeal" shall mean all expenses, costs and fees, including attorneys' fees, incurred by City and paid for by Applicant in defense of or an appeal of a trial court entry of judgment regarding the City's approval of a residential project, from the date of entry of the trial court judgment through the date of the final decision on appeal.

(b) "Final decision on appeal" shall mean the issuance of a remittitur by the California Supreme Court, or the court of appeal, to the trial court in accordance with California Code of Civil Procedure §§ 43, 912;

(c) "Residential project" shall mean (i) a "residential development project" defined in Section 17.146.020 of this code, (ii) which satisfies the requirements of subsections A, B or C of

Section 17.146.050 of this code and, if in compliance with subsections A or B of Section 17.146.050 of this code, the units must also qualify towards satisfying the City's regional housing needs allocation for households of very low incomes (as defined by Section 50105 of the Health and Safety Code), lower incomes (as defined by Section 50079.5 of the Health and Safety Code), or moderate incomes (as defined by Section 50093 of the Health and Safety Code), and (iii) a permit application for the residential project was submitted in accordance with Section 17.08.040 of this code on or after January 1, 2016.

B. An application to request a refund of the City's defense costs on appeal, shall be filed by an Applicant with the City Clerk no later than (i) thirty (30) calendar days following the filing of an appeal of a trial court entry of judgment regarding the City's approval of a residential project, or (ii) thirty (30) calendar days following the effective date of this Section of the code with respect to a residential project that has received a final decision on appeal prior to the effective date of this Section of the code. Failure to timely file an application required by this subsection shall forfeit Applicant's ability to request a refund of the City's defense costs on appeal, unless waived by the City Council upon a showing of good cause by the Applicant, as determined by the City Council in its sole and exclusive discretion.

C. Upon receipt of the application required by subsection B above, the City Clerk shall identify, confirm and note the date of receipt of the application and transmit a copy thereof to the City Attorney and Finance Director. The City Attorney and Finance Director shall take all necessary steps to thereafter separately account for the City's defense costs on appeal.

D. Upon issuance of a final decision on appeal, the Applicant shall transmit a copy forthwith to the City Clerk, who shall promptly provide a copy to the City Attorney and Finance Director. If the final decision on appeal reverses or overturns the City's approval of the residential project, in whole or in part, then the application shall be dismissed forthwith by the City Manager, which decision shall be final and non-appealable. If the final decision on appeal affirms the City's approval of the residential project, then the City Clerk shall schedule the application for consideration by the City Council at their next available regular meeting.

E. The City Attorney and Finance Director shall provide to the City Council in connection with its consideration of the application the total amount of the City's defense costs on appeal. Further, the City Attorney shall advise whether the Applicant has, to date, paid all trial court litigation defense costs, City's defense costs on appeal, and complied with all other indemnity requirements or conditions.

F. The City Council may, in its sole and exclusive discretion, following its consideration of the application and all appropriate testimony and public comment, deny or approve the application. In connection with approval of an application, the City Council shall appropriate and allocate funds, as necessary, and authorize the City Manager and Finance Director to refund to the Applicant, in accordance with subsection G below, a fixed sum, as determined by the City Council, in a range from zero dollars (\$0.00) to an amount not to exceed the City's defense costs on appeal. Furthermore, if the residential project is part of a mixed use development (as defined in Section 17.04.160 of this code), the eligible refund amount shall not exceed the City's defense costs on appeal times the quotient of the floor area devoted to the residential project divided by

the floor area devoted to the entire mixed use development. The foregoing notwithstanding, if the Applicant has not paid all trial court litigation defense costs, City's defense costs on appeal, or complied with any other indemnity requirements or conditions, then unless waived by the City Council upon a showing of good cause by the Applicant, as determined by the City Council in its sole and exclusive discretion, the application shall be denied.

G. Within thirty (30) calendar days following issuance by the City of a final certificate of occupancy for the residential project, the City Manager and Finance Director shall take such steps as are necessary to refund to the Applicant the fixed sum determined by the City Council in accordance with subsection F above. The foregoing notwithstanding, in the event the City Manager becomes aware prior to issuing the refund approved by the City Council that the Applicant has not paid all trial court litigation defense costs, City's defense costs on appeal, or complied with any other indemnity requirements or conditions not previously considered by the City Council, the application shall be returned to the City Council for reconsideration.

H. Applicant shall have no right to transfer or assign to any third party, or to pledge or otherwise hypothecate, the sum appropriated, allocated and approved by the City Council to be refunded to the Applicant in accordance with subsection F above, and any such attempt by Applicant to transfer, assign, pledge or hypothecate said sum shall be null and void.

I. The provisions of Section 17.08.060 and 17.08.200 are not intended to and shall not be deemed or interpreted to relieve an Applicant of a residential project of the requirement, condition or obligation to pay trial court litigation expenses, costs and fees, including attorneys' fees, incurred by City in connection with the defense of the City's approval of the residential project, City's defense costs on appeal, or any other indemnity requirement, condition or obligation, including without limitation the requirement, condition or obligation to indemnify the City from and against any damages, costs and/or attorney's fees should the City's approval of the residential project be reversed.



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Consideration and proposed resolution authorizing the City Manager to execute Work Order #2 in the amount of \$271,883 to the Master Professional Services Agreement with EKI Environment & Water, Inc. - STH Contract: FY 2020-024 - to provide professional consulting services for the Upper York Creek Habitat Restoration Project, CIP Project No. W-26 for a total not-to-exceed amount of \$296,743.

CEQA Determination: Environmental Impact Report (SCH. No. 2006092096)

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

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On April 26, 2016, City Council approved a contract for Michael Baker International in the amount of \$461,813 for engineering services for the Upper York Creek Habitat Restoration Project Capital Improvement Project W-26. The proposal cost was based on a value engineering analysis of the previous designs from Prunuske Chatham, final plans, and permits for a project which would notch the dam, remove extensive sediment build-up, armor the creek, and provide extensive habitat restoration as a result of the construction disturbance.

In early 2017, as the consultants and City staff were working to finalize the 65% plans and submit permit applications, two of the regulatory agencies recommended a change in the project plans and implementation. The change was due to previous dam removal projects with similar characteristics to York Creek being washed out with heavy rains and weather. In order to avoid additional expensive reconstruction, it was requested that the City adopt a new approach to the project. The new approach is to notch the dam, perform limited sediment removal and then allow natural sediment transport to re-

establish the ecosystem and fish passage. At least ten years of monitoring will follow the dam removal and the City, in partnership with the regulatory agencies, will develop an adaptive management plan as additional construction may be needed in the future for sediment, habitat and fish passage.

On May 23, 2017, City Council authorized Amendment No. 1 in the amount of \$144,557.80 with Michael Baker International in order to to meet the new project requirements. Additional studies and analysis were needed on sediment flow and rock borings, design of sediment traps, additional meetings, hydrology and hydraulics studies, cultural resources, and more. On May 8, 2018, City Council authorized Amendment No. 2 in the amount of \$234,624 for negotiating right of way and additional environmental and engineering services. It was also in 2018 when the regulatory agencies recommended that the project be broken up into two construction phases. Phase I would comprise of the installation of up to 30 sediment traps downstream of the dam removal and Phase II would be the completion of the dam removal and associated riparian habitat restoration.

On April 23, 2019, City Council adopted Resolution 2019-44 adopting an amendment to the 2015 Environmental Impact Report for the Upper York Creek Habitat Restoration Project and also adopted Resolution 2019-46 approving modifications to the project that included a construction and maintenance easement access agreement with Spring Mountain Vineyards in order to construct downstream sediment traps (Phase I), and authorized the Public Works Director to approve final plans and advertise to the project for construction bids. On June 25, 2019, the Public Works Director signed a permit agreement with the California Department of Fish and Wildlife for Phase I of the Upper York Creek Habitat Restoration Project which is the final permit needed in order to construct Phase I.

On July 23, 2019, City Council authorized Amendment No. 3 in the amount of \$289,184 with Michael Baker International with the intent that it would be sufficient funds in order to complete the project through Phase II construction. In addition to the Amendment, City Council was informed at the meeting that City staff was negotiating with a third party firm, EKI Environment & Water, Inc., to assist the Public Works Director in keeping the project on track and provide additional detailed oversight on the project as well as coordination needed during design and construction.

DISCUSSION

Due to the design and permitting complexity of the Upper York Creek Habitat Restoration Project and limited City staff resources, EKI Environment & Water, Inc. (EKI) is needed to assist the City in providing a thorough constructability review for both Phase I and Phase II design plans and specifications being completed by Michael Baker International on behalf of the City, oversee construction management of Phase I, assist in review of various permits and monitoring plans for both Phase I and Phase II, and general project management for Phase II design and permitting. In order to initiate EKI in time for review of the Phase I Downstream Sediment project bid package, the City Manager executed a Master Professional Services Agreement (STH Contract: FY 2020-

024) with Work Order No. 1 (STH Contract: FY 2020-024-W01) in the amount of \$24,860. The Work Order (WO1) strictly provides for constructability review of the Phase I project bid package and some project management. The amount of WO1 and Work Order 2 (WO2) shall not exceed the requested authorization in this staff report without additional City Council authorization.

EKI has extensive civil engineering knowledge and, with their experience and locality of the firm, City staff is confident that the work can remain on track through completion of the project in 2020. EKl has teamed with WRA, an environmental firm, as their sub-consultant on the project. WRA has extensive experience in both the Napa and Sonoma watersheds and is very familiar with the regulatory agencies and their requirements on these type of projects.

Pursuant to St Helena Municipal Code Sections 3.04.320-340, professional services shall be procured through negotiated contract to firms who have demonstrated an adequate level of experience, competence, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required. Based on prior work that EKl and their subconsultant, WRA have completed and their knowledge of the County watershed, City staff believes that EKl has demonstrated the level of experience, competence, staffing and other professional qualifications necessary for exceptional performance of the services required and described in the scope of work provided, and recommends that a professional services agreement with EKl be procured through negotiated contract.

Staff recommends approval of Work Order #2 to the Master Professional Services Agreement in the amount of \$271,883 for a total not-to-exceed amount of \$296,743.

FISCAL IMPACT

Funds for Work Order #2 (WO2) are available in CIP Project W-26 which includes proceeds of the water bonds. There are sufficient funds for WO2 as the overall construction cost is anticipated to be greatly reduced.

RECOMMENDED ACTION

Staff recommends that City Council approve a resolution authorizing the City Manager to execute Work Order #2 (WO2) in the amount of \$271,883 to Master Professional Services Agreement with EKl Environment & Water, Inc. (STH Contract: FY 2020-024) to provide professional consulting services for the Upper York Creek Habitat Restoration Project, CIP Project No. W-26 for a total not-to-exceed amount of \$296,743.

ATTACHMENTS

[Attachment 1: Resolution with EKl](#)

[Attachment 2: Master Professional Services Agreement with EKl](#)

[Attachment 3: EKl Proposal](#)

[Attachment 4: MPSA Work Order No. 1](#)

[Attachment 5: MPSA Work Order No. 2](#)

CITY OF ST. HELENA

RESOLUTION No. 2019-

Resolution authorizing the City Manager to execute a Master Professional Services Agreement with EKI Environment & Water, Inc. to provide professional consulting services for the Upper York Creek Habitat Restoration Project, CIP Project No. W-26 for a total not to exceed amount of \$296,743

RECITALS

- A. The City has committed to the removal of the Upper York Creek Dam via Resolution 2017-50; and
- B. Due to the design and permitting complexity of the Upper York Creek Habitat Restoration Project and limited City staff resources, EKI Environment & Water, Inc. (EKI) is needed to assist the City in providing a thorough constructability review for both Phase I and Phase II design plans and specifications being completed by Michael Baker International on behalf of the City, assist in review of various permits and monitoring plans for both Phase I and Phase II, and general project management for Phase II design and permitting; and
- C. Pursuant to St Helena Municipal Code Sections 3.04.320-340, professional services shall be procured through negotiated contract to firms who have demonstrated an adequate level of experience, competence, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required; and
- D. Based on prior work that EKI and their subconsultant, WRA have completed and their knowledge of the County watershed, City staff believes that EKI has demonstrated the level of experience, competence, staffing and other professional qualifications necessary for exceptional performance of the services required and described in the scope of work provided, and recommends that a professional services agreement with EKI be procured through negotiated contract; and
- E. City staff has negotiated an agreement with EKI Environment & Water, Inc. in the amount not to exceed \$296,743 to provide project management, permitting review, and constructability review of Phase I and Phase I plans and bid packages.

RESOLUTION

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

1. Authorizes the City Manager to execute a Master Professional Services Agreement with EKI Environment & Water, Inc. to provide professional consulting services for the Upper York Creek Habitat Restoration Project, CIP Project No. W-26 for a total not to exceed amount of \$296,743.

Approved at a Regular Meeting of the St. Helena City Council on August 13, 2019, by the following vote:

Mayor Ellsworth: _____
Vice Mayor Dohring: _____
Councilmember Koberstein: _____
Councilmember Chouteau: _____
Councilmember Knudsen: _____

APPROVED:

Geoff Ellsworth, Mayor

ATTEST:

Cindy Tzafopoulous, City Clerk

MASTER PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, made and entered into on, _____ 2019 by and between the City of St. Helena, located in the County of Napa, State of California (City), and EKI Environment & Water, Inc. (Consultant).

RECITALS

- A. City requested a proposal for professional services from Consultant related to project management and peer review services for the Upper York Creek Restoration Project.
- B. Consultant has submitted a proposal in response to the City's request and has further 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 – SCOPE OF SERVICES

Subject to the City's issuance of one or more "Project Work Orders" to Consultant, substantially in the form attached as **Exhibit A**, Consultant agrees to perform services and work for the City, as specifically described in any such "Project Work Orders" (the "Services").

A. City has the right, at its sole and absolute discretion, to request a "Proposal" or "Proposals" from Consultant for the performance of project-specific Services and to issue "Project Work Orders" to Consultant, substantially in the form attached as **Exhibit A**, for the performance of such Services. The City is under no obligation to issue any Project Work Orders under this Agreement nor is Consultant obligated to accept any Project Work Orders.

B. The parties agree that Project Work Orders shall incorporate the terms and conditions of this Agreement and that upon execution by the parties, a Project Work Order shall be incorporated into this Agreement. In case of any conflict among the terms and conditions in this Agreement, a fully executed Project Work Order, or a Consultant Proposal attached to a Project Work Order, the order of precedence and control shall be as follows: (i) this Agreement; (ii) the Project Work Order, with respect to the project to which it applies; and (iii) the Proposal.

SECTION 2 – TIME FOR COMPLETION

Each Project Work Order shall identify the time for completion of Services under the Project Work Order. The parties expressly agree that time is of the essence in the performance of this Agreement.

SECTION 3 – COMPENSATION AND METHOD OF PAYMENT

- A. Subject to any limitations set forth in this Agreement, City shall pay Consultant on a

cost reimbursement basis at the hourly rate(s) set forth in Consultant's fee schedule attached to a Project Work Order, in an amount not to exceed the amount set forth in the Project Work Order. Total compensation under any Project Work Order shall not exceed the maximum amount stated therein.

B. Consultant shall furnish to City an original invoice for all Services performed and, if permitted under a Project Work Order, expenses incurred, during the preceding month. The invoice shall itemize the Services performed to the invoice date and include a progress report identifying Services accomplished during the period, percent of each Services task completed, and planned effort for the next period. The invoice shall also identify:

- Exact title of Project Work Order
- Project Work Order number
- Original Project Work Order amount
- Subsequent Project Work Order amendment amount(s) (if any)
- Previously billed amount(s)
- Total amount received by Consultant to date for work under the Project Work Order
- Amounts allocated and remaining, but unpaid, under the Project Work Order
- Outstanding invoice numbers/amounts
- Percent of the total project Services completed
- Consultant personnel who have worked on the project
- Number of hours each personnel worked during the invoice period
- Hourly charges, using the same staff and professional classifications used in the applicable fee schedule for the Project Work Order

D. Except for specific expense items (if any) expressly permitted under a Project Work Order, payments prescribed herein and under a Project Work Order shall constitute full and complete compensation to Consultant for all costs of Services, including, but not limited to, direct costs of labor of employees engaged by Consultant, travel expenses, telephone charges, copying and reproduction, computer time, and any and all other costs, expenses and charges of Consultant, its agents and employees.

E. City shall independently review each invoice submitted to determine whether the Services performed and (if allowable) expenses incurred are in compliance with the provisions of this Agreement and the Project Work Order. 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 any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission, but City shall pay the undisputed amount. If the City reasonably determines, that the invoiced charges and expenses exceed the value of the Services performed to date and that it is probable that the Project Work Order will not be completed satisfactorily within the maximum 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. In no event shall City be obligated to pay late fees or interest, whether or not such requirements are contained in Consultant's invoice.

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

SECTION 4 – STANDARDS OF PERFORMANCE

A. 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 in the same or similar geographical area engaged in providing Services similar to those required of Consultant under this Agreement.

B. In order to induce City to enter into this Agreement, Consultant represents that it is duly organized, existing and in good standing under applicable state law; Consultant is licensed to perform all aspects of the Services; Consultant will employ only persons and Subconsultants with all required licenses and certifications; that Consultant is duly qualified to conduct business in the State; that Consultant has duly authorized the execution, delivery and performance of this Agreement and the Services to be performed herein; and that the Agreement does not violate or create a default under any instrument, agreement, order or decree binding on Consultant.

SECTION 5 – INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Consultant's Services under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's Services within sixty (60) days after submitted to City, unless the parties mutually agree to extend such deadline. City shall reject Services by a timely written explanation, otherwise Consultant's Services shall be deemed to have been accepted. City's acceptance shall be conclusive as to such Services except with respect to latent defects, deficiencies, and fraud. Acceptance of any of Consultant's Services 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 6 – 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 provides professional services by employees who are 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 for each occurrence and \$4,000,000 annual aggregate of professional liability insurance. When Consultant is not a design professional, Consultant shall maintain at least \$1,000,000 of professional liability insurance combined single limit for each occurrence, insuring against professional errors and omissions in the Services performed by Consultant under this Agreement, including, without limitation, claims for negligence, misrepresentation, violation of good faith and fair dealing, and inaccurate advice arising out of, resulting from, or in connection with Services performed by Consultant under this Agreement.

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 greater than \$50,000 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 7 – INDEMNIFICATION

A. To the fullest extent allowed by law (including without limitation California Civil Code Sections 2782 and 2782.8), as may be applicable, Consultant shall indemnify, defend, and hold harmless City, its agents, officers, officials, employees, representatives, 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, including legal fees and expert witness costs) (collectively, "Liabilities"), to the extent incurred by reason of any negligent or otherwise wrongful act or omission of Consultant, its officers, agents, employees, subconsultants, 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, pertaining to, or relating to such negligent or otherwise wrongful act or omission, and to pay and satisfy any resulting judgments.

B. When Consultant under this Agreement provides professional services by employees who are duly licensed under California Business and Professions Code as an architect, landscape architect, professional engineer, or land surveyor (i.e., a "design professional," pursuant to Civil Code § 2782.8(c)), the provisions of this section regarding Consultant's duty to defend and indemnify apply only to the extent claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant.

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, active negligence, or willful acts or misconduct.

E. Duty to Cooperate. Each party shall notify the other party immediately in writing of any claim or damage related to activities or Services performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of all Liabilities arising out of the activities or Services under this Agreement.

F. In the event that Consultant executes any subconsulting agreements in connection with the Services performed under this Agreement, Consultant shall place in all such subconsulting agreements, and cause its subconsultants to agree to, the indemnity and insurance obligations in favor of City and other Indemnitees, as provided herein, in the exact form and substance of those contained in this Agreement. The foregoing notwithstanding, the minimum limits of insurance as set forth in Section 6.B above to be provided by subconsultant WRA may be provided in the amount of \$1,000,000 for general liability, automobile liability and employment liability insurance coverage.

SECTION 8 – 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 9 – CONFLICTS OF INTEREST AND ANTI-FRAUD AND ANTI-CORRUPTION POLICIES

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 and any Project Work Order, 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.

C. Consultant understands and acknowledges City maintains an anti-fraud and anti-corruption policy to protect the City, its operations, and its employees from and against financial risks, operational breaches, and unethical, fraudulent and corrupt activities. Consultant represents and warrants that Consultant, its subcontractor(s) / subconsultant(s) and their respective employees providing Services pursuant to the Agreement are (1) in good standing; (2) have not been previously investigated, convicted, or debarred for fraudulent or corrupt activities; (3) will not participate in fraudulent or corrupt activities, and (4) will take steps to ensure that its employees and subcontractor(s) / subconsultant(s) employees do not participate in any fraudulent or corrupt activities. Consultant acknowledges and agrees further that it has a duty to and will report to City any information or incident(s) about possible fraudulent or corrupt activities Consultant may discover, and will cooperate in any fraud or corruption investigation conducted, with respect to Consultant's service provided pursuant to this Agreement.

SECTION 10 – 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, upon full payment of all moneys due Consultant, 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 the last 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. Consultant may keep one copy of such documents for its business records.

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 upon payment of all moneys due the Consultant.. Without reservation, limitation, or condition, Consultant hereby assigns, at the time of full payment for 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 11 – 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 Services 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 attorney 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 Services 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 12 – SUSPENSION OF SERVICES

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 13 – 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 14 – COMPLIANCE WITH CIVIL RIGHTS

During the performance of this Agreement, 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, 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 Services 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 15 – AUDIT AND INSPECTION OF RECORDS

A. Records of Consultant's direct labor costs, payroll costs, and reimbursable expenses pertaining to any 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 shall maintain all documents and records prepared by or furnished to Consultant during the course of performing the Services for at least three (3) years following completion of the Services. Such records include, but are not limited to, correspondence, internal memoranda, technical reports and investigations, calculations, books and accounts, accounting records documenting its work under its Agreement, and invoices, payrolls, records and all other data related to matters covered by this Agreement.

C. Consultant shall permit City to audit, examine and make copies, excerpts and transcripts from such records, and the Consultant shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any matter whatsoever for three (3) years after City makes the final or last payment or within three (3) years after any pending issues between City and Consultant with respect to this Agreement are closed, whichever is later.

SECTION 16 – LIMITATION OF LIABILITY

A. The parties agree that any liability arising in connection with this Agreement shall be limited exclusively to the party against whom a claim is made. Under no circumstance shall any member, officer, official or employee of a party be personally liable to the other party or any successor in interest under any theory, whether in contract, tort, or otherwise, for any default or breach, for any amount which may become due to Consultant, or any obligation under this Agreement, and the parties waive unconditionally any such claims.

B. In no event shall either party be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed hereunder.

SECTION 17 – COOPERATION BY CITY

All information, data, reports, records, and maps as are existing and available to City, and which are necessary for carrying out the Services as outlined in the Exhibit A, “Scope of Services”, shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the Services 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: Michelle King
 President
 EKI Environment & Water, Inc.
 577 Airport Blvd., Suite 500
 Burlingame, CA 94010

Notice shall be deemed effective on the date personally delivered or transmitted by email, 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 Services 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 Services 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 either party without written consent of the other.

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 Services 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 waiver 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 – THIRD PARTY BENEFICIARIES

Consultant's subconsultants shall agree to be bound to the terms of the Agreement to the extent of their scope of Services, including but not limited to, terms regarding indemnity and dispute resolution, and shall agree that City is deemed an express third party beneficiary of their subconsultant agreements. Nothing contained in this Agreement, however, shall create a contractual relationship with, or a cause of action in favor of, a third party against either City or Consultant. Consultant's Services hereunder are being performed solely for the benefit of City.

SECTION 29 – STATUTES OF LIMITATION

As between the parties to this Agreement, any applicable statute of limitations for action arising out of, pertaining to, or relating to any act or failure to act in connection with this Agreement shall commence to run in accordance with applicable California law.

SECTION 30 – 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: 
Name: Stephen A. Tarantino, P.E.
Title: Vice President

By: _____
Name: Mark T. Prestwich
Title: City Manager

Approved as to Form:

By: _____
Name: Michael G. Biddle Title: City Attorney

EXHIBIT A

**CITY OF ST. HELENA PUBLIC WORKS
PROJECT WORK ORDER NO. _____**

PROJECT NAME: Project Management Services for the Upper York Creek Habitat Restoration Project,
CIP No. W-26

CITY PROJECT MANAGER:

CONSULTANT PROJECT MANAGER:

SCOPE OF SERVICE: See Consultant's Scope of Services/Proposal for Services and Fee Schedule dated
_____, attached as Exhibit B-1.

START DATE: _____ COMPLETION DATE: _____

NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: _____

TERMS AND CONDITIONS: This Project Work Order is issued and entered into as of the last date written below in accordance with the terms and conditions set forth in the "Master Professional Services Agreement with EKI Environment & Water, Inc., dated July 24, 2019, which is hereby incorporated and made part of this Project Work Order. In the event of a discrepancy or conflict between the terms and conditions of the Project work Order and the Master Agreement, the Master Agreement shall govern.

CITY OF ST. HELENA

By: _____

Date: _____

Mark T. Prestwich
City Manager

[CONSULTANT]

A California corporation (or name other state, or LLC, sole proprietor, etc.)

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Michael G. Biddle
City Attorney

Attachments: Exhibit B-1 - Consultant's proposal and fee for Services for this Project Work Order

EKI B9-083 | 22 JULY 2019

**CITY OF
ST. HELENA**

PROPOSAL TO PROVIDE

**Engineering Consulting Services
for the Upper York Creek Habitat
Restoration Project**

eki environment
& water





577 Airport Blvd. Suite 500
Burlingame, CA 94010
(650) 292-9100
ekiconsult.com

1. Letter of Transmittal

22 July 2019

Erica Ahmann Smithies, P.E.
Director of Public Works/City Engineer
City of St. Helena
Department of Public Works 1572 Railroad Ave.
St. Helena, California 94574

Michael G. Biddle, Esq.
City Attorney – St. Helena
Burke, Williams & Sorensen, LLP
1901 Harrison Street, Suite 900
Oakland, California 94612

Subject: Proposal to Provide Engineering Consulting Services
Upper York Creek Habitat Restoration Project
St. Helena, California
(EKI B9-083)

Dear Ms. Ahmann Smithies and Mr. Biddle:

EKI Environment and Water, Inc. (EKI) is pleased to present this proposal for engineering consulting services for the City's *Upper York Creek Habitat Restoration Project*. This proposal emerged from a meeting on 15 July 2019 between EKI representatives Jenn Hyman and Steve Tarantino, Ben Snyder from WRA, and Director of Public Works Erica Ahmann Smithies.

Based on our review of project plans and reports and discussions with Ms. Ahmann Smithies and Mr. Biddle, we believe the EKI team can offer a highly experienced team of engineers with extensive experience in design, bidding and construction to help the City keep the project on track. Our scientists and planners will review monitoring plans and design documents with the City's interests in mind. We will bring a thoughtful, collaborative approach to working with the existing planning and design consultants that serves the interests of the City and is highly responsive to the City's needs.

It is our understanding that there are two primary construction phases involved in the Upper York Creek Habitat Restoration Project (Addendum to the Certified Final EIR, 31 March 2019, Michael Baker International). Phase 1 will be the construction of sediment traps in York Creek downstream of the Upper York Creek Dam. Phase 2 will be the removal of a portion of the dam and the ecosystem/habitat restoration elements. The current focus is on the completion of Phase I construction, which must be complete by 15 October 2019. EKI proposes to work with the existing City team and consultants as necessary to help achieve the sediment trap construction in the narrow window of time allowed.

To this end, EKI offers the City the following benefits:

Collaborative Project Manager. Our proposed Project Manager Jenn Hyman has spent the last 8 years of her career managing or designing habitat restoration projects and water infrastructure projects with

City of St. Helena
22 July 2019
Page 2



sensitive environmental issues and critical time constraints. Jenn has earned a reputation for being a clear communicator and facilitator who places emphasis on group solution building.

Highly Responsive Team. Another distinct advantage of engaging the EKI team is our responsiveness. Our entire proposed team is located in the Bay Area, less than 2-hour drive from St. Helena. We are committed to being available onsite when needed. The firms of EKI and WRA can add staff and specialties as required to meet the City's needs on this project.

Extensive Related Experience for Bay Area Cities Public Works Departments. We are proud of our long-term relationships with Bay Area cities, including your neighbor the City of Calistoga. We understand your needs. EKI's extensive relevant experience includes on-call Engineering and Construction Management services for such cities as Burlingame, Lathrop, Tracy, and Merced. We have applied and will continue to apply the valuable lessons learned from those projects to this Project for the City.

We are pleased to have the opportunity to work with you on this exciting project. We are committed to providing the staff and other resources necessary to keep the project on schedule. Please call if you have any questions or wish to discuss this proposal in greater detail.

Very truly yours,

EKI ENVIRONMENT & WATER, INC.

Jennifer Hyman, P.E.
Vice President

Stephen A. Tarantino, P.E.
Vice President



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3. WORK PLAN AND APPROACH

Overview

FIRM HISTORY

EKI Environment & Water, Inc. (EKI, formerly known as Erler & Kalinowski, Inc.) is headquartered in Burlingame, CA. We are an employee-owned company that has provided comprehensive municipal design, water resources, and environmental engineering services throughout California and the United States for a broad range of companies and government agencies since it was founded in 1989. Our firm of over 70 employees includes engineers, geologists, hydrogeologists, environmental scientists, computer-aided designers, geographic information system (GIS) database specialists, and administrative personnel.

COMPANY PHILOSOPHY



HOLISTIC PROJECT APPROACH

Our firm's goal is to successfully resolve our clients' challenges to accomplish their objectives, on time and within budget. We feel this objective demands a holistic approach to projects, centered on the client while focusing on risk, the regulatory environment, stakeholders, alternatives, and cost savings opportunities. Our firm's size and the high level of staff experience permit a service-focused technical approach to projects with quality control of each project by senior managers. Our success with referral and repeat business is a testament to our approach to serving our clients.

EKI's CORE SERVICES

Municipal Design

- Construction Support
- Conveyance
- Treatment
- Planning & Modeling

Water Resources

- SGMA Support
- Planning/Permitting
- Well Siting/Design

Environmental

- Site Assessment
- Site Redevelopment
- Remedial Design

Over 90% of EKI's work is acquired through **referrals or repeat work** with existing clients.

EKI TEAM

To meet the needs of your project, EKI is teaming with WRA, Inc. (WRA) headquartered in San Rafael, CA. WRA provides professional consulting services in habitat and ecological restoration, plant, wildlife, creek and wetland ecology, regulatory compliance, mitigation banking, CEQA/ NEPA, GIS, hydrology and landscape architecture. Formed in 1981, WRA is a certified small business (OSBCR ref. #13333) with more than 70 professionals who have completed over 3,000 projects for public agencies, non-profit, and private organizations. WRA has a wide range of project experience throughout California in a variety of region-specific habitats. The firm has completed award-winning projects recognized by the American Society of Civil Engineering, Association of Environmental Professionals, California Water Environment Association, and American Society of Landscape Architects. EKI and WRA have worked together on ten projects, including the City of Pacifica, Pedro Point Sewer Rehabilitation and capital improvement projects for the Cities of San Mateo and Burlingame as well as the Town of Hillsborough.



Project Understanding

The City of St. Helena (the City) has been working for over a decade on the planning, design and permitting of the Upper York Creek Habitat Restoration Project (the Project). The Upper York Creek Dam, originally constructed in 1900, is filled in with approximately 28,000 cubic yards (CY) of sediment. The Project, designed and permitted for the City by the team of Michael Baker, Inc. (MBI), Stillwater Sciences, and WRECO, proposes to restore endangered steelhead migration by constructing a channel through the dam and accumulated sediments. Four documented incidents of accidental catastrophic releases of sediment have occurred during past maintenance activities which have resulted in mortality of fish and other aquatic organisms in the creek below the dam. Since October 31, 2012, the City has been paying the US National Oceanic and Atmospheric Administration (NOAA) fines that will cease once fish passage is restored across the dam.

The Project design includes two phases; Phase 1 which is the installation of 30 sediment traps, will be constructed this Fall, and Phase 2 which is the removal of 8,000 CY of sediment for the construction of the riprap-stabilized channel through the dam, will be constructed in the Fall of 2020. It is our understanding that at this time, design documents for both phases of work are not yet complete, permits have been secured for Phase 1, and permits have been applied for but not yet secured for the Phase 2 work. There is a narrow window for the work to be conducted in 2019: August 1 – October 15, to minimize impacts to endangered wildlife species. The City has a grant to cover a portion of this work that has a time limit on its use. The Napa County Resource Conservation District has prepared a 10-year draft Geomorphic Monitoring and Adaptive Management Plan (Monitoring Plan) for the project which is under review by the City. The St. Helena community and other stakeholders are eager to see this project move forward.

From our review of the Report to the City Council for their Meeting of April 23, 2019 provided by Michael Biddle, Esq., there are numerous project elements that need to be carried out without problems or delays for this project to be considered a success by

the City. The key factors we see for project success are as follows:

Staying on Schedule: Phases 1 and 2 must be constructed within the narrow work windows. The project schedule needs to have adequate time for bidding, award, submittals and mobilization prior to construction. Staying on schedule is contingent on:

1. The permit conditions being complied with, which include: receiving agency approval for the Creek Dewatering and Special Protection Plan, Frog Relocation Plan, obtaining permits from County of Napa, and results and recommendations from the Landslide Survey,
2. The design documents being completed on time for bidding, and
3. Bid documents being clear and accurate (internally consistent) to minimize the chance for bid protests.

Staying on Budget: The City has limited funds and so the design and Monitoring Plan should provide the best value to the City while meeting science-based goals.

Minimizing Potential Risk: Installing as many as 100 imported logs in the creek and cutting into the dam and impounded sediments carries serious risks if the design and construction do not meet industry standards, including:

- Release of sediment into the creek causing mortality of fish and other aquatic organisms;
- Flooding of the creek (from inadvertent release of sediment, failure of sediment traps, or landslides) causing damage to bridges and other private property or the adjacent road to fail;
- Introduction of invasive fungus or pests with the imported logs and plantings; and
- Violation of permit conditions if work areas and exclusion zones are not complied with.

The Draft EIR (2007) for the project states that there are potentially significant and unavoidable increases in flooding in lower York Creek due to sediment



aggregation from the implementation of this project. There are already issues with flooding in lower York Creek and a 25-year flood event in 2005 caused damage to vineyards, wineries and Culinary Institute of America dormitories. The Draft EIR states that flooding impacts will be minimized by implementation of a channel monitoring program that will document changes in channel cross section area on a regular pre-determined schedule, track sediment accumulation at bridges and other critical locations, and establishes a mitigation plan should channel aggregation reach a point that it significantly impacts channel capacity and flooding. The design of an effective and implementable flood risk monitoring and prevention plan is key to minimizing additional flood damage in the future.

The EKI team is pleased to provide expert engineers and scientists experienced in creek restoration design, bidding and construction to assist the City in identifying and minimizing these risks so the project can be a success. Our solutions fall into 6 tasks, which are described in more detail in the Scope of Services below:

1. Project Management
2. Program Management
3. 3rd-party Review of Monitoring and Management Plans for Biological Resources and Flood Risk Reduction
4. 3rd-party Review of Design Documents and Risk Workshop
5. Bid and Construction-Phase Services
6. Contractor Pre-Qualification

Following our scope of services is our proposed team, followed by our team's organization and qualifications.

Scope of Services

The EKI team proposes to conduct the following services on behalf of the City:

TASK 1: PROJECT MANAGEMENT

The EKI Project Manager plays an important role in the project, keeping the project on budget and schedule, managing staff and subconsultants, and keeping the City informed of project activities. This task provides budget for these activities by EKI's project manager, Jenn Hyman. A Project kickoff

meeting and site visit are not needed, since the EKI team met with the City's project manager Erica Ahmann-Smithies and did a quick site visit on July 15, 2019. An agenda and minutes were prepared. A project health and safety plan will be prepared under the oversight of EKI's health and safety manager. It is assumed that our services will go through June 30, 2020 (11 months assuming Aug 1, 2019 NTP). EKI will prepare progress reports sent along with the project invoices, which show work completed and task budget expenditures. EKI invoices clients every monthly and so 11 invoices are assumed. EKI will also review the project reports we have been provided and request a list of reports we need to bring our project library up to date. The EKI team will review the references and get up to speed on the project and its history.

Deliverables: Progress reports (11) with invoices, Request for Project References

TASK 2: PROGRAM MANAGEMENT

Program management involves overseeing the activities of the City's permitting and design consultants (MBI/Stillwater Sciences/WRECO) to make sure they produce high quality work on schedule.

Task 2A: PXP. To that end, the EKI team will create a Project Execution Plan (PXP). At this time the PXP will focus on Phase 1 activities, but it will be expanded later to include Phase 2 activities. The PXP will include:

1. A detailed master project schedule including detailed permitting, design, and bidding and activities leading up to construction. This will be developed by reviewing the project permits and interviewing the design/permitting team. Time will be included for agencies and city reviews of plans and studies required by the permits. Critical path items will be identified.
2. A list of deliverables with due dates and responsible parties
3. A list of design and permitting team's personnel resources designated to perform the required activities in the time available with gaps called out
4. The design/permitting team's QA/QC plan and QA/QC documentation

EKI will update the project schedule periodically



Task 2B: Weekly Meetings. For the 11 months of August 2019- June 2020 (44 weeks) the EKI team will attend the weekly project meetings, the main purpose of which is to track the progress of the design/permitting team in meeting the project schedule and addressing problems or delays in a timely manner. These will be attended by 2 EKI team members via conference call with the exception of one meeting a month for which at least the EKI project manager will attend in person at City offices. Meeting agendas and minutes will be maintained by others however EKI will maintain action item tables that list new, ongoing and completed action items.

Task 2C: Review Draft Deliverables. EKI will review draft deliverables from the design consultant (the MBI team) including consultant invoices. EKI will combine our comments with comments from the City and transmit the combined comments to the consultant. Comments will be provided electronically, either directly in the document via track changes, or in a comment email. Upcoming deliverables due to regulatory agencies prior to Phase 1 construction are known to be:

- Landslide study by WRECO
- MBI Restoration Monitoring and Adaptive Management Plan/ Tree Removal Plan

It is assumed 2 other plans will need review as well.

Task 2D: Plan for Phase 2 Construction. The EKI team will assist the City with identifying and scoping needs for Phase 2 construction (that are not currently in MBI's work scope), such as biological surveys, monitoring, creek dewatering plans, and bid and construction phase services. EKI will review proposals from the MBI team for this work, prepare proposals for us to perform this work, or prepare RFPs for the City to put out to bid.

Deliverables: Comments on draft deliverables (4) and MBI invoices (6), emails regarding phase 2 construction needs.

TASK 3: REVIEW 10-YEAR FLOOD/RESTORATION MASTER MONITORING AND ADAPTIVE MANAGEMENT PLAN

A numbering of monitoring plans have been or will be prepared for this project:

1. Napa County Resource Conservation District (NCRCD) prepared a draft Geomorphic

Monitoring and Adaptive Management Plan dated December 2018.

2. MBI will prepare a Phase 1 Restoration Monitoring and Adaptive Management Plan for CDFW 30 days prior to Phase 1 construction, focusing on endangered species and riparian habitat restoration.
3. A QAPP to perform photographic monitoring over time was prepared for US EPA to satisfy a requirement of the grant.
4. The EIR has a Mitigation Monitoring and Reporting Plan (April 28, 2015). This includes mitigations such as performing daily water quality monitoring during construction and preparation of a flood risk reduction plan including performing a "causative factors analysis" with guidance on acceptable levels of sediment aggradation with actions for sediment management when these are exceeded.
5. The draft EIR states that "flooding impacts will be minimized by implementation of a channel monitoring program that will document changes in channel cross section area on a regular pre-determined schedule, track sediment accumulation at bridges and other critical locations, and establishes a mitigation plan should channel aggregation reach a point that it significantly impacts channel capacity and flooding". This is partially addressed in the NCRCD plan, which describes monitoring but not mitigation.

The EKI team will review and comment on these plans, developing a matrix to track responses to comments and issue resolution.

Deliverables: Comment matrix for monitoring and adaptive management plans.

TASK 4: 3RD PARTY REVIEW OF DESIGN DOCUMENTS

The current Phase 1 and 2 plans appear to be in the 50-75% level of preparation. The Basis of Design Report dated February 2019 by MBI appears to be a draft version, with some content incomplete. MBI will be providing updated 100% versions of these documents to the City in July 2019. The EKI team will perform a 3rd-





party review of the updated plans, specifications, cost estimate, and design report with an eye towards:

- Risk Reduction
- Constructability
- Compliance with permit requirements and EIR mitigation commitments
- Value engineering (opportunities for cost savings)
- Confirmation of Construction Quantities
- Bidding Strategy

We will make suggestions where improvements can be made to the details and minor aspects of the design, mindful of the fact that the main design approach cannot be altered in order to stay on schedule. Also design changes will not be suggested that would alter the environmental permit applications, which we understand have already been submitted. Some issues we see in our preliminary review include:

- Designing the notch through the dam so that is will be adequately armored in storms and passable by both juvenile and adult steelhead,
- Confirming contractor access is feasible and access limitations made clear in the bid documents, and
- Consideration of optional bid items such as floodwalls to relieve flood inundation pressure on the Beringer Winery Bridge, recommended by Stillwater Sciences in their report dated Feb. 2018.

Since Phase 1 bidding is imminent, the first deliverable will be a technical memo (TM) with comments on the current draft Phase 1 plans and specifications, with suggestions on bidding if the bid sheet is not available. After this effort, a separate TM will be prepared with comments on the Phase 2 plans and specifications and draft basis of Design report. A meeting will be held at the City to discuss each TM with the design/permitting team. The Phase 2 meeting will be conducted as a Risk Management workshop, in which the team will brainstorm potential risks and identify solutions to be incorporated into the bid documents.

Deliverables: TM listing comments on the draft Phase 1 plans and specifications, TM listing comments on the draft Phase 2 plans and specifications and basis of design report, and risk management workshop agenda and minutes.

TASK 5: PHASE 1 BID AND CONSTRUCTION PHASE SERVICES

Task 5A: Bid-phase services. The EKI team will perform the following bid-phase series:

1. Combine MBI's plans and specifications with the City's front end documents and a bid sheet into a bid package.
2. Reach out to recommended contractors prior to bidding to encourage them to bid
3. Host a pre-bid meeting
4. Prepare a bid addendum to respond to contractor questions
5. Review bids and recommend award

Task 5B: Construction-phase services. The MBI team appears to have in their work scope the necessary biological monitoring for permit compliance for the Phase 1 construction. Our scope will supplement theirs to fill in the gaps for Phase 1 construction-phase services and construction management. The EKI team will:

1. Attend a kickoff meeting with the contractor.
2. Have a restoration specialist from WRA on site during the estimated 2-week construction period to help guide placement of the sediment traps and oversee the contractor's work. Our inspector will prepare daily inspection logs, review contractor invoices, prepare and maintain a punchlist at the end of the project.
3. Review submittals such as traffic control plans, project execution plans, SWPPP and erosion control materials, imported trees, imported soil and rock, and restoration materials. 20 are assumed.
4. Negotiate change orders (up to 2) if needed

Deliverables: Packet of daily inspection logs, punchlist, email review of contractor invoices, submittal reviews.

TASK 6: PHASE 2 CONTRACTOR PREQUALIFICATION (OPTIONAL)

The City is concerned about hiring a contractor for Phase 2 who is adequately experienced in creek restoration and safely hauling the large quantity of soil required in this project. The EKI team does have experience with a number of contractors who would do an excellent job, however it may be difficult for the City to disqualify a low-bid contractor based solely on



poor qualifications. We recommend pre-qualifying contractors to address this concern. EKI will prepare a request for qualifications (RFQ) document for the Phase 2 work and perform outreach to good contractors. Once the qualification submittals are received, we will review them, calling references and confirming experience. EKI will summarize the evaluation of qualifications for each contractor in a memo to the City and recommend a list of qualified contractors for bidding. It is assumed the RFQ and associated reference documents would be posted on the City's web site.

Deliverables: Draft and final RFQ, memo with recommended list of qualified contractors.

TASK 7: SUPPLEMENTARY SERVICES (OPTIONAL)

The work scope in this proposal attempts to cover the services that will be needed through June 30, 2020. However, it is likely that additional services will be needed that were not anticipated. The EKI team is

qualified to provide a wide range of additional services that may serve the City on this project, including:

- Biological and geomorphological monitoring
- Design
- Geotechnical engineering
- Public outreach

We recommend providing contingency budget in a supplementary services Task 7 to be able to quickly address these issues as they come up. EKI will not spend funds in this task without advance written City approval of a scope and budget.

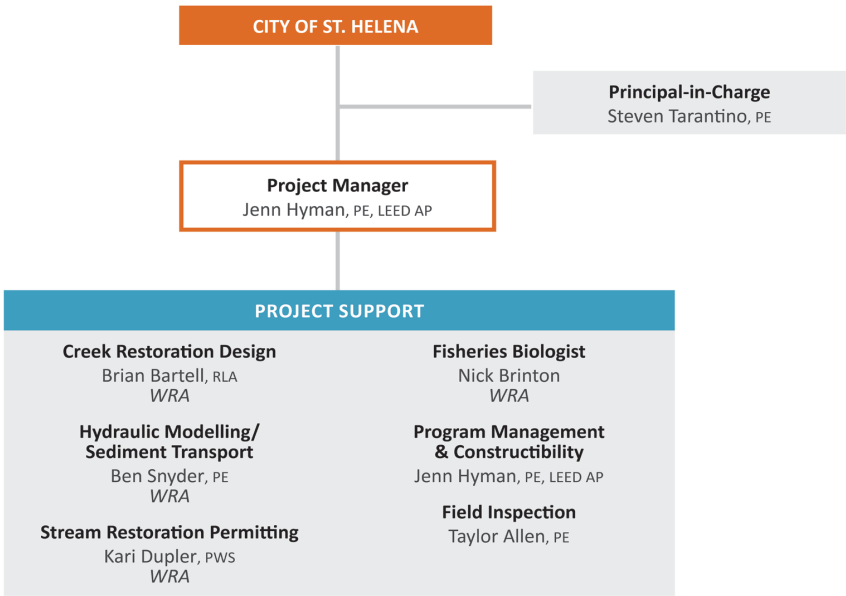
In summary, we are committed to providing the City the required resources for the successful completion of Phase 1 of the Upper York Creek Ecosystem Restoration project, as well as position the City for the success of Phase 2.



4. KEY PERSONNEL BACKGROUND

TEAM ORGANIZATION

EKI has assembled a team of specialized professionals to address the City’s needs on the Upper York Creek Habitat Restoration Project. Seen here is our proposed team’s reporting structure. Resumes are included in Attachment B.



Project Manager **Jenn Hyman, PE** has led the implementation of a wide range of projects, with a specialization in project management and design of civil works for more than 25 years. Her work includes planning, design, cost estimation, and construction-phase services for habitat restoration, and water infrastructure projects. Her design skills have been applied to creek, marsh and shoreline restoration, where she has capably interpreted complex permitting requirements into bid documents. She has spent 11 years of her career working in municipal engineering departments, and so she understands the needs of the City of St. Helena Public Works Department. Ms. Hyman has a proven history of demonstrating both the technical and management expertise needed to ensure that projects meet client needs and are performed on time and within budget.

Principal-in-Charge, **Steve Tarantino, PE** has led the implementation of a wide range of projects, with a specialization in program management contracts for more than 40 years. His work includes planning, design, cost estimation, and construction management for potable water, domestic wastewater, industrial wastewater, groundwater, and remediation projects including excavation and removal of contaminated soil, soil vapor extraction, and groundwater treatment systems. He is currently the Principal-in-Charge for the Town of Hillsborough Sandra/Hayne Storm Drain Replacement and Creek Restoration Project and was the Principal-in-Charge for the Town of Hillsborough Ralston Avenue /Pepper Avenue Water Main and the Forest View Avenue/Newhall Road Sewer Main Replacement projects. Steve was the Program Director for the City of Burlingame Water System Capital Improvement Program and various water system projects. Mr. Tarantino has a proven history of demonstrating both the technical and management expertise needed to ensure that projects



meet client needs and are performed on time and within budget. He will provide quality assurance and quality control for all deliverables.

Taylor Allen, PE has four years of engineering experience including potable water and wastewater pipeline and project management ranging from planning to complex design and construction support. She is currently providing construction administration support, which includes the review of contractor submittals, responding to RFI's and other construction issues that arise, for the Annis PRV Installation and Water Main Replacement Project and the Pedro Point Sewer Rehabilitation and Replacement Project. She has valuable experience preparing community outreach presentations and related materials.

Brian Bartell is WRA's Restoration Design Team Lead and brings over 20 years of stream, wetland and floodplain restoration design and implementation experience. His background in design/build restoration work makes him well-suited to evaluating feasibility and constructability of restoration projects. At WRA, Brian's work focuses on habitat restoration for salmonids and other fish species. He works closely with engineers, biologists, and permitting specialists to ensure that all projects will meet stated goals, and are feasible, constructible and in compliance with myriad permit requirements and conditions.

Ben Snyder is WRA's Lead Water Resources and Restoration Engineer. He is a versatile engineer and project manager with over 15 years of rich and varied experience in the fields of hydrology, hydraulics, sediment transport, CAD-based design, and project implementation. His leadership and creativity has helped to deliver successful projects ranging in size from localized bank stabilization efforts to reach-scale process-based river restoration. Ben has extensive experience in the application of advanced analytical techniques to the design of holistic flood risk management and habitat restoration projects in both riverine and coastal environments. He is the lead designer for the creek restoration portion of the Town of Hillsborough Sandra/Hayne Storm Drain Replacement and Creek Restoration Project.

Kari Dupler is a Senior Biologist and permitting specialist with WRA for projects involving stream and wetland restoration. She is a Certified Professional Wetland Scientist and is trained in the California Wetland Rapid Assessment Method (CRAM) and has extensive experience evaluating stream, wetland and riparian conditions. She has received training in the Surface Water Ambient Monitoring Program (SWAMP) stream bioassessment protocol and has assessed stream condition throughout California. She has extensive experience collecting and identifying benthic macroinvertebrates (BMI), and has Family-Level Aquatic Insect Identification Certification from the Society for Freshwater Science. At WRA, Kari's project work focuses on regulatory permitting, environmental assessment for the CEQA, biological resources, and endangered species.

Nick Brinton performs a variety of specialized tasks for WRA including protocol level surveys, fish passage assessments, habitat and water quality assessments, and he writes project related reports for permitting including Section 7 biological assessments and 2081 Permit applications. He has specialized in fisheries related issues and has performed salvages in numerous habitats for federal and state protected fishes. He also writes assessments and documents for numerous fisheries related projects from stream restoration to industrial wharf replacements. He has trained with multiple U.S. Fish and Wildlife Service Recovery Permit holders for California red-legged frog (CRLF), California tiger salamander (CTS), and salt marsh harvest mouse (SMHM).

5. TEAM EXPERIENCE

EKI has provided similar construction management services to municipal clients in California for approximately 30 years. We have held on-call engineering contracts with the cities of Redwood City, Daly City, East Palo Alto and the Town of Hillsborough. We have extensive experience with the City of Calistoga, which is summarized in Attachment 1. The matrix below summarizes our relevant experience providing a full range of civil engineering services and support for municipal projects. Detailed descriptions of our selected projects are provided on the following pages.

Project/Client	Located Near/ Transverses a Creek	Municipal Agency	Construction/Project Management, Monitoring, Administration and Coordination	Design Document Review	Cost Estimating	Construction Claims Avoidance and Resolution
Sandra/Hayne Storm Drain Replacement Project Final Design	●	●		●		
El Granada Pipeline Replacement, Coastside County Water District	●	●	●	●	●	●
Ralston Avenue and Pepper Avenue Water Main Replacement Project, Town of Hillsborough		●	●	●	●	
Annis PRV Installation and Water Main Replacement Projects, City of Brisbane		●	●	●	●	●
Pedro Point Sewer Rehabilitation and Replacement Project, City of Pacifica		●	●	●	●	●
Forest View Avenue/Newhall Road Sewer Main Replacement Projects, Town of Hillsborough		●		●	●	●
Design, Permitting and Construction Oversight of New Production Well, Valley of the Moon Water District		●	●	●	●	●
On-Call Engineering Services, City of San Mateo		●	●			
WQCP Wet Weather and Digester Improvements Project – Program Management, City of South San Francisco		●	●			●



**SANDRA/HAYNE STORM DRAIN REPLACEMENT
PROJECT FINAL DESIGN
TOWN OF HILLSBOROUGH**

The team of EKI and WRA evaluated alternatives and developed the conceptual design for replacement of the **Cherry Creek** storm drainage structures and pipes at Hayne Road and Sandra Road, which convey year-round flow from the Creek, one of the major drainages in Hillsborough. The drainage structures and storm drains in the area are in a severely deteriorated and damaged condition and are installed in a steep and highly vegetated area and under major PG&E facilities. EKI and WRA evaluated several open trench construction, trenchless construction, and streambed restoration replacement alternatives and developed the conceptual design of the selected alternative, which involves a combination of open trench construction and daylighting with streambed restoration. EKI and WRA are currently developing the detailed designs of the renewed storm drain piping and the geomorphic step pool design of the new reach of Cherry Creek.

PROJECT DETAILS

Location: Hillsborough, CA

Dates: 2016-2018

REFERENCE

Name: Daniel Gonzales, PE

Title: Deputy Director of Public Works

Company: Town of Hillsborough

Email: DGonzales@hillsborough.net

Phone: (650) 375-7444



**EL GRANADA PIPELINE REPLACEMENT FINAL PHASE
DESIGN AND CONSTRUCTION MANAGEMENT
COASTSIDE COUNTY WATER DISTRICT (CCWD)**

CCWD's primary potable water transmission main connecting to the southern half of their service area included a section of 10-inch, 1940's-era welded steel pipe attached to the historic Main Street Bridge, which spans **Pilarcitos Creek**. The section of pipe was at the end of its useful service life and needed to be replaced. EKI evaluated multiple alternatives to replace the pipe, including a variety of trenchless technologies to cross a new pipe under the creek as well as pipe bridge alternatives to cross over the creek. Ultimately, CCWD selected the alternative to install the new pipe under Pilarcitos Creek using horizontal direction drilling (HDD). EKI provided design services for replacement of existing 10-inch water main that crosses Pilarcitos Creek with approximately 420 linear feet of 20-inch diameter high density polyethylene water pipeline installed by HDD, approximately 700 linear feet of 16-inch and 160 linear feet of 6-inch ductile iron pipeline installed using open trench methods, and replacement of 11 service connections. EKI also prepared all technical design documents including opinions of probable cost, specifications, and drawings. The team helped with securing easements from private property owners, secured environmental permits, and provided support during the bidding process.

EKI also provided construction management services including **engineering services during construction, inspection, public outreach, project administration, dispute resolution, and change order negotiations.**



PROJECT DETAILS

Location: Half Moon Bay, CA

Dates: 2014-2016

REFERENCE

Name: David Dickson

Title: General Manager

Company: Coastsidewater.org

Email: ddickson@coastsidewater.org

Phone: (650) 726-4405



RALSTON AVENUE AND PEPPER AVENUE WATER MAIN REPLACEMENT PROJECT

TOWN OF HILLSBOROUGH

EKI provided **design and engineering services during construction** of the Town's Ralston Avenue Pepper Avenue Water Main Replacement Project, which replaced approximately 2,100 linear feet of existing 10-inch diameter ductile iron pipeline with a new 12-inch PVC pipeline. The Project was challenging due to the presence of numerous existing water, storm drainage, and sewer utilities, including three 60-inch diameter reinforced concrete pipelines owned by the San Francisco Public Utilities Commission (SFPUC). All work was located in narrow streets on residential neighborhoods and included transferring existing water services. The combined project was bid without issues and the construction was successfully completed.

EKI conducted the following:

- Prepared all technical design documents including **opinions of probable cost, specs, and drawings**.
- Consolidated Project's water improvement **design and construction documents** with another consultant's sanitary sewer design documents for a separate sewer system hydraulic improvement project into a single bid package at the stage when the sewer project design was completed, and the water project was at 90 percent design level.
- Assisted client to obtain agreement with SFPUC for work crossing three 60-inch supply pipelines and replacement of the Town's SFPUC turnout.
- Provided engineering services during construction including **review of submittals, site visits to address contractor issues, and support services to client and construction manager**.
- Assisted the Town with **proactive public outreach** in advance of **potential construction-related issues** and supported the City Engineer during discussions with affected residents

PROJECT DETAILS

Location: Hillsborough, CA

Dates: 2016-2018

REFERENCE

Name: Daniel Gonzales, PE

Title: Deputy Director of Public Works

Company: Town of Hillsborough

Email: DGonzales@hillsborough.net

Phone: (650) 375-7444



ANNIS PRV INSTALLATION AND WATER MAIN REPLACEMENT PROJECTS CITY OF BRISBANE

EKI designed and is providing **construction management** for the replacement of approximately 6,500 LF of water main and install a new pressure reducing valve (PRV) station to improve the City of Brisbane's potable water system's capacity to supply fire flows in a residential area. The project replaces existing 6-in water mains with new 8-in to 10-in water mains, and the PRV station will connect two of the City's pressure zones to supply fire flows from the upper zone to the lower zone when needed. All work is within residential area characterized by narrow streets, hilly terrain, and existing utilities that cover the project area. EKI's scope includes the **design**, overall **project management** and implementation aspects, and coordination of the **public outreach** efforts. In addition, the EKI team is managing the **CEQA and environmental permitting**.

PROJECT DETAILS

Location: Brisbane, CA

Dates: 2016 – Present

REFERENCE

Name: Jerry Flannigan

Title: Senior Civil Engineer - Utilities

Company: City of Brisbane/ Guadalupe Valley Municipal Improvement District

Email: jflannigan@ci.brisbane.ca.us

Phone: (415) 508-2137



PEDRO POINT SEWER REHABILITATION AND REPLACEMENT PROJECT CITY OF PACIFICA

The Project consists of replacing approximately 15,000 lineal feet of existing 6-inch and 10-inch diameter sanitary sewer mains (mains) using pipe bursting construction technique. The existing sewer mains located in both public right of way and public utility easements which are mostly in the back yards. Coordinated the **CEQA** process and Coastal Commission **permitting**. Coordinated developing informational flyers and other materials for Public Meetings and facilitating **Public Outreach** meetings. Providing project management, **construction management** and **construction inspection services**.

Awarded 2018 Project of the Year under the Utilities between \$2M and \$5M by the APWA Silicon Valley Chapter

PROJECT DETAILS

Location: Pacifica, CA

Dates: 2017-Present

REFERENCE

Name: Louis Sun, PE

Title: Deputy Director of Public Works-Wastewater

Company: City of Pacifica

Email: sunl@ci.pacifica.ca.us

Phone: (650) 738-4662



**FOREST VIEW AVENUE/NEWHALL ROAD SEWER MAIN
REPLACEMENT PROJECTS
TOWN OF HILLSBOROUGH**

Performed **design services** for replacement and upsizing of approximately 2,300 linear feet of sanitary sewer pipe. Prior to the start of design, EKI performed an evaluation of various sanitary sewer improvements and alignments with the intent of eliminating sanitary sewer overflows. EKI assisted the Town with choosing the most favorable project based on numerous capital and operational improvement criteria. Performed a detailed investigation of the constructability of pipe bursting, which revealed that this project posed a high risk - changed to an open cut construction method. Prepared all technical design documents including **opinions of probable cost, specifications, and drawings.**

PROJECT DETAILS

Location: Hillsborough, CA

Dates: 2016-2018

REFERENCE

Name: Daniel Gonzales, PE

Title: Deputy Director of Public Works

Company: Town of Hillsborough

Email: DGonzales@hillsborough.net

Phone: (650) 375-7444



**DESIGN, PERMITTING AND CONSTRUCTION
OVERSIGHT OF NEW PRODUCTION WELL
VALLEY OF THE MOON WATER DISTRICT**

EKI provided **design, opinions of cost, and construction management** services for Valley of the Moon Water District Well 5A Production Well Project. Construction management services included engineering services during construction, **inspection, project administration, dispute resolution, and change order negotiations.**

The Project included demolition of the existing well, construction of a new well, rehabilitation and refurbishing the existing iron and manganese treatment system, and piping and appurtenance work.

During well pilot borehole drilling, EKI geologists were onsite to log cuttings, observe and note drilling rig behavior and advancement rates, monitor drilling fluid properties, collect representative samples of potentially productive intervals for sieve analysis (critical for an efficient and sand-free well design), and observe borehole geophysical testing in real time to select perforated intervals for production well construction, among other tasks. This task was critical, given that the prior well failed, resulting in sand plugging of existing facilities and decommissioning of the existing well.

EKI also provided **permitting services**, supported Project commissioning. EKI also assisted the District in **liquidate damages negotiations** that resulted in a fair and equitable agreement with the Contractor.

PROJECT DETAILS

Location: Sonoma, CA

Dates: 2015 – 2018



REFERENCE

Name: Dan Muelrath
Title: General Manager / CEO
Company: Valley of the Moon Water District
Email: dmuelrath@vomwd.org
Phone: (707) 996-1037

WQCP WET WEATHER AND DIGESTER
 IMPROVEMENTS PROJECT – PROGRAM
 MANAGEMENT

CITY OF SOUTH SAN FRANCISCO

EKI is serving as Program Manager for the Wet Weather and Digester Improvements Project at the WQCP. Prior to commencement of construction, EKI supported contract negotiations with proprietary digester equipment/process to establish process warranty and the terms and conditions governing purchase, installation, and operation; prepared the Construction Management (CM) Services RFP, reviewed CM RFP responses, interviewed candidates, and participated in selection of construction manager; and evaluated Contractor bids. Throughout the Project construction phase, EKI will serve as Program Manager, acting on behalf of the City to facilitate decision making, participate in weekly construction meetings, and coordinate with WQCP staff as needed to keep the project moving during WQCP operation.

PROJECT DETAILS

Location: South San Francisco, CA
Dates: Ongoing

REFERENCE

Name: Brian Schumacker
Title: Plant Superintendent, City of South San Francisco – San Bruno Water Quality Control Plant
Company: City of South San Francisco
Email: brian.schumacker@ssf.net
Phone: (650) 877-8555

ON-CALL ENGINEERING SERVICES

CITY OF SAN MATEO

EKI provided **on-call services** contract to provide a wide-range of services including **planning, design, CEQA, and permitting**. Prepared 25th Avenue Sanitary Sewer Relief Line Project Initial Study/Mitigated Negative Declaration and CEQA+. Prepared **construction documents** for the 25th Avenue Sanitary Sewer Relief Line Project (under El Camino Real and the CalTrain tracks) including all utility location, survey, geotechnical, environmental investigations, and CalTrans & CalTrain encroachment permit coordination. We also provided **engineering services during construction** of the 25th Avenue Sanitary Sewer Relief Line Project.

PROJECT DETAILS

Location: San Mateo, CA
Dates: 2013– 2015

REFERENCE

Name: Cathi Zammit
Title: Senior Engineer
Company: City of San Mateo
Email: czammit@cityofsanmateo.org
Phone: (650) 522-7306



6. FEE SCHEDULE

Client/Address:

City of St. Helena
Department of Public Works 1572 Railroad Ave.
St. Helena, California 94574

Proposal/Agreement Date: 22 July 2019

EKI Project # B9-083

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.

22 July 2019

<u>Personnel Classification</u>	<u>Hourly Rate</u>	<u>5% Discounted + Cap</u>
Officer and Chief Engineer-Scientist	286	252
Principal Engineer-Scientist	275	252
Supervising I, Engineer-Scientist	265	252
Supervising II, Engineer-Scientist	255	242
Senior I, Engineer-Scientist	243	231
Senior II, Engineer-Scientist	230	219
Associate I, Engineer-Scientist	219	208
Associate II, Engineer-Scientist	205	195
Engineer-Scientist, Grade 1	191	181
Engineer-Scientist, Grade 2	180	171
Engineer-Scientist, Grade 3	165	157
Engineer-Scientist, Grade 4	146	139
Engineer-Scientist, Grade 5	129	123
Engineer-Scientist, Grade 6	113	107
Technician	104	99
Senior GIS Analyst	133	126
CADD Operator / GIS Analyst	118	112
Senior Administrative Assistant	130	124
Administrative Assistant	103	98
Secretary	85	81

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus ten percent (10%) for items such as:

- Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- Rented vehicles, local public transportation and taxis, travel and subsistence.
- Special fees, insurance, permits, and licenses applicable to the work.



- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.



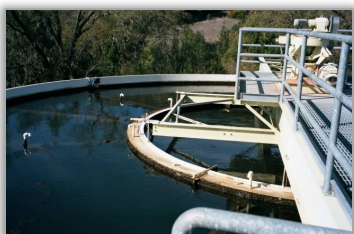
Attachment 1

EKI Work Experience with the City of Calistoga



Design and Construction Management of Water Facilities Improvements for the City of Calistoga

Calistoga, CA



View of the primary clarifier to be modified as part of the project



View of new pressure filter train added for redundancy and improved particulate removal

EKI provided design and construction management services for the Kimball Water Treatment Plant (WTP) and Kimball Reservoir Improvement Projects for the City of Calistoga. These projects, funded by the United States Department of Agriculture's (USDA's) Rural Development Program, included performing clarifier and filter modifications at the City's WTP to improve particle removal, therefore improving reliability of the treated water pump station through pump replacement; and replacement of approximately 14,000 lineal feet of water conveyance pipeline. EKI also evaluated alternative processes for a proposed water treatment process aimed at removing arsenic and antimony from geothermal well water at the City's Fiege Well Site.

In addition, EKI was the program manager for this group of projects and performed the following:

- Assisted the City in securing planning, design, and construction funding from the USDA Disadvantaged Community Program.
- Coordinated with the City's legal counsel, bond counsel, and financial advisors to bring together all portions of the funding application package within the appropriate timeframe.
- Provided program management and engineering design services to implement safety improvements on the Kimball Reservoir spillway, improve efficiency of existing flocculating clarifier, provide redundancy for existing dual-media filtration system, provide redundancy for existing process pumps, and upgrade existing online water quality monitoring systems to comply with current regulatory requirements.
- Assisted in preparation of necessary environmental documents and permit applications.
- Provided conceptual engineering services to evaluate improvements to the existing spent backwash water system to provide flexibility in recirculation rates (project component was eliminated by City due to funding constraints).
- Provided construction management services including full-time field observation, contract management, submittal review, response to RFIs, and change order negotiations.

EKI is currently assisting the City with the scoping and preliminary design for geothermal flow metering project at three existing spa facilities. EKI also assisted the City with miscellaneous issues related to the City's wastewater treatment plant, including performing an evaluation of the plant's solids handling operations and equipment, and securing funding from the USDA.



Attachment 2

Resumes

Jenn Hyman, PE, LEED AP

Director of Engineering/Vice President

Ms. Hyman is a civil engineer specializing in water infrastructure and restoration with over 24 years of engineering experience in water resources planning, design, project management, and construction management. Projects she has managed or designed include the restoration of Napa River salt marshes, San Francisco Bay subtidal eelgrass beds, and creeks with steelhead. She has also managed or designed numerous water infrastructure projects including the seismic retrofit of a 1-million-gallon concrete water storage tank, over 20 miles of transmission mains for a desalination project, and design and construction of a 15-million-gallon per day (mgd) water pump station. Prior to joining a consulting firm, Ms. Hyman spent 11 years in municipal service for Bay Area water utilities.



Relevant Experience

- **Senador Mine Calcine Remediation and Creek Restoration, Almaden Quicksilver Park**, Santa Clara County Parks and Recreation, San Jose, CA, 2016 – 2017, \$128k, Project Manager. Managed the preparation of final plans and specifications for the removal of mercury mine waste in a creek bed and the subsequent restoration of the creek bed and another drainage. Managed staff who performed construction-phase services including biological surveys, creek construction and geotechnical inspections, record drawings, and post-construction surveys for permit compliance.
- **California American Water, Monterey Peninsula Water Supply Transmission Mains**, Monterey and Seaside, CA, 2013 – 2017, \$4M, Project Engineer. Managed the preparation of plans and specifications for the installation of over 10 miles of transmission mains of at least three feet in diameter in the Monterey area for the new desalination water supply project. Challenges include identifying urban alignments for the new 3-foot-diameter pipe, approximately six jack-and-bore installations, and installation of a section of pipeline in a California Department of Transportation bridge. Worked closely with project archeologist and biologist to align the pipeline to avoid Native American artifacts in Monterey and protected habitats adjacent to wetlands and along an abandoned railroad right of way. Assisted with permitting, construction cost estimating and scheduling, and geotechnical and hazardous materials investigations. Currently providing engineering services during construction.

Education

- MS, Civil Engineering, MIT, 1990, MIT
- BS, Materials Science and Engineering, MIT, 1987

Registrations/Certifications

- Professional Civil Engineer, CA (#C50926)
- LEED Accredited Professional, GBCI
- ISI Envision Sustainability Professional, ISI

Professional Affiliations

- American Water Works Association (AWWA)
- Society of Women Engineers (SWE)

Jenn Hyman, PE, LEED AP



- **San Francisquito Creek Diversion Upgrade Project**, Stanford, CA. Prepared an alternatives evaluation and condition assessment of a pump station, fish screen wet well, and 4 miles of transmission mains associated with this creek diversion. The diversion upgrade capacity alternatives were based on a hydrologic study of water of the creek in which AECOM analyzed water availability based on historic hydrology and water rights. A hydraulic analysis was used to determine transmission main upgrades required for the different pump station sizes. The team's electrical engineer developed costs for modernizing the power and control systems as well as upsizing. AECOM estimated the construction costs for the different alternatives.
- **San Jose-Santa Clara Regional Wastewater Facility Sea Level Rise and Flood Risk Analysis Project**, City of San Jose, San Jose, CA, 2018 – present, \$100k, Project Manager. Managed the preparation of a 2D HEC-RAS hydrologic model of San Francisco Bay, Coyote Creek and Guadalupe River to understand the degree of flooding in a 500-year event at the Regional Wastewater Facility, and assist the City in capital planning. Pre-model studies examined sea level rise at 2048, tides and river flows as well as the ability of the existing and planned levees to protect the plant.
- California State Coastal Conservancy, San Francisco Bay Creosote Removal & Subtidal Habitat Restoration, Richmond, CA, 2014-2016, \$437K, Project Engineer. Led design and cost estimating for the project to remove abandoned creosote-treated wharf piles and restore eelgrass and artificial oyster beds at three sites in San Francisco Bay, habitat for the Pacific Herring. Challenges included planning for the relocation of an osprey nest and coordinating with the property owner, the city of Richmond. The design included results from sidescan sonar of the sites, which produced detailed bathymetry and locations of existing eelgrass and shipwreck debris. Oyster beds will be constructed in the field by the contractor using special Baycrete-concrete made with sands from SF Bay.
- **U.S. Army Corps of Engineers (USACE)**, Napa Salt Marsh Restoration Ponds 6, 6A, 7, 7A and 8, Napa County, CA, 2012 – 2016, \$684K, Project Manager. Managed this project to restore former salt ponds into marsh habitat for waterfowl. Led the project from 90% to final design through construction. Prepared design report, cost estimate, schedule, plans, specifications, and engineering services during construction for two projects: Ponds 6, 6A, 7 and 7A as well as Pond 8. Project components include solar-powered fish screens, timber pile-supported walkway structures and retaining walls, 16 water control structures, a new electrical service, automated operation of valves through a new PLC and SCADA system, a planting plan including the removal of exotic plants, special snowy plover habitat islands, and raising approximately 5 linear miles of earthen embankments. The project is a multiagency collaboration with the California Department of Fish and Wildlife. The project construction included complying with complex environmental requirements and work windows.
- California Coastal Conservancy, South Bay Salt Ponds Restoration Project, Mountain View, CA, 2014 – 2016, \$2.7M, Task Leader. Led the conceptual design and cost estimating for impacts to City of Mountain View Sailing Lake pump station facilities due to raising of the levee to address sea level rise along the bay. Impacts included raising a pump wet well, valve vault, and electrical boxes, installing a retaining wall and relocating the pump station intake.
- Marin County Open Space District, Bolinas Lagoon North End Restoration Feasibility Study and Conceptual Design, Bolinas, CA, 2015 – 2016, \$330K, Task Leader. The purpose of this project was to prepare conceptual designs for relocating shoreline roads and restoring marsh and riparian habitat to accommodate 100-year sea level rise in the lagoon. Led the task to prepare GIS inundation maps and brainstorm conceptual designs for phased approaches to the relocation of culverts, a County road and Highway 1.

Jenn Hyman, PE, LEED AP

- Santa Cruz Water Department, Newell Creek Dam Outlet Rehabilitation Project, Santa Cruz, CA, 2015 – 2016, \$363K, Project Engineer. Oversaw the preparation of planning studies and cost estimates for condition assessments and rehabilitation of the 55-year old 3-ft diameter reinforced concrete dam outlet conduit. Investigations planned included remotely operated video, seepage tests, concrete tests, manned inspection, and pipe lining.
- City of Santa Cruz Water Department and Soquel Creek Water District, Intake Design Study - scwd2 Desalination Program, Santa Cruz, CA, 2011 – 2012, \$165K, Project Engineer. Project engineer on the study to examine 15 coastal sites for locating an intake pump station and pipeline for the scwd2 desalination project. Prepared technical memoranda covering geotechnical issues; intake, pipeline, and pump station conceptual design; site analysis; trenchless pipeline construction; construction impacts on land and in Monterey Bay; 10% design drawings; and construction cost estimates.
- Sonoma Valley County Sanitation District, Napa Salt Marsh Restoration Pipeline, Napa County, CA, 2011 – 2013, \$140K, Project Engineer. The pipeline was designed to deliver recycled water to salt marshes for ecological restoration. The 18-inch polyvinyl chloride (PVC) pipeline incorporates fused PVC sections constructed in an ecologically sensitive area. Prepared plans and specifications for bidding, construction cost estimate and schedule, and contributed to engineering services during construction.
- Stanford University, Lagunita Diversion Dam Demolition and Creek Habitat Restoration, Stanford, CA, 2015, \$200K, Project Engineer. Prepared conceptual designs and preliminary plans for the removal of a concrete diversion dam that was impeding fish passage. Estimated construction costs. Coordinated with hydrologists and fisheries experts.

Steve Tarantino, PE

Vice President/Principal-in-Charge

During over 40 years of professional experience, Mr. Tarantino has led the implementation of a wide range of projects, with a specialization in program management contracts. His work includes planning, design, cost estimation, and construction supervision for potable water, domestic wastewater, industrial wastewater, groundwater, and remediation projects including excavation and removal of contaminated soil, soil vapor extraction, and groundwater treatment systems. Mr. Tarantino has a proven history of demonstrating both the technical and management expertise needed to ensure that projects meet client needs and are performed on time and within budget.



Relevant Experience

- City of South San Francisco, WQCP Wet Weather and Digester Improvements Project – Program Management, South San Francisco, CA.** Program Manager. Prior to commencement of construction, Mr. Tarantino supported contract negotiations with proprietary digester equipment/process to establish process warranty and the terms and conditions governing purchase, installation, and operation; prepared the Construction Management (CM) Services RFP, reviewed CM RFP responses, interviewed candidates, and participated in selection of construction manager; and evaluated Contractor bids. Throughout the Project construction phase, Mr. Tarantino will serve as Program Manager, acting on behalf of the City to facilitate decision making, participate in weekly construction meetings, and coordinate with WQCP staff as needed to keep the project moving during WQCP operation.
- City of South San Francisco, WQCP and Pump Station Coatings Project, South San Francisco, CA.** Project Manager. Based on prior information, EKI developed a multi-year, phased program to perform coatings for the WQCP and Pump Stations. Mr. Tarantino supported Mr. Schlater during the review of prior work and preparation of maps summarizing prior work recommendation; and participated workshops with City staff. The outcome of the workshops was a multi-year, phased coating improvement program that will meet City-identified needs.
- City of Lathrop, WWTP Expansion Program Management, Lathrop, CA.** Program Manager. The recently completed project expanded the City's existing MBR wastewater treatment plant

Education

- BS, Civil Engineering, University of Santa Clara, 1970

Registrations/Certifications

- Professional Civil Engineer, CA (#28308), 1977
- Forty-hour HAZWOPER Training Course

Affiliations

- ACWA
- AWWA
- WEF

Professional Profile

Years with EKI: 28

Total Years of Experience: 40+

Professional History

- Kennedy/Jenks, 1976-1990
- St. Ignatius High School Math Teacher, 1972-1976
- Alameda County Water District, Junior Engineer 1970-1972

Steve Tarantino, PE

from 1.0 MGD to 2.5 MGD. The project also involved the closure of the City's wastewater treatment plant that treated wastewater from the Crossroads area of the City. As program manager he was responsible for assisting the City with the selection of the design engineer, the management of the selected engineer in performing the design (including the technical review of the design engineers work products) and construction of the expansion. He was also responsible for the coordination of this process with the project stake holders which include both the City and the developers that are funding the planning design and construction of the plant expansion. EKI is still involved with the expansion of the storage and spray fields that are part of the reuse areas and effluent disposal.

He also performed program management tasks when the MBR plant was originally put online in . This included management and coordination of eight consulting engineering firms and fifteen developers on behalf of the City for the 5-Year Project. He lead the team that was responsible for preparation and maintenance of detailed project schedules, technical review of engineering documents, interfacing with regulatory agencies and oversight of various strategic, managerial, and technical tasks for the City including overseeing of City and consultant staff in compliance actions.

- **Town of Hillsborough, Ralston Avenue Pepper Avenue Water Main Replacement Project, Hillsborough, CA.** Principal-in-Charge. EKI provided design and engineering services during construction for the replacement of approximately 2,300 LF of existing 10-inch diameter ductile iron pipeline with a new 12-inch PVC pipeline. The project was challenging due to the presences of numerous existing water, storm drainage, and sewer utilities including three 60-inch diameter reinforced concrete pipelines owned by the San Francisco Public Utilities Commission. In addition, the Town engaged EKI to consolidate this project's design documents with another consultants' sanitary sewer design documents to develop the overall bid package, at the 90% design level. This coordination went smoothly. The project was successfully constructed.
- **Town of Hillsborough, Forest View Avenue/Newhall Road Sewer Main Replacement Project, Hillsborough, CA.** Principal-in-Charge, EKI provided design and engineering services during construction to replace and upsize approximately 2,300 LF of sanitary sewer pipe from 8-inch to 12-inch (14-inch HDPE). As part of the project, a detailed investigation of the constructability of pipe bursting was performed. The evaluation revealed that this project posed a high risk with the construction method; as part of the PDR, this was discussed with the Town and it was decided to ameliorate the risk by changing to open cut construction. The project was successfully constructed.
- **Coastside County Water District, El Granada Pipeline Replacement Final Phase Project, Half Moon Bay, CA.** Project Manager. EKI provided design, engineering services during design, and construction management including inspection of the project that relocated the existing 1940's era welded steel pipe that is strapped to the aging Main Street Bridge in Half Moon Bay, California to an alternative creek crossing site approximately 100 feet downstream of the existing bridge. The Project involved the installation of 1,200 linear feet of new 16-inch-diameter pipe including crossing beneath an existing creek using horizontal directional drilling construction methods.
- **Coastside County Water District, General Engineering Support, Half Moon Bay, CA. Project Manager.** EKI is providing engineering support services to the District which include reviewed of the planned CIPs over the next three to four years and organizing them into projects that can facilitate each of the CIPs being implemented. The result of this project will be an approach that may include bundling the projects (to

Steve Tarantino, PE

create a project or projects of a sufficient value that will attract bidders) and preparing a schedule and cash flow projections.

- **City of Burlingame, *Water System Capital Improvements Program and Various Water System Projects, Burlingame, CA.*** Program Director. The goal of the City's 10-year water system capital improvements program to replace aging potable water distribution system infrastructure. The project included developing a 10-year water system capital improvement plan that was funded from bond proceeds, the planning, cost estimating, and budgeting of selected capital improvements; issuing RFPs and managing the consultant selection process; managing the design and construction process; community outreach efforts in advance of construction; updating City staff and Council members on progress and budget expenditures. Other projects for the City which he managed the EKI team included assisting Burlingame in preparing for the system-wide conversion from chlorine to chloramines as the disinfectant by SFPUC, the City's only water source. Projects related to the conversion include, developing a unidirectional flushing program, evaluating the mixing occurring within the City's potable water storage tanks, and mastering planning the City's potable water distribution system to facilitate water movement.
- **City of Calistoga, *Water System Improvements, Calistoga, CA.*** Project Manager. The City of Calistoga has completed upgrading its water system utilizing funding from the United States Department of Agriculture Rural Development Program targeted to small communities. Mr. Tarantino assisted in securing planning, designing and construction funding from the USDA and was the City's liaison with USDA. He was also the project manager for the design and construction oversight of the upgrade projects. In addition, Mr. Tarantino's responsibilities included managing the preparation of environmental documents and a water rate study required by the USDA, while evaluating the need to treat groundwater containing elevated levels of arsenic. The project included City water system upgrades including replacement of approximately 15,000 feet of distribution system pipelines, and improvements to the City's Kimball Water Treatment Plant chemical mixing system, clarifier, and the addition of a third filter bank.
- **City of Foster City, *Clean Water Program Development, Foster City, CA.*** Project Manager. Mr. Tarantino is serving as Foster City's representative in its participation with the City of San Mateo in Clean Water Program. The Clean Water Program is a comprehensive plan to upgrade the aging wastewater collection and treatment system with advanced infrastructure that will provide reliable services for years to come. The Wastewater Treatment Plant components of the Clean Water Program are a joint effort between the City of San Mateo and City of Foster City/Estero Municipal Improvement District (EMID). The City of Foster City is a partial owner of the Wastewater Treatment Plant. The Goals of the Clean Water Program are to: replace aging infrastructure and facilities, build wet weather sewer system capacity assurance, and meet current and future regulatory requirements, align with the City of San Mateo and Foster City's sustainability goals. As Foster City's representative, Mr. Tarantino participates in the selection of planning and design consultants, review of technical reports, assisting with the evaluation of Foster City's share of the cost for the Clean Water Program, as well making presentations to the Foster City Council regarding the progress of the program.
- **City of Merced, *Wastewater Treatment Plant Upgrades, Merced, CA.*** Program Manager. The project involved the upgrade and expansion of the City's wastewater treatment plant. Mr. Tarantino's responsibilities included development of RFPs and the management of the entire process for the selection of the design consultant as well as the construction manager. Mr. Tarantino also lead the EKI team in the review of technical documents, management of the SRF loan process to obtain financing for the project and provide liaison with regulatory agencies for the City's NPDES permit. In addition, Mr. Tarantino lead

Steve Tarantino, PE



the EKI team in the investigation and groundwater monitoring of the City's land application area that takes waste directly from a tomato processing facility as part of the program to identify and remediate impacts to the local shallow groundwater from the use of unlined sludge drying beds.

- **City of Tracy, John Jones Water Treatment Plant Expansion, Tracy, CA.** Project Manager. EKI provided planning, design, and construction oversight of the expansion of the City's John Jones Water Treatment Plant from 15 mgd to 45 mgd and the design of the first phase 15 mgd expansion. Also included in this project is preparation of an application for an SRF loan and liaison with DHS regarding the City loan. The planning portion of the project included an evaluation of alternative disinfection, clarification and filtration processes and pilot testing of the selected process. The selected process included deep bed GAC filtration and UV disinfection. The project also included negotiations with the State of California Department of Health Services regarding the changing the source of water for the JJWTP from the Delta Mendota Canal to the California Aqueduct. The City collected water quality data from both conveyance facilities to determine if there is a significant difference in the source water quality. Data indicated that the water quality from both sources was highly variable but similar with respect to treatment needs. Based on these data, DHS did not require that the City change its water source.

Presentations and Publications

Adjunct Lecturer, Santa Clara University, Graduate Engineering Program; *Infrastructure Program Management*.

Adjunct Lecturer, Santa Clara University, Undergraduate Program, *Water and Wastewater Engineering*

Taylor Allen

Design Engineer

Taylor Allen has four years of engineering experience including potable water and wastewater pipeline and project management ranging from planning to complex design and construction support. She is highly proficient with AutoCAD Civil 3D, HEC-RAS, Bentley SewerCAD, FlowMaster and CulvertMaster. She models proposed sanitary sewer system to confirm the system is sized adequately and complies with all project design criteria.



Relevant Experience

- City of Brisbane, Annis PRV Installation and Water Main Replacement Project.** Brisbane, CA. Project Engineer. EKI provided design services for the replacement of approximately 6,500 linear feet (LF) of water main and installation of a new pressure reducing valve (PRV) station to improve the potable water system's capacity to supply fire flows in a residential area. Taylor is responsible for providing construction support, which includes the review of contractor submittals, responding to RFI's and other construction issues that arise.
- Town of Hillsborough, Roblar Avenue/Santa Inez Avenue Sanitary Sewer Study, Hillsborough, CA.** Project Engineer. EKI prepared an alternatives analysis for replacement and upsizing of approximately 6,440 linear feet of sanitary sewer pipe (2,500 linear feet of which is a parallel sewer pipe) with the intent of reducing the overall length of piping and eliminating sanitary sewer overflows. EKI reviewed sanitary sewer video for pipe and manhole condition, prepared a desktop model of the sewer alignment, and developed conceptual-level cost estimates for two alternative improvement projects.
- City of Pacifica, Pedro Point Sewer Rehabilitation and Replacement Project, Pacifica, CA.** Project Engineer. The project involved replacing approximately 16,000 lineal feet of the existing 6-inch and 10-inch diameter sanitary sewer mains located in both public right-of-way and public utility easements. Taylor was responsible for preparing agendas, attending, and producing meeting minutes for bi-weekly progress meetings. Taylor would follow up with issues addressed in meetings. Project submittals, and RFI's were received from the contractor and sent to the Design Engineer for review. Taylor also prepared two community

Education

- BS, Water Resources Engineering (Co-op), University of Guelph, On, Canada, 2016

Professional Profile

Years with EKI: 1
Total Years of Experience: 4



Taylor Allen

outreach presentations, and multiple flyers to inform the residents of the project.

- **Coastside County Water District, Highway 1 South Pipeline Replacement Project, Half Moon Bay, CA.** Project Engineer. The project involves the replacement of over 3,000 LF of galvanized steel watermain, with 8 service connections, along Highway 1 South. Taylor was responsible for the preparing the plans and specifications for the proposed HDPE pipeline to be installed using the horizontal directional drilling method. Taylor is also responsible for the review of contractor submittals, responding to RFI's and other construction issues that arise.
- **Oyster Point LLC., Oyster Point Development.** South San Francisco, CA. Project Engineer. During Taylor's time with Wilsey Ham, she worked on a variety of phases of the Oyster Point Development Project, which involved developing land for Bio-Tech R&D facilities. Taylor was responsible for designing a proposed sanitary sewer system, modeling it in Bentley SewerCAD and preparing a technical memorandum to summarize the proposed system. Taylor also needed to simulate the system after 50 years of settlement, since the development is on an old landfill, in order to ensure the system still meets minimum slope requirements.
- **Sandra Hayne Storm Drain Replacement Project - Final Design,** Town of Hillsborough. Hillsborough, CA. Project Engineer. Taylor is currently involved with the Sandra Hayne Storm Drain Replacement Project which is split into two main components: storm drain replacement and creek restoration. Taylor is directly involved with the design of approximately 300 lineal feet of storm drain within a creek with banks as steep at 70%. Taylor is working with WRA, who is preparing a step-pool design for the creek restoration aspect of the project. The current multidiscipline design can convey the 100-year flow. Taylor is responsible for developing the storm drain plans, assisting with the opinion of probable construction cost, coordinating hydraulics with WRA, and coordinating design with WRA to ensure the project meets all disciplines requirements. Due to the existing constraints of the site, Taylor and the Project Manager met a contractor on site to discuss constructability and cost and will be moving forward with modifications in the 65% design. The project is currently entering the environmental permitting and CEQA process. During this time, Taylor is focused on assisting the permitting team with information for the permitting process.
- **Various clients within California.** Field Sampler. Taylor has experience with field sampling the following stormwater constituents: Total Dissolved Solids, Total Suspended Solids, various Metals, and pH.
- **Various clients within Ontario, Canada.** Taylor has extensive experience with the design of stormwater detention ponds. Taylor is familiar with using topographic maps to delineate catchments (pre and post development), determining land use parameters for each catchment (curve number, runoff coefficient, etc.), determining runoff hydrographs (pre and post development), using municipal guidelines to determine pond storage requirements (extended detention, water quality volume, etc.), using AutoCAD Civil 3D to grade the stormwater pond, determining required pond volume based on runoff hydrographs, and regarding the pond if necessary.



BRIAN BARTELL, RLA
Senior Restoration
Designer

bartell@wra-ca.com

o: 415.454.7588

c: 443.243.2114

Years of Experience: 25

Education

BS, Landscape Architecture, West
Virginia University, 1991

Professional Affiliations/Certifications

California Licensed Landscape Architect,
#6050

Specialized Training

- Stream Restoration, Cook College, 2000
- Winter Wetland Vegetation Identification, Cook College, 2001
- Applied Fluvial Geomorphology, Wildland Hydrology, 2001
- River Morphology and Applications, Wildland Hydrology, 2002
- Dale Carnegie Training, Dale Carnegie & Associates, Inc., 2002
- River Assessment and Monitoring, Pilot View, 2003
- Natural Channel Design & River Restoration, Wildland Hydrology, 2003
- River Restoration Design Implementation, Wildland Hydrology, 2005
- GPS Pathfinder Office Training, Earth Vector Systems, 2009
- Riparian Habitat Restoration for the Arid Southwest, Wetland Training Institute, 2017

Brian Bartell is a senior restoration designer and implementation specialist with WRA, Inc. He received his Bachelor's degree in landscape architecture from West Virginia University, where he developed an affinity for the ecological restoration field. Brian brings 25 years of restoration planning, design, and construction oversight experience for stream, wetland riparian and specialized habitat projects. His capability encompasses the restoration of stream, wetland and wildlife habitat projects for a variety of public agency and private clients, and spans all stages of project development including project assessment, restoration design, site selection, permitting, construction oversight and post construction maintenance oversight.

With a long history of design/build experience, Brian has an integral appreciation of the complexities of environmental restoration projects. He understands that it often requires more than a set of plans to make a project a reality, and knows how to work with landowners, contractors, project sponsors and agency representatives to meet or exceed project expectations. Understanding that ecological restoration projects should work at the landscape level, Brian works to fully integrate all projects with the surrounding environment to maximize ecological uplift.

Representative Projects

Petersen Ranch Wetland Mitigation Bank, Los Angeles County, California 2017

Brian oversaw the production of construction documents and a bid package, and managed construction for the Petersen Ranch Mitigation Bank, the largest wetland mitigation bank in California. The project involved removing a dam crest to return natural fluvial processes to a remnant alluvial fan and filling man made ponds to restore a complete valley bottom seasonal wetland system. Construction documents included custom details and specifications to clearly explain the specifics of the highly technical and innovative design. Brian also worked closely with the client throughout the bid process to ensure that the best value contractor was selected. Throughout construction, Brian was on site weekly and actively managed the contractor to ensure that the project was completed on time and under budget.

Soquel Canyon Mitigation Bank, Chino Hills, California 2017

Brian oversaw riparian planting and ongoing maintenance of the Soquel Canyon Mitigation Bank in Chino Hills California. His efforts included working closely with the contractor and WRA banking department to ensure that the efforts of the contractor were tailored to help the site meet success criteria set forth in the Development Plan. Brian also helped prepare and implement adaptive management strategies for the site brought on by the ongoing drought in Southern California.

Butte Creek Mitigation Bank, Colusa, California, 2017

Brian worked with WRA's banking and wildlife departments to prepare a conceptual plan for restoring floodplain riparian and wetland areas along Butte Creek for the restoration of juvenile salmonid rearing habitat. The design called for converting the former rice fields to mixed riparian and wetland areas to provide complex habitat for juvenile fishes in winter and spring. Other considerations included minimizing habitat for invasive predatory fish and efficiently moving sediment through the site.

BRIAN BARTELL**Page 2*****Macerich/Contra Costa Resource Conservation District, Macy's Walnut Creek Southern Expansion, Walnut Creek/Concord, California 2016-Present***

Brian is the project manager and leading the landscape architecture team to oversee the implementation of the on-site mitigation plan and is currently designing additional, off-site mitigation at Newhall Park in the City of Concord to satisfy the remainder of the compensatory mitigation requirements of the regulatory permits. WRA has conducted a biological resources assessment and wetland delineation to evaluate existing sensitive biological resources within the proposed mitigation area and recently completed a site evaluation and geomorphic survey to guide the preliminary design schematic for acceptance by the Regional Water Quality Control Board. The local RCD was involved in helping WRA identify a suitable off-site stream restoration project.

Coyote Creek Watershed Stream, Wetland and Habitat Mitigation Projects, San Jose, California 2016

Brian managed construction and is currently leading geomorphic monitoring efforts for two mitigation projects completed simultaneously as mitigation for unavoidable impacts in the Coyote Creek Watershed. Stream restoration efforts focused on removing a stock pond dam and restoring approximately 1,000 linear feet of headwater stream channel and installing rock structures to restore stable channel morphology on a second order high gradient perennial stream. Three habitat pools were created for California red legged frogs on each site, and approximately 0.7 acres of seasonal wetland was restored. Brian used his extensive design/build experience to educate the contractors on the highly specialized structures and techniques required to successfully restore the specified habitats.

Sulphur Creek Mitigation Geomorphology Monitoring, Hayward, California 2015

Brian led the stream restoration monitoring efforts to assess the effectiveness of three stream restoration sites along Sulphur Creek in Hayward, California. Mitigation included restoring the form and function of two stretches of Sulphur Creek and the creation of a water quality swale along a tributary to the creek. Efforts included conducting field surveys, photo documentation, preparing graphs, and writing the monitoring report.

Elsie Gridley Channel Restoration Assessment, Dixon, California 2015

Brian was the Stream Restoration Designer. Performed a thorough assessment of a proposed wetland mitigation area to determine the feasibility of restoring a remnant channel. Analysis included using HydraFlow to accurately depict drainage areas, runoff from a range of storm events and appropriate channel size parameters. Also used AutoCAD Civil 3D to perform grading feasibility analyses to generate cost estimates associated with several design scenarios.

Evans Parkway Park Stream Channel Restoration, Wheaton, Maryland, 2014

Brian was the Stream Restoration Designer. The project involved removal of +/-300 linear feet of trapezoidal concrete channel within Evans Parkway Neighborhood Park and restoring a natural stream system as part of the overall park rehabilitation. The design relied heavily on the use of boulders to create a stable and natural looking channel that experiences highly variable flows associated with the urbanized watershed. Worked closely with the design team to create an integrated stream channel/floodplain and riparian zone that helped serve as a focal point for the proposed park design.

Plumtree Run Headwaters Restoration, Bel Air, Maryland, 2013

Brian was the Restoration Designer/Project Manager. The project involved removal of +/-650 linear feet of culvert and restoring a natural headwater stream/wetland system in a public park. The channel design included designing a narrow single thread channel surrounded by an inset floodplain/wetland mosaic, using structures and bioengineering practices to withstand a wide range of flows associated with the clear water discharges produced by the highly urbanized watershed. Performed all stages of project assessment, design and permitting, including site selection, grant writing, existing condition assessment, restoration design, local, state and federal permitting

BRIAN BARTELL**Page 3**

and construction oversight. Coordinated with town officials, project sponsor and local watershed group to procure funding through the NFWF Chesapeake Bay Small Watershed Grants Program for the design/build project.

Wagman Farm Stream Restoration, York County, Pennsylvania, 2012

Brian was the Project Manager/Landscape Architect. He completed assessment and restoration design for Barshinger Creek and the associated floodplain wetlands on the Wagman Farm as part of a stream restoration project on the site funded through the EPA Section 319 Grants program. The creek on the site was experiencing rapid degradation associated with historic long term grazing and downstream channelization. The restoration design incorporated stone and log structures with heavy use of bioengineering practices to restore channel function and fish habitat. Channel elevation was also set to reconnect the creek to the broad floodplain to reduce erosive shear stress and velocity values and to enhance the existing floodplain wetlands. Held field meetings with regulatory agencies and procured all necessary permits for the project.

Hollow Run at Nixon Park Stream Restoration, Springfield Township, Pennsylvania, 2011

Brian was the Restoration Designer/Project Manager for this project to restore approximately 1,300 linear feet of eroding streambanks on a tributary to East Branch Codorus Creek. Coordinated with PAFBC to utilize habitat restoration structures and expedited the permitting process to ensure that the project was completed prior to the end of the Growing Greener grant period.

Miller Lane Farm Stream and Wetland Restoration, Monkton, Maryland, 2010

Brian was the Restoration Designer/Permitting Specialist. He completed assessment, design and permitting for the restoration of two second order tributaries and associated floodplain. The design included restoring a natural pattern, profile and channel dimensions to 2,400 linear feet of degraded stream channels, raising the channel inverts and grading legacy sediments on the floodplain to create an interactive stream/wetland/floodplain system. Permitting included sediment and erosion control, MDE/Federal waterway construction authorization and NPDES registration.

Mazza/Grandmarc Stream Restoration Design/Build, College Park, Maryland, 2009

Brian was the Restoration Designer/Permitting Specialist/Construction Manager. He completed assessment, natural channel design, sediment control planning, permitting, and construction management for the restoration of approximately 750 linear feet of severely degraded perennial stream channel and 420 feet of highly eroded intermittent channel in conjunction with the development of private student housing in College Park, Maryland. Perennial channel design elements included restoring stable pattern, profile and dimensions, and stabilizing invert grade and banks using crossvanes, boulder toe and single arm vane structures in conjunction with live staking and erosion control matting. The intermittent channel, which has an average grade of five percent, was stabilized using a series of boulder step pools lines with a cobble/gravel substrate.

Little Blackwater Restoration Site Design/Bid/Build, Dorchester County, Maryland, 2008

Brian was the Restoration Designer/Construction Manager. He acted as project manager for completing restoration design of the 735-acre Little Blackwater site in the town of Cambridge, Maryland. The project included restoring biological and hydrologic functions to agricultural drainage ditches by creating headwater "swamp run" morphology typical of low gradient systems. Careful consideration was given to off-site runoff and existing site features in creating a system that would effectively transport high flows, provide maximum water quality improvement benefits and enhance both aquatic and terrestrial wildlife habitat.

Bonnie View Estates Stream Restoration Design/Build, Baltimore County, Maryland, 2008

Brian was the Restoration Specialist/Construction Manager. Completed stream restoration design using natural channel design and step/pool morphology for a planned residential community on the grounds of a former golf course. The design involved creating a new road crossing and creating a channel in an area that was formerly an

BRIAN BARTELL
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irrigation pond, and incorporated floodplain wetlands as mitigation for impacts associated with the proposed residential development. Construction was completed in spring 2008.

National Park Seminary @ Forest Glen Stream Stabilization, Montgomery County, Maryland, 2007

Brian was the Project Manager/Restoration Specialist/Construction Manager. He completed all stages of assessment, restoration design, waterways and erosion control permitting for a first order stream running through the historic Forest Glen site located just outside Washington DC. Coordinated with project engineers to create a stream channel design that would address stormwater management requirements associated with the highly urbanized watershed. Also coordinated with site designers to ensure that the restoration design was sensitive to historic features including stone bridges and a streamside grotto, as well as the old growth deciduous forest found on the site. Oversaw construction performed by subcontractor and coordinated with site contractor to minimize disruption during construction.

Armstrong Farm Stream and Wetland Mitigation, Hyde County, North Carolina, 2006

Brian was the Restoration Specialist responsible for the design of 2000 linear feet of zero order headwater stream and 20 acres of riverine wetlands adjacent to Clark Mill Creek in the Pungo River watershed of eastern North Carolina. The design included removing several agricultural ditches and creating a broad diffuse system of interconnected braided channels and floodplain in an area of historic row crop cultivation. Hydrology at the site was derived from a shallow water table and storm flows, and the system was designed to create storage of overbank flows in the adjacent riverine wetlands. The project was completed as a full delivery contract under North Carolina's Ecosystem Enhancement Program.

Arbaugh Wetland Mitigation/Stream Restoration, Carroll County, Maryland, 2003

Brian was the Restoration Specialist responsible for design, permitting, construction and monitoring of 0.8 acres nontidal wetland mitigation and 1,400 linear feet of stream restoration as mitigation for off-site wetland impacts in the Little Pipe Creek watershed. The channel had been straightened almost a 70 years earlier in conjunction with the abandoning of an historic water supply pond on the property, resulting in severe downcutting and complete loss of floodplain function. The restoration design called for filling the existing channel and restoring a natural riffle-pool morphology channel on the historic floodplain. Restoration measures included rock vanes and live stake bioengineering on most banks. Wetland elements included depressional seasonal wetlands and cutoff oxbows for varied habitat. Construction was overseen by Brian and was completed in 2003.

Presentations/Publications

Less is More: Using Sustainability as a Tool for Innovation in Stream Restoration Design and Construction. Mid-Atlantic Stream Restoration Conference, Baltimore, MD 2015.

Overcoming Hurdles in Headwater Restoration – Plumtree Run Case Study. Mid-Atlantic Stream Restoration Conference, Baltimore, MD 2015.

The Carbon Consideration – What Role Does Atmospheric Carbon Play in Stream Restoration Decision-Making, and How Much Should It? Mid-Atlantic Stream Restoration Conference, Baltimore, MD 2013.

Bartell, B. (2012 July/August) Wetlands Return to Ranarium Farm. *Land and Water*. 13 – 17.

Restoration of Zero and First Order Low Gradient Coastal Plain Streams. (Poster Abstract). Mid-Atlantic Stream Restoration Conference, Morgantown, WV 2009.



Nicholas Brinton, BS
 Fisheries Biologist
brinton@wra-ca.com
 o: 415.524.7248
 c: 909.275.2358
 Years of Experience: 7

Education

BS Wildlife, Fish and Conservation
 Biology, UC Davis, 2012

Technical Training:

Cal-Nevada AFS Fish Passage and
 Screening Criteria Workshop
 Sacramento, California, 2015.

BCM Bat Survey Techniques. Portal
 Arizona. 2016

**Professional Affiliations/
 Certifications**

Member: American Fisheries Society
 Member: Salmonid Restoration
 Federation

MSHA Certified

Nick holds a B.S. degree in Wildlife, Fish and Conservation Biology from the University of California, Davis. Prior to coming to work with WRA, Nick worked in both the Sierra Nevada Mountains and the Central Valley of California, gaining experience surveying for and handling a variety of special-status species.

With WRA, Nick performs a variety of specialized tasks for aquatic species including: fish passage assessments, fish rescue and relocation, habitat and water quality assessments, biological monitoring. In addition, he has written a variety of project specific reports for projects ranging from bridge repair to pile driving. He has specialized in fisheries related issues and leads fish salvages, and writes assessments for fisheries related projects throughout the state.

Representative Projects

UC Davis, Fangue Laboratory, Davis California. 2010-2012

Research in the Fangue lab focused on understanding the physiological adaptations that allow animals to survive in complex environments. As part of his work with the laboratory, Nick conducted experiments to assess the physiological responses to conditions such as critical thermal, stimuli aversion, and entrainment of native fishes. The fish used in these experiments were raised and cared for in a hatchery that he helped to maintain and construct. Species cared for at the laboratory included: northern DPS green sturgeon, fall-run Chinook salmon, hardhead and Sacramento splittail.

Slinkard Creek, Walker, California. 2012

Slinkard Creek is a tributary of the West Walker River and is located within the state wildlife refuge of Slinkard Valley. It contains one of the few remaining populations of federally threatened Lahontan cutthroat trout (LCT) as well as a large population of non-native brook trout. In cooperation with CDFW, Nick was contracted by California Trout to facilitate the removal of brook trout from Slinkard Creek to enhance conditions for LCT. Nick designed a series of portable Alaskan weirs to divide Slinkard Creek into reaches which were then systematically cleared of all fish using a backpack electrofisher. LCT were retained in the creek, and allowed to repopulate reaches once all brook trout were removed. Nick logged approximately 80 hours of time using a backpack electrofisher on this project while electroshocking, and capturing over 300 LCT. Mortality among LCT was exceptionally low (<1 percent) and approximately 1 kilometer of creek was restored during the season which he worked on this project.

NICHOLAS BRINTON**Page 2*****US Forest Service, Tahoe National Forest. 2013***

The Tahoe National Forest covers over one million acres and is home to 23 species of fish. Nick worked as a fisheries technician performing more than 200 hours of electrofishing and seine surveys throughout the forest for both population trend analysis, and range expansion surveys. He has handled several thousand fish during this project including: Lahontan cutthroat trout, rainbow trout, and brown trout. As part of this project he performed surveys on two watersheds to using the US Forest Service Basinwide Survey protocol to map, classify and measure current habitat conditions. He also performed habitat assessment surveys in those same watersheds for Sierra mountain yellow-legged frog and successfully identified adults, sub-adults and larval forms of the species.

Mare Island Ship Yard Dry Dock Fish Salvage, Vallejo, California. 2104-Present

Mothballed vessels from the National Defense Reserve Fleet in Suisun Bay and private ships needing repair are brought to the dry docks at the former Mare Island Naval Shipyard. In accordance with permit requirements of USFWS, National Marine Fisheries Service (NMFS), and CDFW, biologists are required to be present during final stages of dewatering to rescue stranded fish from the dry dock. Captured fish are placed in aerated holding coolers, identified to species, counted, and measured before being returned to the Mare Island Channel of the Napa River. Nick serves a lead fisheries biologist for this operation. His primary responsibility for this project is leading the fisheries crew for the salvage operations. He also coordinates with resource agency personnel ensuring permit compliance, and writes technical reports following each salvage event. He is authorized to handle and relocate longfin smelt, Delta smelt, steelhead, fall, late-fall, winter and spring-run Chinook salmon as well as green sturgeon at this site. To date he has performed more than 75 salvages at this site. This project is ongoing.

Frenchman's Creek Water District, San Mateo County. 2014-2017

Frenchman's Creek Water District (FCWD) is a small water service provider located north of Half Moon Bay along coastal San Mateo County. A CDFW 1602 permit allows for the temporary installation of a flashboard dam and water withdrawal from the system for agricultural purposes. Nick serves as a fisheries biologist for this project, which involves monitoring flow, water quality sampling, as well as habitat connectivity and condition for steelhead during the diversion period. This project is currently ongoing.

Healdsburg Veterans Memorial Dam Spillway Repair, Healdsburg, California. 2016

The Healdsburg Veterans Memorial Dam is a flashboard dam located within the city of Healdsburg on the Russian River. The dam is installed seasonally to create a temporary recreational lake. For this project, Nick was approved as the lead fisheries biologist, and biological monitor. He conducted pre-construction surveys for breeding birds as well as Pacific pond turtle. Turtles were identified near to the project area daily. As the approved fisheries biologist he lead a team of biologists who performed multiple fish salvages within the project area following de-watering events. All steelhead encountered during the salvages were captured and successfully relocated without injury or mortality.

Lower Miller Creek Channel Maintenance, San Rafael, California. 2016 and 2018

The Las Gallinas Valley Sanitary district regularly removes accumulated sediments from the channel within Lower Miller Creek. As part of the project mitigation efforts, a fish salvage was required in order to salvage and relocate any native fish in the proposed work area which stretched approximately ½ mile in length. Nick was approved as the lead fisheries biologist for the project and organized all of the associated salvage work on Lower Miller Creek. All work was conducted in accordance with project permits and the creek was effectively cleared of native fish, prior to the start of dredging and in accordance with project permits.

Napa Dry Bypass, Napa, California. 2016

The Napa Dry Bypass is part of a series of flood control projects headed by the Army corps of Engineers designed to divert 100 year flows around the oxbow reach of the Napa River to avoid flooding the Soscol Gateway area in downtown Napa. Nick was approved as the lead fisheries biologist for this project, and conducted multiple fish

NICHOLAS BRINTON**Page 3**

salvage operations at the site. During the salvage operations all steelhead encountered were successfully relocated without mortality or injury. Nick assisted in otter trawl surveys and fish exclusion work which were required during pile driving operations.

Novato Creek Maintenance and Sediment Removal, San Rafael, California. 2016

The Marin County Flood Control District conducts regular maintenance within the lower portions of Novato Creek as well as within Warner and Arroyo Avichi Creeks. Before work can begin a fisheries biologist must clear each reach to assure that steelhead are not present. Nick lead a team of volunteers who systematically cleared and relocated any native or special-status fish encountered in the creeks. During the salvage work, multiple steelhead were encountered and successfully relocated without injury.

Lucas Valley Bridge Emergency Repair, San Rafael, California. 2017

Following winter storms in November 2017, erosion at the Lucas Valley Road Bridge required emergency repairs in order to maintain functionality of the bridge. WRA was contracted to salvage and relocate steelhead from Miller Creek before emergency repair operations could begin. Nick led the team of fisheries biologists and county volunteers for this project, successfully relocating 47 steelhead. No mortality was documented among steelhead and the project was completed on time. Methodology used for this project relied primarily on electrofishing.

San Geronimo Creek Fish Passage and Habitat Improvement Project, San Rafael, California. 2016

As part of a fisheries restoration grant, this project sought to eliminate a major fish passage barrier and enhance fish habitat by using large woody debris. As part of the restoration effort, a fish rescue and relocation was required in order to capture and relocate Coho salmon and steelhead within or immediately downstream of the work area. Under the supervision of a CDFW biologist, Nick assisted with the fish rescue effort which successfully relocated over 400 Coho salmon and steelhead. Methods for rescue and relocation primarily relied upon electroshocking.

Westside Basin, Santa Clara, California. 2017

The City of Santa Clara sought to dredge a stormwater retention basin within city limits to bring it back to full operational capacity. A streambed alteration agreement was required for the project and as part of the measures stipulated in the SAA, a fish rescue plan and field effort was required. Nick wrote the fish rescue plan, and the invasive species removal plan for the project, both of which were approved by CDFW. During the field effort Nick designed and constructed a special fyke trap to catch and process fish within the basin when traditional means of seining were not feasible. A total of 974 fish, composed of common carp, bluegill, largemouth bass and goldfish were encountered. No native fish were encountered during the fish salvage. All of the non-native fish encountered were euthanized according to methods outlined in the invasive species plan and removed from the basin.

Napa County Resource Conservation District, Rotary Screw Trap, Napa County, California. 2018

The Napa County Resource Conservation District (NRCD) is an organization that promotes watershed-based stewardship of natural resources throughout the greater Napa County area. NRCD monitors Central California Coast Distinct Population Segment steelhead and fall-run Chinook salmon populations by collecting data on the number of fish migrating to the ocean each year through the operation of a rotary screw trap on the Napa River. The trap is typically operated February through May, and WRA involvement with the trap involves identifying the species and numerating the captured fish. For target species, such as lamprey and salmonids, additional biological information is collected which involves measuring the species length, weigh, and collecting genetic samples through fin clips. In addition, steelhead are pit-tagged to track the potential return of adult animals. Nick was approved by NMFS and CDFW to act as a lead biologist on the project. Over the course of this project Nick handled several steelhead, hundreds of Chinook salmon, and several thousand lamprey.

Olema-Bolinas Road Flood Control Project, Marin County, California. 2018

NICHOLAS BRINTON**Page 4**

WRA works with Marin County to help implement various projects when projects are likely to encounter protected species and special approval is needed to help relocate or capture those species. At mile marker 0.18 a box culvert funnels Lewis Gulch beneath Olema-Bolinas Road and out to Bolinas Lagoon. In 2017 storms caused severe flooding of the area and plugged the culvert with sediment. Prior to the rainy season in 2018, the County sought to perform maintenance to remedy flooding issues. Nick was approved by NMFS to perform the fish relocation activities outlined in the Biological Opinion which were required before maintenance could begin. Using a variety of seine and dip nets, Nick, with the assistance of Kallie Kull from Marin County, captured and successfully relocated 21 steelhead from within the project area. All of the captured fish were successfully relocated. No mortality was observed and the project finished ahead of schedule.



KARI DUPLER, PWS
Senior Biologist

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Years of Experience: 11

Education

Master of Science, Biology, Eastern Kentucky University, 2016

Bachelor of Science, Biology (Ecology emphasis, Geology minor), Texas Tech University, 2006

**Professional Affiliations/
 Certifications**

Certified Professional Wetland Scientist (#2861)
 Society of Wetland Scientists
 Southwest Association of Freshwater Invertebrate Taxonomists
 Association of State Wetland Managers

Specialized Training

Family-Level Aquatic Insect Identification Certification from Society for Freshwater Science

SWAMP Bioassessment Protocols

Practitioner-level Training in the California Rapid Assessment Method

**Special Recognitions/
 Publications**

McMurry, S.T., Smith, L.M., Dupler, K., Gutierrez, M.B. Influence of Land Use on Body Size and Splenic Cellularity in Wetland Breeding *Spea* spp. *Journal of Herpetology*. 43(3)

Kari is a Senior Biologist with WRA, Inc. She is a Certified Professional Wetland Scientist and project manager responsible for coordinating surveys, reports, permits and monitoring for projects involving wetlands and streams. Prior to joining WRA, Kari worked as a scientific consultant in California for over six years. She has experience obtaining permits from regulatory agencies, site management of remediation activities, and preparation of technical reports. Kari has worked on a variety of projects and has experience with field identification of a variety of amphibians, plants, and aquatic insects.

Kari earned a M.S. in Biology from Eastern Kentucky University where her research focused on validation of the Kentucky Wetland Rapid Assessment method using amphibian community composition. She has worked on several wetland research and stream restoration projects in Texas, Kentucky, and California, and prior to joining WRA, worked on a Yosemite Toad monitoring project for the U.S. Forest Service in the Sierra Nevada.

Representative Projects

Zeiss Graphite Development Project, Dublin, Alameda County, California

Carl Zeiss, Inc. is planning a new Zeiss Innovation Center in Dublin, which will consist of research and development space, offices, parking, and associated infrastructure. WRA is the project biological consultant, responsible for CEQA biological surveys, environmental permitting, and mitigation planning for the project. Kari serves as the project manager, conducted the wetland delineation, and oversees the biological resources reports and resource agency permitting.

Tejon Ranch Company Regulatory Permitting and Mitigation Strategy Kern and Los Angeles Counties, California

Tejon Ranch Company is developing three master planned communities in Los Angeles and Kern Counties. Kari is overseeing all of the regulatory permitting strategy, including mitigation design, for the Grapevine Development. Kari is also assisting with regulatory permitting compliance for the Tejon Mountain Village Project. WRA is currently in negotiations with the CDFW for the Master Streambed Alteration Agreement and Incidental Take Permit and is developing the draft conservation easement, proposed endowment, and long-term management and Habitat Mitigation Monitoring Plan for over 8,000 acres of mitigation lands for the Grapevine Project.

Oak Knoll Development Project, Oakland, Alameda County, California

SunCal is proposing to develop the approximately 200-acre former Naval Hospital site with nearly 1000 housing units as well as a retail center, a community center, and more than 60 acres of open space. The project also involves 5,000 linear feet of creek restoration, including 1,000 linear feet of creek daylighting.

KARI DUPLER**Page 2**

WRA is the project biological consultant, responsible for California Environmental Quality Act (CEQA) biological studies and regulatory permitting. Kari serves as the project manager and oversees permitting, subconsultant work, and a variety of biological surveys including nesting bird surveys, rare plant surveys, and oak woodland surveys.

Operating Engineers JATC/Benchmark Resources, OE3 Rancho Murieta Biological Services, Sacramento County, California

WRA is assisting with biological surveys, environmental permitting, and habitat conservation projects for the OE3 training facility in Rancho Murieta. WRA completed a delineation of aquatic resources on the 1,500-acre property including vernal pools and intermittent creeks. Kari is the project manager and drafted the biological resources assessment and delineation reports.

Liberty Ranch Development Project, Galt, Sacramento County, California

SunCal is proposing to develop approximately 351 acres into 1,400 units of low and high density residential, parks, and open spaces including the Deadman Gulch riparian corridor. As part of the project, the Deadman Gulch corridor will be re-graded, widened, and restored to a meandering low flow channel with instream wetland depressions. As the project manager, Kari conducted the biological resources assessment, completed the permit applications, including an individual permit to the Corps, and Habitat Mitigation and Monitoring Plan. Kari also assisted with the stream restoration plan for Deadman Gulch, designing in additional instream features to increase habitat complexity and condition. Ongoing work includes coordination with multiple agencies and other stakeholders for off-site Swainson's hawk foraging mitigation.

AT Dublin Development Project, Dublin, Alameda County, California

Working with the City of Dublin, WRA completed biological surveys of the AT Dublin Development site and prepared the necessary biological reports for preparation of the Environmental Impact Report to comply with CEQA. Kari is the project manager, drafted the biological resources assessment and delineation reports, and worked with multiple stakeholders for completion of the CEQA document and responses to comments.

Burbank Water and Power Biological Assessment and EIR, Burbank, Los Angeles County, California

Working with the City of Burbank and the CEQA consultant, WRA completed biological surveys of the Burbank Water and Power facility necessary for preparation of the Environmental Impact Report to comply with CEQA. Kari is the project manager and oversaw preparation of the biological resources assessment report. She is currently working with multiple stakeholders for completion of the CEQA document and responses to comments.

Livermore Area Recreation and Parks District Trail Development, Alameda County, California

The Livermore Area Recreation and Parks District, in coordination with Zone 7 Water Agency, is working to design a new trail system spanning properties owned by both agencies in the hills south of Livermore, California. The trail will be located within approximately 505 acres of open space property and contains a variety of natural habitats including grasslands, oak woodlands, wetlands, and ephemeral streams.

North Bay Mitigation Bank, Sonoma County, California

The North Bay Mitigation Bank will serve as offsite mitigation for impacts to jurisdictional wetlands, including seasonal and perennial wetlands. Kari completed CRAM evaluations using the Depressional Wetlands module to assess the baseline and reference conditions. CRAM was used as a tool to substantiate proposed crediting ratios for the Bank.

KARI DUPLER**Page 3*****U.S. Forest Service, Stanislaus and Sierra National Forests, California (2016)***

As part of a pilot project, Kari worked as a lead biological technician establishing a habitat monitoring project conducting habitat surveys for the federally-listed Yosemite toad in the Stanislaus and Sierra National Forests. She also conducted population surveys and identified adults, sub-adults and larval Yosemite toads, and pit-tagged adults for ongoing population monitoring studies. As part of this project, she also performed habitat assessment and vegetation surveys in these alpine wet meadows.

Riparian Wetland Monitoring and Rapid Assessment, Kentucky (2014-2016)

Kari conducted riparian monitoring in over 50 wetlands to evaluate wetland condition and used the Kentucky Wetland Rapid Assessment Method (KY-WRAM) to score wetlands. She also conducted extensive amphibian monitoring using a variety of techniques, dip-netting, minnow traps and visual surveys, and identified adult, sub-adult, and larval forms of 27 different species of amphibians. Kari used data from both wetland and amphibian community composition surveys to begin validation of the KY-WRAM. Results from this work show that amphibian community composition and species richness closely correlate to KY-WRAM scores, indicating that wetland condition has an effect on wetland faunal assemblages. Results from this work are in the process of approval for publication.

Publications and Presentations

[in progress] Dupler, K., Guidugli, M., Brown, D., Richter, S.C. Evaluating Wetland Quality: A Comparison of Amphibian Community Composition and the Kentucky Wetland Rapid Assessment Method.

[in progress] Dupler, K. & Richter, S.C. The Effect of Historic Land-use on Amphibian Richness and Abundance.

Dupler, K., Guidugli, M., Brown, D., Richter, S.C. Evaluating Wetland Quality: A Comparison of Amphibian Community Composition and the Kentucky Wetland Rapid Assessment Method. Society of Wetland Scientists Annual Meeting, Providence, Rhode Island, June 2015. *Oral Presentation*

Dupler, K., Guidugli, M., Brown, D., Richter, S.C. Developing an Amphibian Index of Biotic Integrity and Validating a Rapid Assessment Method for Kentucky's Wetlands. Joint Meeting of Ichthyologists and Herpetologists, Chattanooga, TN, August 2014. *Poster*

McMurry, S.T., Smith, L.M., Dupler, K., Gutierrez, M.B. Influence of Land Use on Body Size and Splenic Cellularity in Wetland Breeding *Spea* spp. Journal of Herpetology. Sep 2009: Vol. 43, Issue 3, pg(s) 421-430 doi: 10.1670/07-126R2.1



Ben Snyder, PE
Senior Water Resources
Engineer

snyder@wra-ca.com

o: 510.296.5793

c: 415.624.5361

Years of Experience: 13

Education

MS, Civil Engineering – Hydraulics,
 Colorado State University, 2005

BS, Watershed Science, Colorado
 State University, 2002

Professional
Affiliations/Certifications

California Licensed Civil Engineer,
 #82959

Specialized Training

- Sediment Transport in Stream Assessment and Design
- Advanced 1D/2D Modeling with HEC-RAS
- MIKE 21/3 Transport Modeling
- Advanced Applications of HEC-HMS
- H&H for Dam Safety Studies
- Risk Assessment for Flood Risk Management Studies
- Sediment Transport Analysis with HEC-RAS
- Steady Flow with HEC-RAS
- Unsteady Flow Analysis with HEC-RAS
- US Army Corps of Engineers Leadership Development Program

Ben Snyder is a versatile engineer and project manager with rich and varied experience in the fields of hydrology, hydraulics, habitat restoration design, and project implementation. He has led restoration design efforts in California and Oregon, and has extensive experience in using multidimensional hydrodynamics, sediment transport modeling, water temperature modeling, and risk analyses to plan, design and implement habitat restoration projects. Ben greatly enjoys problem-solving, and generating maximum beneficial impact for his clients, stakeholders, and the environment.

Representative Projects

Town of Hillsborough, Cherry Creek Daylighting, Hillsborough, California

Culverts under Sandra and Hayne Roads are failing and are being replaced, creating an opportunity to daylight a portion of the reach of Cherry Creek that's currently culverted. Ben is the project manager and technical lead for the creek daylighting and geomorphic step-pool channel design.

Children's Health Council School, Bank Stabilization, Palo Alto, California

The banks of San Francisquito Creek along the grounds of this school have recently failed, resulting in the loss of over 25 feet of property and unstable, near vertical, 30 foot high banks. Ben is the engineer of record for the project, which includes a living crib wall and soil bioengineering.

The Macerich Co., Galindo Creek Restoration, Concord, California

Changes in land use have led to channel incision and deterioration of aquatic and riparian habitat in Galindo Creek, which has been identified by resource agencies as a strong candidate for off-site mitigation activities. Ben is the project manager and engineer of record for the project, which will improve geomorphic stability and riparian vegetation in the creek corridor, while providing needed mitigation credits.

Golden Gate Bridge, Highway, and Transportation District, Tidal Marsh Restoration, Corte Madera, California

Decades of spoiling of dredge material in San Francisco Bay near the mouth of Corte Madera Creek have increased ground elevations and impacted coastal processes that support tidal marsh habitat critical to the survival of endangered clapper rail and salt marsh harvest mouse. Ben is the engineer of record for the design of a new tidal channel and marsh plain system that will support these endangered species, and a host of other native flora and fauna, while preserving coastal recreation access opportunities.

Sonoma County Water Agency, Dry Creek Restoration Project, Healdsburg, California

Dry Creek once supported a thriving run of now-endangered Central California Coast Coho salmon. Ben served as project manager for an effort to restore 1.5 miles of this critical habitat area, coordinating efforts between individuals, firms, and government agencies, as well as providing guidance and oversight to field work, civil design, hydrodynamic modeling, and riparian design.

BEN SNYDER**Page 2*****Hoopa Valley Tribe, Trinity River Restoration Project, Lewiston, California***

Work on the Trinity River Restoration Project is an on-going inter-agency partnership between the Hoopa Valley Tribe, the Yurok Tribe, and several state and federal agencies. Ben led the design of the Chapman Ranch reach. He oversaw implementation of the Bucktail reach in 2016, evaluating the effects of field design changes in real time using digital terrain modeling and 2D hydrodynamic modeling.

Hoopa Valley Tribe, Supply Creek Habitat Enhancement, Hoopa, California

Salmonid habitat in Supply Creek (a tributary of the Trinity River) was heavily impacted by federal flood control activities in the 1960's. Ben's team was tasked with design and implementation of new spawning, rearing and holding habitat for salmonids. Ben led the design and implementation of the second phase of the project, working closely with the client to balance the needs of public safety, project longevity, and habitat benefits.

Portland General Electric, North Fork Reservoir Large Wood Habitat Enhancement, Estacada, Oregon

Located on the Clackamas River near Portland, OR, North Fork Reservoir has very limited salmonid rearing habitat. Ben designed 15 large wood structures using AutoCAD Civil 3D, performing multidimensional hydraulics modeling, and using force-balance calculations to configure logs, piles and rootwads. He oversaw construction activities and directed heavy equipment operators in the field.

San Francisco Public Utilities Commission, Alameda Creek Pipeline Replacement, Sunol, California

Construction of a natural gas pipeline created a barrier to fish passage on Alameda Creek, and Pacific Gas and Electric is developing plans to lower it. Removal of the associated concrete drop structure requires the design of a new stable channel. Ben was the lead engineer for the channel design. He directed subcontractors in collection of survey data, developed a digital terrain model of the existing site condition, created a design surface topography in AutoCAD Civil 3D, and performed two-dimensional hydrodynamics and sediment transport analyses.

San Francisco Public Utility Commission, Upper Tuolumne Temperature Study, Groveland, California

Construction of New Don Pedro Reservoir cut off hundreds of miles of salmonid habitat. Should anadromy be restored to the headwaters, temperature will be a limiting factor. Ben created a temperature model of nearly 20 miles of the Upper Tuolumne and developed a water management regime that will provide optimum thermal conditions for all life stages of salmonids while minimizing use of stored water.

US Army Corps of Engineers, Napa Salt Marsh Restoration, Napa, California

Industrial salt extraction has had a lasting impact on the once pristine tidal marshes and estuaries of San Francisco Bay. Napa Salt Marsh is an example of large scale restoration of salt ponds to tidal marshes and managed ponds. Ben provided technical oversight on engineering aspects of the project, including hydrodynamic modeling and civil design.

US Army Corps of Engineers, South Bay Shoreline Project, San Jose, California

Sea level rise continues to threaten our planet's coastal communities. Santa Clara Valley Water District worked with the US Army Corps of Engineers to develop a plan to protect San Jose and Milpitas from coastal flooding. The comprehensive plan included evaluation of flood risk from riverine sources. Ben developed two-dimensional hydrodynamic models of many of the creeks and floodplains to support the evaluation, and used GIS to develop floodplain inundation maps for existing and proposed conditions scenarios.

Presentations/Publications

Snyder, B., B. Bledsoe, L. MacDonald, and R. Mussetter (2005). *Predicting Flow Resistance in Mountain Streams*. Master's Thesis, Colorado State University, Fort Collins, CO, 2005.



Attachment 3

Cost Proposal

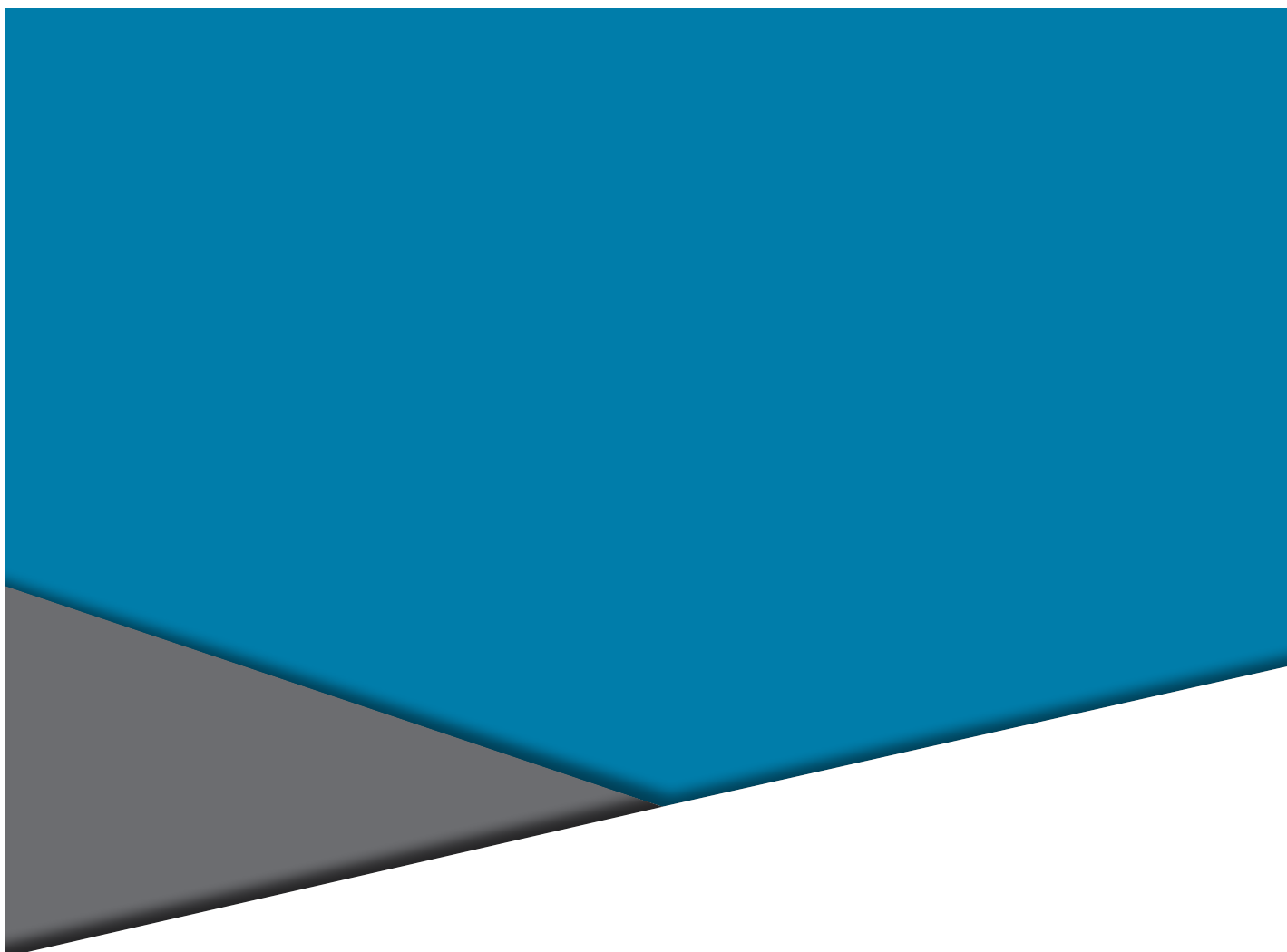
TOTAL ESTIMATED BUDGET FOR EKI & WRA ENGINEERING CONSULTING SERVICES
Upper York Creek Habitat Restoration Project
City of St. Helena, California

TASKS	ESTIMATED LABOR (Hours)				TOTAL LABOR COST (\$)	EXPENSES AND SUBS				ESTIMATED COST	
						ODCs	4% COM	WRA FEE	10% MARKUP (\$)	TOTAL ODCS SUBS AND COMM FEE	TASK TOTAL
	Jenn Hyman, P.E.	Steve Tarantino, PE	Taylor Allen, PE								
	252	252	139								
<u>Task 1 – Project Management</u>											
Review/request Project Documents	2		2		\$782	120		\$4,420	\$454	\$4,994	
Health & Safety Plan	1		2		\$530			\$221	\$22	\$243	
Invoicing (11)	22		22		\$8,602			\$442	\$44	\$486	
Communications Fee							\$397	\$203	\$20	\$224	
Subtotal Labor Hours - Task 1	25		26		\$9,914			\$5,286		\$5,947	\$15,861
<u>Task 2 – Program Management</u>											
2A Prepare Draft PXP	2	1	8		\$1,868			\$221	\$22	\$243	
2A Prepare Final PXP	2	1	4		\$1,312			\$221	\$22	\$243	
2B Weekly Progress Meetings (44)	110				\$27,720	660		\$11,271	\$1,193	\$13,124	
2C Review Draft Deliverables (4)	16		16		\$6,256			\$884	\$88	\$972	
2C Review MBI Invoices (6)	6				\$1,512			\$221	\$22	\$243	
2D Plan for Phase 2 Construction	8		8		\$3,128			\$221	\$22	\$243	
Communications Fee							\$1,672	\$522	\$52	\$574	
Subtotal Labor Hours - Task 2	144	2	36		\$41,796			\$13,561		\$15,643	\$57,439
<u>Task 3 – 10-Year Flood/Restoration Master Monitoring and Management Plan</u>											
Review Existing Plans	12	2			\$3,528			\$2,652	\$265	\$6,445	
Review MBI's Plan	8	2			\$2,520			\$884	\$88	\$3,492	
Prepare NCRCD Work Scope	8				\$2,016					\$2,016	
Communications Fee							\$323	\$141	\$14	\$156	
Subtotal Labor Hours - Task 3	28	4			\$8,064			\$3,677		\$12,109	\$20,173
<u>Task 4 - 3rd Party Review of Design Documents</u>											
Review Phase 1 Plans and Specs, Design Report/ Cost Estimate	16	1			\$4,284			\$4,100	\$410	\$8,794	
Review Phase 2 Plans and Specs	16	2			\$4,536			\$3,818	\$382	\$8,736	
Review BoD Report and Cost Estimate	8	1			\$2,268			\$1,989	\$199	\$4,456	
Risk Management Workshop	12		14		\$4,970	120		\$1,768	\$189	\$7,047	
Communications Fee							\$642	\$467	\$47	\$514	
Subtotal Labor Hours - Task 4	52	4	14		\$16,058			\$12,142		\$29,546	\$45,604

TOTAL ESTIMATED BUDGET FOR EKI & WRA ENGINEERING CONSULTING SERVICES
Upper York Creek Habitat Restoration Project
City of St. Helena, California

TASKS	ESTIMATED LABOR (Hours)				TOTAL LABOR COST (\$)	EXPENSES AND SUBS				ESTIMATED COST	
						ODCs	4% COM	WRA FEE	10% MARKUP (\$)	TOTAL ODCS SUBS AND COMM FEE	TASK TOTAL
	Jenn Hyman, P.E.	Steve Tarantino, PE	Taylor Allen, PE								
	252	252	139								
Task 5 - Phase 1 Bid and Construction Phase Services											
5A Prepare bid package for advertising	2				\$504			\$442	\$44	\$990	
5A Contractor outreach	4		10		\$2,398			\$2,294	\$229	\$4,921	
5A Prebid Meeting	8				\$2,016	60		\$1,004	\$106	\$3,186	
5A Bid Addendum	4		2		\$1,286			\$1,166	\$117	\$2,569	
5A Review bids/recommend award	2				\$504			\$442	\$44	\$990	
5B Kickoff meeting	8				\$2,016	60		\$1,004	\$106	\$3,186	
5B Daily inspections	16				\$4,032	120		\$30,410	\$3,053	\$37,615	
5B Review contractor invoices	4	1			\$1,260			\$1,105	\$111	\$2,476	
5B Submittal reviews (20)	20	2	20		\$8,324			\$7,682	\$768	\$16,774	
5B Negotiate change orders (2)	8	2			\$2,520			\$2,210	\$221	\$4,951	
Communications Fee							\$994	\$1,834	\$183	\$2,017	
Subtotal Labor Hours - Task 5	76	5	32		\$24,860			\$49,593		\$79,676	\$104,536
Total Tasks 1 through 5					\$100,692			\$84,259		\$142,921	\$243,613

Task 6 - Phase 2 Contractor Prequalification (Optional)											
RFQ Document/contractor outreach	12	2	16		\$5,752			\$2,614	\$261	\$2,875	
Review Contractor quals	4		20		\$3,788			\$884	\$88	\$972	
Communications Fee							\$382	\$140	\$14	\$154	
Subtotal Labor Hours - Task 6	16	2	36		\$9,540			\$3,638		\$4,002	\$13,542
Task 7 - Supplementary Services (Optional)											
Contingency Budget	100	24	60		\$39,588						
Communications Fee							\$1,584				
Subtotal Labor Hours - Task 7	100	24	60		\$39,588						\$39,588



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(650) 292-9100 | Fax (650) 552-9012 | Ekiconsult.com

EXHIBIT A

**CITY OF ST. HELENA PUBLIC WORKS
PROJECT WORK ORDER NO. 1**

PROJECT NAME: Project Management Services for the Upper York Creek Habitat Restoration Project,
CIP No. W-26

CITY PROJECT MANAGER: Erica Ahmann Smithies

CONSULTANT PROJECT MANAGER: Jenn Hyman

SCOPE OF SERVICE: See Consultant's Scope of Services/Proposal for Services and Fee Schedule dated
July 23, 2019, attached as Exhibit B-1.

START DATE: July 24, 2019

COMPLETION DATE: September 30, 2019

NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: **\$24,860**

TERMS AND CONDITIONS: This Project Work Order is issued and entered into as of the last date written below in accordance with the terms and conditions set forth in the "Master Professional Services Agreement with EKI Environment & Water, Inc., dated July 24, 2019, which is hereby incorporated and made part of this Project Work Order. In the event of a discrepancy or conflict between the terms and conditions of the Project work Order and the Master Agreement, the Master Agreement shall govern.

CITY OF ST. HELENA

By: _____
Mark T. Prestwich
City Manager

Date: _____

[CONSULTANT]

A California corporation (or name other state, or LLC, sole proprietor, etc.)

By: _____
Name: _____
Title: _____

Date: _____

By: _____
Name: _____
Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Michael G. Biddle
City Attorney

Attachments: Exhibit B-1 - Consultant's proposal and fee for Services for this Project Work Order

EXHIBIT B-1**PROJECT MANAGEMENT SERVICES, UPPER YORK CREEK HABITAT RESTORATION
PROJECT, CIP NO. W-26****SCOPE OF WORK****TASK 1 – Project Management**

The EKI Project Manager will play an important role in the project, keeping the project on budget and schedule, managing consulting staff and subconsultants, and keeping the City informed of project activities. This task provides budget for these activities by EKI's project manager, Jenn Hyman. A Project kickoff meeting and site visit are not needed, since the EKI team met with the City's project manager Erica Ahmann Smithies and did a quick site visit on July 15, 2019. An agenda and minutes were prepared. It is assumed that our services will go through September 30, 2019 (2 months assuming Aug 1, 2019 NTP). EKI will prepare monthly progress reports sent along with our invoices, which show work completed and task budget expenditures. EKI will also review the project reports we have been provided and request.

TASK 2 – Review Draft 10-Year Monitoring and Adaptive Management Plans

A numbering of monitoring plans have been prepared for this project:

1. Napa County Resource Conservation District (NCRCD) prepared a draft Geomorphic Monitoring and Adaptive Management Plan dated December 2018.
2. A QAPP to perform photographic monitoring over time was prepared for US EPA to satisfy a requirement of the grant.
3. The EIR has a Mitigation Monitoring and Reporting Plan (April 28, 2015). This includes mitigations such as performing daily water quality monitoring during construction and preparation of a flood risk reduction plan including performing a "causative factors analysis" with guidance on acceptable levels of sediment aggradation with actions for sediment management when these are exceeded.

The following plans will be prepared in the future:

1. MBI will prepare a Phase 1 Restoration Monitoring and Adaptive Management Plan for CDFW 30 days prior to Phase 1 construction, focusing on endangered species and riparian habitat restoration.
2. The draft EIR states that "flooding impacts will be minimized by implementation of a channel monitoring program that will document changes in channel cross section area on a regular pre-determined schedule, track sediment accumulation at bridges and other critical locations, and establishes a mitigation plan should channel aggregation reach a point that it significantly impacts channel capacity and flooding". This is partially addressed in the NCRCD plan, which describes monitoring but not mitigation.

The EKI team will review and comment on the 3 existing plans, with comments prepared in a tabular format to track responses to comments and issue resolution. The intention is for our comments to inform MBI's preparation of their plan, and for NCRCD use the comments to update their draft plan, which is required to be submitted prior to Phase 1 construction.

Deliverables: Comment matrix for monitoring and adaptive management plans.

TASK 3 – 3rd Party Review of Phase I Design Documents

The “100%” Phase 1 plans and Basis of Design Report were recently submitted to the City by MBI. Their technical specifications will be submitted soon. The EKI team will perform a 3rd-party review of the Phase 1 design documents and cost estimate, with an eye towards:

- Risk Reduction
- Constructability
- Compliance with permit requirements and EIR mitigation commitments
- Value engineering (opportunities for cost savings)
- Confirmation of Construction Quantities
- Bidding Strategy

We will make suggestions where improvements can be made to the details and minor aspects of the design, mindful of the fact that the main design approach cannot be altered in order to stay on schedule, since Phase 1 bidding is imminent. Also design changes will not be suggested that would alter the environmental permit applications, which we understand have already been submitted. Some issues we see in our preliminary review include:

- Designing the sediment traps so that they will be passable by both juvenile and adult steelhead,
- Confirming contractor access is feasible and access limitations made clear in the bid documents

The comments will be provided in a tabular format to track responses to comments and issue resolution, with additional comments provided directly on the plans.

Deliverables: Comment matrix and comments on the Phase 1 plans.



FEE SCHEDULES AND BUDGET TABLE

Client/Address:

City of St. Helena
Department of Public Works 1572 Railroad Ave.
St. Helena, California 94574

Proposal/Agreement Date: 23 July 2019

EKI Project # B9-083

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.

23 July 2019

<u>Personnel Classification</u>	<u>Hourly Rate</u>	<u>5% Discounted + Cap</u>
Officer and Chief Engineer-Scientist	286	252
Principal Engineer-Scientist	275	252
Supervising I, Engineer-Scientist	265	252
Supervising II, Engineer-Scientist	255	242
Senior I, Engineer-Scientist	243	231
Senior II, Engineer-Scientist	230	219
Associate I, Engineer-Scientist	219	208
Associate II, Engineer-Scientist	205	195
Engineer-Scientist, Grade 1	191	181
Engineer-Scientist, Grade 2	180	171
Engineer-Scientist, Grade 3	165	157
Engineer-Scientist, Grade 4	146	139
Engineer-Scientist, Grade 5	129	123
Engineer-Scientist, Grade 6	113	107
Technician	104	99
Senior GIS Analyst	133	126
CADD Operator / GIS Analyst	118	112
Senior Administrative Assistant	130	124
Administrative Assistant	103	98
Secretary	85	81

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus ten percent (10%) for items such as:

- Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- Rented vehicles, local public transportation and taxis, travel and subsistence.
- Special fees, insurance, permits, and licenses applicable to the work.



- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.



GOVERNMENT & NONPROFIT CLIENT RATE SCHEDULE

Effective: January 1, 2019

Geoff Smick, <i>Chief Executive Officer and President</i>	\$226/hr
Michael Josselyn, <i>Senior Wetland Scientist</i>	248/hr
Sherry Maloney, <i>Chief Financial Officer</i>	226/hr
Amanda McCarthy, <i>Chief Operating Officer</i>	226/hr
PRINCIPAL	213/hr
ASSOCIATE PRINCIPAL	213/hr
SENIOR ASSOCIATE	190-213/hr
SENIOR ENVIRONMENTAL PLANNER	213/hr
SENIOR ASSOCIATE ENGINEER	213/hr
SENIOR ASSOCIATE LANDSCAPE ARCHITECT	190/hr
ASSOCIATE ENGINEER	180/hr
ASSOCIATE ENVIRONMENTAL PLANNER	174/hr
ASSOCIATE LANDSCAPE ARCHITECT	168/hr
ASSOCIATE	168/hr
CONSERVATION STRATEGIES ASSOCIATE / FINANCE MANAGER	163/hr
GIS PROFESSIONAL II	162/hr
LANDSCAPE ARCHITECT	148/hr
CONSERVATION STRATEGIES SCIENTIST	139/hr
ENVIRONMENTAL PLANNER I	137/hr
SCIENTIST	137/hr
GIS SENIOR TECHNICIAN	124/hr
SENIOR LANDSCAPE DESIGNER	124/hr
ASSISTANT ENVIRONMENTAL PLANNER II	122/hr
SENIOR TECHNICIAN	122/hr
GIS TECHNICIAN	112/hr
CONSERVATION STRATEGIES TECHNICIAN	111/hr
TECHNICIAN	107/hr
FIELD TECHNICIAN	86-136/hr
PROJECT BIOLOGIST	77-98/hr
RESTORATION FOREMAN	85/hr
RESTORATION TECHNICIAN	65/hr
CLERICAL	74/hr
EXPERT WITNESS	Rate x 1.5

Subject to an annual rate adjustment. Necessary project expenses are billed at cost plus 10%.

5/21/2019

2169-G East Francisco Blvd., San Rafael, CA 94901 (415) 454-8868 tel (415) 454-0129 fax info@wra-ca.com www.wra-ca.com

ESTIMATED BUDGET FOR ENGINEERING CONSULTING SERVICES
Upper York Creek Habitat Restoration Project
City of St. Helena, California

TASKS	ESTIMATED LABOR (Hours)				TOTAL LABOR COST (\$)	EXPENSES AND SUBS				ESTIMATED COST	
	Jenn Hyman, P.E.	Steve Tarantino, PE	Taylor Allen, PE			ODCs	SUB	SUB FEE	10% MARKUP (\$)	TOTAL ODCS SUBS AND COMM FEE	TASK TOTAL
Task 1 – Project Management											
Review Background Documents	8		5		\$2,711		WRA	\$4,597	\$460	\$5,056	
Weekly Meetings and Invoicing (2)	8				\$2,016			\$1,839	\$184	\$2,023	
Communications Fee						COM	4%			\$189	
Subtotal Labor Hours - Task 1	16		5		\$4,727					\$7,268	\$11,995
Task 2 – Monitoring Plan Review and Grading Permit											
Review Draft Monitoring Plan	4	1			\$1,260		WRA	\$3,824	\$382	\$4,206	
Communications Fee						COM	4%	\$147		\$50	
Subtotal Labor Hours - Task 3	4	1			\$1,260					\$4,257	\$5,517
Task 3 - 3rd Party Review of Design Documents											
Review Phase 1 Plans and Specs and BoD Report Draft	12	2			\$3,528			\$3,345	\$334	\$3,679	
Communications Fee						COM	4%	\$129		\$141	
Subtotal Labor Hours - Task 4	12	2			\$3,528					\$3,820	\$7,348
Total Labor Hours	32	3	5		\$9,515			\$13,880		\$15,345	
Total Estimated Cost											\$24,860

EXHIBIT A

**CITY OF ST. HELENA PUBLIC WORKS
PROJECT WORK ORDER NO. 2**

PROJECT NAME: Project Management Services for the Upper York Creek Habitat Restoration Project,
CIP No. W-26

CITY PROJECT MANAGER: Erica Ahmann Smithies

CONSULTANT PROJECT MANAGER: Jenn Hyman

SCOPE OF SERVICE: See Consultant's Scope of Services/Proposal for Services and Fee Schedule dated
July 30, 2019, attached as Exhibit B-1.

START DATE: August 14, 2019 COMPLETION DATE: June 30, 2020

NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: **\$271,883**

TERMS AND CONDITIONS: This Project Work Order is issued and entered into as of the last date written below in accordance with the terms and conditions set forth in the "Master Professional Services Agreement with EKI Environment & Water, Inc., dated July 24, 2019, which is hereby incorporated and made part of this Project Work Order. In the event of a discrepancy or conflict between the terms and conditions of the Project work Order and the Master Agreement, the Master Agreement shall govern.
CITY OF ST. HELENA

By: _____ Date: _____
Mark T. Prestwich
City Manager

[CONSULTANT - EKI Environment & Water, Inc. A California corporation

By:  Date: July 30, 2019
Name: Stephen A. Tarantino, P.E.
Title: Vice President

By: _____ Date: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Michael G. Biddle
City Attorney

Attachments: Exhibit B-1 - Consultant's proposal and fee for Services for this Project Work Order

EXHIBIT B-1
EKI Work Order No. 2
July 30, 2019

**PROJECT MANAGEMENT SERVICES, UPPER YORK CREEK HABITAT RESTORATION
PROJECT, CIP NO. W-26**

SCOPE OF WORK

TASK 1 - Project Management

The EKI Project Manager plays an important role in the project, keeping the project on budget and schedule, managing staff and subconsultants, and keeping the City informed of project activities. This task provides budget for these activities by EKI's project manager, Jenn Hyman. A Project kickoff meeting and site visit are not needed, since the EKI team met with the City's project manager Erica Ahmann-Smithies and did a quick site visit on July 15, 2019. An agenda and minutes were prepared. A project health and safety plan will be prepared under the oversight of EKI's health and safety manager. It is assumed that our services will go through June 30, 2020 (11 months assuming Aug 1, 2019 NTP). EKI will prepare progress reports sent along with the project invoices, which show work completed and task budget expenditures. EKI invoices clients every monthly and so 11 invoices are assumed. EKI will also review the project reports we have been provided and request a list of reports we need to bring our project library up to date. The EKI team will review the references and get up to speed on the project and its history.

Deliverables: Progress reports (11) with invoices, Request for Project References

TASK 2: Program Management

Program management involves overseeing the activities of the City's permitting and design consultants (MBI/Stillwater Sciences/WRECO) to make sure they produce high quality work on schedule.

Task 2A: PXP. To that end, the EKI team will create a Project Execution Plan (PXP). At this time the PXP will focus on Phase 1 activities, but it will be expanded later to include Phase 2 activities. The PXP will include:

1. A detailed master project schedule including detailed permitting, design, and bidding and activities leading up to construction. This will be developed by reviewing the project permits and interviewing the design/permitting team. Time will be included for agencies and city reviews of plans and studies required by the permits. Critical path items will be identified.
2. A list of deliverables with due dates and responsible parties
3. A list of design and permitting team's personnel resources designated to perform the required activities in the time available with gaps called out
4. The design/permitting team's QA/QC plan and QA/QC documentation

EKI will update the project schedule periodically

Task 2B: Weekly Meetings. For the 11 months of August 2019- June 2020 (44 weeks) the EKI team will attend the weekly project meetings, the main purpose of which is to track the progress of the design/permitting team in meeting the project schedule and addressing problems or delays in a timely

EXHIBIT B-1
EKI Work Order No. 2
July 30, 2019
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manner. These will be attended by 2 EKI team members via conference call with the exception of one meeting a month for which at least the EKI project manager will attend in person at City offices. Meeting agendas and minutes will be maintained by others however EKI will maintain action item tables that list new, ongoing and completed action items.

Task 2C: Review Draft Deliverables. EKI will review draft deliverables from the design consultant (the MBI team) including consultant invoices. EKI will combine our comments with comments from the City and transmit the combined comments to the consultant. Comments will be provided electronically, either directly in the document via track changes, or in a comment email. Upcoming deliverables due to regulatory agencies prior to Phase 1 construction are known to be:

- Landslide study by WRECO
- MBI Restoration Monitoring and Adaptive Management Plan/ Tree Removal Plan

It is assumed 2 other plans will need review as well.

Task 2D: Plan for Phase 2 Construction. The EKI team will assist the City with identifying and scoping needs for Phase 2 construction (that are not currently in MBI's work scope), such as biological surveys, monitoring, creek dewatering plans, and bid and construction phase services. EKI will review proposals from the MBI team for this work, prepare proposals for us to perform this work, or prepare RFPs for the City to put out to bid.

Deliverables: Comments on draft deliverables (4) and MBI invoices (6), emails regarding phase 2 construction needs.

TASK 3: Review 10-year Flood/Restoration Master Monitoring and Adaptive Management Plan

A numbering of monitoring plans have been or will be prepared for this project:

1. Napa County Resource Conservation District (NCRCD) prepared a draft Geomorphic Monitoring and Adaptive Management Plan dated December 2018.
2. MBI will prepare a Phase 1 Restoration Monitoring and Adaptive Management Plan for CDFW 30 days prior to Phase 1 construction, focusing on endangered species and riparian habitat restoration.
3. A QAPP to perform photographic monitoring over time was prepared for US EPA to satisfy a requirement of the grant.
4. The EIR has a Mitigation Monitoring and Reporting Plan (April 28, 2015). This includes mitigations such as performing daily water quality monitoring during construction and preparation of a flood risk reduction plan including performing a "causative factors analysis" with guidance on acceptable levels of sediment aggradation with actions for sediment management when these are exceeded.
5. The draft EIR states that "flooding impacts will be minimized by implementation of a channel monitoring program that will document changes in channel cross section area on a regular pre-determined schedule, track sediment accumulation at bridges and other critical locations, and establishes a mitigation plan should channel aggregation reach a point that it significantly impacts

EXHIBIT B-1
EKI Work Order No. 2
July 30, 2019
Page 3 of 7

channel capacity and flooding”. This is partially addressed in the NCRCD plan, which describes monitoring but not mitigation.

The EKI team will review and comment on these plans, developing a matrix to track responses to comments and issue resolution.

Deliverables: Comment matrix for monitoring and adaptive management plans.

TASK 4 – 3rd Party Review of Design Documents

The current Phase 1 and 2 plans appear to be in the 50-75% level of preparation. The Basis of Design Report dated February 2019 by MBI appears to be a draft version, with some content incomplete. MBI will be providing updated 100% versions of these documents to the City in July 2019. The EKI team will perform a 3rd- party review of the updated plans, specifications, cost estimate, and design report with an eye towards:

- Risk Reduction
- Constructability
- Compliance with permit requirements and EIR mitigation commitments
- Value engineering (opportunities for cost savings)
- Confirmation of Construction Quantities
- Bidding Strategy

We will make suggestions where improvements can be made to the details and minor aspects of the design, mindful of the fact that the main design approach cannot be altered in order to stay on schedule. Also design changes will not be suggested that would alter the environmental permit applications, which we understand have already been submitted. Some issues we see in our preliminary review include:

- Designing the notch through the dam so that it will be adequately armored in storms and passable by both juvenile and adult steelhead,
- Confirming contractor access is feasible and access limitations made clear in the bid documents, and
- Consideration of optional bid items such as floodwalls to relieve flood inundation pressure on the Beringer Winery Bridge, recommended by Stillwater Sciences in their report dated Feb. 2018.

Since Phase 1 bidding is imminent, the first deliverable will be a technical memo (TM) with comments on the current draft Phase 1 plans and specifications, with suggestions on bidding if the bid sheet is not available. After this effort, a separate TM will be prepared with comments on the Phase 2 plans and specifications and draft basis of Design report. A meeting will be held at the City to discuss each TM with the design/permitting team. The Phase 2 meeting will be conducted as a Risk Management workshop, in which the team will brainstorm potential risks and identify solutions to be incorporated into the bid documents.

EXHIBIT B-1
EKI Work Order No. 2
July 30, 2019
Page 4 of 7

Deliverables: TM listing comments on the draft Phase 1 plans and specifications, TM listing comments on the draft Phase 2 plans and specifications and basis of design report, and risk management workshop agenda and minutes.

TASK 5 – Phase 1 Bid and Construction Phase Services

Task 5A: Bid-phase services. The EKI team will perform the following bid-phase series:

1. Combine MBI's plans and specifications with the City's front end documents and a bid sheet into a bid package.
2. Reach out to recommended contractors prior to bidding to encourage them to bid
3. Host a pre-bid meeting
4. Prepare a bid addendum to respond to contractor questions
5. Review bids and recommend award

Task 5B: Construction-phase services. The MBI team appears to have in their work scope the necessary biological monitoring for permit compliance for the Phase 1 construction. Our scope will supplement theirs to fill in the gaps for Phase 1 construction-phase services and construction management. The EKI team will:

1. Attend a kickoff meeting with the contractor.
2. Have a restoration specialist from WRA on site during the estimated 2-week construction period to help guide placement of the sediment traps and oversee the contractor's work. Our inspector will prepare daily inspection logs, review contractor invoices, prepare and maintain a punch list at the end of the project.
3. Review submittals such as traffic control plans, project execution plans, SWPPP and erosion control materials, imported trees, imported soil and rock, and restoration materials. 20 are assumed.
4. Negotiate change orders (up to 2) if needed

Deliverables: Packet of daily inspection logs, punch list, email review of contractor invoices, submittal reviews.

TASK 6 – Phase 2 Contractor Prequalification (Optional)

The City is concerned about hiring a contractor for Phase 2 who is adequately experienced in creek restoration and safely hauling the large quantity of soil required in this project. The EKI team does have experience with a number of contractors who would do an excellent job, however it may be difficult for the City to disqualify a low-bid contractor based solely on poor qualifications. We recommend pre-qualifying contractors to address this concern. EKI will prepare a request for qualifications (RFQ) document for the Phase 2 work and perform outreach to good contractors. Once the qualification submittals are received, we will review them, calling references and confirming experience. EKI will summarize the evaluation of

EXHIBIT B-1
EKI Work Order No. 2
July 30, 2019
Page 5 of 7

qualifications for each contractor in a memo to the City and recommend a list of qualified contractors for bidding. It is assumed the RFQ and associated reference documents would be posted on the City's web site.

Deliverables: Draft and final RFQ, memo with recommended list of qualified contractors.

TASK 7 – Supplementary Services (Optional)

The work scope in this proposal attempts to cover the services that will be needed through June 30, 2020. However, it is likely that additional services will be needed that were not anticipated. The EKI team is qualified to provide a wide range of additional services that may serve the City on this project, including:

- Biological and geomorphological monitoring
- Design
- Geotechnical engineering
- Public outreach

We recommend providing contingency budget in a supplementary services Task 7 to be able to quickly address these issues as they come up. EKI will not spend funds in this task without advance written City approval of a scope and budget.

EXHIBIT B-1
EKI Work Order No. 2
July 30, 2019
Page 6 of 7

FEE SCHEDULES AND BUDGET TABLE

Client/Address:

City of St. Helena
 Department of Public Works 1572 Railroad Ave.
 St. Helena, California 94574

Proposal/Agreement Date: 30 July 2019

EKI Project # B9-083

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.

22 July 2019

<u>Personnel Classification</u>	<u>Hourly Rate</u>	<u>5% Discounted + Cap</u>
Officer and Chief Engineer-Scientist	286	252
Principal Engineer-Scientist	275	252
Supervising I, Engineer-Scientist	265	252
Supervising II, Engineer-Scientist	255	242
Senior I, Engineer-Scientist	243	231
Senior II, Engineer Scientist	230	219
Associate I, Engineer-Scientist	219	208
Associate II, Engineer-Scientist	205	195
Engineer-Scientist, Grade 1	191	181
Engineer-Scientist, Grade 2	180	171
Engineer-Scientist, Grade 3	165	157
Engineer-Scientist, Grade 4	146	139
Engineer-Scientist, Grade 5	129	123
Engineer-Scientist, Grade 6	113	107
Technician	104	99
Senior GIS Analyst	133	126
CADD Operator / GIS Analyst	118	112
Senior Administrative Assistant	130	124
Administrative Assistant	103	98
Secretary	85	81

Direct Expenses

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EKI Work Order No. 2
July 30, 2019
Page 7 of 7

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus ten percent (10%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long-distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.



GOVERNMENT & NONPROFIT CLIENT RATE SCHEDULE
Effective: January 1, 2019

Geoff Smick, <i>Chief Executive Officer and President</i>	\$226/hr
Michael Josselyn, <i>Senior Wetland Scientist</i>	248/hr
Sherry Maloney, <i>Chief Financial Officer</i>	226/hr
Amanda McCarthy, <i>Chief Operating Officer</i>	226/hr
PRINCIPAL	213/hr
ASSOCIATE PRINCIPAL	213/hr
SENIOR ASSOCIATE	190-213/hr
SENIOR ENVIRONMENTAL PLANNER	213/hr
SENIOR ASSOCIATE ENGINEER	213/hr
SENIOR ASSOCIATE LANDSCAPE ARCHITECT	190/hr
ASSOCIATE ENGINEER	180/hr
ASSOCIATE ENVIRONMENTAL PLANNER	174/hr
ASSOCIATE LANDSCAPE ARCHITECT	168/hr
ASSOCIATE	168/hr
CONSERVATION STRATEGIES ASSOCIATE / FINANCE MANAGER	163/hr
GIS PROFESSIONAL II	162/hr
LANDSCAPE ARCHITECT	148/hr
CONSERVATION STRATEGIES SCIENTIST	139/hr
ENVIRONMENTAL PLANNER I	137/hr
SCIENTIST	137/hr
GIS SENIOR TECHNICIAN	124/hr
SENIOR LANDSCAPE DESIGNER	124/hr
ASSISTANT ENVIRONMENTAL PLANNER II	122/hr
SENIOR TECHNICIAN	122/hr
GIS TECHNICIAN	112/hr
CONSERVATION STRATEGIES TECHNICIAN	111/hr
TECHNICIAN	107/hr
FIELD TECHNICIAN	86-136/hr
PROJECT BIOLOGIST	77-98/hr
RESTORATION FOREMAN	85/hr
RESTORATION TECHNICIAN	65/hr
CLERICAL	74/hr
EXPERT WITNESS	Rate x 1.5

Subject to an annual rate adjustment. Necessary project expenses are billed at cost plus 10%. 5/21/2019

2169-G East Francisco Blvd., San Rafael, CA 94901 (415) 454-8868 tel (415) 454-0129 fax info@wra-ca.com www.wra-ca.com

TOTAL ESTIMATED BUDGET FOR EKI & WRA ENGINEERING CONSULTING SERVICES
Upper York Creek Habitat Restoration Project
City of St. Helena, California

TASKS	ESTIMATED LABOR (Hours)				TOTAL LABOR COST (\$)	EXPENSES AND SUBS				ESTIMATED COST	
						ODCs	4% COM	WRA FEE	10% MARKUP (\$)	TOTAL ODCS SUBS AND COMM FEE	TASK TOTAL
	Jenn Hyman, P.E.	Steve Tarantino, PE	Taylor Allen, PE								
	252	252	139								
<u>Task 1 – Project Management</u>											
Review/request Project Documents	2		2		\$782	120		\$1,200	\$132	\$1,452	
Health & Safety Plan	1		2		\$530			\$221	\$22	\$243	
Invoicing (11)	22		22		\$8,602			\$442	\$44	\$486	
Communications Fee							\$397	\$203	\$20	\$224	
Subtotal Labor Hours - Task 1	25		26		\$9,914					\$2,405	\$12,319
<u>Task 2 – Program Management</u>											
2A Prepare Draft PXP	2	1	8		\$1,868			\$221	\$22	\$243	
2A Prepare Final PXP	2	1	4		\$1,312			\$221	\$22	\$243	
2B Weekly Progress Meetings (44)	\$102				\$25,704	660		\$6,600	\$726	\$7,986	
2C ReviewDraft Deliverables (4)	16		16		\$6,256			\$884	\$88	\$972	
2C Review MBI Invoices (6)	6				\$1,512			\$221	\$22	\$243	
2D Plan for Phase 2 Construction	8		8		\$3,128			\$221	\$22	\$243	
Communications Fee							\$1,591	\$140	\$14	\$154	
Subtotal Labor Hours - Task 2	136	2	36		\$39,780					\$10,085	\$49,865
<u>Task 3 – 10-Year Flood/Restoration Master Monitoring and Management Plan</u>											
Review Existing Plans	5	2			\$1,764			\$100	\$10	\$1,874	
Review MBI's Plan	8	2			\$2,520			\$884	\$88	\$3,492	
Prepare NCRCD Work Scope	8				\$2,016					\$2,016	
Communications Fee							\$252	\$377	\$38	\$415	
Subtotal Labor Hours - Task 3	21	4			\$6,300					\$7,797	\$14,097
<u>Task 4 - 3rd Party Review of Design Documents</u>											
Review Phase 1 Plans and Specs, Design Report/ cost Estimate	8	1			\$2,268			\$800	\$80	\$3,148	
Review Phase 2 Plans and Specs	16	2			\$4,536			\$3,818	\$382	\$8,736	
Review BoD Report and Cost Estimate	8	1			\$2,268			\$1,989	\$199	\$4,456	
Risk Management Workshop	12		14		\$4,970	120		\$1,768	\$189	\$7,047	
Communications Fee							\$562	\$467	\$47	\$514	
Subtotal Labor Hours - Task 4	44	4	14		\$14,042					\$23,900	\$37,942

EKI Environment & Water, Inc.
July 30, 2019

TOTAL ESTIMATED BUDGET FOR EKI & WRA ENGINEERING CONSULTING SERVICES
Upper York Creek Habitat Restoration Project
City of St. Helena, California

TASKS	ESTIMATED LABOR (Hours)				TOTAL LABOR COST (\$)	EXPENSES AND SUBS				ESTIMATED COST	
						ODCs	4% COM	WRA FEE	10% MARKUP (\$)	TOTAL ODCS SUBS AND COMM FEE	TASK TOTAL
	Jenn Hyman, P.E.	Steve Taranino, PE	Taylor Allen, PE								
	252	252	139								
<u>Task 5 - Phase 1 Bid and Construction Phase Services</u>											
5A Prepare bid package for advertising	2				\$504			\$442	\$44	\$990	
5A Contractor outreach	4		10		\$2,398			\$2,294	\$229	\$4,921	
5A Prebid Meeting	8				\$2,016	60		\$1,004	\$106	\$3,186	
5A Bid Addendum	4		2		\$1,286			\$1,166	\$117	\$2,569	
5A Review bids/recommend award	2				\$504			\$442	\$44	\$990	
5B Kickoff meeting	8				\$2,016	60		\$1,004	\$106	\$3,186	
5B Daily inspections	16				\$4,032	115		\$30,410	\$3,053	\$37,610	
5B Review contractor invoices	4	1			\$1,260			\$1,105	\$111	\$2,476	
5B Submittal reviews (20)	20	2	20		\$8,324			\$7,682	\$768	\$16,774	
5B Negotiate change orders (2)	8	2			\$2,520			\$2,210	\$221	\$4,951	
Communications Fee							\$994	\$1,834	\$183	\$2,017	
Subtotal Labor Hours - Task 5	76	5	32		\$24,860					\$79,670	\$104,530
<u>Task 6 - Phase 2 Contractor Prequalification (Optional)</u>											
RFQ Document/contractor outreach	12	2	16		\$5,752			\$2,614	\$261	\$2,875	
Review Contractor quals	4		20		\$3,788			\$884	\$88	\$972	
Communications Fee							\$382	\$140	\$14	\$154	
Subtotal Labor Hours - Task 6	16	2	36		\$9,540					\$4,002	\$13,542
<u>Task 7 - Supplementary Services (Optional)</u>											
Contingency Budget	100	24	60		\$39,588						
Communications Fee							\$1,584				
Subtotal Labor Hours - Task 7	100	24	60		\$39,588						\$39,588
TOTAL Tasks 1 through 7					\$144,024					\$127,859	\$271,883

EKI Environment & Water, Inc.
July 30, 2019



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Consent

Subject: Consideration and approval of a Resolution rescinding Resolution 2016-79 and Resolution 2018-115 and approval of a Resolution reaffirming the use Affordable Housing Trust Funds in the amount of \$40,000 to facilitate one Very Low Income family to be able to own and occupy a unit in the Brenkle Court self-help affordable housing project and reaffirm temporary bridge loan of \$80,000 as authorized in Resolutions 2016-79 and 2018-115.

CEQA Determination: **Not a CEQA project**

Prepared By: April Mitts, Finance Director

Reviewed By: Mark T. Prestwich, City Manager

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On June 14, 2016, via Resolution 2016-79 (Attachment 1), the City Council authorized the use of up to \$100,000 in Affordable Housing Trust Fund (AHTF) monies to secure the designation of up to two units as Very Low Income (the existing approved project is restricted to Low Income affordability levels).

On August 14, 2018, via Resolution 2018-115 (Attachment 2), the City Council authorized an additional \$80,667 in AHTF to allow a total of three units in the development to be restricted to VLI levels, bringing the total amount that could be used to secure the designation of VLI units to \$180,667. Additionally, Resolution 2018-115 provided a "bridge" loan of \$80,000 to cover a temporary funding shortfall as OTSH waited for federal funding to cover the eight 502 Mortgages for the selected families.

DISCUSSION

To-date, seven of the eight units at the Brenkle Court project have been sold with only one being Very Low Income (VLI). Our Town St. Helena (OTSH) informed the City the

eighth unit is in the process of being sold and will not be a VLI unit. Since these funds will not be used, staff is recommending City Council adopt a resolution reducing the previous commitment of \$180,667 to \$40,000. This reduction will release \$140,667 in AHTF to be available for other St. Helena affordable housing projects.

The action required by City Council is to rescind Resolutions 2016-79 and 2018-115 and adopt a new resolution reaffirming City Council's direction to utilize \$40,000 in AHTF monies to designate one unit as VLI and reaffirming City Council direction to provide a loan to OTSH for \$80,000 to cover a temporary funding shortfall previously authorized in Resolutions 2016-79 and 2018-115. It is important to note the \$40,000 to designate one unit as VLI and the \$80,000 loan has already been executed with the majority of the \$80,000 having already been paid back to the City upon close of escrow for the seven units. The final amount will be received by the City upon close of escrow on the eighth unit.

FISCAL IMPACT

Adoption of this resolution will release \$140,667 in previously committed Affordable Housing Trust Fund monies which can then be used for other affordable housing projects.

RECOMMENDED ACTION

Staff recommends City Council adopt a Resolution (Attachment 3) rescinding Resolutions 2016-79 and 2018-115 and approval of a Resolution reaffirming the use of \$40,000 to facilitate one Very Low Income family to be able to own and occupy a unit in the Brenkle Court self-help affordable housing project and reaffirm temporary bridge loan of \$80,000 as authorized in Resolutions 2016-79 and 2018-115.

ATTACHMENTS

[Attachment 1 - Resolution 2016-79](#)

[Attachment 2 - Resolution 2018-115](#)

[Attachment 3 - OTSH Release of Funds Resolution](#)

**CITY OF ST. HELENA
CITY COUNCIL RESOLUTION 2016-79**

Approving use of Affordable Housing Trust Funds to support Our Town St Helena's construction of a maximum of two very low income houses at 684 McCorkle Avenue for a total maximum cost of up to \$100,000

WHEREAS, on May 12, 2015, per resolution 2015-51 the City agreed to sell the McCorkle Site to Our Town St. Helena for \$1.00 to allow Our Town St. Helena (OTSH) to develop at least six (6) AFUs consisting of owner-occupied housing available to "lower income households"; and

WHEREAS, OTSH in cooperation with Rural Community Assistance Corporation ("RCAC") is working with the USDA Rural Development Mutual Self-Help Program and has secured a Technical Assistance Grant to build affordable housing in St. Helena; and

WHEREAS, to fund pre-development and site development costs, OTSH will be seeking loans from various agencies including the County of Napa and Rural California Assistance Corporation. OTSH has determined that they are not able to obtain the necessary pre-development and site development costs financing unless OTSH holds title to the property, and

WHEREAS, On January 12, 2016, the City Council approved Amendment No. 1 to the Agreement. In addition, on February 23, 2016, the City Council approved funding the City's development and review fees related to the construction of this project with funds from the City's Affordable Housing Trust Fund in an amount estimated between \$32,000 to \$65,000.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes expending funds up to \$100,000 from the Affordable Housing Trust Fund to be used to fund two (2) very low income units at 684 McCorkle Avenue.

I HEREBY CERTIFY that the foregoing Resolution was duly approved by the City Council of the City of St. Helena at a regular meeting of said City Council held on June 14, 2016 by the following roll call vote:

Mayor Galbraith:	<u>yes</u>
Vice Mayor White:	<u>yes</u>
Councilmember Crull:	<u>yes</u>
Councilmember Dohring:	<u>yes</u>
Councilmember Pitts:	<u>yes</u>

APPROVED:


Alan Galbraith, Mayor



ATTEST:


Cindy Black, City Clerk

CITY OF ST. HELENA

RESOLUTION No. 2018-115

**Resolution of the Council of the City of St Helena
approving the use of Affordable Housing Trust Fund
monies to provide an additional \$80,667 in funding to
the Our Town St Helena Brenkel Court Affordable
Housing Development to restrict three units to Very Low
Income levels and separately approving a temporary
loan to Our Town St. Helena of \$80,000**

RECITALS

- A. Whereas on May 12, 2015, the City Council agreed to sell 684 McCorkle to Our Town St Helena (OTSH) for \$1.00 to facilitate the development of the 8-unit Brenkle Court self-help affordable housing project (Resolution 2015-51); and
- B. Whereas on February 23, 2016, the City Council by majority vote, approved funding the City's permit application fees and water neutrality in-lieu fee for the Brenkle Ct project from the Affordable Housing Trust Fund (AHTF) in an amount not to exceed \$65,000; and
- C. Whereas on June 14, 2016, the City Council approved granting up to an additional \$100,000 from the AHTF to facilitate designating one or two units in the Brenkle Ct project for Very Low Income residents (Resolution 2016-79); and
- D. Whereas on August 8, 2017, the City Council approved a separate request from OTSH to cover the Development Impact fees (totaling approximately \$310,000) triggered by their Brenkle Court project; and
- E. Whereas on July 30, 2018, the City received a letter from Mary Steveson of Our Town St. Helena requesting that the City provide an additional \$80,667 to allow three of the units twithin the Brenkle Court project to be restricted to Very Low Income levels as detailed in the letter and separately that the City provide \$80,000 in the form of a temporary loan with repayment expected in early 2019

RESOLUTION

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

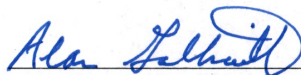
1. To grant and approve the request from OTSH to allow \$80,667 in funds from the AHTF to be used to fund loan and downpayment costs for three qualified Very Low Income families in the Brenkle Court project.

2. To approve a temporary loan of up to \$80,000 to cover a gap in financing until additional committed Federal funds are provided to the Brenkle Court project, with repayment required by April 1, 2019.
3. To direct the City Manager to finalize and execute the income restriction, affordability agreements, temporary loan documentation and all other agreements necessary to facilitate payment and receipt of these AHTF monies as directed and intended by the City Council.

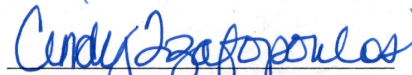
Approved at a Regular Meeting of the St. Helena City Council on August 14, 2018, by the following vote:

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

APPROVED:


Alan Galbraith, Mayor

ATTEST:


Cindy Tzafopoulos, City Clerk



CITY OF ST. HELENA

RESOLUTION NO. 2019-

Resolution of the Council of the City of St. Helena Rescinding Resolution 2016-79 and Rescinding Resolution 2018-115 and Reaffirming the Direction of the Council of the City of St. Helena Approving the use of Affordable Housing Trust Fund Monies to provide \$40,000 in Funding to the Our Town St. Helena Brenkle Court Affordable Housing Development to Restrict One Unit to Very Low Income Levels and Separately Reaffirming the Direction of the Council of the City of St. Helena Approving a Temporary Loan to Our Town St. Helena of \$80,000

RECITALS

- A. Whereas on May 12, 2015, the City Council agreed to sell 684 McCorkle to Our Town St. Helena (OTSH) for \$1.00 to facilitate the development of the 8-unit Brenkle Court self-help affordable housing project (Resolution 2015-51); and
- B. Whereas on February 23, 2016, the City Council by majority vote, approved funding the City's permit application fees and water neutrality in-lieu fee for the Brenkle Court project from the Affordable Housing Trust Fund (AHTF); and
- C. Whereas on June 14, 2016, the City Council approved granting up to an additional \$100,000 from the AHTF to facilitate designating one or two units in the Brenkle Court project for Very Low Income (VLI) residents (Resolution 2016-79); and
- D. Whereas on August 8, 2017, the City Council approved a separate request from OTSH to cover the Development Impact fees (totaling approximately \$310,000) triggered by the Brenkle Court project (Resolution 2017-110); and
- E. Whereas on July 30, 2018, the City Council approved providing an additional \$80,667 to allow three of the units within the Brenkle Court project to be restricted to VLI levels and approved a temporary loan to OTSH in the amount of \$80,000 to cover a temporary funding gap (Resolution 2018-115); and
- F. Whereas to-date, seven of the eight units at the Brenkle Court project have been sold with only one being (VLI) and OTSH informed the City the eighth unit is in the process of being sold and will not be a VLI unit; and
- G. Whereas the City desires to rescind Resolution 2016-79 and rescind Resolution 2018-115 to release AHTFs no longer needed for the Brenkle Court project; and
- H. Whereas the City desires to reaffirm its commitment to utilize \$40,000 in AHTF monies to designate one unit for the Brenkle Court project at VLI and reaffirm City

Council direction to provide a temporary loan to OTSH for \$80,000 to cover a temporary funding shortfall as approved in Resolution 2016-79 and Resolution 2018-115.

RESOLUTION

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

1. Rescind Resolution 2016-79 and Resolution 2018-115.
2. Reaffirm and approve the request from OTSH to allow \$40,000 in funds from the AHTF to be used to fund loan and down payment costs for one qualified VLI family in the Brenkle Court project which was approved via Resolution 2016-79 on June 14, 2016.
3. Reaffirm and approve the temporary loan of \$80,000 which was approved via Resolution 2018-115 on August 14, 2018, and executed and recorded on August 22, 2019.

Approved at a Regular Meeting of the St. Helena City Council on August 27, 2019, by the following vote:

Mayor Ellsworth:	_____
Vice Mayor Dohring:	_____
Councilmember Chouteau:	_____
Councilmember Knudsen:	_____
Councilmember Koberstein:	_____

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzaopoulos, City Clerk



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Public Hearing

Subject: Introduction and first reading of an ordinance amending Chapter 3.04, Title 3 of the St. Helena Municipal Code In Its Entirety to Effectuate Changes to Sections 3.04.100, 3.04.110, 3.04.120 and 3.04.170 of Article 2, Chapter 3.04, Title 3 of the St. Helena Municipal Code Regarding Increases to Purchase Order Limits for Supplies, General Services and Equipment and Sections 3.04.210, 3.04.230, 3.04.240 and 3.04.250 of Article 3, Chapter 3.04, Title 3 of the St. Helena Municipal Code Regarding Increases to Bidding Limits Under the Uniform Public Construction Cost Accounting Act for Public Works Projects.

CEQA Not a CEQA project
Determination:

Prepared By: April Mitts, Finance Director

Reviewed By: Mark T. Prestwich, City Manager

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On August 5, 2019, a special meeting of the City Council was held to discuss and provide direction on three operational recommendations by the City Manager. (1) Public Works reorganization, (2) transition to bi-monthly utility billing, and (3) revision of the City's purchase order limits. Each operational recommendation was intended to improve accountability of specific functions and create additional operational capacity within the departments. Following discussion by the City Council, a resolution was adopted acknowledging and supporting the City Manager's recommendation for the Public Works reorganization and direction was provided to the City Manager to proceed with revising the City's Municipal Code as it relates to utility billing cycles and purchase order limits. Additionally, effective January 1, 2019, Assembly Bill 2249 went to effect

increasing the bid limits for public works projects under the Uniform Public Construction Cost Accounting Act, which the City adheres to.

DISCUSSION

There are recommended changes to two articles of the City's Municipal Code being presented to City Council for consideration. The first set of changes relate to increasing purchase order limits for supplies, general services and equipment as set forth in Article 2, Chapter 3.04, Title 3 of the St. Helena Municipal Code (SHMC). The second set of proposed changes are not related to the City Council meeting held on August 5, 2019; however, they are a result of Assembly Bill 2249 which increased the bid limits for public works projects under the Uniform Public Construction Cost Accounting Act (UPCCAA), which the City adheres to. Because the UPCCAA changes are located within the same chapter and title of the SHMC as the proposed revisions to purchase order limits (i.e. Chapter 3.04, Title 3 of the SHMC), staff felt it was appropriate to incorporate these changes into the same staff report.

PURCHASE OF SUPPLIES, EQUIPMENT AND SERVICES

The procurement of goods and services is one of the key staff activities impacting the quality and timeliness related to the delivery of City services. On August 5, 2019, staff presented a review of the current purchasing process and purchasing requirements in local jurisdictions of approximately the same size. Staff compared the impacts of increasing the current purchase order limit by two different amounts: \$2,500 and \$5,000. Changing the purchase order limits will provide additional staff resource efficiencies that impact the quality and timeliness related to the delivery of City services as it will reduce the purchase order processing workload by approximately 81-84%. The current purchasing process for supplies, equipment, and services is cumbersome and can sometimes delay the purchase of a necessary supply, equipment, or service by two weeks due to the need to obtain three quotes and the processing time for Purchase Orders. To increase capacity and create more efficiencies, the City Council provided direction to make changes to Article 2 Supplies, General Services and Equipment, Chapter 3.04, Title 3 of the SHMC as follows:

- Eliminate the need for Purchase Order Requisitions and Purchase Orders for budgeted, departmental purchases under \$5,000.

While the elimination of Purchase Order Requisitions and Purchase Orders for amounts below \$5,000 is being recommended, the need for prudence in purchasing is cited in Section 3.04.110 A. which, "requires that, for purchases of less than five thousand dollars, the requester must receive a verbal/written approval from the supervisor, and the department keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items." An additional safeguard being followed to ensure prudence in purchasing includes department head approval of all invoices, unless authorization has been given for a manager or supervisor to approve invoices up to a certain dollar amount.

As set forth in the attached draft ordinance with redline (Attachment A), to effectuate the changes, Sections 3.04.100, 3.04.110, 3.04.120, and 3.04.170 of Article 2, Chapter 3.04, Title 3 of the SHMC are being amended. Note that the revision to Section 3.04.170 is merely to correct an internal reference error.

UNIFORM CONSTRUCTION COST ACCOUNTING PROCEDURE (UCCAP)

Public Contract Code was updated by AB 2249, effective January 1, 2019. This update raises the ceiling on the value of public works projects that the City can perform with its own forces or contract for with a purchase order. With this update, amendments to Sections 3.04.210, 3.04.230, 3.04.240 and 3.04.250 of Article 3, Chapter 3.04, Title 3 of the SHMC regarding Public Works Projects is being recommended. The proposed changes to Title 3 will update the SHMC to conform with the increased limits set by Assembly Bill 2249. In summary, this provides:

- Public projects of \$60,000 or less may be performed by negotiated contract or by purchase order. This is increased from the prior amount of \$45,000.
- Public projects of \$200,000 or less may be let to contract by the informal procedures set forth. This is up from the prior amount of \$175,000.
- Public projects of more than \$200,000 shall be let to contract by formal bidding procedures. This is up from the prior amount of \$175,000.
- Bids in excess of the statutory amount of \$200,000 may be awarded by passage of a resolution of four-fifths vote up to \$212,500. This is up from \$175,000 and \$187,500 respectively.

FISCAL IMPACT

There is no direct fiscal impact to the first reading of the recommended changes to St. Helena Municipal Code Section 3.04. If the City Council adopts the ordinance the amount of staff time to process Purchase Orders and Purchase Order Requisitions will be reduced by approximately 81-84%.

RECOMMENDED ACTION

Staff recommends City Council review of the draft Ordinance amending Chapter 3.04, Title 3 of the St. Helena Municipal Code in its entirety, which effectuates changes to Sections 3.04.100, 3.04.110, 3.04.120 and 3.04.170 of Article 2, Chapter 3.04, Title 3 of the St. Helena Municipal Code regarding increases to Purchase Order Limits for Supplies, General Services and Equipment and Sections 3.04.210, 3.04.230, 3.04.240 and 3.04.250 of Article 3, Chapter 3.04, Title 3 of the St. Helena Municipal Code regarding increases to bidding limits under the Uniform Public Construction Cost Accounting Act for public works projects to conform with increased limits set by Assembly Bill 2249. Accordingly, staff recommends the City Council:

1. Approve the proposed amendments to the SHMC as described above and reflected in the draft Ordinance in redline format (Attachment A); and
2. Introduce and conduct a first reading of the draft Ordinance (Attachment B), by title only and waive further reading.

ATTACHMENTS

[Attachment A - Ordinance with Exhibit A with Markups](#)

[Attachment B - Ordinance with Exhibit A clean](#)

CITY OF ST. HELENA

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ST. HELENA, CALIFORNIA, AMENDING CHAPTER 3.04, TITLE 3 OF THE ST. HELENA MUNICIPAL CODE IN ITS ENTIRETY TO EFFECTUATE CHANGES TO SECTIONS 3.04.100, 3.04.110, 3.04.120 AND 3.04.170 OF ARTICLE 2, CHAPTER 3.04, TITLE 3 OF THE ST. HELENA MUNICIPAL CODE REGARDING INCREASES TO PURCHASE ORDER LIMITS FOR SUPPLIES, GENERAL SERVICES AND EQUIPMENT AND SECTIONS 3.04.210, 3.04.230, 3.04.240 AND 3.04.250 OF ARTICLE 3, CHAPTER 3.04, TITLE 3 OF THE ST. HELENA MUNICIPAL CODE REGARDING INCREASES TO THE BIDDING LIMITS UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT FOR PUBLIC WORKS PROJECTS

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

SECTION 1. Amendment of Chapter 3.04, Title 3 of the St. Helena Municipal Code.

Chapter 3.04, Title 3 of the St. Helena Municipal Code is hereby amended to read in its entirety as shown on Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. Compliance with CEQA.

The City Council hereby finds that the action to adopt this ordinance to amend Chapter 3.04, title 3 of the St. Helena Municipal Code is not a Project subject to the provisions of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.) (CEQA). Further, even if the adoption of the ordinance is found to be a Project subject to CEQA, it is nevertheless exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the City Council hereby finds that it can be seen with certainty that there is no possibility the adoption and implementation of this Ordinance may have a significant effect on the environment.

SECTION 3. Severability.

The City Council hereby declares every section, paragraph, sentence, clause and phrase of this ordinance is severable. If any section, paragraph, sentence, clause or phrase of this ordinance is for any reason found to be invalid or unconstitutional, such

invalidity, or unconstitutionality shall not affect the validity or constitutionality of the remaining sections, paragraphs, sentences, clauses or phrases.

SECTION 4. Inclusion in the St. Helena Municipal Code.

It is the intention of the St. Helena City Council that the text in Exhibit A of this ordinance be made a part of the St. Helena Municipal Code and that the text may be renumbered or re-lettered and the word "Ordinance" may be changed to "Section," "Chapter," or such as appropriate word or phrase to accomplish this intention.

SECTION 5. Effective Date.

This ordinance shall take effect and be in force 30 days after its adoption, and a summary of this ordinance shall be published once with the names of the members of the Council voting for and against the ordinance in the St. Helena Star, a newspaper of general circulation published in the City of St. Helena.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the St. Helena City Council on the 27th day of August 2019, and was adopted at a regular meeting of the St. Helena City Council on the ____th day of _____, 2019, by the following vote:

Mayor Ellsworth:

Vice Mayor Dohring:

Councilmember Koberstein:

Councilmember Chouteau:

Councilmember Knudsen:

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzafopoulos, City Clerk

I, CINDY TZAFPOULOS, CITY CLERK of the City of St. Helena, California, do hereby certify that the foregoing Ordinance was regularly introduced and passed upon its first reading at a regular meeting of the City Council on the 27th day of August, 2019. That thereafter said Ordinance was duly adopted and passed at a regular meeting of the City Council on the ____th day of _____, 2019, by the following vote:

Mayor Ellsworth:

Vice Mayor Dohring:

Councilmember Koberstein:

Councilmember Chouteau:

Councilmember Knudsen:

EXHIBIT A

**Chapter 3.04
PURCHASE OF SUPPLIES, EQUIPMENT AND SERVICES, AND PROCEDURES FOR
PUBLIC WORKS PROJECTS**

Article 1

Generally

Sections:

- 3.04.010 Purpose—Objectives—Scope—Responsibilities.**
- 3.04.020 Definitions.**
- 3.04.030 Staging prohibited.**
- 3.04.040 Appeals.**

Article 2

Supplies, General Services and Equipment

Sections:

- 3.04.050 Purchasing officer—Powers and duties.**
- 3.04.060 Requisitions.**
- 3.04.070 Purchase orders.**
- 3.04.080 Contracts.**
- 3.04.090 Encumbrance of funds.**
- 3.04.100 Bidding procedures for various purchase amounts.**
- 3.04.110 Departmental purchases.**
- 3.04.120 Informal bid procedure.**
- 3.04.130 Formal bid procedure.**
- 3.04.140 Special equipment/supplies, sole source purchases, and bid exceptions.**
- 3.04.150 Cooperative purchasing with other agencies.**
- 3.04.160 Recycled supply products specification.**
- 3.04.170 Emergencies.**
- 3.04.175 Declared emergencies.**
- 3.04.180 Surplus supplies and equipment.**

3.04.190 Inspection and tests.

Article 3

Public Works Projects

Sections:

- 3.04.200 Uniform construction cost accounting procedures.**
- 3.04.210 Bidding procedures for various project amounts.**
- 3.04.220 Negotiate contract or purchase order procedures.**
- 3.04.230 Informal bidding procedures.**
- 3.04.240 Formal bidding procedures.**
- 3.04.250 Bonds.**
- 3.04.260 No bids received.**
- 3.04.270 Tie bids.**
- 3.04.280 Rejection of bids.**
- 3.04.290 Emergencies.**
- 3.04.300 Prevailing wages required.**
- 3.04.310 Pre-qualification of bidders.**

Article 4

Professional Services

Sections:

- 3.04.320 Award of professional service contracts based upon competence.**
- 3.04.330 Request for proposal/qualification.**
- 3.04.340 Contracting authority.**

Article 1

Generally

3.04.010 Purpose—Objectives—Scope—Responsibilities.

The purpose of this chapter is to establish an efficient procedure for the purchase of supplies, equipment, and services, and to establish a procedure for performing or contracting for the construction of public works consistent with state law. These procedures are intended to allow the city to obtain the best professional services, to acquire quality supplies, general services and equipment, to construct public works at the lowest possible cost commensurate with quality needed, and to exercise positive financial control over purchases and also to define authority for the purchasing function. These procedures apply to all city employees. These procedures apply to all purchases of supplies, equipment and services,

including purchases made online or over the phone. Employees are responsible for reading and understanding the requirements of this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.010)

3.04.020 Definitions.

As used in this chapter:

“Bidder’s list” means a list of responsible prospective vendors capable of providing the items being bid upon.

“Contract” means an agreement, regardless of how titled, for the procurement of supplies, equipment or services, including without limitation a verbal or written agreement between the city and a contractor, the city and a service provider, and/or the city and a vendor.

“Emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

“Equipment” means furnishings, machinery, vehicles, rolling stock, and other personal property used in the city’s business.

“General services” are services such as janitorial, uniform cleaning, maintenance work and other services which do not require any unique skill, special background, or training. Obtaining such services at the lowest cost is the single most important factor in selection, as opposed to personal performance.

“Maintenance work” means:

1. Routine, recurring, and usual work for the cleaning, preservation or protection of any publicly owned or publicly operated facility for its intended purposes;
2. Minor repainting;
3. Resurfacing of streets and highways at less than one inch;
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems;
5. Work performed to keep, operate, and maintain publicly owned water or waste disposal systems including, but not limited to, dams and reservoirs.

“Professional or special services” means any work performed by an attorney, doctor, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm, planner, consultant or those services such as computer services, and other services which require special performance criteria, specific experience, training, personal judgement, quality of work or factors other than simply obtaining the service at the lowest cost to the city.

“Public work” means a type of public construction project subject to the regulation of the State Public Contract Code, such as:

1. The erection, construction of, alteration, major painting, repair, or demolition of public buildings, streets, walkways, water and sewer facilities, drainage facilities, or other public facilities, whether owned, leased, or operated by the city;
2. Furnishing supplies for any of the above works or projects;
3. Public work does not include “maintenance work” as defined in this chapter.

“Purchase” includes the renting, leasing, purchasing, licensing, or a trade of equipment or supplies.

“Purchase order” is a written contract for equipment, supplies, or services with a specified consultant, contractor, or vendor and is initiated by a purchase order requisition. A purchase order submitted by an authorized person becomes a legally binding contract. It can stand alone or include attachments for clarification purposes. A purchase order encumbers the specified amounts to provide specified equipment, supplies, services, and/or fixed assets. Regular purchasers may be paid through a one-time payment of an amount up to the purchase order amount at the conclusion of performance (delivery of supplies, services, etc.), and/or incremental (progress) payments as provided in the contract for each time items are purchased.

“Purchasing officer” means the finance director or his or her designated representative.

“Requisition” is a request to authorize the acquisition of equipment, supplies or services from a specified consultant, contractor, or vendor.

“Services” means the furnishing of labor, time or effort to perform or complete a designated task.

“Special equipment/supplies” means unique supplies, machinery, computers, or other equipment which are not generally and regularly ordered in bulk by the city and which must perform complex tasks, or integrate efficiently with existing equipment or supplies.

“Supplies” means office supplies, janitorial supplies, materials, goods, tools, or other commodities used in the general conduct of the city’s business, excepting supplies for a public work which is regulated under Section [3.04.210](#).

“Uniform construction cost accounting procedures” means those procedures and rules established by the State Uniform Construction Cost Accounting Commission pursuant to the Public Contract Code Section [22030](#) et seq. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.020)

3.04.030 Staging prohibited.

Purchases and public works contracts shall not be knowingly staged or separated into smaller units or segments solely for the purpose of evading the competitive formal or informal bidding requirements of this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.030)

3.04.040 Appeals.

Any dispute, contention, or disagreement relative to interpretation, application or enforcement of this chapter shall be submitted to the city council for determination in accordance with the appeal provisions of Chapter [1.16](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.040)

Article 2

Supplies, General Services and Equipment

3.04.050 Purchasing officer—Powers and duties.

The duties of the purchasing officer may be combined with those duties of any other officer or position in the city. The purchasing officer shall have the authority to:

- A. Purchase needed city supplies, general services, equipment and special equipment/supplies which are not included within the construction contract or proposed specifications for a construction contract of a public work being administered by any other city department;
- B. Investigate, keep knowledgeable about, negotiate, and recommend on the execution of contracts or the purchasing of supplies, general services, and equipment pursuant to the procedures of this chapter and such administrative rules and regulations as prescribed by the city;
- C. To keep informed of current developments concerning purchasing, prices, market conditions, and new products;
- D. To prescribe and maintain such forms as necessary for the proper operation of this purchasing system;

- E. To supervise the inspection of all supplies, general services, and equipment purchased under this chapter in order to assure conformance with city specifications;
- F. To supervise the transfer of surplus and unused supplies and equipment or sale or disposal of such;
- G. To maintain up-to-date bidder's list, vendors' catalogs, files and such other records as needed to perform these duties;
- H. To ensure that purchasing specifications are open and nonrestrictive to encourage full competition; and
- I. To perform such other tasks as may be necessary for the proper conduct of purchasing of supplies, general services, and equipment. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.010)

3.04.060 Requisitions.

Except as authorized under Section [3.04.100](#)(A), any department requesting supplies, general services, equipment, or special equipment/supplies shall submit to the immediate supervisor a requisition on the purchasing officer's approved form prior to initiating any procurement. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.020)

3.04.070 Purchase orders.

Except for departmental purchases as authorized in Section [3.04.100](#)(A), purchases of supplies, general services, most special equipment/supplies and general equipment not covered within a construction contract or public works specification, may be made only by purchase orders issued by the purchasing officer and any other contractual document he or she determines is necessary. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.030)

3.04.080 Contracts.

The purchasing officer does not have the authority to sign contracts, nor to bind the city contractually. Contracts may only be entered into by the city manager. Subject to Section [3.04.340](#) contracts may only be entered into by the city manager; contracts in excess of city manager authority require city council approval, without which such contract is not valid. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.040)

3.04.090 Encumbrance of funds.

Except in case of an emergency or where specific authority is first obtained from the city council or the city manager, the purchasing officer shall not issue any purchase order for purchasing of supplies, general services or equipment unless there exists an unencumbered appropriation in the fund account

against which the purchase is to be charged. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.050)

3.04.100 Bidding procedures for various purchase amounts.

Except as authorized in Sections [3.04.140](#) and [3.04.150](#), or in the case of emergencies as described in Sections [3.04.170](#) and [3.04.175](#), the purchase of supplies, general services, equipment and special equipment/supplies, not included in a construction contract or bid specification for a public work, shall be made as follows:

- A. A purchase of five ~~hundred-thousand~~ dollars (\$5,000.00) or less may be made by departmental purchase in accordance with Section [3.04.110](#).
- B. A purchase greater than five ~~hundred- thousand~~ dollars (\$5,000.00) to ~~one-twenty-five~~ thousand ~~five hundred~~ dollars ~~(\$1,500.00)-(\$25,000)~~ may be made ~~by an informal bid procedure in accordance with Section 3.04.120.~~ ~~by departmental purchase in accordance with Section 3.04.110.~~
- ~~—A purchase greater than one thousand five hundred dollars (\$1,500.00) to twenty-five thousand dollars (\$25,000.00) may be made by an informal bid procedure in accordance with Section 3.04.120.~~
- ~~DC.~~ A purchase of more than twenty-five thousand dollars (\$25,000.00) shall be made by formal bid procedure in accordance with Section [3.04.130](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.060)

3.04.110 Departmental purchases.

A department may, independently of the purchase officer, purchase specified and limited supplies, equipment, special equipment/supplies and general services not included in a construction contract or bid specification for a public work, as follows:

- A. Purchases of five ~~hundred-thousand~~ dollars (\$5,000.00) or less: requestor receives a verbal/written approval from supervisor, ~~department~~ keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items. All purchases shall be made with funds in an unencumbered appropriation.
- ~~B. —Purchases greater than five hundred dollars (\$500.00) to one thousand five hundred dollars (\$1,500.00): requestor receives a verbal/written approval from supervisor, attempt to obtain at least three oral or written bids or quotes, requires requisition approved by supervisor, department keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items.~~

~~All such purchases shall be made with funds in an unencumbered appropriation.~~ (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.070)

3.04.120 Informal bid procedure.

The purchase of supplies, equipment, special equipment/supplies and general services not included in a construction contract or bid specification for a public work with the estimated value greater than ~~one-five~~ thousand ~~five hundred~~ dollars ~~(\$1,500.00)(\$5,000.00)~~, but not exceeding twenty-five thousand dollars (\$25,000.00), shall be made by a purchase order as required by this chapter. Said purchases, subject to the department head's discretion, based upon a small amount, or urgent need and timeliness, may be let without the formal bidding procedures described in Section [3.04.130](#). In such case, the following procedures shall be followed:

- A. Solicitation of Bids. If it is determined that the request is of a sufficient size and time allows, the purchasing officer or designee, before issuing the purchase order to a specific contractor/vendor, shall: ~~for purchases greater than one thousand five hundred dollars (\$1,500.00) to five thousand dollars (\$5,000.00) must obtain at least three oral or written bids or price quotes;~~ for purchases greater than five thousand dollars (\$5,000.00) to twenty-five thousand dollars (\$25,000.00), ~~shall~~ obtain at least three written bids or price quotes. The purchasing officer or designee may negotiate to obtain the lowest possible contract amount from any vendor contacted who can provide supplies, general service, or equipment within the time constraints of the department's request. The purchasing officer or designee may solicit or determine bids of prospective vendors by written request, telephone, or may base award recommendations upon current catalogs or advertisements.
- B. Local Preference. Quality and service being equal, a local preference of one percent shall be given to local bidders located within the city, the difference being the sales tax the city would receive on the sale in the case of vendors.
- C. Maintenance of Records. After placing the order, a written record of the contract, bids, quotes or advertisements used or received shall be open public records and maintained by the purchasing officer or the department for a period of two years.
- D. Award. The purchasing officer or designee shall award the contract to the lowest responsive and responsible bidder, vendor or offeror whose quote, bid, or proposal fulfills the purpose intended, provided the amount is within the unencumbered appropriation for that item, or reject such bids or proposals, or negotiate further for terms more favorable to the city. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.080)

3.04.130 Formal bid procedure.

For supplies, equipment, special equipment/supplies and general services not included in a construction contract or bid specification for a public work with an estimated value in excess of twenty-five thousand dollars (\$25,000.00), purchases shall be made in accordance with the following formal written bid procedures:

A. Published Notices. A notice inviting bids shall be published at least ten (10) calendar days before the date of the opening of bids. The notice shall be published at least once in a newspaper of general circulation printed and published in the city, and also in appropriate trade publications, if any, circulated within the general area. Such other notice as the purchasing officer or designee deems appropriate shall be made.

B. Notices Inviting Bids. Notices inviting bids shall include a general description of the goods, articles, services or equipment to be purchased, any required bidder's security or performance bonds, state where bid blanks and specifications may be secured and the time and place for the opening of bids.

C. Bidder's List. The purchasing officer or designee shall maintain a list of responsible bidders for various categories of supplies, equipment, and general services. A solicitation for a bid shall be sent to all responsible prospective contractors or suppliers whose names are on the bidder's list for the category of equipment, supplies or general services subject to the bid request.

D. Bidder's Security/Failure to Sign Contract. If the city requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to ten percent (10%) of the bid amount. Bidder's security shall be either a cash deposit with the city, a cashier's or certified check payable to the city, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within sixty (60) days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of its bid security, as may be determined by the city council, upon the bidder's refusal or failure to execute the contract within ten (10) days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the council may award the contract to the next lowest responsive, responsible bidder.

E. Bid Opening Procedure. Sealed bids shall be submitted to the city clerk's office and shall be identified as to bidder, project, and "Bid" on the envelope. Bids shall be opened by city staff in public at the time and place stated and as described in the notice inviting bids. A written record and tabulation shall be made at that time of all bids received, and shall be open for public inspection during regular business hours for a period of two years after the bid opening.

F. Local Preference. Quality and service being equal, a local preference of one percent shall be given to local bidders located within the city, the difference being the sales tax the city would receive on the sale in the case of vendors.

G. Bid Evaluation Procedures. All bids and bidders shall be analyzed by purchasing officer or designee and the responsible department for bidder's qualifications and compliance with bid specifications. The purchasing officer or designee shall prepare a recommendation to the department for award or rejection; the department shall then prepare a recommendation for award or rejection to the city council.

H. Rejection of Bids. In its discretion, the city council may reject all bids and readvertise. If no bids are received, the city council may proceed with the procurement without further complying with this chapter using whatever method it deems appropriate, such as rebid, abandon acquisition, or negotiate a contract.

I. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended according to criteria designated in the solicitation, provided the award amount is within the unencumbered appropriation for that item. The city council may waive any minor bid irregularities.

J. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of readvertising for bids, the council may accept either bid or accept the lowest bid made by negotiation with the tied bidders.

K. Performance Bonds. The city may require a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the city requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.090)

3.04.140 Special equipment/supplies, sole source purchases, and bid exceptions.

A. Special Equipment/Supplies. In purchasing any special equipment or supplies needed to be compatible with existing equipment, or to perform complex or unique functions, the purchasing officer or department head may:

1. Limit bidding to a specific product type, or a brand name product; or
2. Utilize a request for proposal approach where warranties, servicing obligations, and product performance will be evaluated in addition to the price of the product, and the award of the contract is made by the council to the proposer it deems is in the best public interest.

B. Sole Source Purchases. Commodities or services that can be obtained from only one vendor, or one distributor authorized to sell in this area, are exempt from the competitive bidding requirements in Section [3.04.100](#) and are deemed sole source purchases. Sole source purchases may include proprietary items sold direct from the manufacturer. All sole source purchases shall be supported by written documentation indicating the facts and nature supporting the determination of a sole source, signed by the appropriate department head and forwarded to the purchasing officer. Approval of any sole source acquisition shall be obtained from the city council for an award of a contract or purchase order greater than twenty-five thousand dollars (\$25,000.00).

C. Bid Exceptions. The competitive bid process is not applicable to certain purchases. The following are exempt from bid processes of this chapter:

1. Departmental purchases, as defined in Section [3.04.110](#);
2. Subscriptions;
3. Trade circulars or books;
4. Newspaper advertisements and notices;
5. Utility payments;
6. Land. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.100)

3.04.150 Cooperative purchasing with other agencies.

The bidding requirements of Section [3.04.100](#) shall not apply to the purchasing of any equipment or supplies which the purchasing officer decides to obtain through a cooperative competitive bidding procedure prepared by and processed through another public, local, state, or federal governmental agency. If it is determined to be in the best interest of the city, the purchasing officer is authorized to “piggy-back” onto or join into an existing written purchase contract, which contract was obtained within the last twelve (12) months through a competitive bidding process prepared by and awarded by another public, local, state or federal government agency. However, the city council’s approval shall be required prior to and for the joining of a “piggy-back” purchase or cooperative purchase for a purchase greater than twenty-five thousand dollars (\$25,000.00). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.110)

3.04.160 Recycled supply products specification.

If in procuring supplies a recycled product can achieve the necessary city performance standard, and if such recycled product is readily available, specifications should, if economically feasible, require products

made with recycled materials be bid. If the department head determines that: (A) a recycled product lacks performance capabilities or needed quality levels; or (B) a sufficient amount of such recycled or reusable product is not currently available in the market, then a reduced percentage can be required, or the supply specification can be limited to nonrecycled or virgin materials. When recycled products are required, reasonable efforts shall be made to label the products as containing recycled materials. As used in this section, recycled products does not mean used products, but is limited to new products made with materials which have been recycled. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.120)

3.04.170 Emergencies.

Bidding procedures may be dispensed with in the case of an emergency. The city council delegates to the city manager the authority to declare a public emergency and enter into contracts for any purchase in accordance with Section ~~3.04.340~~**175**. The city manager's authority is subject to confirmation by the city council at its next meeting for any purchase in excess of twenty-five thousand dollars (\$25,000.00). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.130)

3.04.175 Declared emergencies.

A. Purpose. This section modifies the city's normal purchasing practices only during a proclaimed emergency. With this revised policy, the city is able to acquire goods and services required to address an immediate threat to life, public health or safety, or an immediate threat of significant damage to improved public and private property while maintaining an effective purchasing policy.

B. Definitions. For the purposes of this section, the following definitions are applicable:

A proclaimed disaster or emergency exists if (1) the Governor has declared a state of emergency for an area which includes the geographic territory of the city, or (2) the city manager or his or her designee has declared an emergency in the city.

"Exigent circumstances" are situations in which (1) a disaster or emergency has been proclaimed, and (2) the public exigency for goods and services required to address an immediate threat to life, public health or safety, or improved public and private property will not permit competitive solicitation.

C. Delegation of Purchasing Authority in Exigent Circumstances. If the city manager or his or her designee determines that goods and services must be procured before the city council is to assemble and approve purchases, the city manager or his or her designee has the authority, subject to the limitations set forth below to approve the immediate rental and/or purchase of any equipment, supplies, services, or

other items necessary to respond to an immediate threat to life, public health or safety, or improved public and private property.

1. Limits of Single Purchase Authority. The city manager or his or her designee shall have the authority to make individual purchases up to one hundred thousand dollars (\$100,000.00) on his or her signature alone. The city manager or his or her designee shall have the authority to make purchases in excess of one hundred thousand dollars (\$100,000.00) up to a maximum of five hundred thousand dollars (\$500,000.00) when countersigned by the mayor or, in the mayor's absence, countersigned by another council member.

2. Limits of Aggregate Purchase Authority. The city manager or his or her designee shall have the authority to make aggregate purchases up to one million five hundred thousand dollars (\$1,500,000.00) on his or her signature alone per disaster declaration. The city manager or his or her designee shall have the authority to make aggregate purchases in excess of one million five hundred thousand dollars (\$1,500,000.00) and up to a maximum of two million five hundred thousand dollars (\$2,500,000.00) per disaster declaration when countersigned by the mayor or, in the mayor's absence, countersigned by another council member.

- a. Sub-delegation to the Emergency Operations Center (EOC) Director. The EOC director shall be a designee of the city manager at any time that the city manager is not available to approve purchases as allowed in this section.

- b. Sub-delegation of Purchasing Authority to Department Heads. If neither the city manager or his or her designee nor the EOC director is available, then any city department head has the authority to rent or purchase from the nearest source, any equipment supplies, services, or other items necessary for any department to respond to an immediate threat to health, safety, or improved property, up to a maximum of fifty thousand dollars (\$50,000.00).

- c. Sub-delegation of Purchasing Authority to Mid-Managers. If neither the city manager or his or her designee, EOC director, or any department head is not available, then any employee classified as a mid-manager has the authority to rent or purchase from the nearest source, any equipment, supplies, services, or other items necessary for any department to respond to an immediate threat to health, safety, or improved property, up to a maximum of twenty-five thousand dollars (\$25,000.00).

D. Administrative Procedures and Reporting Requirements.

1. As soon as possible after purchases are made under subsection C of this section, the city manager or his or her designee, EOC director, department head or midmanager shall submit to the finance director or designee a purchase order requisition and a notation that the commodity has been ordered on an emergency basis from the vendor designated.

2. The finance director will inform the city manager or his or her designee and the city council of any individual purchase under this section with a contract amount greater than twenty-five thousand dollars (\$25,000.00), and also whenever the aggregate of purchases under this section is greater than two hundred fifty thousand dollars (\$250,000.00).

3. The finance director will obtain the city manager's or his or her designee's (or EOC director as the city manager's designee) approval prior to any purchase by a department head if the amount is twenty-five thousand dollars (\$25,000.00) or more.

4. If the city manager or his or her designee and the EOC director are unavailable, and the delay in getting his or her signature would imperil life, public health or safety, or improved public or private property, then any department head (except the requestor) may approve the emergency purchase of fifty thousand dollars (\$50,000.00) or more.

5. The finance director or designee shall have the authority to approve all disaster related purchases under fifty thousand dollars (\$50,000.00).

6. The finance director or designee will expedite the verification of funds available and complete the preparation of the purchase order.

E. Procurement Procedures in Exigent Circumstances. Upon receipt of the requisitions under subsection D of this section, the finance director or designee shall prepare purchase orders for emergency equipment, supplies, services or other items in accordance with the requirements of this section.

1. Exempt Purchases. Purchases of two hundred fifty thousand dollars (\$250,000.00) or less shall not be required to be formally bid. Purchases greater than two hundred fifty thousand dollars (\$250,000.00) may be made following the procedures specified in this section. The signature(s) of the city manager or his or her designee, finance director, or department head are still required as provided in subsections C and D of this section.

2. Justification of "Sole Source" or "No Bid" Contracts. Where exigent circumstances require immediate procurement from the nearest available source, the finance director or designee shall justify the emergency sole source purchase or no bid purchase on the purchase order.
 - a. Procurement should be limited to that portion of the work that must be performed immediately, and subsequent procurement by competitive proposal for the remainder of the work under the city's normal purchasing policy (this chapter).
 - b. "Sole source" or "no bid" acquisitions shall be necessary for one of the following reasons: placement of emergency protective measures; procurement of scarce commodities, goods, or services; or acquisition or rental of emergency equipment, emergency consulting services, emergency road clearance, or other emergency requirements.
 3. Provision for Alternate Bid Solicitation Procedures. The city's normal requirements for quotes, sealed bids, or local preference shall not apply to this section (Declared emergencies). However, the finance director or designee shall conduct telephonic or other electronic bid solicitation from potential vendors or suppliers, in lieu of written and/or sealed bids, in an effort to obtain multiple competitive proposals when and if time allows in light of the exigent circumstances.
 4. Posting Locations for Requests for Proposals or Solicitations of Bids. The finance director or designee may waive normal requirements for public posting of requests for proposals or solicitation of bids for the procurement of emergency equipment, goods or services. Notices soliciting bids or requests for proposals shall be posted, at minimum, at the emergency operations center or the alternate emergency operations center, if the primary emergency operations center is not being used.
 5. Length of Time for Posting Requests for Proposals or Solicitation of Bids. The finance director or designee shall determine the posting period. The finance director or designee will make reasonable efforts to ensure that multiple suppliers are able to place a bid during the shortened time period.
- F. Notification and Ratification.
1. Posting of Contract Awards. All contracts awarded that exceed twenty-five thousand dollars (\$25,000.00) shall be presented to the city council for ratification and thereafter shall be publicly posted within sixty (60) days of the award.

2. Authority to Cancel Emergency Procurements. The city manager has the absolute authority to rescind a contract for nonperformance within twenty-four (24) hours when a contractor or vendor, once awarded a contract, is unable to perform under the terms of the contract and the resulting delay or nonperformance presents an immediate threat to life, public health or safety, or improved public or private property.
3. Notification Requirement for Emergency Services. For any purchase in excess of twenty-five thousand dollars (\$25,000.00), the city manager shall report all such purchases to the city council within thirty (30) days of the onset of the disaster.
4. Requirement for Separate Invoicing. All purchases or rentals made during the proclaimed emergency or disaster conditions shall require separate invoicing from routine (nondisaster) purchases. All invoices must state the goods, services, or equipment provided and must specify the location where the goods or services were delivered.
5. Limitations of Declared Emergencies Purchasing Policy. Any purchases that do not meet the standard of being necessary for responding to an immediate threat to life, public health or safety, or improved public or private property as outlined in this section shall follow the city's regular purchasing provisions. (Ord. 16-5 § 1 (Exh. A))

3.04.180 Surplus supplies and equipment.

All departments shall submit to the purchasing officer, at such times and in such forms as he or she may prescribe, reports showing all supplies and equipment which are no longer used or which have become obsolete or worn out. The purchasing officer may direct that the designated supplies or equipment be:

- A. Transferred to another city department or agency;
- B. Exchanged or traded in on new supplies and equipment; or
- C. Disposed of in some other suitable manner, which may include sale at auction or deposit at a landfill. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.140)

3.04.190 Inspection and tests.

The purchasing officer or designee or department requesting the item shall inspect all deliveries of supplies and equipment to assure conformance with the contract or order specifications. The purchasing officer or designee, at his or her discretion, may require such reasonable chemical and physical tests of samples of supplies and equipment as he or she deems necessary to determine the quality in

conformance with those specifications. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.150)

Article 3 Public Works Projects

3.04.200 Uniform construction cost accounting procedures.

The city council has elected to become subject to the Uniform Public Construction Cost Accounting Act and procedures as established by the California Uniform Construction Cost Accounting Commission in Public Contract Code Section [22000](#) et seq. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.010)

3.04.210 Bidding procedures for various project amounts.

- A. A public work project of ~~forty-five-sixty~~ thousand dollars (\$~~4560~~,000.00) or less may be performed by city force account, by negotiated contract, or by purchase order in accordance with Section 3.04.220.
- B. A public work project greater than ~~forty-five-sixty~~ thousand dollars (\$~~4560~~,000.00) and less than or equal to ~~one-two~~ hundred ~~seventy-five~~ thousand dollars (\$~~175200~~,000.00) may be let to contract by informal bid procedures in accordance with Section 3.04.230.
- C. A public work project of more than ~~one-two~~ hundred ~~seventy-five~~ thousand dollars (\$~~175200~~,000.00) shall, except as otherwise provided in this chapter, be let to contract by formal bidding procedure in accordance with Section 3.04.240.

The described project cost limits of subsections A through C of this section shall be increased automatically as authorized pursuant to the adjustments made by the California Uniform Construction Cost Accounting Commission under Public Contract Code Section [22034](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.020)

3.04.220 Negotiate contract or purchase order procedures.

For those projects qualifying under Section [3.04.210](#)(A), the applicable department head shall obtain a cost estimate from the project engineer or architect prior to issuing a purchase order or negotiating a contract with a responsible contractor. For any city force account work, the department head shall first comply with the guidelines established by the California Uniform Construction Cost Accounting Commission in determining the cost of the public work. The city manager shall have the authority to award and to execute any contract for the public work qualifying under Section [3.04.210](#)(A). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.030)

3.04.230 Informal bidding procedures.

For those projects which qualify under Section [3.04.210](#)(B) for informal bidding, the following procedures shall be used:

A. Bidder's List. The city shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors' list shall be consistent with the Uniform Public Construction Cost Accounting Act rules.

B. Notice. The city clerk shall prepare a notice inviting bids.

1. Contents of Notice. The notice inviting bids shall include a general description of the services and/or articles to be purchased, where bid blanks and specifications may be obtained, the time and place for bid openings, and whether bid deposit or bond and faithful performance ~~and/or warranty~~ bond will be required.

2. Mailing of Notice. Unless the product or service is proprietary, all contractors on the city's list for the category of work being bid shall be mailed a notice inviting informal bids, or an announcement/advertisement shall be placed in all construction trade journals, or both such mailing and advertising. The trade journals shall be those identified by the California Uniform Construction Cost Accounting Commission as appropriate for this area, in accordance with California Public Contract Code Section [22036](#).

3. Ten (10) Day Notice. Notices inviting informal bids shall be posted at the city hall and mailed at least ten (10) calendar days before the due date of submission of bids to all firms or suppliers on the bidder's list for the category of ~~equipment, supplies, or general services~~work being bid and to such other vendors as the public works director deems appropriate.

4. Proprietary Products or Services. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting bids may be sent exclusively to such contractor or contractors.

C. Award. The city council shall award the contract to the lowest responsive and responsible bidder whose bid or proposal fulfills the purpose intended according to criteria designated in the solicitation. The council may waive any minor bid irregularities.

D. Bids in Excess of Statutory Amount. If all bids received are in excess of ~~one~~[two](#) hundred ~~seventy-five~~ thousand dollars (~~\$175~~[200](#),000.00), the city council may, by passage of a resolution by a four-fifths vote, award the contract ~~to the lowest responsive and responsible bidder~~ up to ~~an amount not to exceed one~~

~~hundred eighty-seven thousand five~~two hundred twelve thousand five hundred ~~hundred~~-dollars (\$~~187,212~~,500.00) ~~to the lowest responsible bidder~~ if it determines the cost estimate of the city was reasonable. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.92.040)

3.04.240 Formal bidding procedures.

For those projects which qualify under Section [3.04.210](#)(C) for formal bidding, the following procedures shall be used:

A. Adoption of Plans. Prior to soliciting bids, ~~unless otherwise delegated by the city council to the public works director~~, the city council shall approve and adopt the plans, specifications and working details, and authorize the bid request for all public work projects in excess of ~~one two~~ hundred ~~seventy-five~~ thousand dollars (\$~~175,200~~,000.00).

B. Notice. The city clerk shall prepare a notice inviting bids.

1. Contents of Notice. The notice inviting bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project.

2. Publication of Notice. The notice shall be published at least once fourteen (14) calendar days before the date of opening the bids in a newspaper of general circulation, which is circulated within the jurisdiction of the city.

3. Mailing of Notice. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified by the California Uniform Construction Cost Accounting Commission as appropriate for the area. The notice shall be mailed at least fifteen (15) calendar days before the date of opening the bids.

4. Other Notice. In addition to notice required by this section, the city may give other notice as it deems proper.

C. Bid Opening Procedure. Sealed bids shall be submitted to the city clerk's office and shall be identified as to bidder, project and bid on the envelope. Bids shall be opened by the city clerk's staff in public at the time and place stated and as described in the notice inviting bids. A written record and tabulation shall be made at that time of all bids received, and shall be open for public inspection during regular business hours for a period of two years after the bid opening. The public works director shall make an analysis of the bids for compliance with bid specifications and thereafter make a recommendation for award or rejection.

D. Award. Contracts shall be awarded by the city council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended, according to criteria designated in the solicitation. The council may waive minor bid irregularities. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.050)

3.04.250 Bonds.

A. The city shall require ~~labor and materials~~ payment bonds for projects in excess of twenty-five thousand dollars (\$25,000.00) in accordance with California Civil Code Section 9550, as may be amended from time to time. The city council may require bid security or bid bonds and ~~or~~ performance and/or warranty bonds from an acceptable surety in such amounts as it finds reasonably necessary to protect the public interest. If the city requires a bond, the form and amount of the bond shall be described in the notice inviting bids.

B. Unsuccessful bidders shall be entitled to the return of bid security within sixty (60) days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of its bid security, as may be determined by the council, upon the bidder's refusal or failure to execute the contract within ten (10) days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the city council may award the contract to the next lowest responsible bidder. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.060)

3.04.260 No bids received.

If no bids are received through the formal or informal procedure, the project may be performed by city employees by force account or by negotiated contract without further complying with this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.070)

3.04.270 Tie bids.

If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of readvertising for bids, the city council may accept either bid or accept the lowest bid made by negotiation with the tied bidders. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.080)

3.04.280 Rejection of bids.

In its discretion, the council may reject any bids presented. If after the first invitation of bids all bids are rejected, the city shall state the reasons for the rejection and after reevaluating its cost estimates of the project, the city shall have the option of any of the following:

A. Abandoning the project;

B. Readvertising for bids in the manner described in this chapter; or

C. By passage of a resolution by a four-fifths vote of the council declaring that the project can be performed more economically by city employees, may have the project done by force account without further complying with this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.090)

3.04.290 Emergencies.

A. In cases of emergency as defined in this chapter, the city, pursuant to a four-fifths vote of the council, may proceed at once to replace or repair any public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without adopting plans, specifications, working details, or giving notice for bids to provide contracts. The work may be done by day labor under the direction of the council, by contractor, or by a combination of the two.

B. The city manager may order any action under this section subject to the provisions of California Public Contract Code Section [22050](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.100)

3.04.300 Prevailing wages required.

Public works contracts are subject to prevailing wage requirements as set forth in Labor Code Section [1720](#) et seq., as may be amended from time to time. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.110)

3.04.310 Pre-qualification of bidders.

Prospective bidders on a public works contract may be required to be pre-qualified in accordance with procedures adopted by city council resolution, subject to the provisions of California Public Contract Code Section [20101](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.120)

Article 4

Professional Services

3.04.320 Award of professional service contracts based upon competence.

In contracting for those professional services as defined in Section [3.04.020](#), contracts should only be awarded to firms or persons who have demonstrated an adequate level of experience, competence, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required. Once the department requesting the service has determined a firm has an adequate level of competence, the cost of the service may be considered. However, the lowest cost may not be the

sole factor in deciding which firm or who shall be awarded the contract. It may be in the city's best interest to award the contract to a higher priced professional services provider based on the scope of services available, unique skills, staffing levels, timing, prior experience, past working relationship and other factors required by the department or proposed by that professional services provider. The information needed for determining that level of competence, other qualifications and the procedure for selecting such services shall be determined by each city department responsible for recommending the professional service contract. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.93.010)

3.04.330 Request for proposal/qualification.

The acquiring of professional services shall be procured through negotiated contract and may include requests for proposals/qualifications. Contracting for professional services is decentralized and shall be the responsibility of the department head requesting the service. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.93.020)

3.04.340 Contracting authority.

The city manager shall approve professional service or consulting contracts up to and including twenty-five thousand dollars (\$25,000.00). The city council shall approve professional service or consulting contracts greater than twenty-five thousand dollars (\$25,000.00). (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.93.030)

CITY OF ST. HELENA

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ST. HELENA, CALIFORNIA, AMENDING CHAPTER 3.04, TITLE 3 OF THE ST. HELENA MUNICIPAL CODE IN ITS ENTIRETY TO EFFECTUATE CHANGES TO SECTIONS 3.04.100, 3.04.110, 3.04.120 AND 3.04.170 OF ARTICLE 2, CHAPTER 3.04, TITLE 3 OF THE ST. HELENA MUNICIPAL CODE REGARDING INCREASES TO PURCHASE ORDER LIMITS FOR SUPPLIES, GENERAL SERVICES AND EQUIPMENT AND SECTIONS 3.04.210, 3.04.230, 3.04.240 AND 3.04.250 OF ARTICLE 3, CHAPTER 3.04, TITLE 3 OF THE ST. HELENA MUNICIPAL CODE REGARDING INCREASES TO THE BIDDING LIMITS UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT FOR PUBLIC WORKS PROJECTS

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

SECTION 1. Amendment of Chapter 3.04, Title 3 of the St. Helena Municipal Code.

Chapter 3.04, Title 3 of the St. Helena Municipal Code is hereby amended to read in its entirety as shown on Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. Compliance with CEQA.

The City Council hereby finds that the action to adopt this ordinance to amend Chapter 3.04, title 3 of the St. Helena Municipal Code is not a Project subject to the provisions of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.) (CEQA). Further, even if the adoption of the ordinance is found to be a Project subject to CEQA, it is nevertheless exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the City Council hereby finds that it can be seen with certainty that there is no possibility the adoption and implementation of this Ordinance may have a significant effect on the environment.

SECTION 3. Severability.

The City Council hereby declares every section, paragraph, sentence, clause and phrase of this ordinance is severable. If any section, paragraph, sentence, clause or phrase of this ordinance is for any reason found to be invalid or unconstitutional, such

invalidity, or unconstitutionality shall not affect the validity or constitutionality of the remaining sections, paragraphs, sentences, clauses or phrases.

SECTION 4. Inclusion in the St. Helena Municipal Code.

It is the intention of the St. Helena City Council that the text in Exhibit A of this ordinance be made a part of the St. Helena Municipal Code and that the text may be renumbered or re-lettered and the word "Ordinance" may be changed to "Section," "Chapter," or such as appropriate word or phrase to accomplish this intention.

SECTION 5. Effective Date.

This ordinance shall take effect and be in force 30 days after its adoption, and a summary of this ordinance shall be published once with the names of the members of the Council voting for and against the ordinance in the St. Helena Star, a newspaper of general circulation published in the City of St. Helena.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the St. Helena City Council on the 27th day of August 2019, and was adopted at a regular meeting of the St. Helena City Council on the ____th day of _____, 2019, by the following vote:

Mayor Ellsworth:

Vice Mayor Dohring:

Councilmember Koberstein:

Councilmember Chouteau:

Councilmember Knudsen:

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzaopoulos, City Clerk

I, CINDY TZAFPOULOS, CITY CLERK of the City of St. Helena, California, do hereby certify that the foregoing Ordinance was regularly introduced and passed upon its first reading at a regular meeting of the City Council on the 27th day of August, 2019. That thereafter said Ordinance was duly adopted and passed at a regular meeting of the City Council on the ____th day of _____, 2019, by the following vote:

Mayor Ellsworth:

Vice Mayor Dohring:

Councilmember Koberstein:

Councilmember Chouteau:

Councilmember Knudsen:

EXHIBIT A

**Chapter 3.04
PURCHASE OF SUPPLIES, EQUIPMENT AND SERVICES, AND PROCEDURES FOR
PUBLIC WORKS PROJECTS**

Article 1

Generally

Sections:

- 3.04.010 Purpose—Objectives—Scope—Responsibilities.**
- 3.04.020 Definitions.**
- 3.04.030 Staging prohibited.**
- 3.04.040 Appeals.**

Article 2

Supplies, General Services and Equipment

Sections:

- 3.04.050 Purchasing officer—Powers and duties.**
- 3.04.060 Requisitions.**
- 3.04.070 Purchase orders.**
- 3.04.080 Contracts.**
- 3.04.090 Encumbrance of funds.**
- 3.04.100 Bidding procedures for various purchase amounts.**
- 3.04.110 Departmental purchases.**
- 3.04.120 Informal bid procedure.**
- 3.04.130 Formal bid procedure.**
- 3.04.140 Special equipment/supplies, sole source purchases, and bid exceptions.**
- 3.04.150 Cooperative purchasing with other agencies.**
- 3.04.160 Recycled supply products specification.**
- 3.04.170 Emergencies.**
- 3.04.175 Declared emergencies.**
- 3.04.180 Surplus supplies and equipment.**

3.04.190 Inspection and tests.

Article 3

Public Works Projects

Sections:

- 3.04.200 Uniform construction cost accounting procedures.**
- 3.04.210 Bidding procedures for various project amounts.**
- 3.04.220 Negotiate contract or purchase order procedures.**
- 3.04.230 Informal bidding procedures.**
- 3.04.240 Formal bidding procedures.**
- 3.04.250 Bonds.**
- 3.04.260 No bids received.**
- 3.04.270 Tie bids.**
- 3.04.280 Rejection of bids.**
- 3.04.290 Emergencies.**
- 3.04.300 Prevailing wages required.**
- 3.04.310 Pre-qualification of bidders.**

Article 4

Professional Services

Sections:

- 3.04.320 Award of professional service contracts based upon competence.**
- 3.04.330 Request for proposal/qualification.**
- 3.04.340 Contracting authority.**

Article 1

Generally

3.04.010 Purpose—Objectives—Scope—Responsibilities.

The purpose of this chapter is to establish an efficient procedure for the purchase of supplies, equipment, and services, and to establish a procedure for performing or contracting for the construction of public works consistent with state law. These procedures are intended to allow the city to obtain the best professional services, to acquire quality supplies, general services and equipment, to construct public works at the lowest possible cost commensurate with quality needed, and to exercise positive financial control over purchases and also to define authority for the purchasing function. These procedures apply to all city employees. These procedures apply to all purchases of supplies, equipment and services,

including purchases made online or over the phone. Employees are responsible for reading and understanding the requirements of this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.010)

3.04.020 Definitions.

As used in this chapter:

“Bidder’s list” means a list of responsible prospective vendors capable of providing the items being bid upon.

“Contract” means an agreement, regardless of how titled, for the procurement of supplies, equipment or services, including without limitation a verbal or written agreement between the city and a contractor, the city and a service provider, and/or the city and a vendor.

“Emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

“Equipment” means furnishings, machinery, vehicles, rolling stock, and other personal property used in the city’s business.

“General services” are services such as janitorial, uniform cleaning, maintenance work and other services which do not require any unique skill, special background, or training. Obtaining such services at the lowest cost is the single most important factor in selection, as opposed to personal performance.

“Maintenance work” means:

1. Routine, recurring, and usual work for the cleaning, preservation or protection of any publicly owned or publicly operated facility for its intended purposes;
2. Minor repainting;
3. Resurfacing of streets and highways at less than one inch;
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems;
5. Work performed to keep, operate, and maintain publicly owned water or waste disposal systems including, but not limited to, dams and reservoirs.

“Professional or special services” means any work performed by an attorney, doctor, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm, planner, consultant or those services such as computer services, and other services which require special performance criteria, specific experience, training, personal judgement, quality of work or factors other than simply obtaining the service at the lowest cost to the city.

“Public work” means a type of public construction project subject to the regulation of the State Public Contract Code, such as:

1. The erection, construction of, alteration, major painting, repair, or demolition of public buildings, streets, walkways, water and sewer facilities, drainage facilities, or other public facilities, whether owned, leased, or operated by the city;
2. Furnishing supplies for any of the above works or projects;
3. Public work does not include “maintenance work” as defined in this chapter.

“Purchase” includes the renting, leasing, purchasing, licensing, or a trade of equipment or supplies.

“Purchase order” is a written contract for equipment, supplies, or services with a specified consultant, contractor, or vendor and is initiated by a purchase order requisition. A purchase order submitted by an authorized person becomes a legally binding contract. It can stand alone or include attachments for clarification purposes. A purchase order encumbers the specified amounts to provide specified equipment, supplies, services, and/or fixed assets. Regular purchasers may be paid through a one-time payment of an amount up to the purchase order amount at the conclusion of performance (delivery of supplies, services, etc.), and/or incremental (progress) payments as provided in the contract for each time items are purchased.

“Purchasing officer” means the finance director or his or her designated representative.

“Requisition” is a request to authorize the acquisition of equipment, supplies or services from a specified consultant, contractor, or vendor.

“Services” means the furnishing of labor, time or effort to perform or complete a designated task.

“Special equipment/supplies” means unique supplies, machinery, computers, or other equipment which are not generally and regularly ordered in bulk by the city and which must perform complex tasks, or integrate efficiently with existing equipment or supplies.

“Supplies” means office supplies, janitorial supplies, materials, goods, tools, or other commodities used in the general conduct of the city’s business, excepting supplies for a public work which is regulated under Section [3.04.210](#).

“Uniform construction cost accounting procedures” means those procedures and rules established by the State Uniform Construction Cost Accounting Commission pursuant to the Public Contract Code Section [22030](#) et seq. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.020)

3.04.030 Staging prohibited.

Purchases and public works contracts shall not be knowingly staged or separated into smaller units or segments solely for the purpose of evading the competitive formal or informal bidding requirements of this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.030)

3.04.040 Appeals.

Any dispute, contention, or disagreement relative to interpretation, application or enforcement of this chapter shall be submitted to the city council for determination in accordance with the appeal provisions of Chapter [1.16](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.90.040)

Article 2

Supplies, General Services and Equipment

3.04.050 Purchasing officer—Powers and duties.

The duties of the purchasing officer may be combined with those duties of any other officer or position in the city. The purchasing officer shall have the authority to:

- A. Purchase needed city supplies, general services, equipment and special equipment/supplies which are not included within the construction contract or proposed specifications for a construction contract of a public work being administered by any other city department;
- B. Investigate, keep knowledgeable about, negotiate, and recommend on the execution of contracts or the purchasing of supplies, general services, and equipment pursuant to the procedures of this chapter and such administrative rules and regulations as prescribed by the city;
- C. To keep informed of current developments concerning purchasing, prices, market conditions, and new products;
- D. To prescribe and maintain such forms as necessary for the proper operation of this purchasing system;

- E. To supervise the inspection of all supplies, general services, and equipment purchased under this chapter in order to assure conformance with city specifications;
- F. To supervise the transfer of surplus and unused supplies and equipment or sale or disposal of such;
- G. To maintain up-to-date bidder's list, vendors' catalogs, files and such other records as needed to perform these duties;
- H. To ensure that purchasing specifications are open and nonrestrictive to encourage full competition; and
- I. To perform such other tasks as may be necessary for the proper conduct of purchasing of supplies, general services, and equipment. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.010)

3.04.060 Requisitions.

Except as authorized under Section [3.04.100](#)(A), any department requesting supplies, general services, equipment, or special equipment/supplies shall submit to the immediate supervisor a requisition on the purchasing officer's approved form prior to initiating any procurement. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.020)

3.04.070 Purchase orders.

Except for departmental purchases as authorized in Section [3.04.100](#)(A), purchases of supplies, general services, most special equipment/supplies and general equipment not covered within a construction contract or public works specification, may be made only by purchase orders issued by the purchasing officer and any other contractual document he or she determines is necessary. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.030)

3.04.080 Contracts.

The purchasing officer does not have the authority to sign contracts, nor to bind the city contractually. Contracts may only be entered into by the city manager. Subject to Section [3.04.340](#) contracts may only be entered into by the city manager; contracts in excess of city manager authority require city council approval, without which such contract is not valid. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part); prior code § 2.91.040)

3.04.090 Encumbrance of funds.

Except in case of an emergency or where specific authority is first obtained from the city council or the city manager, the purchasing officer shall not issue any purchase order for purchasing of supplies, general services or equipment unless there exists an unencumbered appropriation in the fund account

against which the purchase is to be charged. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.050)

3.04.100 Bidding procedures for various purchase amounts.

Except as authorized in Sections [3.04.140](#) and [3.04.150](#), or in the case of emergencies as described in Sections [3.04.170](#) and [3.04.175](#), the purchase of supplies, general services, equipment and special equipment/supplies, not included in a construction contract or bid specification for a public work, shall be made as follows:

- A. A purchase of five thousand dollars (\$5,000.00) or less may be made by departmental purchase in accordance with Section [3.04.110](#).
- B. A purchase greater than five thousand dollars (\$5,000.00) to twenty-five thousand dollars (\$25,000) may be made by an informal bid procedure in accordance with Section 3.04.120.
- C. A purchase of more than twenty-five thousand dollars (\$25,000.00) shall be made by formal bid procedure in accordance with Section [3.04.130](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.060)

3.04.110 Departmental purchases.

A department may, independently of the purchase officer, purchase specified and limited supplies, equipment, special equipment/supplies and general services not included in a construction contract or bid specification for a public work, as follows:

- A. Purchases of five thousand dollars (\$5,000.00) or less: requestor receives a verbal/written approval from supervisor, department keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items. All purchases shall be made with funds in an unencumbered appropriation. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.070)

3.04.120 Informal bid procedure.

The purchase of supplies, equipment, special equipment/supplies and general services not included in a construction contract or bid specification for a public work with the estimated value greater than five thousand dollars (\$5,000.00), but not exceeding twenty-five thousand dollars (\$25,000.00), shall be made by a purchase order as required by this chapter. Said purchases, subject to the department head's discretion, based upon a small amount, or urgent need and timeliness, may be let without the formal bidding procedures described in Section [3.04.130](#). In such case, the following procedures shall be followed:

A. Solicitation of Bids. If it is determined that the request is of a sufficient size and time allows, the purchasing officer or designee, before issuing the purchase order to a specific contractor/vendor, shall: for purchases greater than five thousand dollars (\$5,000.00) to twenty-five thousand dollars (\$25,000.00), obtain at least three written bids or price quotes. The purchasing officer or designee may negotiate to obtain the lowest possible contract amount from any vendor contacted who can provide supplies, general service, or equipment within the time constraints of the department's request. The purchasing officer or designee may solicit or determine bids of prospective vendors by written request, telephone, or may base award recommendations upon current catalogs or advertisements.

B. Local Preference. Quality and service being equal, a local preference of one percent shall be given to local bidders located within the city, the difference being the sales tax the city would receive on the sale in the case of vendors.

C. Maintenance of Records. After placing the order, a written record of the contract, bids, quotes or advertisements used or received shall be open public records and maintained by the purchasing officer or the department for a period of two years.

D. Award. The purchasing officer or designee shall award the contract to the lowest responsive and responsible bidder, vendor or offeror whose quote, bid, or proposal fulfills the purpose intended, provided the amount is within the unencumbered appropriation for that item, or reject such bids or proposals, or negotiate further for terms more favorable to the city. (Ord. 15-8 § 1 (Exh. A) (part); Ord. 01-14 (part): prior code § 2.91.080)

3.04.130 Formal bid procedure.

For supplies, equipment, special equipment/supplies and general services not included in a construction contract or bid specification for a public work with an estimated value in excess of twenty-five thousand dollars (\$25,000.00), purchases shall be made in accordance with the following formal written bid procedures:

A. Published Notices. A notice inviting bids shall be published at least ten (10) calendar days before the date of the opening of bids. The notice shall be published at least once in a newspaper of general circulation printed and published in the city, and also in appropriate trade publications, if any, circulated within the general area. Such other notice as the purchasing officer or designee deems appropriate shall be made.

B. Notices Inviting Bids. Notices inviting bids shall include a general description of the goods, articles, services or equipment to be purchased, any required bidder's security or performance bonds, state where bid blanks and specifications may be secured and the time and place for the opening of bids.

C. Bidder's List. The purchasing officer or designee shall maintain a list of responsible bidders for various categories of supplies, equipment, and general services. A solicitation for a bid shall be sent to all responsible prospective contractors or suppliers whose names are on the bidder's list for the category of equipment, supplies or general services subject to the bid request.

D. Bidder's Security/Failure to Sign Contract. If the city requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to ten percent (10%) of the bid amount. Bidder's security shall be either a cash deposit with the city, a cashier's or certified check payable to the city, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within sixty (60) days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of its bid security, as may be determined by the city council, upon the bidder's refusal or failure to execute the contract within ten (10) days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the council may award the contract to the next lowest responsive, responsible bidder.

E. Bid Opening Procedure. Sealed bids shall be submitted to the city clerk's office and shall be identified as to bidder, project, and "Bid" on the envelope. Bids shall be opened by city staff in public at the time and place stated and as described in the notice inviting bids. A written record and tabulation shall be made at that time of all bids received, and shall be open for public inspection during regular business hours for a period of two years after the bid opening.

F. Local Preference. Quality and service being equal, a local preference of one percent shall be given to local bidders located within the city, the difference being the sales tax the city would receive on the sale in the case of vendors.

G. Bid Evaluation Procedures. All bids and bidders shall be analyzed by purchasing officer or designee and the responsible department for bidder's qualifications and compliance with bid specifications. The purchasing officer or designee shall prepare a recommendation to the department for award or rejection; the department shall then prepare a recommendation for award or rejection to the city council.

H. Rejection of Bids. In its discretion, the city council may reject all bids and readvertise. If no bids are received, the city council may proceed with the procurement without further complying with this chapter using whatever method it deems appropriate, such as rebid, abandon acquisition, or negotiate a contract.

I. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended according to criteria designated in the solicitation, provided the award amount is within the unencumbered appropriation for that item. The city council may waive any minor bid irregularities.

J. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of readvertising for bids, the council may accept either bid or accept the lowest bid made by negotiation with the tied bidders.

K. Performance Bonds. The city may require a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the city requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.090)

3.04.140 Special equipment/supplies, sole source purchases, and bid exceptions.

A. Special Equipment/Supplies. In purchasing any special equipment or supplies needed to be compatible with existing equipment, or to perform complex or unique functions, the purchasing officer or department head may:

1. Limit bidding to a specific product type, or a brand name product; or
2. Utilize a request for proposal approach where warranties, servicing obligations, and product performance will be evaluated in addition to the price of the product, and the award of the contract is made by the council to the proposer it deems is in the best public interest.

B. Sole Source Purchases. Commodities or services that can be obtained from only one vendor, or one distributor authorized to sell in this area, are exempt from the competitive bidding requirements in Section [3.04.100](#) and are deemed sole source purchases. Sole source purchases may include proprietary items sold direct from the manufacturer. All sole source purchases shall be supported by written documentation indicating the facts and nature supporting the determination of a sole source, signed by the appropriate department head and forwarded to the purchasing officer. Approval of any sole source acquisition shall be obtained from the city council for an award of a contract or purchase order greater than twenty-five thousand dollars (\$25,000.00).

C. Bid Exceptions. The competitive bid process is not applicable to certain purchases. The following are exempt from bid processes of this chapter:

1. Departmental purchases, as defined in Section [3.04.110](#);
2. Subscriptions;
3. Trade circulars or books;
4. Newspaper advertisements and notices;

5. Utility payments;

6. Land. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.100)

3.04.150 Cooperative purchasing with other agencies.

The bidding requirements of Section [3.04.100](#) shall not apply to the purchasing of any equipment or supplies which the purchasing officer decides to obtain through a cooperative competitive bidding procedure prepared by and processed through another public, local, state, or federal governmental agency. If it is determined to be in the best interest of the city, the purchasing officer is authorized to “piggy-back” onto or join into an existing written purchase contract, which contract was obtained within the last twelve (12) months through a competitive bidding process prepared by and awarded by another public, local, state or federal government agency. However, the city council’s approval shall be required prior to and for the joining of a “piggy-back” purchase or cooperative purchase for a purchase greater than twenty-five thousand dollars (\$25,000.00). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.110)

3.04.160 Recycled supply products specification.

If in procuring supplies a recycled product can achieve the necessary city performance standard, and if such recycled product is readily available, specifications should, if economically feasible, require products made with recycled materials be bid. If the department head determines that: (A) a recycled product lacks performance capabilities or needed quality levels; or (B) a sufficient amount of such recycled or reusable product is not currently available in the market, then a reduced percentage can be required, or the supply specification can be limited to nonrecycled or virgin materials. When recycled products are required, reasonable efforts shall be made to label the products as containing recycled materials. As used in this section, recycled products does not mean used products, but is limited to new products made with materials which have been recycled. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.120)

3.04.170 Emergencies.

Bidding procedures may be dispensed with in the case of an emergency. The city council delegates to the city manager the authority to declare a public emergency and enter into contracts for any purchase in accordance with Section [3.04.175](#). The city manager’s authority is subject to confirmation by the city council at its next meeting for any purchase in excess of twenty-five thousand dollars (\$25,000.00). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.130)

3.04.175 Declared emergencies.

A. Purpose. This section modifies the city's normal purchasing practices only during a proclaimed emergency. With this revised policy, the city is able to acquire goods and services required to address an immediate threat to life, public health or safety, or an immediate threat of significant damage to improved public and private property while maintaining an effective purchasing policy.

B. Definitions. For the purposes of this section, the following definitions are applicable:

A proclaimed disaster or emergency exists if (1) the Governor has declared a state of emergency for an area which includes the geographic territory of the city, or (2) the city manager or his or her designee has declared an emergency in the city.

"Exigent circumstances" are situations in which (1) a disaster or emergency has been proclaimed, and (2) the public exigency for goods and services required to address an immediate threat to life, public health or safety, or improved public and private property will not permit competitive solicitation.

C. Delegation of Purchasing Authority in Exigent Circumstances. If the city manager or his or her designee determines that goods and services must be procured before the city council is to assemble and approve purchases, the city manager or his or her designee has the authority, subject to the limitations set forth below to approve the immediate rental and/or purchase of any equipment, supplies, services, or other items necessary to respond to an immediate threat to life, public health or safety, or improved public and private property.

1. Limits of Single Purchase Authority. The city manager or his or her designee shall have the authority to make individual purchases up to one hundred thousand dollars (\$100,000.00) on his or her signature alone. The city manager or his or her designee shall have the authority to make purchases in excess of one hundred thousand dollars (\$100,000.00) up to a maximum of five hundred thousand dollars (\$500,000.00) when countersigned by the mayor or, in the mayor's absence, countersigned by another council member.

2. Limits of Aggregate Purchase Authority. The city manager or his or her designee shall have the authority to make aggregate purchases up to one million five hundred thousand dollars (\$1,500,000.00) on his or her signature alone per disaster declaration. The city manager or his or her designee shall have the authority to make aggregate purchases in excess of one million five hundred thousand dollars (\$1,500,000.00) and up to a maximum of two million five hundred thousand dollars (\$2,500,000.00) per disaster declaration when countersigned by the mayor or, in the mayor's absence, countersigned by another council member.

- a. Sub-delegation to the Emergency Operations Center (EOC) Director. The EOC director shall be a designee of the city manager at any time that the city manager is not available to approve purchases as allowed in this section.
- b. Sub-delegation of Purchasing Authority to Department Heads. If neither the city manager or his or her designee nor the EOC director is available, then any city department head has the authority to rent or purchase from the nearest source, any equipment supplies, services, or other items necessary for any department to respond to an immediate threat to health, safety, or improved property, up to a maximum of fifty thousand dollars (\$50,000.00).
- c. Sub-delegation of Purchasing Authority to Mid-Managers. If neither the city manager or his or her designee, EOC director, or any department head is not available, then any employee classified as a mid-manager has the authority to rent or purchase from the nearest source, any equipment, supplies, services, or other items necessary for any department to respond to an immediate threat to health, safety, or improved property, up to a maximum of twenty-five thousand dollars (\$25,000.00).

D. Administrative Procedures and Reporting Requirements.

- 1. As soon as possible after purchases are made under subsection C of this section, the city manager or his or her designee, EOC director, department head or midmanager shall submit to the finance director or designee a purchase order requisition and a notation that the commodity has been ordered on an emergency basis from the vendor designated.
- 2. The finance director will inform the city manager or his or her designee and the city council of any individual purchase under this section with a contract amount greater than twenty-five thousand dollars (\$25,000.00), and also whenever the aggregate of purchases under this section is greater than two hundred fifty thousand dollars (\$250,000.00).
- 3. The finance director will obtain the city manager's or his or her designee's (or EOC director as the city manager's designee) approval prior to any purchase by a department head if the amount is twenty-five thousand dollars (\$25,000.00) or more.
- 4. If the city manager or his or her designee and the EOC director are unavailable, and the delay in getting his or her signature would imperil life, public health or safety, or improved public or private property, then any department head (except the requestor) may approve the emergency purchase of fifty thousand dollars (\$50,000.00) or more.

5. The finance director or designee shall have the authority to approve all disaster related purchases under fifty thousand dollars (\$50,000.00).

6. The finance director or designee will expedite the verification of funds available and complete the preparation of the purchase order.

E. Procurement Procedures in Exigent Circumstances. Upon receipt of the requisitions under subsection D of this section, the finance director or designee shall prepare purchase orders for emergency equipment, supplies, services or other items in accordance with the requirements of this section.

1. Exempt Purchases. Purchases of two hundred fifty thousand dollars (\$250,000.00) or less shall not be required to be formally bid. Purchases greater than two hundred fifty thousand dollars (\$250,000.00) may be made following the procedures specified in this section. The signature(s) of the city manager or his or her designee, finance director, or department head are still required as provided in subsections C and D of this section.

2. Justification of "Sole Source" or "No Bid" Contracts. Where exigent circumstances require immediate procurement from the nearest available source, the finance director or designee shall justify the emergency sole source purchase or no bid purchase on the purchase order.

a. Procurement should be limited to that portion of the work that must be performed immediately, and subsequent procurement by competitive proposal for the remainder of the work under the city's normal purchasing policy (this chapter).

b. "Sole source" or "no bid" acquisitions shall be necessary for one of the following reasons: placement of emergency protective measures; procurement of scarce commodities, goods, or services; or acquisition or rental of emergency equipment, emergency consulting services, emergency road clearance, or other emergency requirements.

3. Provision for Alternate Bid Solicitation Procedures. The city's normal requirements for quotes, sealed bids, or local preference shall not apply to this section (Declared emergencies). However, the finance director or designee shall conduct telephonic or other electronic bid solicitation from potential vendors or suppliers, in lieu of written and/or sealed bids, in an effort to obtain multiple competitive proposals when and if time allows in light of the exigent circumstances.

4. Posting Locations for Requests for Proposals or Solicitations of Bids. The finance director or designee may waive normal requirements for public posting of requests for proposals or solicitation

of bids for the procurement of emergency equipment, goods or services. Notices soliciting bids or requests for proposals shall be posted, at minimum, at the emergency operations center or the alternate emergency operations center, if the primary emergency operations center is not being used.

5. Length of Time for Posting Requests for Proposals or Solicitation of Bids. The finance director or designee shall determine the posting period. The finance director or designee will make reasonable efforts to ensure that multiple suppliers are able to place a bid during the shortened time period.

F. Notification and Ratification.

1. Posting of Contract Awards. All contracts awarded that exceed twenty-five thousand dollars (\$25,000.00) shall be presented to the city council for ratification and thereafter shall be publicly posted within sixty (60) days of the award.

2. Authority to Cancel Emergency Procurements. The city manager has the absolute authority to rescind a contract for nonperformance within twenty-four (24) hours when a contractor or vendor, once awarded a contract, is unable to perform under the terms of the contract and the resulting delay or nonperformance presents an immediate threat to life, public health or safety, or improved public or private property.

3. Notification Requirement for Emergency Services. For any purchase in excess of twenty-five thousand dollars (\$25,000.00), the city manager shall report all such purchases to the city council within thirty (30) days of the onset of the disaster.

4. Requirement for Separate Invoicing. All purchases or rentals made during the proclaimed emergency or disaster conditions shall require separate invoicing from routine (nondisaster) purchases. All invoices must state the goods, services, or equipment provided and must specify the location where the goods or services were delivered.

5. Limitations of Declared Emergencies Purchasing Policy. Any purchases that do not meet the standard of being necessary for responding to an immediate threat to life, public health or safety, or improved public or private property as outlined in this section shall follow the city's regular purchasing provisions. (Ord. 16-5 § 1 (Exh. A))

3.04.180 Surplus supplies and equipment.

All departments shall submit to the purchasing officer, at such times and in such forms as he or she may prescribe, reports showing all supplies and equipment which are no longer used or which have become obsolete or worn out. The purchasing officer may direct that the designated supplies or equipment be:

- A. Transferred to another city department or agency;
 - B. Exchanged or traded in on new supplies and equipment; or
 - C. Disposed of in some other suitable manner, which may include sale at auction or deposit at a landfill.
- (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.140)

3.04.190 Inspection and tests.

The purchasing officer or designee or department requesting the item shall inspect all deliveries of supplies and equipment to assure conformance with the contract or order specifications. The purchasing officer or designee, at his or her discretion, may require such reasonable chemical and physical tests of samples of supplies and equipment as he or she deems necessary to determine the quality in conformance with those specifications. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.91.150)

Article 3

Public Works Projects

3.04.200 Uniform construction cost accounting procedures.

The city council has elected to become subject to the Uniform Public Construction Cost Accounting Act and procedures as established by the California Uniform Construction Cost Accounting Commission in Public Contract Code Section [22000](#) et seq. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.010)

3.04.210 Bidding procedures for various project amounts.

- A. A public work project of sixty thousand dollars (\$60,000.00) or less may be performed by city force account, by negotiated contract, or by purchase order in accordance with Section 3.04.220.
- B. A public work project greater than sixty thousand dollars (\$60,000.00) and less than or equal to two hundred thousand dollars (\$200,000.00) may be let to contract by informal bid procedures in accordance with Section 3.04.230.
- C. A public work project of more than two hundred thousand dollars (\$200,000.00) shall, except as otherwise provided in this chapter, be let to contract by formal bidding procedure in accordance with Section 3.04.240.

The described project cost limits of subsections A through C of this section shall be increased automatically as authorized pursuant to the adjustments made by the California Uniform Construction Cost Accounting Commission under Public Contract Code Section [22034](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.020)

3.04.220 Negotiate contract or purchase order procedures.

For those projects qualifying under Section [3.04.210](#)(A), the applicable department head shall obtain a cost estimate from the project engineer or architect prior to issuing a purchase order or negotiating a contract with a responsible contractor. For any city force account work, the department head shall first comply with the guidelines established by the California Uniform Construction Cost Accounting Commission in determining the cost of the public work. The city manager shall have the authority to award and to execute any contract for the public work qualifying under Section [3.04.210](#)(A). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.030)

3.04.230 Informal bidding procedures.

For those projects which qualify under Section [3.04.210](#)(B) for informal bidding, the following procedures shall be used:

A. Bidder's List. The city shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors' list shall be consistent with the Uniform Public Construction Cost Accounting Act rules.

B. Notice. The city clerk shall prepare a notice inviting bids.

1. Contents of Notice. The notice inviting bids shall include a general description of the services and/or articles to be purchased, where bid blanks and specifications may be obtained, the time and place for bid openings, and whether bid deposit or bond and faithful performance and/or warranty bond will be required.

2. Mailing of Notice. Unless the product or service is proprietary, all contractors on the city's list for the category of work being bid shall be mailed a notice inviting informal bids, or an announcement/advertisement shall be placed in all construction trade journals, or both such mailing and advertising. The trade journals shall be those identified by the California Uniform Construction Cost Accounting Commission as appropriate for this area, in accordance with California Public Contract Code Section [22036](#).

3. Ten (10) Day Notice. Notices inviting informal bids shall be posted at the city hall and mailed at least ten (10) calendar days before the due date of submission of bids to all firms or suppliers on

the bidder's list for the category of work being bid and to such other vendors as the public works director deems appropriate.

4. Proprietary Products or Services. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting bids may be sent exclusively to such contractor or contractors.

C. Award. The city council shall award the contract to the lowest responsive and responsible bidder whose bid or proposal fulfills the purpose intended according to criteria designated in the solicitation. The council may waive any minor bid irregularities.

D. Bids in Excess of Statutory Amount. If all bids received are in excess of two hundred thousand dollars (\$200,000.00), the city council may, by passage of a resolution by a four-fifths vote, award the contract to the lowest responsive and responsible bidder up to an amount not to exceed two hundred twelve thousand five hundred dollars (\$212,500.00) if it determines the cost estimate of the city was reasonable. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.040)

3.04.240 Formal bidding procedures.

For those projects which qualify under Section [3.04.210](#)(C) for formal bidding, the following procedures shall be used:

A. Adoption of Plans. Prior to soliciting bids, unless otherwise delegated by the city council to the public works director, the city council shall approve and adopt the plans, specifications and working details, and authorize the bid request for all public work projects in excess of two hundred thousand dollars (\$200,000.00).

B. Notice. The city clerk shall prepare a notice inviting bids.

1. Contents of Notice. The notice inviting bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project.

2. Publication of Notice. The notice shall be published at least once fourteen (14) calendar days before the date of opening the bids in a newspaper of general circulation, which is circulated within the jurisdiction of the city.

3. Mailing of Notice. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified by the California Uniform Construction Cost Accounting Commission as appropriate for the area. The notice shall be mailed at least fifteen (15) calendar days before the date of opening the bids.

4. Other Notice. In addition to notice required by this section, the city may give other notice as it deems proper.

C. Bid Opening Procedure. Sealed bids shall be submitted to the city clerk's office and shall be identified as to bidder, project and bid on the envelope. Bids shall be opened by the city clerk's staff in public at the time and place stated and as described in the notice inviting bids. A written record and tabulation shall be made at that time of all bids received, and shall be open for public inspection during regular business hours for a period of two years after the bid opening. The public works director shall make an analysis of the bids for compliance with bid specifications and thereafter make a recommendation for award or rejection.

D. Award. Contracts shall be awarded by the city council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended, according to criteria designated in the solicitation. The council may waive minor bid irregularities. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.050)

3.04.250 Bonds.

A. The city shall require payment bonds for projects in excess of twenty-five thousand dollars (\$25,000.00) in accordance with California Civil Code Section [9550](#), as may be amended from time to time. The city council may require bid security or bid bonds and performance and/or warranty bonds from an acceptable surety in such amounts as it finds reasonably necessary to protect the public interest. If the city requires a bond, the form and amount of the bond shall be described in the notice inviting bids.

B. Unsuccessful bidders shall be entitled to the return of bid security within sixty (60) days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of its bid security, as may be determined by the council, upon the bidder's refusal or failure to execute the contract within ten (10) days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the city council may award the contract to the next lowest responsible bidder. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.060)

3.04.260 No bids received.

If no bids are received through the formal or informal procedure, the project may be performed by city employees by force account or by negotiated contract without further complying with this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.070)

3.04.270 Tie bids.

If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of readvertising for bids, the city council may accept

either bid or accept the lowest bid made by negotiation with the tied bidders. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.080)

3.04.280 Rejection of bids.

In its discretion, the council may reject any bids presented. If after the first invitation of bids all bids are rejected, the city shall state the reasons for the rejection and after reevaluating its cost estimates of the project, the city shall have the option of any of the following:

- A. Abandoning the project;
- B. Readvertising for bids in the manner described in this chapter; or
- C. By passage of a resolution by a four-fifths vote of the council declaring that the project can be performed more economically by city employees, may have the project done by force account without further complying with this chapter. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.090)

3.04.290 Emergencies.

A. In cases of emergency as defined in this chapter, the city, pursuant to a four-fifths vote of the council, may proceed at once to replace or repair any public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without adopting plans, specifications, working details, or giving notice for bids to provide contracts. The work may be done by day labor under the direction of the council, by contractor, or by a combination of the two.

B. The city manager may order any action under this section subject to the provisions of California Public Contract Code Section [22050](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.100)

3.04.300 Prevailing wages required.

Public works contracts are subject to prevailing wage requirements as set forth in Labor Code Section [1720](#) et seq., as may be amended from time to time. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.110)

3.04.310 Pre-qualification of bidders.

Prospective bidders on a public works contract may be required to be pre-qualified in accordance with procedures adopted by city council resolution, subject to the provisions of California Public Contract Code Section [20101](#). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.92.120)

Article 4

Professional Services

3.04.320 Award of professional service contracts based upon competence.

In contracting for those professional services as defined in Section [3.04.020](#), contracts should only be awarded to firms or persons who have demonstrated an adequate level of experience, competence, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required. Once the department requesting the service has determined a firm has an adequate level of competence, the cost of the service may be considered. However, the lowest cost may not be the sole factor in deciding which firm or who shall be awarded the contract. It may be in the city's best interest to award the contract to a higher priced professional services provider based on the scope of services available, unique skills, staffing levels, timing, prior experience, past working relationship and other factors required by the department or proposed by that professional services provider. The information needed for determining that level of competence, other qualifications and the procedure for selecting such services shall be determined by each city department responsible for recommending the professional service contract. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.93.010)

3.04.330 Request for proposal/qualification.

The acquiring of professional services shall be procured through negotiated contract and may include requests for proposals/qualifications. Contracting for professional services is decentralized and shall be the responsibility of the department head requesting the service. (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.93.020)

3.04.340 Contracting authority.

The city manager shall approve professional service or consulting contracts up to and including twenty-five thousand dollars (\$25,000.00). The city council shall approve professional service or consulting contracts greater than twenty-five thousand dollars (\$25,000.00). (Ord. 15-8 § 1 (Exh. A) (part): Ord. 01-14 (part): prior code § 2.93.030)



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Old Business

Subject: Consideration and proposed approval of a resolution approving and authorizing the City Manager to execute, enter into and carry out the terms of a Loan Agreement between the City of St. Helena and Our Town St. Helena in an amount not to exceed \$450,000 from the Affordable Housing Trust Fund (751) and Measure E Fund (752) for the acquisition of property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000)

CEQA Determination: Approval of resolution authorizing the Loan Agreement for the acquisition of 963 Pope Street is governed by Section 15310 of State CEQA Guidelines which exempts the approval of mortgages for the purchase of existing structures where the loan will not be used for new construction.

Prepared By: Michael G. Biddle, City Attorney

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

At its regular meeting of August 13, 2019, the City Council considered the request of Our Town St. Helena, a California non-profit public benefit corporation ("OTSH"), for a loan of four hundred fifty thousand and 00/100 dollars (\$450,000.00)(the "Loan") from the City's Housing Trust Fund (751) and Measure E Fund (752) to assist with the acquisition of real property located at 963 Pope Street, St. Helena, California (APN [11](#) 009-090-012-000; 009-090-013-000)("Property"). Note that the entirety of the Property presented to the Council and considered by it is comprised of two (2) adjacent legal parcels.

After considerable discussion regarding OTSH's request, and in recognition of the representation by OTSH that the date for close of the transaction related to the

purchase and sale of the Property was set for September 3, 2019, the City Council directed staff to return to the City Council at its next regular meeting of August 27, 2019, with documentation for its consideration that would provide OTSH with the requested Loan for acquisition of the Property. A copy of OTSH's proposal, updated to August 15, 2019, is enclosed with this report as Attachment 1.

[1] APN refers to assessor parcel number.

DISCUSSION

Exchange of Documentation

On Friday evening, August 16, 2019, OTSH provided drafts of a promissory note, deed of trust and subordination agreement for the proposed Loan, as well as copies of draft loan documents (i.e. promissory note and deed of trust) between OTSH and the proposed first lender, Rural Community Assistance Corporation ("RCAC").

On Sunday evening, August 18, 2019, OTSH provided information regarding the Property, including a preliminary title report, appraisal, property inspection report, Phase 1 environmental assessment, seller property questionnaire, transfer disclosure statement, flood map and FEMA elevation certificate. Review of the information regarding the Property did not uncover anything of concern.

On Monday morning, August 19, 2019, OTSH provided a copy of the purchase and sale agreement between OTSH and the current owner of the Property, the Faber Family Trust ("Owner"), dated July 18, 2019 (the "PSA"), and later that evening a draft Loan Agreement was provided.

On Wednesday evening, August 21, 2019, the City provided OTSH revisions to the Loan Agreement, Promissory Note, Deed of Trust and Subordination Agreement. Thereafter, on Thursday evening, August 22, 2019, a draft of the Affordable Housing Agreement was provided to OTSH by the City Attorney.

As of the preparation of this staff report no revisions have been received back from OTSH. Accordingly, the documents in the agenda packet are the same version as have been provided to OTSH by the City. Thus, it is possible that revisions will be requested by OTSH in advance of, or at the meeting on August 27, 2019.

Property

The Property is comprised of two (2) adjacent legal parcels of rectangular configuration, which taken together, provide eighty-five feet (85') of frontage on Pope Street, a depth of one hundred fifty feet (150') and approximately 12,750 square feet. One of the legal parcels, identified as APN 009-090-013-000, is sixty feet (60') by one hundred fifty feet (150'), for a total of 9,000 square feet. The other legal parcel, identified as APN 009-090-012-000, is twenty five feet (25') by one hundred fifty feet (150'), for a total of 3,750

square feet. The Property is currently improved with an approximately 966 square foot residential unit containing two bedrooms and one bath and a 480 square foot detached garage.

Based on an appraisal dated April 16, 2019, the legal parcel identified as APN 009-090-013-000 is valued at \$1,380,000. The appraisal does not include the legal parcel identified as APN 009-090-012-000. The appraisal indicates that the property being appraised is APN 009-090-013-000 and that the area of the subject property is approximately 8,216 square feet. Thus, it is evident on its face that the appraisal did not include or consider the value of APN 009-090-012-000, which is the smaller of the two adjacent parcels and is unimproved. Accordingly, it is safe to assume that the appraised value of the Property (i.e. both legal parcels) is in excess of \$1,380,000.

Loan Agreement

The Loan Agreement (Attachment 2) provides for a loan of four hundred fifty thousand and 00/100 dollars (\$450,000.00)(the "Loan") from the City's Housing Trust Fund (751) and Measure E Fund (752) to be used solely for the acquisition of real property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000)("Property"). No portion of the Loan may be used for purposes of development of the Property.

The Loan will not bear interest for the twenty four (24) month term of the Loan. At the expiration of the twenty four month term, the entire principal amount will become immediately due and payable. Failure to pay the Loan when due constitutes an Event of Default and will trigger simple interest at the rate of 5% per annum that will accrue as of the initial escrow closing date until paid. The Loan will be evidenced by a Promissory Note (Exhibit B to Attachment 2) in the amount of the Loan, and will be secured by a Deed of Trust (Exhibit C to Attachment 2) to be recorded against the Property.

Further, in relation to the loan to be provided by RCAC, the City's Loan will be junior to it and therefore the City, RCAC and OTSH will be executing a Subordination Agreement (Exhibit E to Attachment 2) that will make clear that the City's Loan is subordinate to the RCAC loan in terms of lien priority. Yet, to address concerns regarding the City's junior lien position and to provide the City an opportunity to protect its interest in the Property should OTSH not be able to perform, the following language was inserted in the draft Subordination Agreement. It should be noted that neither RCAC nor OTSH have commented thereon.

City, Lender and Borrower recognize that the reason City and Lender are making the Lender Loan and City Loan to Borrower is to facilitate the purchase of Property by Borrower who intends to then seek approvals for the development of affordable housing. In the event Borrower cannot repay the Lender Loan by the time the obligation becomes due, then Lender agrees to provide to City 60 days prior notice of its intent to issue a notice of default under the terms of the Lender Loan and Lender Deed of Trust for the purpose of allowing sufficient time for (i)

City to acquire the Property from Borrower, and Borrower hereby agrees to sell said Property to City at a price not to exceed the then current balance due under the Lender Loan, with City responsible for all closing costs, or (ii) for City, Lender and Borrower to reach a mutual agreement to sell the Property at a price sufficient to pay off the balance due under the City Loan and Lender Loan. In the event Borrower cannot repay the City Loan by the time the obligation becomes due, then upon notice from City, Borrower hereby agrees to convey said Property to City in exchange for City's release of Borrower for all sums due under the City Loan, and City assumes all rights and obligations under the Lender Loan and Lender hereby agrees to such assignment by Borrower to City and assumption by City.

Affordable Housing Agreement

The source of the Loan is the City's Housing Trust Fund (751) and Measure E Fund (752) which is to be used solely to increase and improve the supply of housing affordable to households of moderate, low and very low income households. (Section 17.146.030.D.1. and Section 3.28.025 of Chapter 3.28 of Title 3 of the St. Helena Municipal Code). The purpose and intent of the Affordable Housing Agreement is to ensure that the purpose for which the Loan was provided is adhered to and that the City has the legal means to enforce the promises made by OTSH.

Accordingly, as provided in the Affordable Housing Agreement, the Property will be used solely for the use, operation and development of affordable housing in compliance with the requirements set forth in the Agreement. Until the date which is fifty-five (55) years following the date on which the Agreement is recorded in the official records of Napa County, (i) the existing residential unit that is located on the Property shall be occupied or held available for occupancy by a low income household at an affordable rent as defined, and (ii) if OTSH obtains entitlements to develop the Property, any future residential units on the Property shall be occupied or held available for occupancy by moderate, low or very low income households at an affordable rent. Further, the Agreement acknowledges and provides that if OTSH does seek and obtain land use entitlements necessary to develop a future housing project on the Property, and thereafter proceeds to develop and construct additional residential units on the Property, this Agreement will be replaced by a more detailed affordable housing regulatory agreement to be entered into by City and OTSH prior to commencement of construction of the future housing project on the Property.

Finally, the Agreement provides that, to the extent not in violation of state or federal law fair housing law, OTSH will give preference in the rental of affordable units to eligible households with one or more occupants employed within the City of St. Helena.

It should also be noted that the revisions to the Subordination Agreement provided by the City Attorney to OTSH and RCAC provides that the Affordable Housing Agreement will not be subordinated to any financing on the Property. Accordingly, the Subordination Agreement provides that the lien of the RCAC loan will be subordinated to the Affordable Housing Agreement.

CEQA

Approval of a resolution by the City Council authorizing the Loan Agreement for the acquisition of 963 Pope Street is governed by Section 15310 of State CEQA Guidelines which exempts the approval of mortgages for the purchase of existing structures where the loan will not be used for new construction. As provided in the Loan Agreement the monies advanced by the City may only be used for the acquisition of the Property and may not be used for any development activity. Accordingly, the approval of the Loan Agreement is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15310, which exempts “mortgages for the purchase of existing structures where the loan will not be used for new construction”.

It should also be noted that Section 13 of the Loan Agreement provides that by execution of the Loan Agreement the City is not committing itself to, or agreeing to, undertake any other act or activity requiring the subsequent independent exercise of discretion by the City in connection with any particular development application that may be submitted by OTSH for the Property. Therefore, the City has reserved to itself complete discretion in accordance with law in connection with any development application submitted by Borrower for the Property.

FISCAL IMPACT

Approval of the Loan Agreement will obligate the Affordable Housing Trust Fund (751) and Measure E Fund (752) to provide the Loan of four hundred fifty thousand and 00/100 dollars (\$450,000.00), which is currently available.

RECOMMENDED ACTION

Staff recommends City Council adopt the attached resolution (Attachment 3) authorizing the City Manager to execute, enter into and carry out the terms of the Loan Agreement between the City of St. Helena and Our Town St. Helena in an amount not to exceed \$450,000 from the Affordable Housing Trust Fund (751) and Measure E Fund (752) for the acquisition of property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000).

ATTACHMENTS

[Attachment 1 - 963 Pope St. Overview REV81519](#)

[Attachment 2 - OTSH Loan Agreement Pope St.](#)

[Exhibit B 963 Pope St. Loan - OTSH Promissory Note Pope St 81919](#)

[Exhibit C 963 Pope St. Loan - OTSH Deed of Trust Pope St 81619](#)

[Exhibit D to Loan Agreement - Budget](#)

[Exhibit E 963 Pope St. Loan - OTSH Subordination Pope St 81619](#)

[Exhibit F 963 Pope Street - Affordable Housing Agreement](#)

[Attachment 3 963 Pope Street - Housing Trust Fund Loan Agreement - Resolution](#)

Revised 8/15/19



Project	693 Pope Street, St. Helena, CA 94574 APN: 009-090-012-000 and 009-090-013-000 Census Tract: 201601
Sponsor	Our Town St. Helena (OTSH), a 501.c.3 corporation
Project Description	• An in-fill project to transform a lot with one single family house into up to five rental units suitable for local workers, seniors and/or small families • Construction of up to four 900 sq. ft. units each to include one bedroom, one loft and two bathrooms plus a one-car garage space
Proposed Acquisition Funding	• \$544,000 two-year, 5.25% loan from Rural Community Assistance Corporation (RCAC) - includes \$144,000 for pre-dev expenses • \$450,000 two-year, 0% loan with deferred payment from the City of St Helena Affordable Housing Trust Fund subordinated to RCAC loan • RCAC may also provide construction funding • The City will not lose RHNA credits with this financing package
Lot	• Two parcels - total 85' x 150' = 12750 sq. ft or .29 acre • Zoned Medium Density = 16 units max per acre; 5 units allowed • May require a conditional use permit • Currently has one 784 sq. ft. house in good condition plus two-car garage and storage sheds • Lot has driveway access from Pope Street on both sides • Lot is in the Flood Plain and could require mitigation during construction
Design/Feasibility:	• Demo all structures except for house • No change to house • New double garage for house in front of property • Build up to four 2-story-plus-loft townhomes across back of property

Revised 8/15/19

	• Create horseshoe shaped driveway to service all five units and provide emergency access to rear units • Plan may require concessions for setback and height restrictions • Front house will have two-car garage; back units will have one covered parking space each • Will request release from water neutrality policy because of 100% affordable housing		
Projected Unit Mix:	• Existing home will be rented at 80% AMI during construction • Four new units will rent between 60% and 80% • With supplemental funding, one or more Very Low Income units could be included • Actual break down will depend upon requirements of funding sources		
Preliminary Estimated Cost	• Total Project Cost: \$2,706,490 • Cost per Unit: \$541,298 • Ongoing Operating Expense: \$4,360 per unit per year • Annual Rent Income: \$95,508 • Debt Ratio Coverage: 1.15 - Year One to 1.43 - Year Eleven • See Sources and Uses below • Note: Smaller, in-fill projects cost more to build and manage than larger complexes		
Timeline	Q3 2019: Land Acquisition; Secure Predevelopment Financing Q4 2019: Public Engagement; Planning Commission/City Council Approval; Finalize Construction Financing Q1 2020: Construction Drawings; Estimates, Q2 2020: Final Approvals, Contractor Selection Q3 2020: Begin Construction Q3 2021: Certificate of Occupancy for four new units		
Next Steps:	1. Secure City acquisition financing and RCAC acquisition and initial pre dev financing 2. Prepare design to meet City zoning requirements and complete development funding applications 3. Rent existing house		
Contacts	Mary Stephenson , President stepcomm@aol.com 707 849 25	John Sales , Treasurer jsales57@sbcglobal.net 707 963 2627	Erica R. Sklar , Operations Mgr. sklarer@gmail.com 707 738 2294

SOURCES AND USES

OTSH Revised 8/15/19

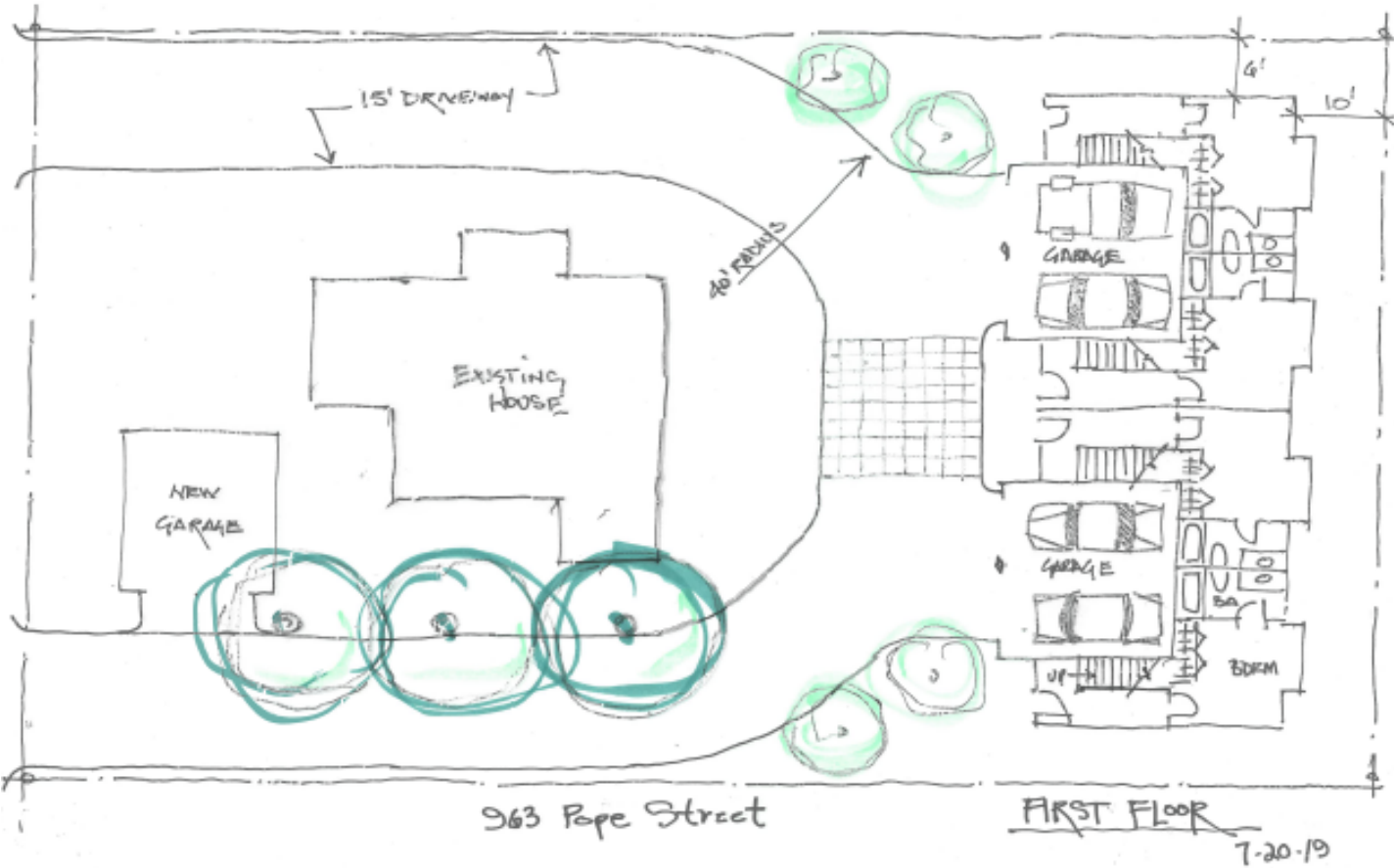
Revised 8/15/19

SOURCES				USES			
	Total	Per Unit	Percent		Total	Per Unit	Percent
1 Max Conventional Loan:	\$983,346	\$196,669	36%	Land Acquisition	\$855,000	\$171,000	32%
2 AHP Subsidy:	\$60,000	\$12,000	2%	Construction	\$1,146,216	\$229,243	42%
3 Local Governments and Silicon Valley Housing Trust	\$950,000	\$190,000	35%	Development & Planning costs	\$407,406	\$81,481	15%
4 Competitive soft loan	\$626,739	\$125,348	23%	Subtotal:	\$2,408,622	\$481,724	89%
5 Local Grants - TBD	\$0	\$0	0%	Construction premium for public financing	\$185,664	\$37,133	7%
6 Owner equity loan	\$26,406	\$5,281	1%	Public Financing costs	\$112,204	\$22,441	4%
7 Other - 2yr net rental income	\$60,000	\$12,000	2%				
GAP:	(\$0)	(\$0)	0%				
8 Total Permanent Sources	\$2,706,490	\$541,298	100%	Total all Costs:	\$2,706,490	\$541,298	100%

- 1 Max Conventional. Loan: based on NOI before debt service of \$66,913 and 1.15 DCR
- 2 AHP Subsidy: \$15,000 per unit average based on other competitive applications
- 3 Local Government: \$450,000 from City of St Helena and \$500,000 from County trust funds
- 4 **Competitive Subsidy Sources:** There are several competitive funding sources for affordable housing. This estimate is based on HOME 2019 Subsidy Limits per Unit, which shows this project could request \$626,739 for 3 units. Each potential funding source has unique subsidy limits and AMI limits. Many competitive funding sources have successfully funded Napa projects in the past.
- 5 **Local Grants or other subsidy:** Other competitive sources of funds can be solicited in addition to or in place of subsidy loan funds.
- 6 Owner Equity: This takes some of the developer fee that is paid to the nonprofit to cover development costs and adds it back into the deal as a loan that can be repaid from cash flow if there is cash flow in the future.
- 7 Other - 2 year net rental income: Assumption is that the existing home can be rented at 120% AMI immediately and its net cashflow added back into the project.
- 8 Total Project Costs: See break out and assumptions for project costs

Revised 8/15/19

Conceptual Floor Plan



s - 683 Pope Street

OTSH Revised 8/15/19

Revised 8/15/19

Conceptual Floor Plans - 683 Pope Street



**CITY OF ST. HELENA
HOUSING TRUST FUND AND MEASURE E FUND LOAN AGREEMENT**

This Housing Trust Fund and Measure E Fund Loan Agreement is made and entered into effective as of this ____ day of September, 2019, by and between the City of St. Helena, a California municipal corporation (“**Lender**”), having a mailing address of 1480 Main Street, St. Helena, California 94574, and Our Town St Helena, a California non-profit public benefit corporation (“**Borrower**”), having a mailing address of P.O. Box 94, St. Helena, California 94574 (hereinafter, the “**Loan Agreement**”). Lender and Borrower are sometime referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

The Borrower has applied for a loan from Lender’s Housing Trust Fund to acquire real property located at 963 Pope Street, St. Helena, California and more particularly described in **Exhibit A** attached hereto and made a part hereof (hereinafter, the “**Property**”). The Property is comprised of two legal parcels identified as Assessor Parcel No. 009-090-013-000 (hereinafter, the “**Tract One Parcel**”), and Assessor Parcel Nos. 009-090-012-000 (hereinafter, the “**Tract Two Parcel**”).

In consideration of the mutual promises undertaken herein, the Parties mutually agree as follows:

1. *Effective Date and Term.*

This Loan Agreement shall be effective as of the date executed by Lender as indicated in the signature block below (the “**Effective Date**”), and shall continue thereafter until the Principal Amount has been paid in full to Lender.

2. *Loan Terms*

Lender agrees to make a loan to Borrower from its Housing Trust Fund and Measure E Fund (hereinafter, the “**Loan**”), in the principal sum of Four Hundred Fifty Thousand Dollars and 00/100 Dollars (\$450,000.00)(hereinafter, the “**Principal Amount**”). The Loan shall have a term of twenty four (24) months from the Escrow Closing Date and all unpaid sums of the Principal Amount shall become immediately due and payable twenty four (24) months from the Escrow Closing Date.

Borrower agrees to execute a promissory note in the amount of the Principal Amount bearing interest at the rate of zero percent (0%) per annum (hereinafter, the “**Promissory Note**”), in the form attached hereto as **Exhibit B** attached hereto and made a part hereof.

3. *Security*

The Promissory Note shall be secured by a deed of trust (hereinafter, the “**Deed of Trust**”), in the form attached hereto as **Exhibit C** attached hereto and made a part hereof, pursuant to which Borrower will provide Lender a junior lien position behind Rural Community Assistance Corporation, a California non-profit public benefit corporation (“**RCAC**”), which will maintain a senior lien in the Property.

4. *Loan Documents*

Collectively, the agreements, instruments, certificates, opinions and other documents governing, evidencing, securing, related to, executed or delivered in connection with the Loan, including without limitation, this Loan Agreement, Promissory Note, Deed of Trust, Subordination Agreement, Affordable Housing Agreement, Budget and escrow instructions of the Parties are hereinafter referred to as the “**Loan Documents**”.

5. *Purpose of Loan*

The purpose of the Loan is for the acquisition of the Property. In no event shall any portion of the Loan be used by Borrower to develop the Property.

6. *Conditions Precedent to Disbursement of Loan*

The proceeds of the Loan shall be disbursed to the Borrower in a single advance. The Loan shall be disbursed by a date no later than September 3, 2019 (“**Escrow Closing Date**”), or such other date agreed to by Lender but in no event beyond September 30, 2019 (“**Outside Escrow Closing Date**”). The obligation of the Lender to make the Loan shall be subject to the fulfillment and satisfaction by the Borrower of all of the conditions set forth in this Loan Agreement and the following:

(a) Borrower shall have provided to the Lender an ALTA Extended Coverage Lender's Policy with such endorsements as the Lender may require, issued by a title insurance company acceptable to the Lender, in an amount equal to the Principal Amount, and in a form and content satisfactory to the Lender insuring that the Lender's Deed of Trust on the Property is, or will be upon its recordation be, a valid second priority lien on the Property free and clear of all defects, liens, encumbrances, and exceptions except as to those approved by the City Manager and/or City Attorney of Lender, including the first lien of RCAC in the maximum amount of Five hundred forty four thousand and 00/100 Dollars (\$544,000.00) (“RCAC Loan”);

(b) Unless waived by Lender in writing, Borrower shall deliver to Lender the insurance policies or evidence thereof as described in the Deed of Trust;

(c) There shall not exist on the Escrow Closing Date a condition which would constitute an Event of Default under this Agreement;

(d) Each of the representations and warranties of the Borrower set forth in Section 7 shall be true and correct;

(e) Prior to or currently with the Escrow Closing Date, the Borrower shall have executed, and acknowledges as appropriate, all of the Loan Documents; and

(f) Borrower has taken all necessary action to approve the Loan and the transactions contemplated under this Loan Agreement, that the Loan, the Loan Agreement and each of the Loan Documents, are properly executed and acknowledged by the Borrower and each evidences a valid, lawful and binding obligation of the Borrower, and such other matters as required by the Lender.

Provided that all of the aforementioned conditions have been satisfied, the Lender shall disburse the sum of \$450,000.00 on or before the Escrow Closing Date.

7. *Representations and Warranties of Borrower*

Borrower represents and warrants to Lender, as of the date of this Loan Agreement and at all times that any balance of the Loan is outstanding:

(a) Borrower is and shall maintain during the period of time when any Principal Amount of the Loan may remain outstanding its status as a California non-profit public benefit corporation, duly organized and existing and authorized to transact business in California and the Borrower has previously qualified as a 501 (c)(3) tax exempt entity under applicable federal tax laws;

(b) the corporate charter and by-laws of the Borrower authorize the Borrower to enter into this Loan Agreement and to undertake the affordable housing preservation, operation and development activities contemplated hereunder, and the governing board and membership of the Borrower has previously taken all action necessary to authorize the execution of this Loan Agreement by the Borrower;

(c) the Borrower is qualified to undertake and complete the affordable housing preservation, operation and development activities contemplated under this Loan Agreement;

(d) the Borrower has conducted a due diligence inquiry and investigation of the environmental condition of the Property relating to the potential presence of Hazardous Substances and the use thereon of Hazardous Substances and based upon such inquiry, the Borrower represents to Lender that as of the Escrow Closing Date, the Borrower is unaware of any adverse environmental conditions relating to the presence or potential presence of Hazardous Substances in, on, under or upon the Property;

(e) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened and no other event has occurred which may materially adversely affect Borrower's financial condition, or the Property;

(f) Borrower has, as of the Escrow Closing Date, good and marketable title to the Property free and clear of all defects, liens, and encumbrances, excepting only liens for taxes, assessment, or governmental charges or levies not yet delinquent or payable without penalty or interest and such liens and encumbrances as may be approved in writing by the Lender prior to the Escrow Closing Date, including the RCAC Loan;

(g) no tenant in lawful possession of the Property shall be in arrears in its rental obligation to the Borrower unless Borrower has initiated reasonable measures acceptable to Lender to correct such arrearage in rent, and each rental agreement is in full force and effect without any other default by the renter unless Borrower has initiated reasonable measures to obtain the cure of any such other default;

(h) the information set forth in the Budget, attached hereto as **Exhibit D** and made a part hereof, generally describes the proposed housing improvements and activities to be undertaken by the Borrower, and such Budget provides that the Loan is to be used

solely to acquire the Project. The Borrower shall not materially alter or modify the programs set forth in the Budget without consent of the Lender;

(i) Borrower is not in default under any other loans or obligations which it may have;

(j) Borrower understands and agrees that the Lender is relying upon the above representations and warranties in extending the Loan to Borrower. Borrower further agrees that the foregoing representations and warranties shall be continuing in nature and shall remain in full force and effect until such time as the Loan and Promissory Note shall be paid in full, or until the Loan Agreement is terminated, whichever is the last to occur.

8. *Affirmative Covenants of Borrower*

Borrower covenants and agrees with Lender that while this Loan Agreement is in effect, Borrower will:

(a) promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower which could materially affect the financial condition of Borrower;

(b) maintain its books and records in accordance with generally accepted accounting principles, applied on a consistent basis and permit the Lender to examine and audit Borrower's books and records at all reasonable times;

(c) furnish such additional information and statements, list of assets and liabilities, agings of receivables and payables, inventory schedules, budgets, forecasts, tax returns, and other reports with respect to Borrower's financial condition and business operations which the Lender may request from time to time;

(d) comply with all laws, ordinances, and regulations, now or hereafter in effect of governmental authorities applicable to the use or occupancy of the Property including without limitation "Environmental Laws" as defined below. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in the Lender's sole opinion, the Lender's interests in the Property are not jeopardized. The Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect the Lender's interest;

(e) use the proceeds of the Loan solely for the purposes of acquiring the Property;

(f) pay and discharge when due all of Borrower's other indebtedness, obligations, and claims (exclusive of the Deed of Trust) which, if unpaid, might become a lien or charge upon the Property, including the RCAC Loan; provided, however, that Borrower shall not be required to pay and discharge any such indebtedness, obligation, or claim so long as (1) its legality is being contested by Borrower in good faith by appropriate proceedings, (2) the indebtedness, obligation, or claim does not become a lien or charge upon any of the Property, and (3) Borrower shall have established on its books

adequate reserves with respect to the amount contested in accordance with generally accepted accounting practices;

(g) perform and comply with all terms, conditions, and provisions set forth in this Loan Agreement and in all other instruments and agreements between Borrower and Lender, including without limitation the Promissory Note, Deed of Trust, Affordable Housing Agreement and Subordination Agreement, and in all other loan documents now or hereafter existing between Borrower and RCAC, and any other party. Borrower shall notify Lender immediately in writing of any default in connection with any such agreement;

(h) make, execute, and deliver to Lender such security agreements, instruments, documents, and other agreements reasonably necessary to document and secure the Loan and to perfect the security interest of the Lender in the Property;

(i) maintain and undertake any improvements to the Property in a good and workman-like manner;

(j) to use the proceeds realized by the rental of the existing residential unit on the Tract One Parcel of the Property for the development of affordable residential units on the Property.

Borrower shall provide Lender with written confirmation that it is in compliance with this covenant annually, until this Loan Agreement is terminated.

9. *Negative Covenants*

Borrower covenants and agrees with Lender that while this Loan Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

(a) **Indebtedness and Liens.** (1) Incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, or lease any of the Property (except for leases of the existing residential dwelling unit on the Tract One Parcel of the Property to income qualified tenants in accordance with the Affordable Housing Covenant), (3) grant a security interest in, or encumber any of Borrower's assets, or (4) sell with recourse any of Borrower's accounts.

(b) **Continuity of Operations.** (1) engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change ownership, change its name, dissolve or transfer or sell any property or assets out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

(c) **Loans, Acquisitions and Guaranties.** (1) loan, invest in or advance money or assets to third-parties, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

(d) **Liens.** Create or allow to be created any lien or charge upon the Property, except for liens and charges in favor of Lender and RCAC.

(e) **Hazardous Substances.** Use, store, dispose of or release, or permit the use, storage, disposal or release, of any Hazardous Substance in, on, under or about the Property, except to the extent the same is in strict compliance with all applicable Environmental Laws. For purposes of this Loan Agreement, "Hazardous Substance," shall mean (1) any chemical, compound, material, mixture or substance that is now or hereafter defined or listed in, or otherwise classified pursuant to, any Environmental Laws (defined below) as a "hazardous substance," "hazardous material," "hazardous waste," "extremely hazardous waste," "infectious waste," "toxic substance," "toxic pollutant" or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity or "EP toxicity" and (2) any petroleum product, natural gas, natural gas liquids, liquified natural gas and synthetic gas usable for fuel (or mixtures of natural gas such as synthetic gas) which is not stored in a motor vehicle for use in the regular course of operation of such motor vehicle. For purposes of this Loan Agreement, "Environmental Laws" shall mean any and all present and future federal, state and local laws (whether under common law, statute, rule, regulation or otherwise), requirements of permits issued with respect thereto, and other requirements of governmental authorities relating to the environmental regulation of any Hazardous Substance, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sections 9601, et seq.) ("CERCLA") and the applicable provisions of the California Health and Safety Code and the California Water Code, all as heretofore or hereafter amended from time to time.

10. *Other Financing*

The Loan shall be secured by the Deed of Trust recorded against the Property and junior in lien priority to the senior lien deed of trust to be held by RCAC. No other deeds of trust or liens shall be recorded against the Property at the Escrow Closing Date. Borrower certifies that no other liens, including mechanic liens, are or will be recorded against the Property without the prior written consent of Lender, which consent may be withheld in Lender's sole discretion. Further, Borrower shall not increase the amount of the lien of the deed of trust held by RCAC without the prior written consent of Lender, which consent may be withheld in Lender's sole discretion.

11. *Subordination*

Lender will subordinate the lien of its Deed of Trust to the lien of the senior lender, RCAC, as more particularly set forth in the Subordination Agreement attached hereto as **Exhibit E**. The foregoing notwithstanding, the lien of the Affordable Housing Agreement, in the form attached hereto as **Exhibit F**, shall not be subordinated to any lien on the Property. Accordingly, said Subordination Agreement shall provide for the subordination of the lien of the senior lender, RCAC, to the lien of the Affordable Housing Agreement.

12. *Prepayment Rights*

Borrower may prepay the Loan either in whole or in part without penalty. However, Borrower must provide Lender with written notice at least five (5) days prior to prepayment.

13. *Limitations of this Loan Agreement.*

This Loan Agreement shall not obligate Lender, acting in its regulatory capacity, to approve any particular development application submitted by Borrower for the Property. By execution of this Loan Agreement, Lender is not committing itself to, or agreeing to, undertake any other act or activity requiring the subsequent independent exercise of discretion by the Lender. Execution of this Loan Agreement by Lender is merely an agreement to loan money to Borrower for the acquisition of the Property, which action is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15310, which exempts “mortgages for the purchase of existing structures where the loan will not be used for new construction”. Accordingly, Lender and Borrower agree that Lender reserves to itself complete discretion in accordance with law in connection with any development application submitted by Borrower for the Property.

14. *Affordable Housing Agreement*

Borrower shall cause to be recorded the Affordable Housing Agreement which shall affect Borrower's title in the Property. The Affordable Housing Agreement contains certain affordable rental housing regulatory and affordability covenants which shall run with the land and the Property for a term of fifty five (55) years following its recordation. The text of the Affordable Housing Agreement is incorporated into this Loan Agreement by this reference. During the term of this Loan Agreement, any amendment of the Affordable Housing Agreement shall be subject to the prior written approval of the Lender.

The Affordable Housing Agreement provides for (i) the rental of the existing residential unit located on the Tract One Parcel of the Property at an Affordable Rent to a Low Income Household, and (ii) any new residential units developed on the Property to be rented at an Affordable Rent to Low Income Households.

15. *No Joint Venture*

Nothing in this Loan Agreement shall be construed to constitute the creation of a partnership or joint venture between Lender and Borrower. The Lender is not an agent or representative of Borrower and the Borrower is not an agent or representative of Lender. This Loan Agreement does not create a contractual relationship with and shall not be construed to benefit or bind the Lender in any way with or create any contractual duties by Lender to any contractor, subcontractor, materialman, laborer, or any other person retained or hired by Borrower.

16. *Default*

On the occurrence of any Event of Default, the Lender, at its sole election, may declare all sums advanced upon the Loan to be immediately due and payable, with simple interest at the rate of five percent (5%) per annum from the Escrow Closing Date until paid in full (“**Default Interest**”), and may proceed at once, without notice to Borrower, to exercise all rights and remedies provided in the Promissory Note, Deed of Trust or as otherwise provided by law to secure payment in full of all monies due Lender. Nothing herein shall preclude Lender, in the exercise of its reasonable discretion, from waiving all or any

portion of the Default Interest. Each of the following occurrences shall constitute an Event of Default:

- (a) Failure to comply with any term or condition provided herein;
- (b) Failure of Borrower to comply with any term or condition provided in the Promissory Note, Deed of Trust, Subordination Agreement, and/or Affordable Housing Agreement;
- (c) Borrower's default on any existing lien secured by the Property, including the RCAC loan or any subsequent lien on the Property;
- (d) Submission or making of any report, statement, warranty, or representation by Borrower or agent in its behalf to Lender in connection with the financial assistance awarded hereunder which is false, incomplete, incorrect or misleading;
- (e) Borrower's tax-exempt status is revoked, and Borrower has exhausted all remedies and appeals relating thereto;
- (f) Any deterioration, loss, theft, substantial damage, destruction or depreciation in the value or market price of the Property securing the Loan, that causes the Property in the judgment of Lender to become unsatisfactory as to character or value;
- (g) The recording of any mechanics' lien or any judgment against the Borrower or the issuance or entry of any attachment against the Property and not discharged or dismissed within thirty (30) days from date of entry thereof;
- (h) The Borrower becoming insolvent or bankrupt or being unable or admitting in writing its inability to pay its debts as they mature or making a general assignment for the benefit of or entering into any composition or arrangement with creditors;
- (i) Proceedings for the appointment of a receiver, trustee, or liquidator of the assets of the Borrower or a substantial part thereof, being authorized or instituted by or against the Borrower;
- (j) Proceedings under any bankruptcy, reorganization, readjustment of debt, insolvency, dissolution, liquidation or other similar law or any jurisdiction being authorized or instituted against the Borrower;
- (k) Borrower's failure to pay when due any and all amounts due under this Loan Agreement and Promissory Note;
- (l) Borrower ceases to be the legal owner of the Property; or
- (m) Borrower commits or permits any illegal act to be conducted on the Property.

17. Severability

All provisions and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court of law, this Loan Agreement shall be

interpreted as if such invalid provisions and covenants were not contained herein, and all remaining provisions not affected by said ruling shall remain in full force and effect.

18. *Indemnity; Hold Harmless*

Borrower agrees to defend, indemnify and hold Lender harmless under this Loan Agreement as follows:

(a) **General Indemnity.** Borrower shall indemnify, defend with counsel selected by the Lender, protect and hold the Lender, and its officials, officers, employees, agents and successors, harmless from and against any and all claims, losses, liabilities, fines, penalties, damages, actions, judgments, costs and expenses (including attorneys' fees and expenses) asserted against them, or any of them, by any person, entity, or governmental body, arising out of or in connection with the use, operation or ownership of the Property by the Borrower or its agents, employees, tenants or permittees. The Lender shall be entitled to appear in any action or proceeding to defend itself against such claims, and all costs incurred by the Lender in connection with such defense, including attorneys' fees, shall be paid by Borrower to the Lender. Borrower shall not be required to indemnify, protect, defend, or hold harmless Lender from and against any claims, losses, liabilities, fines, penalties, damages, actions, judgments, costs and expenses (including attorneys' fees and expenses) arising out of the negligent acts or omissions of Lender, and its officials, officers, employees, agents and successors.

(b) **Special Environmental Indemnity.** Borrower shall indemnify, defend with counsel selected by the Lender, protect and hold harmless the Lender, and its officials, officers, employees, agents and successors (collectively, "Indemnified Parties" or singularly, "Indemnified Party") from and against all claims, damages (including without limitation, special and consequential damages), punitive damages, injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal and administrative proceedings, interest, fines, charges, penalties and expenses (including without limitation (1) attorney's, engineer's, consultant's and expert witness fees and costs incurred in defending against any of the foregoing or in enforcing this indemnity and (2) any diminution in the value of the Property) of any kind whatsoever paid, incurred or suffered by any Indemnified Party, or asserted against the Property, directly or indirectly arising from or attributable to (i) any breach by the Borrower of any of its agreements, representations or warranties set forth in Section 7(d) or Section 9(e), or (ii) any repair, cleanup, remediation, detoxification, closure or preparation and implementation of any plan therefor undertaken by any Indemnified Party concerning Hazardous Substances on, under or about any of the Property. The foregoing indemnity shall apply whether acts of any Indemnified Party are undertaken because of proceedings initiated by any federal, state or other government authority or by any private persons(s). The foregoing indemnity is intended by the parties to be an agreement pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9607(e) and California Health and Safety Code Section 25364.

(c) **Special Covenant to Give Notice to Lender.** The Borrower shall promptly give the Lender (i) a copy of any notice, correspondence or information the Borrower receives from any federal, state or other government authority regarding Hazardous Substances on, under or about the Property or regarding any actions, instituted, completed or threatened by any such governmental authority concerning Hazardous Substances which affect or may affect the Property, (ii) written notice of any knowledge or

information the Borrower obtains regarding Hazardous Substances on, under or about the Property or expenses or losses incurred or expected to be incurred by the Borrower, third party or any government agency to study, assess, contain or remove any Hazardous Substances on, under or about the Property for which expense or loss the Borrower may be liable or for which a lien may be imposed on the Property, and (iii) written notice of all claims made or threatened by any third party (other than government authority) against the Borrower or the Property relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Substance.

19. *Successors and Assigns*

All warranties, representations, and covenants made by Borrower in this Loan Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Loan Agreement shall be considered to have been relied upon by Lender and will survive the making of the Loan and delivery to Lender of the Loan Documents, regardless of any investigation made by Lender. All warranties, representations, and covenants made by Borrower in this Loan Agreement shall bind its successors and assigns and shall inure to the benefit of Lender, and its successors and assigns. Borrower shall not, however, have the right to assign its rights under this Loan Agreement or any interest therein, without the prior written consent of Lender.

20. *Waiver*

The Lender shall not be deemed to have waived any rights under this Loan Agreement or the Loan Documents, either orally or by a course of conduct, but only if such waiver is given in writing and signed by the Lender. No delay or omission on the part of the Lender in exercising any right shall operate as waiver of such right or any other right. A waiver by Lender of a provision of this Loan Agreement or the Loan Documents shall not prejudice or constitute a waiver of the right of Lender otherwise to thereafter demand strict compliance with that provision or any other provision of this Loan Agreement or the Loan Documents. No prior waiver by Lender shall constitute a waiver of any of the rights of the Lender or of any obligations of Borrower as to any future transactions. Whenever the consent of Lender is required under this Loan Agreement or Loan Documents, the granting of such consent by Lender in any instance shall not constitute continuing consent in subsequent instances where such consent is required, and in all cases, such consent may be granted or withheld in the sole discretion of Lender.

21. *Notices*

All notices, requests, demands and other communications required or permitted to be given under the terms of this Loan Agreement by one party to the other shall be in writing addressed to the recipient party's Notice Address set forth below and shall be deemed to have been duly given or made (a) if delivered personally (including by commercial courier or delivery service) to the party's Notice Address, then as of the date delivered (or if delivery is refused, on presentation), or (b) if mailed by certified mail to the party's Notice Address, postage prepaid and return receipt requested, then at the time received at the party's Notice Address as evidenced by the return receipt, or (c) if mailed by first class mail to the party's Notice address, postage prepaid, then on the third (3rd) business day following deposit in the United States Mail. Any party may change its Notice Address by

a notice given in the foregoing form and manner. The Notice Addresses of the parties are:

TO LENDER:

City of St. Helena
1480 Main Street
St. Helena, California 94574
Attn.: City Manager
(707) 968-2744

TO BORROWER:

Our Town St. Helena
P.O. Box 94
St. Helena, California 94574
Attn.: Mary Stephenson
(707) 849-2583

22. *Scope of Agreement*

This Loan Agreement and any supplement attached hereto sets forth the entire understanding of the Parties. No modification or waiver of any provision of this Loan Agreement shall be effective unless the same shall be in writing, and signed by the Parties hereto. The transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of California. Venue for any proceeding to enforce or interpret the terms of any of the Loan Documents shall be in Superior Court of the County of Napa.

23. *Acceptance*

All obligations of Lender hereunder shall terminate and be of no further force and effect, if the Loan is not closed on or before the Outside Escrow Closing Date, unless otherwise agreed to in writing by Lender.

24. *Counterparts*

This Loan Agreement may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute but one and the same instrument.

25. *Discrimination Prohibited*

The Borrower covenants and agrees that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or disability in the use, operation, occupation, lease, sublease, transfer or sale of the Property, nor shall the Borrower, or any third party related to the Borrower establish or permit any such practice of discrimination or segregation to occur on the Property in connection with the selection, location, number or occupancy of residents in any of the residential dwelling units on the Property.

*City of St Helena/OTSH Loan Agreement
Page 11 of 14*

IN WITNESS WHEREOF, Borrower and Lender have executed this Loan Agreement as of the dates set forth below and effective as of the date executed by Lender.

Borrower's Acceptance:

***Our Town St. Helena, a California
non-profit public benefit corporation***

Date: _____

Mary Stephenson
Board President

Lender's Acceptance:

***City of St. Helena, a California
municipal corporation***

Date: _____

Mark T. Prestwich
City Manager

“Effective Date”

Exhibit A – Property Legal Description

Exhibit B – Promissory Note

Exhibit C – Deed of Trust

Exhibit D – Budget

Exhibit E - Subordination Agreement

Exhibit F – Affordable Housing Agreement

OAK #4849-8088-4130 v2
05829-0068

EXHIBIT A

The land described herein is situated in the State of California, County of Napa, City of Saint Helena, described as follows:

TRACT ONE:

PARCEL ONE:

Commencing at the most Western corner of a lot heretofore conveyed by George Chase and wife to one Mrs. F. M. Woodward, by Deed recorded December 12, 1884, in [Volume 35 of Deeds, at page 387](#), Napa County Records; thence running along the South Westerly line of lot so conveyed to Mrs. F. M. Woodward, South 38 degrees 30' East 150 feet; thence South 51 degrees 30' West parallel with Pope Street and 150 feet distant therefrom, 60 feet; thence North 38 degrees 30' West 150 feet to the Southeasterly line of Pope Street; thence along said Southeasterly line of Pope Street North 51° 30' East 60 feet to the point of commencement.

APN: 009-090-013

PARCEL TWO:

A non-exclusive easement for drainage pipe as granted to Wyatt H. Ensminger, et al in the document recorded October 19, 1956 in [Book 526 at page 149](#) of Official Records.

TRACT TWO:

Commencing at a point on the Southeastern line of Pope Street, distant thereon South 51 degrees 30 minutes West 60.0 feet from the most Western corner of a lot heretofore conveyed by George Chase and wife to one Mrs. F. M. Woodward, by Deed recorded December 12, 1884, in Volume 35 of Deeds at page 387, Napa County Records; thence running South 38 degrees 30 minutes East 150.0 feet; thence South 51 degrees 30 minutes West 25.0 feet; thence North 38 degrees 30 minutes West 150.0 feet to the Southeastern line of Pope Street; thence along said Southeastern line of Pope Street North 51 degrees 30 minutes East 25.0 feet to the point of commencement.

APN: 009-090-012

PROMISSORY NOTE

SEPTEMBER __, 2019

ST. HELENA, California

\$450,000

FOR VALUE RECEIVED, the undersigned, OUR TOWN ST. HELENA, a California non-profit public benefit corporation, organized under the laws of the State of California, whose mailing address is P.O. Box 94, St. Helena, CA 94574 (hereinafter known as "Maker"), promises to pay to the City of Saint Helena, a California municipal corporation (hereinafter known as the "Payee"), at 1480 Main Street, in St. Helena, CA 94574, or as directed otherwise in writing by Payee, the principal sum of Four Hundred Fifty Thousand and 00/100 Dollars (\$450,000.00) (the "Principal Amount"), in lawful money of the United States of America, on the following terms and conditions:

1. Term and Lump Sum Payment. The entire Principal Amount of this Note shall be immediately due and payable to Payee upon the earlier of (i) twenty four months from the date of execution of this Note or (ii) upon an Event of Default as set forth in the Loan Agreement between Maker and Payee of even date herewith (the "Maturity Date").
2. Prepayment. Maker shall have the right to prepay any portion of the Principal Amount owing under this Note at any time without penalty.
3. Security. The repayment of the Principal Amount due under this Note shall be secured by that certain Deed of Trust, signed this same date by Maker and Payee, whereby Maker assigns to Payee a security interest in the property located at 963 Pope Street, St. Helena, CA as collateral for repayment of this Note.
4. Interest. No interest shall accrue on the Principal Amount during the term of this Note.
5. Late Payment. If any portion of the Principal Amount due under this Note shall not be paid on the Maturity Date, Maker will be charged twelve percent (12%) simple interest on said amount from the date of this Promissory Note until paid.
6. Miscellaneous.

On the occurrence of any Event of Default, as set forth in the Loan Agreement, Payee, at its sole election, may declare the Principal Amount evidenced by this Promissory Note to be immediately due and payable and may proceed at once without further notice to enforce this Promissory Note according to law.

No delay or failure of Payee in the exercise of any right or remedy hereunder or under the Loan Documents, as defined in the Loan Agreement, shall affect any such right or remedy, and no action taken or omitted by Payee shall be deemed a waiver of

any right or remedy. Neither the agreement of a late payment charge or increased interest after default shall prevent Lender from exercising its rights and remedies under this Promissory Note, or the other Loan Documents.

Each maker, endorser, surety, and guarantor of this Promissory Note hereby severally waives demand, protest, presentment, notice of nonpayment, notice of protest and diligence in bringing suit against any party and does hereby consent that time of payment of all or any part of the Principal Amount may be extended from time to time by the Payee hereof without notice.

Any notice to the Payee shall be given as stated in the Loan Agreement.

If this Promissory Note is placed with an attorney for collection, for suit, or bankruptcy proceedings, Maker agrees to pay all collection costs, court costs, and the expenses incurred, including reasonable attorney's fees at trial, on appeal and in bankruptcy proceedings.

Payee or any other holder hereof may freely sell, assign, transfer or otherwise dispose of this Promissory Note and Maker hereby consents and agrees that any subsequent holder of this Promissory Note shall have all of the rights of Payee provided herein.

This Promissory Note shall be construed and enforced in accordance with the laws of the State of California.

MAKER:

OUR TOWN ST. HELENA, a California non-profit public benefit corporation

BY: _____
Mary M. Stephenson, its President

Dated: _____, 2019

OAK #4846-8221-1233 v2

RECORDING REQUESTED BY:
AND WHEN RECORDED MAIL TO:

Mary M. Stephenson
c/o Our Town St. Helena
2683 Chablis Court
St. Helena, CA 94574

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST

This DEED OF TRUST is made this ____ day of September, 2019 between OUR TOWN ST. HELENA, a California non-profit public benefit corporation ("Trustor") whose mailing address is P.O. Box 94, St. Helena, CA 94574, the CITY OF ST. HELENA, a California municipal corporation ("Beneficiary"), whose mailing address is 1480 Main Street, St. Helena, CA 94574, and _____ ("Trustee"), whose mailing address is _____.

Trustor irrevocably grants, transfers and assigns to Trustee in Trust, with Power of Sale that Property located at 963 Pope Street in the City of St. Helena, County of Napa, State of California, having Assessor's Parcel Numbers 009-090-012-000 and 009-090-013-000 (the "Property") and more particularly described in the legal description attached hereto as **Exhibit "A"** and incorporated herein.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the purpose of securing (1) payment of the sum of \$450,000.00 according to the terms of a Loan Agreement and Promissory Note of even date herewith made by Trustor, payable to order of Beneficiary, and any extensions or renewals thereof; (2) the performance of each agreement of Trustor as set forth in the Loan Agreement and the Promissory Note; and (3) payment of additional sums thereon which may hereafter be loaned to Trustor, or its successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

A. To protect the security of this Deed of Trust, and with respect to the Property above described, Trustor agrees:

1) To keep said Property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said Property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of the law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the

character or use of said Property may be reasonably necessary, the specific enumerations herein not excluding the general.

2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

4) To pay at least ten days before delinquency all taxes and assessments affecting said Property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.

5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby, any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

1) That any award of damages in connection with any condemnation for public use of or injury to said Property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him or her in the same manner and with the same effect as above provided for disposition or proceeds of fire or other insurance.

2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his or her right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3) That at any time or from time to time, without liability of trust therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said Promissory Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may re-convey any part of said Property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4) That upon written request of beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Promissory Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall re-convey, without warranty, the Property then held hereunder. The recitals in such re-conveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such re-conveyance may be described as "the person or persons legally entitled thereto."

5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said Property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said Property or any part thereof, in his or her own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, including the Promissory Note and Loan Agreement, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, said Promissory Note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee without demand on Trustor, shall sell said Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said Property by public announcement at

such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of Napa County where said Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

8) That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the Promissory Note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

9) The Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obliged to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge thereof does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to it at its address hereunder set forth. .

Our Town St. Helena, a California non-profit public
benefit corporation
P.O. Box 94
St. Helena, CA 94574

By: Mary Stephenson, President

OAK #4843-7766-5441 v2

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

[illegible]

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

Exhibit A
LEGAL DESCRIPTION

BORROWER'S CERTIFICATION OF SOURCES AND USES

Rural Community Assistance Corporation
Proposed Sources and Use of Project Funds Template

Uses

Lien Position	Total Costs	Lender		Borrower's Funds
		1	2	
		RCAC	City	
Acquisition	850,000	400,000	450,000	
Pre-purchase (Phase I- asbestos/lead)	4,650	4,650		
Predev expenses for 4-plex	100,000	100,000		
Closing Costs	3,500	3,500		
Loan Fee	5,439	5,439		
Interest Reserves 1/	30,000	30,000		
Doc Fee	300	300		
TOTALS	\$ 993,889	\$ 543,889	\$ 450,000	\$ -

Rent \$1,900.00 1900/month restricted at 80% AMI
 Utilities 100
 Taxes, Insurance 250 (assumes welfare tax exemption)
 Mtn. 100
 Mgmt fee 250
 Net \$1,200.00 x 24= \$28,800

Recording Requested By: Rural Community Assistance Corporation 3120 Freeboard Drive, Suite 201 West Sacramento, CA 95691	Space above this line for Recorder's Use
And When Recorded Mail To: Rural Community Assistance Corporation 3120 Freeboard Drive, Suite 201 West Sacramento, CA 95691 Loan No: _____ \$543,889 to RCAC	

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination Agreement ("Agreement") is made as of September __, 2019, by and between the City of St. Helena, a California municipal corporation ("City"), Rural Community Assistance Corporation, a California nonprofit public benefit corporation ("Lender"), and Our Town St. Helena, a California nonprofit public benefit corporation ("Borrower").

WITNESSETH

WHEREAS, Borrower has entered into a purchase agreement to acquire certain real property located at 963 Pope Street, St. Helena, California, which property is more particularly described in Exhibit A attached hereto and by this reference made a part hereof, (hereinafter, the "Property"), with the intent to develop affordable rental residential units; and

WHEREAS, in accordance with a Loan Agreement between City and Borrower dated September __, 2019 ("City Loan Agreement"), Borrower has executed, or is about to execute a Deed of Trust, to secure a Note in the principal amount of Four hundred fifty thousand dollars (\$450,000) in favor of the City ("City Loan"), recorded on September __, 2019, as Document No. _____ (hereinafter, the "City Deed of Trust"); and

WHEREAS, it is a condition of said City Loan Agreement between City and Borrower, that Borrower execute that certain Affordable Housing Agreement, recorded on __ September, 2019, as Document No. ____, and that said Affordable Housing Agreement be subordinated to any financing on the Property; and

WHEREAS, in accordance with a Loan Agreement between Lender and Borrower dated September __, 2019 ("Lender Loan Agreement"), Borrower has executed, or is about to execute a Deed of Trust, to secure a Promissory Note in the principal amount of Five hundred forty three thousand, eight hundred and eighty nine dollars (\$543,889) in favor of the Lender ("Lender Loan"), recorded

concurrently herewith on September ___, 2019, as Document No. ____ (hereinafter, the “Lender Deed of Trust”); and

WHEREAS, it is a condition precedent to obtaining said Lender Loan that said Lender Deed of Trust shall unconditionally be and remain at all times a lien or charge upon the Property, prior and superior to the lien or charge of the City Deed of Trust; and

WHEREAS, Lender is willing to make said Lender Loan provided the Lender Deed of Trust securing the same is a lien or charge upon the above described Property prior and superior to the lien or charge of the City Deed of Trust and provided that City will specifically and unconditionally subordinate the lien or charge of the City Deed of Trust to the lien or charge of the Lender Deed of Trust in favor of Lender, subject to the terms of this Agreement; and

WHEREAS, City is willing to subordinate the lien or charge of the City Deed of Trust to the lien or charge of the Lender Deed of Trust, provided Lender subordinates the lien or charge of the Lender Deed of Trust to the Affordable Housing Agreement; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender and City make such loans to Borrower, and City is willing that the Lender Deed of Trust securing the same shall, when recorded, constitute a lien or charge upon said Property which is unconditionally prior and superior to the lien or charge of the City Deed of Trust first above mentioned, and Lender is willing that the Affordable Housing Agreement shall, when recorded, constitute a lien or charge upon such Property which is unconditionally prior and superior to the lien or charge of the Lender Deed of Trust mentioned above.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce Lender and City to enter into the City Loan Agreement and Lender Loan Agreement, the parties hereto declare, understand and agree:

1. That the Lender Deed of Trust securing the Lender Loan as well as all other obligations recited therein as being secured thereby, and any renewals or extensions thereof, unconditionally shall be and remain at all times a lien or charge upon the Property prior and superior to the lien or charge of the City Deed of Trust;
2. That the Affordable Housing Agreement unconditionally shall be and remain at all times a lien or charge upon the Property prior to and superior to the lien or charge of the Lender Deed of Trust;
3. That Lender would not enter into the Lender Loan Agreement without this Agreement;
4. That City would not enter into the City Loan Agreement without this Agreement;
5. City, Lender and Borrower recognize that the reason City and Lender are making the Lender Loan and City Loan to Borrower is to facilitate the purchase of Property by Borrower who intends to then seek approvals for the development of affordable housing. In the event Borrower cannot repay the Lender Loan by the time the obligation becomes due, then Lender agrees to provide to City 60 days prior notice of its intent to issue a notice of default under the terms of the Lender Loan and Lender Deed of Trust for the purpose of allowing sufficient time for (i) City to acquire the Property from Borrower, and Borrower hereby agrees to sell said Property to City at a price not to exceed the then current balance due under the Lender Loan, with City responsible for all closing costs, or

*Subordination Agreement
\$543,000 to RCAC
Page 2 of 6*

(ii) for City, Lender and Borrower to reach a mutual agreement to sell the Property at a price sufficient to pay off the balance due under the City Loan and Lender Loan. In the event Borrower cannot repay the City Loan by the time the obligation becomes due, then upon notice from City, Borrower hereby agrees to convey said Property to City in exchange for City's release of Borrower for all sums due under the City Loan, and City assumes all rights and obligations under the Lender Loan and Lender hereby agrees to such assignment by Borrower to City and assumption by City.

6. That this Agreement shall be the whole and only agreement with regard to the subordination of the City Deed of Trust in favor of the Lender Deed of Trust, and subordination of the Lender Deed of Trust to the Affordable Housing Agreement, and this Agreement shall supersede and cancel, but only insofar as would affect the priority between the City Deed of Trust and the Lender Deed of Trust and between the Lender Deed of Trust and Affordable Housing Agreement, any prior agreement as to such subordination, including but not limited to, those provisions, if any, contained in the City Deed of Trust or Lender Deed of Trust which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

City declares, agrees and acknowledges that:

1. It consents to and accepts all provisions of the Lender Loan Agreement, Lender Loan, Promissory Note and Lender Deed of Trust;
2. It intentionally subordinates the lien or charge of the City Deed of Trust in favor of the Lender Deed of Trust, as to the City Loan Agreement and City Loan as well as all other obligations recited therein as being secured thereby, and understands that in reliance upon and in consideration of this subordination, specific monetary and other obligations are being made and will be entered into which would not be made or entered into but for Lender's reliance upon this subordination.

Lender declares, agrees and acknowledges that:

1. It consents to and accepts all provisions of the City Loan Agreement, City Loan, City Deed of Trust and Affordable Housing Agreement; and
2. It intentionally subordinates the lien or charge of the Lender Deed of Trust in favor of the Affordable Housing Agreement, as to the Lender Loan Agreement and Lender Loan as well as all other obligations recited therein as being secured thereby, and understands that in reliance upon and in consideration of this subordination, specific monetary and other obligations are being made and will be entered into which would not be made or entered into but for City's reliance upon this subordination.

The parties hereto further agree:

1. This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, and all of which counterparts taken together shall constitute one agreement; and
2. This Agreement will be governed by or construed in accordance with the laws of the State of California and federal law, where applicable.

*Subordination Agreement
\$543,000 to RCAC
Page 3 of 6*

3. Each party hereto shall give the other party 30 days' notice prior to issuing a notice of default under each of the City Deed of Trust, Lender Deed of Trust or Affordable Housing Agreement (hereinafter, a "Recorded Item"), and shall have the right to cure a default on any Recorded Item at any time prior to a foreclosure sale under that Recorded Item. Lender also acknowledges and agrees to work with the City to provide a reasonable extended notice period for cure of Borrower's default to provide for payment in full of Lenders Loan with assignment to the City, if requested; and
4. Lender shall not advance to Borrower further sums under the term of the Lender Loan Agreement without the City's prior written consent, which consent may be granted or withheld by City in its sole discretion.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Our Town St. Helena
a California nonprofit public benefit corporation

By: _____
 Mary Stephenson
 Board President

City of St. Helena
a California municipal corporation

By: _____
 Mark Prestwich
 City Manager

ATTEST:

By: _____
 Cindy Tzafopoulos
 City Clerk

APPROVED AS TO FORM:

By: _____
 Michael G. Biddle
 City Attorney

Rural Community Assistance Corporation,
a California nonprofit public benefit corporation

By: _____
 XXXXXXXX
 Loan Fund Director

Subordination Agreement
\$543,000 to RCAC
Page 4 of 6

State of California)
)
County of)

On _____ before me, _____ Notary Public,
personally appeared _____ personally known to me/proved to me on
the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her
signature on the instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

WITNESS my hand and official seal

State of California)
)
County of)

On _____ before me, _____ Notary Public,
personally appeared _____ personally known to me/proved to me on
the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her
signature on the instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

WITNESS my hand and official seal

State of California)
)
County of)

On _____ before me, _____ Notary Public,
personally appeared _____ personally known to me/proved to me on
the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her
signature on the instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

WITNESS my hand and official seal

OAK #4826-5662-4545 v2

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

City of St. Helena
1480 Main Street
St. Helena, Ca 94574
Attention: City Clerk

*EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE § 27383*

Space above this line for Recorder's use

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement (“**Agreement**”) is entered into effective as of _____, 2019 (“**Effective Date**”), by and between the CITY OF ST. HELENA, a California municipal corporation (“**City**”) and our OUR TOWN ST. HELENA, a California non-profit public benefit corporation (“**Declarant**”). City and Declarant are sometimes referred to herein as a “**Party**” and collectively as the “**Parties**.”

R E C I T A L S

A. City and Declarant are parties to a Loan Agreement dated _____, 2019, (“**Loan Agreement**”) setting forth the terms and conditions of a loan provided by City from its Housing Trust Fund to Declarant for the acquisition of 963 Pope Street, St. Helena, Napa County, California, as more particularly described in **Attachment A** attached hereto and incorporated herein (“**Property**”). The Property is comprised of two legal parcels identified as the “**Tract One Parcel**” (Assessor Parcel No. 009-090-013-000) and the “**Tract Two Parcel**” (Assessor Parcel No. 009-090-012-000).

B. The Loan Agreement requires, among other things, that upon acquisition of the Property by Declarant, the Parties shall enter into this Agreement to obligate Declarant to (a) rent the existing residential unit located on the Tract One Parcel (the “**Existing Residential Unit**”) at an Affordable Rent to a Low Income Household, and (b) if Declarant subsequently seeks and obtains all land use entitlements necessary to develop additional residential units (“**Future Residential Units**”) on the Property, and thereafter proceeds to develop and construct said Future Residential Units on the Property (“**Future Housing Project**”), Declarant shall rent the Future Residential Units constructed pursuant to a Future Housing Project at an Affordable Rent to Eligible Households whose gross annual income does not exceed 120% of Area Median Income.

C. The Loan Agreement requires recordation of this Agreement against the Property concurrently with recordation of the Deed of Trust securing the loan provided pursuant to the Loan Agreement in order to appropriately condition the use of the Existing Residential Unit and

development of Future Residential Units, if any, on the Property in a manner consistent with the expenditure of Housing Trust Funds and Measure E Funds.

D. In accordance with the Loan Agreement, City and Declarant now desire to enter into and record this Agreement to ensure that the Property is used and developed for affordable housing purposes as set forth herein.

E. City and Declarant acknowledge that if prior to expiration of the term of this Agreement, Declarant does seek and obtain land use entitlements necessary to develop a Future Housing Project on the Property, and thereafter proceeds to develop and construct Future Residential Units on the Property, this Agreement will be replaced by a more detailed affordable housing regulatory agreement (“**Regulatory Agreement**”) to be entered into by City and the Declarant prior to commencement of construction of a Future Housing Project on the Property.

F. Declarant acknowledges that nothing contained in this Agreement shall preclude the Regulatory Agreement from requiring the rental of the Existing Residential Unit or Future Residential Units constructed pursuant to a Future Housing Project at an Affordable Rent to Eligible Households whose gross annual income is less than 120% of Area Median Income.

NOW THEREFORE, in consideration of the foregoing, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows.

1. Incorporation of Recitals; Intent of Agreement. The Parties acknowledge the truth of the foregoing Recitals, which are incorporated into this Agreement by this reference. The purpose of this Agreement is to provide notice of the development, occupancy and affordability requirements that apply to the Existing Residential Unit on the Tract One Parcel and any Future Housing Project that may be developed on the Property. The Parties intend the covenants set forth in this Agreement to run with the land and to be binding upon Declarant and Declarant’s successors and assigns.

2. Definitions. As used in this Agreement, the following terms shall have the meanings set forth in this Section 2.

“**Actual Household Size**” means the actual number of persons in the applicable household.

“**Adjusted for Family Size Appropriate for the Unit**” shall be determined consistent with Section 50052.5(h) of the California Health and Safety Code, subject to the application of federal rules associated with Affordable Housing Project financing sources.

“**Affordable Rent**” means a monthly rent that does not exceed:

(1) For Extremely Low-Income Households the product of 30 percent times 30 percent of the Area Median Income, Adjusted for Family Size Appropriate for the Unit, pursuant to California Health and Safety Code section 50053, as amended, or any successor statute thereto, less a reasonable utility allowance and other fees and charges required to be paid by tenants on a non-optional basis.

(2) For Very Low-Income Households, the product of 30 percent times 50 percent of the Area Median Income, Adjusted for Family Size Appropriate for the Unit, pursuant to California Health and Safety Code section 50053, as amended, or any successor statute thereto, less a reasonable utility allowance and other fees and charges required to be paid by tenants on a non-optional basis.

(3) For Low-Income Households, the product of 30 percent times 60 percent of the Area Median Income, Adjusted for Family Size Appropriate for the Unit, pursuant to California Health and Safety Code section 50053, as amended, or any successor statute thereto, less a reasonable utility allowance and other fees and charges required to be paid by tenants on a non-optional basis.

(4) For Moderate -Income Households, the product of 30 percent times 110 percent of the Area Median Income, Adjusted for Family Size Appropriate for the Unit, pursuant to California Health and Safety Code section 50053, as amended, or any successor statute thereto, less a reasonable utility allowance and other fees and charges required to be paid by tenants on a non-optional basis.

“**Affordable Units**” means the Existing Residential Unit and any Future Residential Units.

“**Agreement**” means this Affordable Housing Agreement.

“**Annual Report**” is defined in Section 4.

“**Area Median Income**” or “**AMI**” means the median income for Napa County, California, adjusted for Actual Household Size, as determined by the U.S. Department of Housing and Urban Development (“HUD”) pursuant to Section 8 of the United States Housing Act of 1937 and as published from time to time by the State of California Department of Housing and Community Development (“HCD”) in Section 6932 of Title 25 of the California Code of Regulations or successor provision published pursuant to California Health and Safety Code Section 50093(c).

“**City**” means the City of St. Helena, a California municipal corporation.

“**Declarant**” means Old Town St. Helena, a California non-profit public benefit corporation.

“**Deed of Trust**” means the deed of trust by and between Declarant, as Trustor, and City, as Beneficiary, securing a loan of four hundred fifty thousand and 00/100 dollars (\$450,000.00) provided by City to Declarant pursuant to the Loan Agreement, and recorded in the official records of Napa County on _____, 2019, at Document No. _____.

“**Effective Date**” means the date set forth in the introductory paragraph of this Agreement.

“**Eligible Household**” means a Moderate-Income Household, Low-Income Household, Very Low-Income Household or Extremely Low-Income Household.

“**Existing Residential Unit**” is defined in Recital B.

“Extremely Low-Income Household” means households whose gross annual income, adjusted for family size, does not exceed thirty percent (30%) of Area Median Income for Napa County.

“Future Housing Project” is defined in Recital B.

“Future Residential Units” is defined in Recital B.

“Loan Agreement” is defined in Recital A.

“Low-Income Household” means households whose gross annual income, adjusted for family size, does not exceed eighty percent (80%) of Area Median Income for Napa County.

"Management Agreement" is defined in Section 5.

“Moderate Income Household” means households whose gross annual income, adjusted for family size, does not exceed one hundred twenty percent (120%) of Area Median Income for Napa County.

"Occupant" shall mean a person over the age of three (3) years who occupies an Affordable Unit for more than fourteen (14) days or more during a one-month period month.

“Party” means City or Declarant.

“Parties” means City and Declarant.

“Property” is defined in Recital A.

"Property Manager" is defined in Section 5.

“Regulatory Agreement” is defined in Recital E.

“Tract One Parcel” is defined in Recital A.

“Tract Two Parcel” is defined in Recital A.

“Very Low-Income Household” means households whose gross annual income, adjusted for family size, does not exceed fifty percent (50%) of Area Median Income for Napa County.

3. Development, Use and Affordability Restrictions. Declarant hereby covenants and agrees, for itself and its successors and assigns, that the Property shall be used solely for the use, operation and development of affordable housing in compliance with the requirements set forth in this Agreement. Until the date which is fifty-five (55) years following the date on which this Agreement is recorded in the official records of Napa County, (i) the Existing Residential Unit shall be occupied or held available for occupancy by a Low Income Household at an Affordable Rent, and (ii) any Future Residential Units on the Property shall be occupied or held available for occupancy by Eligible Households and shall be rented at an Affordable Rent. To the extent not in violation of state or federal law fair housing law, Declarant shall give preference in the rental of

Affordable Units to Eligible Households with one or more Occupants employed within the City of St. Helena.

3.1.1 In the Affordable Units, no less than one Occupant shall be allowed per bedroom and no more than two Occupants shall be allowed per bedroom. A studio shall count as a one-bedroom for the purposes of these occupancy requirements. If no Eligible Households apply within sixty (60 days) of an Affordable Unit being available that meet these occupancy standards, the City shall, upon request of Declarant, grant exceptions to the occupancy standards.

3.1.2 Not more than once per year, Declarant may adjust rents in occupied Affordable Units to the level allowed for the family size appropriate to the unit. Declarant may adjust the rent upon vacancy of an Affordable Unit to the level allowed for the family size appropriate to the unit. Declarant must notify the lessee of an Affordable Unit in writing of any increase in such monthly rent at least sixty (60) days in advance of the effective rent adjustment date, and a copy of any such notification shall be sent to City simultaneously. The Declarant shall report any rent increase(s) to the City in the Annual Report, including: (1) the rent adjustment for each Affordable Unit; (2) the new rental amount for each Affordable Unit; (3) the effective date of the adjustment for each Affordable Unit; and (4) a copy of the written notice provided to the lessee of the Affordable Unit. Failure to provide the notice and reporting required shall be considered a default by Declarant under this Agreement.

3.1.3 The determination of a status as an Eligible Household shall be made by Declarant prior to initial occupancy of the Affordable Unit by such household. The income of all Occupants residing in the Affordable Unit shall be considered for purposes of calculating the household income. Declarant shall not discriminate against prospective lessee's of an Affordable Unit with qualified Public Housing Authority Section 8 certificates or vouchers who are otherwise qualified. In the Annual Report, the Declarant shall report any changes in the Occupants of any Affordable Unit to the City that are known by the Declarant, including the name(s) and household size(s) of the Occupant(s) vacating the Affordable Unit(s) during the reporting period, and, if the Affordable Unit(s) has/have been reoccupied, the name, household size and income of the new Occupant(s) occupying the Affordable Unit(s).

3.1.4 Immediately prior to the first anniversary date of the lease commencement of an Affordable Unit by an Eligible Household, and on each anniversary date thereafter, Declarant shall re-certify the income of the Occupant(s) of such Affordable Unit by obtaining a completed Occupant income certification based upon the current income of each Occupant of the Affordable Unit and Declarant shall take all reasonable steps to verify with reliable documentation the income and household size of the Occupant(s). All documentation obtained by Declarant in connection with the annual Occupant income certification shall be retained by Declarant for three (3) calendar years.

4. Reporting Requirements. Declarant shall submit to City annual reports ("**Annual Report**") which shall include all reporting required under this Agreement from the date of the previous Annual Report and include the following:

- A. A cover letter to the City describing the status of compliance with this Agreement, including any problems experienced during the reporting period, and any recommendations to address problems and enhance compliance;
- B. Income certifications or re-certifications, for each Eligible Household of an Affordable Unit. The Annual Report shall be accompanied by an income certification worksheet in a format and containing information reasonably required by City, which at a minimum, shall include the following with respect to each of the Affordable Units:
 - a. Address of Affordable Unit;
 - b. Number of bedrooms and bathrooms in Affordable Unit;
 - c. Floor Plan of Affordable Unit, with room designations and dimensions;
 - d. Name of head of Eligible Household;
 - e. The number of Occupant(s) in the Eligible Household and their age;
 - f. Initial lease commencement date;
 - g. Eligible Household income limit applicable to Affordable Unit at initial lease commencement date; and at recertification date (if applicable);
 - h. Gross income of Eligible Household at lease commencement date; and at recertification date (if applicable);
 - i. Affordable Rent applicable to Affordable Unit;
 - j. Reasonable Utility Allowance calculation by Declarant;
 - k. Reasonable Utility Allowance applicable to Affordable Unit;
 - l. Section 8 Assistance (if applicable);
 - m. Rent Paid by Eligible Household;
 - n. Rent as a percentage of Eligible Household's Income;
 - o. Next Recertification Date; and
 - p. Move out date (if applicable).

Upon receipt of the Annual Report, the City may request additional information to confirm compliance with this Agreement. In the event the City requests such information, the Declarant shall promptly supply such information to City in the format requested by City. Declarant shall maintain all necessary documents, books and records, including property and financial records, in accordance with requirements prescribed by City with respect to all matters covered by this Agreement for a period of three (3) years following the date of submittal of the Annual Report to which such documents, books or records relate. Upon request for examination by City, Declarant, at any time during normal business hours and upon reasonable notice, shall make available at the Property (or at another location within the City of St. Helena) all material records with respect to matters covered by the Agreement. Declarant shall permit City, at City's expense, to audit, examine, copy, and make excerpts or transcripts from such records.

5. Management Of Affordable Units. If Declarant enters into a separate property management agreement ("**Management Agreement**") with a property management company or other organization in order to manage the Affordable Units (including leasing, property management, maintenance and repair services, and reporting obligations) and ensure that Declarant's obligations under this Agreement with respect to the Affordable Units are satisfied

("Property Manager"), Declarant shall comply with this Section 5. Property Manager shall have at least five (5) years' experience in the operation and management of similar size rental housing developments, and at least three (3) years' experience in the operation and management of rental housing developments containing below-market-rate units, without any record of material violations of discrimination restrictions or other applicable laws. No less than sixty (60) calendar days prior to hiring any Property Manager or executing any amendment to a Management Agreement, Declarant shall provide documentation to the City as is reasonably necessary to evaluate the proposed Property Manager's experience and qualifications or revisions to a Management Agreement. No Property Manager shall be hired, or Management Agreement signed or amended, without City's prior approval thereof, which shall not be unreasonably withheld or delayed. For the term of this Agreement, any change in Property Manager or amendment to the Management Agreement shall comply with the requirements of this Section 5 and any material amendment shall require the prior written approval of City, which shall not be unreasonably withheld or delayed.

6. Remedies for Breach. Upon any default under this Agreement by Declarant or by Declarant's successors or assigns, City may seek specific performance of the terms hereof, and may enjoin acts that may be in violation of this Agreement. Failure by City to enforce any provision contained herein shall not be deemed a waiver of the right to do so as to any continuing, subsequent, or other violation. This Section is not intended to limit City's ability to exercise any applicable remedy available to City pursuant to this Agreement or the Loan Agreement. All remedies available to City shall be cumulative and not exclusive.

7. Binding on Successors in Interest; Provisions Run With the Land. The Property, and each and every portion thereof, shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the limitations, covenants, conditions and restrictions set forth in this Agreement, all of which shall run with the land, shall constitute equitable servitudes, shall be binding on all parties having or acquiring any right, title or interest in such Property or portion thereof, and their respective heirs, successors and assigns, and shall inure to the benefit of City and its successors and assigns. It is the intent of the Parties that this Agreement shall satisfy the requirements of California Civil Code Section 1468.

Without limiting the foregoing, the Parties hereby declare that it is their express intent that the covenants, restrictions and conditions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Declarant's successors in title to the Property. Each and every contract, deed, ground lease or other instrument affecting or conveying the Property, Existing Residential Unit, or, if developed, the Future Residential Units pursuant to the Future Housing Project or any part thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, restrictions, duties and obligations set forth herein, regardless of whether such covenants, restrictions, duties and obligations are set forth in such contract, deed, ground lease or other instrument. Declarant agrees for itself and for its successors and assigns that if a court of competent jurisdiction determines that the covenants herein do not run with the land, such covenants shall be enforced as equitable servitudes against the Property in favor of City.

8. Recordation; No Subordination. This Agreement shall be recorded in the Official Records of Napa County concurrently with and immediately following recordation of the Deed of Trust

securing the Loan provided pursuant to the Loan Agreement. Declarant hereby represents warrants and covenants that with the exception of easements of record, absent the written consent of City, this Agreement shall not be subordinated in priority to any lease, ground lease, security agreement, deed of trust, mortgage, lien, encumbrance, or other interest in the Property.

9. Release and Discharge. Upon the earlier of (i) expiration of this Agreement, or (ii) execution and recordation of a Regulatory Agreement between City and Declarant in connection with a Future Housing Project, which Regulatory Agreement encumbers the Existing Residential Unit on the Tract One Parcel, City and Declarant, will execute and record appropriate instruments to release and discharge this Agreement. Declarant acknowledges that nothing contained in this Agreement shall preclude the Regulatory Agreement from requiring the rental of the Existing Residential Unit or Future Residential Units constructed pursuant to a Future Housing Project at an Affordable Rent to Eligible Households whose gross annual income is less than 120% of Area Median Income.

10. Mortgagee Protection. No violation of any provision contained herein shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value upon all or any portion of the Property, and the purchaser at any trustee's sale or foreclosure sale shall not be liable for any violation of any provision hereof occurring prior to the acquisition of title by such purchaser. Such purchaser shall, however, be bound by and subject to this Agreement from and after such trustee's sale or foreclosure sale. Promptly upon determining that a violation of this Agreement has occurred, City shall give written notice of such violation to the holders of record of any mortgages or deeds of trust encumbering the Property.

11. Estoppel Certificate. At any time during the term hereof, City, Declarant or any party then owning an interest in the Property may request an estoppel certificate from the other party attesting to such party's compliance with the terms and provisions of this Agreement. A party making a request for an estoppel certificate shall provide Declarant or City, as applicable, with all documentation reasonably necessary for Declarant or City to form an opinion as to compliance or non-compliance with the provisions hereof. After receiving such a request and the necessary supporting documentation, Declarant or City, as applicable, shall respond, in writing, within thirty (30) calendar days following the date of receipt and shall either confirm compliance with the terms and provisions of this Agreement or shall state in reasonable detail any alleged failure to comply and the steps necessary to cure such lack of compliance.

12. Indemnification. Declarant hereby covenants and agrees that it shall indemnify, defend with counsel reasonably acceptable to City and hold City and its elected and appointed officials, representatives, officers, agents and employees harmless from and against (a) any and all claims by or on behalf of any person arising from any cause whatsoever in connection with the approval of this Agreement; (b) any and all claims by or on behalf of any person arising from any cause whatsoever in connection with the implementation or enforcement of this Agreement; (c) any and all claims arising from an act or omission of Declarant or any of its shareholders, partners, members, principals, officials, officers, employees, representatives, agents, contractors or subcontractors in connection with this Agreement or the Property; (d) any and all claims arising out of or related to the operation, use, occupancy, maintenance or ownership of the Property, including compliance with the laws, ordinances, rules and regulations of City pursuant to this

Agreement; and (e) all reasonable costs, attorney fees, expenses or liabilities incurred in connection with any such claim or proceeding brought thereon; provided, however, that this provision shall not require Declarant to indemnify City from any claims, costs, fees expenses or liabilities arising from the gross negligence or willful misconduct of the City. In the event any action or proceeding is brought against the City or any of its elected and appointed officials, representatives, officers, agents and employees, with respect to which indemnity may be sought hereunder, Declarant, upon receipt of written notice from City, shall assume the investigation and defense thereof, including the employment of counsel approved by the City and the payment of all expenses related thereto.

13. Miscellaneous.

13.1 Amendments. This Agreement may be amended or modified only by a written instrument signed by each of the Parties or their respective successors in interest.

13.2 No Waiver. Any waiver by City of any term or provision of this Agreement must be in writing. No waiver shall be implied from any delay or failure by City to take action on any breach or default hereunder or to pursue any remedy allowed under this Agreement or applicable law. No failure or delay by City at any time to require strict performance of any provision of this Agreement or to exercise any election contained herein or any right, power or remedy hereunder shall be construed as a waiver of any other provision or any succeeding breach of the same or any other provision hereof or a relinquishment for the future of such election.

13.3 Notices. All notices, requests, demands and other communications required or permitted to be given under the terms of this Agreement by one party to the other shall be in writing addressed to the recipient party's address set forth below and shall be deemed to have been duly given or made (a) if delivered personally (including by commercial courier or delivery service) to the party's address, then as of the date delivered (or if delivery is refused, on presentation), or (b) if mailed by certified mail to the party's address, postage prepaid and return receipt requested, then at the time received at the party's address as evidenced by the return receipt, or (c) if mailed by first class mail to the party's address, postage prepaid, then on the third (3rd) business day following deposit in the United States Mail. Any party may change its address for the receipt of notices by giving notice to the other party in the foregoing form and manner. The addresses of the parties are:

TO CITY:

City of St. Helena
1480 Main Street
St. Helena, California 94574
Attn.: City Manager
(707) 968-2744 ext: 500

TO DECLARANT:

Our Town St. Helena
P.O. Box 94

St. Helena, California 94574
Attn.: Mary Stephenson
(707) 849-2583

13.4 Further Assurances. The Parties shall execute, acknowledge and deliver to the other such other documents and instruments, and shall take such other actions, as either shall reasonably request as may be necessary to carry out the intent of this Agreement.

13.5 Parties Not Co-Venturers; No Agency Relationship. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another. The relationship of Declarant and City shall not be construed as a joint venture, equity venture, partnership or any other relationship. City neither undertakes nor assumes any responsibility or duty to Declarant or to any third party with respect to the Property.

13.6 Headings; Construction; Statutory References. The headings of the sections and paragraphs of this Agreement are for convenience only and shall not be used to interpret this Agreement. The language of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any Party. All references in this Agreement to particular statutes, regulations, ordinances or resolutions of the United States, the State of California, or the City of St. Helena shall be deemed to include the same statute, regulation, ordinance or resolution as hereafter amended or renumbered, or if repealed, to such other provisions as may thereafter govern the same subject.

13.7 Time is of the Essence. Time is of the essence in the performance of this Agreement.

13.8 Governing Law; Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Napa County, California or in the Federal District Court for the Northern District of California.

13.9 Attorneys' Fees and Costs. If any legal or administrative action is brought to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' fees and costs incurred in such action.

13.10 Severability. If any provision of this Agreement is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired thereby.

13.11 Entire Agreement. This Agreement, together with the Loan Agreement and the Loan Documents referred to in the Loan Agreement, contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior oral or written agreements between the Parties with respect thereto.

13.12 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Affordable Housing Agreement as of the date first written above.

CITY:

CITY OF ST. HELENA, a
California municipal corporation

By: _____
Name: Mark T. Prestwich
Its: City Manager

ATTEST:

Cindy Tzaopoulos, City Clerk

APPROVED AS TO FORM:

Michael G. Biddle, City Attorney

DECLARANT:

OUR TOWN ST. HELENA,
a California non-profit public benefit corporation

By: _____
Name: Mary Stephenson
Its: Board President

By: _____
Name: _____
Its: _____

ACKNOWLEDGEMENTS

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, 20____, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, 20____, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal) _____

ATTACHMENT A

PROPERTY

[Legal description to be inserted.]

CITY OF ST. HELENA

RESOLUTION NO. 2019-

Resolution of the City Council of the City of St. Helena approving and authorizing the City Manager to execute, enter into and carry out the terms of a Loan Agreement between the City of St. Helena and Our Town St. Helena in an amount not to exceed \$450,000 from the Affordable Housing Trust Fund (751) and Measure E Fund (752) for the acquisition of property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000)

- A. On August 13, 2019, the City Council considered the request of Our Town St. Helena, a California non-profit public benefit corporation ("OTSH"), for a loan of four hundred fifty thousand and 00/100 dollars (\$450,000.00)(the "Loan") from the City's Housing Trust Fund (751) and Measure E Fund (752) to assist with the acquisition of real property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000)("Property"); and
- B. After considerable discussion regarding OTSH's request, and in recognition of the representation by OTSH that the date for close of the transaction related to the purchase and sale of the Property was set for September 3, 2019, the City Council directed staff to return to the City Council at its next regular meeting of August 27, 2019, with documentation for its consideration that would provide OTSH with the requested Loan for acquisition of the Property; now, therefore

RESOLUTION

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

- 1. Authorizing the Loan Agreement for the acquisition of 963 Pope Street is governed by Section 15310 of State CEQA Guidelines which exempts the approval of mortgages for the purchase of existing structures where the loan will not be used for new construction. As provided in the Loan Agreement the monies advanced by the City may only be used for the acquisition of the Property and may not be used for any development activity. Accordingly, the approval of the Loan Agreement is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15310, which exempts "mortgages for the purchase of existing structures where the loan will not be used for new construction".
- 2. The City Council hereby authorizes the City Manager to execute, enter into and carry out the terms of the Loan Agreement, and all documents appended thereto, between the City of St. Helena and Our Town St. Helena in an amount not to exceed \$450,000 from the Affordable Housing Trust Fund (751) and Measure E Fund (752) for the acquisition of property located at 963 Pope Street, St. Helena, California (APN 009-090-012-000; 009-090-013-000), inclusive of such revisions and corrections thereto as may be approved by the City Manager and City

Attorney which do not increase the obligations nor impair the rights of the City thereunder.

Approved at a Regular Meeting of the St. Helena City Council on August 27, 2019 by the following vote:

Mayor Ellsworth:	_____
Vice Mayor Dohring:	_____
Councilmember Koberstein:	_____
Councilmember Chouteau:	_____
Councilmember Knudsen:	_____

APPROVED:

ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzaopoulos, City Clerk

OAK #4825-3096-6178 v1



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: Old Business

Subject: Discuss and provide direction on Council Liaisons to Meadowood Water Tanks Discussions and 2019 Workplan Housing Goal Objectives

CEQA Determination: Not a CEQA project

Prepared By: Mark T. Prestwich, City Manager

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

From time to time the City Council designates a Council Member or two to serve as a liaison to assist staff with policy matters or discussions. Accordingly, Staff is requesting the City Council designate a Council Member to replace former Vice Mayor Peter White related to discussions regarding the Meadowood water tanks. Staff is also requesting the City Council consider modifying the Council liaisons to the 2019 Workplan Housing Goal (attached).

FISCAL IMPACT

Not applicable.

RECOMMENDED ACTION

Provide direction to the City Manager.

ATTACHMENTS

[2019 Work Plan v9](#)

COUNCIL APPROVED THREE-YEAR GOALS & 2019 WORK PLAN

LEGEND

GREEN	Work Plan Items Previously Approved/Directed by City Council and in Motion
BLUE	New Work Plan Items
YELLOW	Work Plan Items may not be completed in 2019 due to focus on GREEN and BLUE Work Plan priorities
RED	Work Plan Items that are important but are recommended for the 2020 Work Plan due to competing priorities

GOAL 1: Improve and Maintain Safe and Reliable City Infrastructure with a Commitment to Environmental Stewardship & Public Health

	DUE DATE	WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
A.	August 31, 2019	City Manager (Lead) + Assistant to the City Manager + Recreation & Library Stakeholders + Council Members Chouteau + Koberstein	Complete Evaluating Library, City Hall, and Conceptual Rec Facility (Reimagine Civic Spaces)				X	Contract awarded May 28, 2019 – Anticipate 5-6 month process.
B.	September 20, 2019	City Engineer + Mayor Ellsworth + Vice Mayor Dohring	Prepare Pratt/Main intersection realignment design and study, including review with Caltrans to reevaluate intersection		X			Study authorized by City Council in August 2018. Planning Council discussion on September 10, 2019 after briefing neighbors and Mayor/Vice Mayor on engineering recommendations.
C.	September 1, 2019	City Engineer + Council Member Knudsen	Initiate construction of the Upper York Creek Dam removal project		X			Water Board permit and US Army Corps permit secured in 2018. Secured CA Dept. of Fish and Wildlife permit July 2019. Planning to advertise project to bid week of July 22 with award of contract planned for August 27.

Revised date: 7.15.19

- 1 -

DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
D.	December 31, 2019	City Engineer + Council Member Knudsen	Complete initial draft of Integrated Utility Master Plan for review		X			Contract awarded by City Council on August 14, 2018.
F.	October 31, 2019	City Engineer + Vice Mayor Dohring + Council Member Koberstein	Initiate public engagement process and complete design of Downtown Streetscape Project (Cultivate St. Helena)		X			Completed 2 of 3 public engagement phases.
G.	October 31, 2019	City Attorney + City Engineer + Mayor Ellsworth + Vice Mayor Dohring	Evaluate feasibility of modifications to existing agreements with large water users to establish firm caps in order to safeguard water supply			X		
H.	June 30, 2019	City Engineer	Complete Dam Inundation Mapping & Emergency Action Plan	X				Mapping and plan submitted to the CA Div. of Safety of Dams in May 2019 for review.
I.	April 30, 2019	City Engineer	Initiate design of Phase 1 Upgrades at Waste Water Treatment Plant		X			Council authorized contract with HydroScience Engineers on April 9, 2019 for owner's representative to facilitate procurement of design-build team. Concept plans submitted to City for review in early July 2019.
J.	December 31, 2019	City Engineer (Lead) + Finance Director	Develop approved stormwater program to position City for use of Measure T Funds		X			
K.	August 1, 2019	City Engineer + Napa County Flood Control District	Obtain permits for Dredging Sulphur Creek				X	

Revised date: 7.15.19

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DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
L.	TBD	Planning & Community Improvement Director (Lead) + Recreation Director + Mayor and Vice Mayor + Two Parks & Recreation Commissioners + Landscape Architect	Develop a community supported plan and funding strategy to renovate Lyman Park post submittal of SHAPE Committee recommendations			X		Meeting held March 15, 2018 to establish and brief members of the Steering Committee for this initiative. Council has postponed planning of improvements until a decision is made on regarding the current City Hall property.
M.	TBD	City Engineer (Lead)	Install wastewater meters for wineries and other users with unique characteristics to improve cost of service/fee nexus (Ad Hoc Utility Rate Committee recommendation)			X		
N.	TBD	City Engineer (Lead) + Finance Director	Assess baseline condition of sidewalks and develop approved program for long term maintenance and repair of City sidewalks			X		

Related CIP Planning/Projects

- Library Roof Replacement
- Complete Design of Paving Projects for 2018-2020
- Repaint Firehouse
- Complete Annual ADA Facilities/Curb Ramps Upgrades
- Complete 2019 Paving Projects
- Hunt Avenue Sidewalk Gap Closure Project
- Complete Guardrail Design on Silverado Trail
- Complete Tennis Court Lighting Upgrade and Resurface Project

Revised date: 7.15.19

- 3 -

GOAL 2: Stabilize, Maintain and Improve Access to Housing

DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
A.	May 31, 2019	Assistant to the City Manager + Housing Consultant + Mayor Ellsworth + Council Member Koberstein + Our Town St. Helena	Develop and implement Public Engagement Strategy for prioritization of Housing White Paper recommendations and identify other action ideas				X	Postponed to start date of Assistant to the City Manager
B.	October 15, 2019	Finance Director + Planning Director + Consultant + Council Members Knudsen + Koberstein	Update Housing Impact Fees for workforce housing and consider updates to inclusionary housing ordinance		X			.
C.	After adoption of General Plan	Planning Director + Planning Commission + Council Members Knudsen + Koberstein	Initiate Planning Commission review of White Paper regulatory options, housing element implementing actions, and existing residential district regulations that leads to recommended zoning ordinance text and map amendments to facilitate achievement of housing goals		X			
D.	December 31, 2019	Assistant to the City Manager (Lead) + Planning Director + Consultant + Housing Stakeholders + Planning Commission + Mayor Ellsworth + Council Member Chouteau	Begin to quantify housing need and target goals across age and income segments of the community and identify public and private opportunities to address them		X			

Revised date: 7.15.19

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GOAL 3: Enhance Organizational Performance and Commit to Full Public Participation, Ongoing Communication and Regional Collaboration

DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
A.	July 31, 2019	Planning Director	Complete City General Plan and present to City Council for Adoption	X				Council adopted General Plan on May 28, 2019.
B.	August 31, 2019	Planning Director (Lead) + Vice Mayor Dohring + Council Member Knudsen	Draft and present citywide design guidelines to the City Council for adoption and provide recommended improvements to design review process				X	Design Guidelines workshops and community survey complete. Staff is currently compiling data from the meetings and survey and will then review Draft Guidelines with design professionals for feedback. It is anticipated additional time will be necessary to complete.
C.	August 1, 2019	HR/IT Director + Consulting Attorney	Complete update to Employee Handbook and present to the City Council recommended updates to City Policies				X	Council directed goal from 2018. Comprehensive update in draft form and will be distributed to bargaining units by March 2019. Document has not been updated since 2005. Meet and confer obligations will extend completion.
D.	June 30, 2019	HR/IT Director + Assistant to the City Manager	Prepare/present to the City Council an employee succession plan and/or strategy to help retain employees and minimize turnover costs				X	Council directed goal from 2018. Draft plan prepared for internal review by City Manager.
E.	June 15, 2019	City Manager + HR/IT Director	Complete Compensation and Classification Study	X				Required by MOU + Unrepresented Resolution

Revised date: 7.15.19

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DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
F.	September 30, 2019	Planning Director (Lead) + Mayor Ellsworth + Council Member Koberstein	Hold City Council Study Session to analyze options related to developing a robust Code Enforcement Program that is efficient, readily understandable, and predictable				X	Council authorized additional resources to assist with Code Enforcement.
G.	April 30, 2019	Police Chief (Lead) + City Manager	Develop shared services agreement with City of Calistoga for Police/Dispatch services				X	Draft agreement under review
H.	April 30, 2019	Finance Director (Lead) + City Engineer	Develop Leak Adjustment Policy for Commercial Businesses	X				
I.	April 30, 2019	City Clerk	Launch Laserfiche records portal on website	X				
J.	April 30, 2019	Police Chief + SHUSD	Implement Proposition 56 Tobacco Cessation Grant to fund School Resource Officer	X				
K.	June 30, 2019	City Manager + Assistant to the City Manager + Council Member Chouteau + Mayor Ellsworth	Liaison with existing regional dialogue and/or identify options for a regional dialogue on approaches to housing, transportation, environmental impacts, water, etc.				X	Mayor issued proclamation at June 25, 2019 Council meeting committing to a countywide effort to address climate change issues. Regional meetings forthcoming.
L.	December 31, 2019	Planning Director + City Engineer + City Manager + Mayor Ellsworth + Council Member Koberstein	Participate in LAFCO Municipal Services Review + Sphere of Influence Review		X			
M.	June 30, 2019	HR/IT Director	Implement online performance review software solution	X				Software deployed in July 2019.
N.	December 31, 2019	City Engineer + Police Chief	Conduct a public workshop to solicit community feedback on the concept of a comprehensive approach to improving traffic and pedestrian safety			X		On hold due to competing priorities

Revised date: 7.15.19

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DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
O.	December 31, 2019	Planning Director	Review and document status and scale of three large existing non-conforming businesses within the community			X		On hold due to competing priorities
P.	December 31, 2019	Planning Director (Lead) + Assistant to the City Manager + Vice Mayor Dohring + Member of Planning Commission + SHFD + Water	Introduce pre-application conferences for Planning Applicants			X		On hold due to competing priorities
Q.	TBD	HR/IT Director	Re-skin City website			X		

GOAL 4: Ensure Long Term Economic Sustainability While Safeguarding St. Helena's Unique Culture & Quality of Life								
DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
A.	December 31, 2019	Finance Director (Lead) + City Engineer + Planning Director + Recreation Director + Willdan	Complete and present for City Council adoption Impact Fee Study and cost allocation plan including inclusionary fees and updating housing fees		X			Preliminary City Council discussion held October 9, 2018.
B.	December 31, 2019	Finance Director (Lead) + Assistant to the City Manager + Council Member Knudsen	Present for City Council consideration a policy and procedure to receive charitable gifts and endowments on behalf of the City		X			

Revised date: 7.15.19

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DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
C.	September 30, 2019	Finance Director (Lead) + City Manager + Council Member Knudsen	Evaluate and present options to increase City revenue for City Council consideration		X			July 23, 2019 Council discussion on General Fund Debt Options and Capacity is related to this task.
D.	September 30, 2019	City Manager (Lead) + Assistant to the City Manager + Mayor Ellsworth + Council Member Chouteau + Chamber of Commerce	Intervene to assist in securing tenants for vacant buildings		X			
E.	April 30, 2019	Planning Director	Develop Pop-Up Retail (Temporarily Uses) Permanent Ordinance	X				
F.	November 30, 2019	City Manager + Assistant to the City Manager + Chamber of Commerce + Mayor Ellsworth + Council Member Chouteau	Refresh branding and reputation of Downtown		X			May require appropriation of funds.
G.	July 31, 2019	City Manager + Consultant + Vice Mayor Dohring + Council Member Koberstein	Investigate feasibility and potential of Enhanced Infrastructure Financing District (EIFD) and recommended steps		X			Initial discussions held at April 24, 2019 City Council meeting.
H.	August 31, 2019	City Manager + Assistant to the City Manager + Recreation Director + Mayor Ellsworth + Council Member Chouteau + Chamber of Commerce	Enhance community event programming in partnership with Chamber of Commerce		X			
I.	May 31, 2019	City Manager + Assistant to the City Manager	Create online marketing portal for vacant commercial space and priority investments				X	Postponed to start date of Assistant to the City Manager

Revised date: 7.15.19

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DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
J.	September 30, 2019	Planning Director	Initiate Update to Zoning Ordinance (including consideration of cannabis)		X			Draft RFP to be reviewed by City Council on July 23, 2019 with release planned immediately thereafter.
K.	September 30, 2019	City Manager + Vice Mayor Dohring + Council Member Koberstein	Evaluate options for Adams Street property				X	City Council discussed a recommended RFQ/RFP approach on April 24, 2019. Additional discussion was held on May 28, 2019.
L.	June 30, 2019	Planning Director + Assistant to the City Manager + Mayor Ellsworth + Council Member Chouteau	Develop and Recommend Downtown Façade and Tenant Improvement Program Policy Options for City Council				X	Will require additional time due to competing priorities
M.	November 30, 2019	City Manager + Assistant to the City Manager + Council Member Knudsen	Initiate conversation with existing hotels to discuss opportunities to grow/improve their business (e.g. hotel incentive program)		X			
N.	TBD	Planning Director	Develop and Recommend Parklet's Program and Policy			X		

Revised date: 7.15.19

GOAL 5: Support Thriving Families and Enhance the Safety, Well-Being and Healthy Development of Our Youth								
DUE DATE		WHO	WHAT	STATUS				COMMENTS
				Complete	On Schedule	On Hold	Revised Date	
A.	April 30, 2019	Assistant to the City Manager (Lead) + Mayor Ellsworth + Vice Mayor Dohring	Analyze Institute for Local Government resources and prepare options for consideration of establishing a Youth Commission				X	Postponed to start date of Assistant to the City Manager
B.	May 31, 2019	Assistant to the City Manager (Lead) + Recreation Director + Mayor Ellsworth + Council Member Chouteau	Provide recommendations to enhance participation and engagement of youth and families in St. Helena				X	Postponed to start date of Assistant to the City Manager
C.	June 30, 2019	Consultant + Assistant to the City Manager + Vice Mayor Dohring + Council Member Chouteau	Prepare needs assessment of community youth issues/challenges, opportunities to connect with existing youth organizations/school-based efforts, and provide recommendations for actionable strategies to address issues/challenges				X	Postponed to start date of Assistant to the City Manager
D.	September 30, 2019	Planning Director + Council Member Chouteau	Update Zoning Standards for Daycare and Senior Housing (Residential) for compliance with State law and to improve access		X			

Revised date: 7.15.19



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: New Business

Subject: Review and Discussion of Proposed Reduction in Home Generator Permitting Fees

CEQA Determination: Not a CEQA project

Prepared By: Aaron Hecock, Acting Planning & Building Director

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

Because PG&E recently notified its customers that it anticipates implementing periodic Public Safety Power Shutdowns (PSPS) as part of its Community Wildfire Safety Program, the City experienced a noticeable increase in permit applications for home generators in approximately April 2019. The City is currently processing approximately 10 permit applications for home generators each month. Vice Mayor Paul Dohring recently inquired about the cost of the City's fees related to permitting of backup home generators and expressed concern that if fees were too high, it may deter customers from seeking a permit or cause some to install a generator without the City's important safety oversight.

The City charges a minor electrical fee (\$436), plus two inspections (a total of two hours totaling \$293), for a total of \$729. These permits cover a variety of electrical installations and projects (e.g. solar permits, fence permits, small bathroom remodel, etc.) and are considered a Rapid Permit. While the City notifies customers that its review period is up to 14-days, typically these permits are issued in about one week. The City asks for enough information to be able to approve the permit including a site plan (to verify setbacks), one-line electrical diagram (to verify feeder sizes and conduit), and manufacturer's cut sheets (to verify fuel type, DB rating @ 50'). St. Helena does not have a specific home generator permit fee.

Below are approximate permit fee costs for backup home generator installation in several of Napa County's jurisdictions. These comparisons are not "apples to apples" as the fees vary based on how they are charged (i.e., job versus valuation):

City of Napa: A recent permit fee was \$599.02 for a \$15,000 valued project (\$12,000 to \$15,000 is a common job cost for most home generators). This fee includes Planning, Building, and Fire Department plan checks and one electrical inspection.

Town of Yountville: The permit fee is \$300 for a generator permit with a total valuation is \$4,500 (a much lower project valuation typically seen, meaning it was likely a very small generator or the cost was not accurate). In Yountville, permit fees are based solely on project valuation, so if a generator installation is valued at \$20,000, which is more realistic for an 18 KW generator, the permit fee would be higher. Yountville has also advised that they are currently having a fee study performed by the same consultant who is doing Calistoga's fee study, because they feel their permit fees have been on the low side.

City of Calistoga: Calistoga has indicated that their fees are too low and not good for comparison and that they are in the process of doing a fee study in order to increase fees.

Napa County: A recent permit fee was \$558.59 for an 18 KW generator.

DISCUSSION

Due to safety issues that may arise if a home generator and transfer switch are not properly installed, the City Manager is supportive of providing a City subsidy toward installation of home generators. For example, if the City funded one hour of inspection time, the City's total permit charge would be reduced to \$582.50.

FISCAL IMPACT

While the reduction of fees associated with the installation of new home generators would result in a loss of revenue, due to the low cost of the fees and relative infrequency of generator installations, this loss of revenue is not expected to be significant.

RECOMMENDED ACTION

Discuss and provide direction to the City Manager.



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: New Business

Subject: Discussion and authorization to submit Grand Jury Response letter for the 2018-2019 Napa County Grand Jury Report, "Napa County Water Quality - It's a Matter of Taste"

CEQA Determination: Not a CEQA project

Prepared By: Mark T. Prestwich, City Manager

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On June 14, 2019, the Napa County Grand Jury (Grand Jury) issued a Final Report titled, "Napa County Water Quality - It's a Matter of Taste." Pursuant to California Penal Code sections 933 and 933.05, the City is required to respond.

DISCUSSION

The City of St. Helena has carefully reviewed and considered the findings and recommendations of the Grand Jury report. The Grand Jury requested the City's responses to the report's findings one through eight (F1-F8) and the report's recommendations one through seven (R1-R7). The attached letter provides the requested responses.

FISCAL IMPACT

There is no fiscal impact to the response.

RECOMMENDED ACTION

Discussion and authorization for the City Manager to sign and submit the City of St. Helena's Response letter for the 2018-2019 Napa County Grand Jury Report, "Napa County Water Quality - It's a Matter of Taste"

ATTACHMENTS

[2018-2019 Grand Jury St. Helena Napa County Water Quality Its a Matter of Taste](#)
[Napa County Water Quality - It's a Matter of Taste Grand Jury Report](#)



City of St. Helena

*"We will conduct city affairs on behalf of our citizens
using an open and creative process."*

[DATE]

The Honorable Elia Ortiz
Presiding Judge of the Civil Grand Jury
The Superior Court of California, County of Napa
825 Brown Street
Napa, CA 94559

Napa County Civil Grand Jury
c/o Foreperson Kort van Bronkhorst
1754 Second Street, Suite D
Napa, CA 94559

Re: 2018-19 Napa County Grand Jury Report "Napa County
Water Quality: It's a Matter of Taste"

Dear Judge Ortiz and Foreperson Bronkhorst:

The City is in receipt of the Grand Jury report dated June 14, 2019: "Napa County Water Quality: It's a Matter of Taste". The City has carefully reviewed and considered the findings and recommendations of the Report. Pursuant to your request for response, at the regularly scheduled City Council meeting held on August 27, 2019, the City of St. Helena City Council approved this response.

The City of St. Helena responds to the Grand Jury's *Findings* and *Recommendations* as follows:

Findings:

F1. Drinking water supplied by all Napa County municipalities meets all USEPA and State Water Resources Control Board standards and is safe to drink.

Response: The City **agrees** with this finding. As indicated by the City's Consumer Confidence Reports, in all cases the City meets or exceeds all established standards.

City of St. Helena • 1480 Main Street, St. Helena, CA 94574
Website: www.cityofstheleena.org

- F2. Drinking water supplied by each municipality is acknowledged by all Napa County Public Works officials to have, from time-to-time, predictable Taste and Odor (T&O) and color issues which, while not unsafe, the water-consuming public may find objectionable and cause for concern.

Response: The City **partially disagrees** with this finding. While the City has recognized T&O complaints, the complaints are not predictable. To improve T&O the City, in December 2017, began utilizing a Carbon Filtration System (CFS) when the City received a spike in T&O and color complaints. The CFS uses a bed of activated carbon to remove contaminants and impurities that cause T&O. Since the installation of the CFS, the amount of T&O complaints has reduced by 75%. The City of St. Helena also purchases water from the City of Napa via the Rutherford connect, this water does not filter through the City's plant, so it is not treated with CFS which may result in T&O.

- F3. Communication of water quality testing and T&O and color issues to the public by all Napa County Public Works municipalities is inconsistent and, at time, inadequate.

Response: The City **disagrees** with this finding. The City publishes the Annual Consumer Confidence report online as well as monthly and weekly water reports. Operation (and testing) of public water distribution systems are heavily regulated by the State of California. The City takes great pride in operating a system which meets or exceeds the State requirements for the City's Water Distribution System. In addition, all complaints regarding water related issues are followed up by City staff and noted in a complaint log. A member of the City's Public Works department responds to the complaint, conducts and investigation, and follows up with the responsible party. In cases where there is a concern, or the system is in other than normal operations, the City uses a variety of options to communicate with the public including media releases and emergency notification systems (NIXLE).

- F4. Napa County Public Works officials are aware of existing T&O and color issues and a number of

municipalities are assessing and testing various treatment options for improvement, including long-term capital improvement projects.

Response: The City **partially disagrees** with this statement. The City of St. Helena is not responsible for the treatment of water for other municipalities. As stated in F2, in December 2017, the City began utilizing a CFS which eliminated much of the T&O at the City of St. Helena's Water Treatment Plant and greatly reduced complaints. It is important to note water purchased through the City of Napa does not go through the City's CFS treatment process.

- F5. Public Works official's countywide treat T&O and color issues as less important than Federal and State regulated contaminant standards, thereby minimizing T&O and color concerns in their water treatment standards and reporting.

Response: The City **disagrees** with this finding. The City (and City staff) treat all complaints with the same urgency and concern as evidenced by the complaint and response logs. T&O can be an indication of distribution system (or treatment plant) health, and other than normal operations. As such, staff responds promptly to investigate, remediate (if needed), and follow-up with the responsible party on the complaint.

- F6. All municipalities lack formal written procedures for the handling of water quality complaints.

Response: The City **partially disagrees** with this finding. The City does not know what written procedures exist at other agencies. The City staff does have a complaint log, but does not have a formal written policy. A written policy will be developed and implemented on, or before June 30, 2020, per the Grand Jury request.

- F7. There are large disparities in household drinking water and wastewater rates between the municipalities, with smaller up-valley cities in Napa County paying much higher costs for the same amount of residential drinking water and wastewater.

Response: The City **agrees** with this finding. However, the City notes that water and wastewater rates are highly governed by a number of state laws. Rates can not exceed the actual costs to deliver that service in each community based on its water supply, maintenance and operations costs, capital improvement program costs, and personnel and other costs. The rate setting process is typically on a 5-year cycle and is governed by the majority protest and other procedures of Propositions 218 and 26 and their implementing state laws.

- F8. Residents of mobile home parks, gated communities and apartment buildings do not always receive communication about water quality or taste and odor issues – rather the owner/operator/manager of the site received required water quality notifications and is not required to pass the notification on to individual residents.

Response: The City **partially disagrees** with this finding. The residents of the City receive notification of all, other than normal, water operations from a variety of methods including the St. Helena Star, e-news notifications, NIXLE, the SHINE Newsletter (a quarterly City distribution), and the City's website. This is typical for all City water customers and does not exclude the residents on any of the examples listed in F8. The City continues to work on more effective and efficient communications in all interactions with the public including the recent development of a communications checklist. Over the past year, City staff has compiled a list of all addresses in the City where important communications can be delivered. This list includes individual mobile homes and apartment units.

Recommendations:

- R1. Each Napa County municipality's Department of Public Works explain on its City and/or Department of Public Works website, in water invoices, via social and other local media, what ongoing water quality tests are taken, where and when they are taken, and

what is required if results do not meet USEPA and State standards. Each of Napa County's five Department of Public Works should implement these actions no later than June 30, 2020.

Response to Recommendation 1: This recommendation has been implemented. The City currently includes information such as its Consumer Confidence Report on the Public Works website at: <https://www.cityofsthelena.org/publicworks/page/water-reports> and has in the past utilized e-news, media releases, and NIXLE alerts to inform and educate its residents on water quality issues. The City commits to continuing this recommended action.

- R2. Each Napa County municipality's Department of Public Works advise citizens of known and anticipated T&O and color issues by notices on its Department of Public Works website and within social media and news media. Each Napa County's five Department of Public Works should implement these actions no later than June 30, 2020.

Response to Recommendation 2: The recommendation has been implemented. The City has previously utilized, and will continue to utilize, its website and media releases to inform and educate its residents on water quality issues. The City commits to continuing this recommended action.

- R3. Each Napa county municipality's Department of Public Works identify, evaluate, and estimate water treatment process improvements and longer-term capital improvement programs that could mitigate T&O and color issues in their respective water treatment operations. Each of Napa County's Department of Public Works should implement these actions no later than June 30, 2020 for the 2021/2022 budget year.

Response to Recommendation 3: The recommendation has been implemented. As noted in F2 and F4, the City implemented a Carbon Filtration System in December 2017 to address T&O. Additionally, the City annually reviews and adopts the 5-year Capital Improvement Program (CIP) list which includes water and wastewater projects. These

projects include facility condition assessments, improvements and upgrades to systems, and feasibility studies. The City commits to continuing this recommended action.

- R4. Each Napa County municipality's Department of Public Works publish T&O and color quality measures and results as part of their Annual Consumer Confidence Water Quality report provided to citizens. Each of Napa County's Department of Public Works should implement this action in the 2019 Report published by June 30, 2020.

Response to Recommendation 4: The recommendation has not yet been implemented, but will be implemented in the future by the June 30, 2020 deadline.

- R5. Each Napa County municipality's Department of Public Works establish a formal written complaint policy identifying how complaints should be received, processed, tracked, responded to, and reported, including a written complaint resolution notice to be issued for every complaint. Each of Napa County's Department of Public Works should implement this action in the 2019 Report published by June 30, 2020.

Response to Recommendation 5: This recommendation has been partially implemented and full implementation is expected by June 30, 2020. The City currently follows all State mandated reporting requirements and is receptive and agrees to evaluation its current processes and look at ways to improve the process for managing water quality complaints including development of a written formal policy.

- R6. Each Napa County municipality's Department of Public Works establish a formal written communication policy identifying how to better communicate to and interact with customers in mobile home parks, gated communities, and apartment residents that are beyond the water meter. Each of Napa County's Department of Public Works should implement this action in the 2019 Report published by June 30, 2020.

Response to Recommendation 6: The recommendation has been partially implemented and full implementation is expected by June 30, 2020. The City currently distributes information via its website and media releases to inform and educate its residents on water quality issues. All residents (including those in mobile home park communities and apartment complexes who may not have individual meters) access to information from the City on water quality and other issues. Additionally, the City is in the process of developing a communications checklist that can include this type of communications. The City is receptive and, similar to R5, agrees to evaluate its current processes and look at ways to improve the process for communicating to residents beyond the water meter, including development of a written formal policy.

- R7. The LAFCO Municipal Service Review of drinking water and wastewater countywide resources recommendations are due in February 2020. Each Napa County municipality's senior municipal elected officials should review, evaluate, respond to, and where appropriate, incorporate the LAFCO MSR recommendations into each Napa County municipality's operating and long-range plans. Each of Napa County's senior municipal elected officials should implement these actions by no later than June 30, 2020.

Response to Recommendation 7: The recommendation requires further analysis as the referenced report has yet to be completed or released and is expected in February 2020. The City agrees that review and consideration of implementation of possible recommendation contained in the LAFCO Municipal Services Review (MSR) is important. As with other recommendations and reports from LAFCO, the City is committed to a thorough review and analysis of this report once it is published. However, before the City can commit to implement a course of yet unknown recommendation, it would be appropriate for the City to review, evaluate, and fully understand the scope and implications of the recommendations contained in the LAFCO MSR.

The City of St. Helena appreciates the opportunity to provide written responses to the Napa County Grand Jury Report, "Napa County Water Quality: It's a Matter of Taste."

Should the Grand Jury require any additional information, please contact me directly at (707) 312-0252.

Thank you,

Mark T. Prestwich
City Manager

cc: City Council
Cindy Tzafoopoulos, City Clerk



**NAPA COUNTY GRAND JURY
2018-2019**

**FINAL REPORT
June 14, 2019**

**Napa County Water Quality:
It's a Matter of Taste**

Napa County Water Quality: It's a Matter of Taste

Published June 14, 2019

SUMMARY

Water is one of the scarcest and most valuable resources in Napa County, as it is anywhere else. Even with the recent rains that have left our reservoirs overflowing, water, and the health of our reservoirs, is something that City and County officials spend a significant amount of time worrying about. Local officials are currently addressing such topics as the amount of water Napa County receives from the State of California and how to protect our valuable watershed.

While those legislative and administrative efforts are underway, the 2018-2019 Napa County Civil Grand Jury elected to investigate the quality of the drinking water that is provided to County residents. Based on a water quality complaint submitted by a Napa City resident, the Jury decided to investigate the water treatment processes and water quality across Napa County and its five municipalities: the cities of American Canyon, Napa, St. Helena, Calistoga and the town of Yountville.

After an exhaustive review of the County's water treatment plants and State-mandated water quality reports, the Jury finds that water from all the Napa municipalities is well within State and Federally-mandated standards and is "safe to drink." While there have been three non-conforming water quality test results in several cities over the past two years, these issues did not represent immediate health concerns to the public, were quickly addressed, and water quality and test results quickly returned to compliance levels.

Safety notwithstanding, the Jury finds that County water supplies have Taste and Odor (T&O) and color issues. These T&O and color issues generate a large number of consumer complaints, and all five municipalities lack comprehensive procedures to process these complaints. Local municipal water officials at all levels acknowledge the validity of these "subjective" complaints; but the officials instead focus on the more "objective and quantifiable" State and Federal drinking water standards and reports. Several of the local water treatment plants have installed expensive processes to help mitigate T&O issues, while other plants have not. Expensive plant upgrades are also being considered that could mitigate most T&O and color issues. While more might be done to make the water consistently taste better, such improvements come at significant cost. County residents, especially up-valley, already pay high rates for safe drinking water and wastewater.

The Jury recommends that the County municipalities place a higher priority on consumer complaints about T&O and color issues. These recommendations include creating more uniform complaint procedures, as well as public communications protocols to inform consumers about all aspects of water quality. Finally, the Jury recommends that the current Napa County LAFCO Municipal Service Review of countywide water and wastewater now underway be carefully reviewed and responded to by each municipality's Public Works Department and City Council upon its completion in early 2020.

GLOSSARY

CalVet: California Department of Veterans Affairs

CIP: Capital Improvement Program

DWQR: Drinking Water Quality Report: The State mandated report on drinking water quality that each municipality provides to its residents annually.

DPW: Department of Public Works

GPD: Gallons Per Day

HAA5: Haloacetic acid

Jury: 2018-2019 Napa County Grand Jury

LAFCO: Local Area Formation Commission of Napa County <https://www.napa.lafco.ca.gov/>

MSR: Municipal Service Review- A countywide municipal services review—a State-required comprehensive study of services within a designated geographic area.

https://www.napa.lafco.ca.gov/s_municipal_reviews.aspx

<https://sites.google.com/pcateam.com/napamsr/news-and-updates>

<https://sites.google.com/pcateam.com/napamsr/home>

NBA: North Bay Aqueduct <http://www.scwa2.com/home/showdocument?id=918>

SCADA: Supervisory Control and Data Acquisition <https://en.wikipedia.org/wiki/SCADA>

SWRCB: State Water Resources Control Board <https://www.waterboards.ca.gov/>

T&O: Taste and Odor <https://www.doh.wa.gov/portals/1/Documents/pubs/331-286.pdf>

TTHM: Total trihalomethane

USEPA: United States Environmental Protection Agency <https://www.epa.gov>

WTP: Water Treatment Plant

METHODOLOGY

In conducting its investigation, the Jury completed the following:

- **Site Tours:**

The Jury conducted investigative tours at four of the County's nine water treatment facilities including the American Canyon water treatment plant, the City of Napa's Jamieson and Hennessey water treatment plants, and the Calistoga Kimball water treatment facility.

- **Interviews:**

The Jury conducted 17 interviews (including the interviews in Site Tours) with Water Department management and senior Public Works and Water Utility officials of Napa County and in the cities of Napa, American Canyon, St. Helena, Calistoga, the Town of Yountville, and the California Department of Veteran's Affairs Rector water treatment plant (WTP).

- **Research:**

- The Jury researched water quality standards established by the United States Environmental Protection Agency (USEPA) and the California State Water Resources Control Board (SWRCB).
- The Jury reviewed 2017 and 2018 Nextdoor.com water quality social media posts from the cities of Napa, St. Helena and Calistoga, as well as local news articles on water quality issues from the Napa Register, St. Helena Star and the Calistoga Tribune.
- The Jury requested and reviewed extensive water quality test reports from 2016-2018 from each municipality generated for the SWRCB, consumer complaint logs, water treatment plant operational procedures and operating descriptions, and other reports from each municipality's Public Works or Water Utility.

BACKGROUND

The Jury opened its investigation following the receipt of a formal complaint regarding drinking water T&O issues experienced by a Napa City resident. Upon further inquiry, including the review of news media and social media posts in neighboring municipalities, the Jury decided to investigate more broadly and to report on drinking water quality across the five Napa County municipalities.

Overall, the cities of American Canyon, Napa, St. Helena, Calistoga, and the town of Yountville (via the California Department of Veterans Affairs Rector water treatment plant) deliver over 16 million gallons of water a day - almost six trillion gallons of water a year - to 113,500 of Napa

Valley's 140,000 residents and businesses that access treated drinking water. Residents in unincorporated areas in Napa County generally source their water from Napa County regulated wells. Most people who drink this water have little understanding of how the water gets to their tap, the source of the water, or how the water is processed, treated, and tested so that it is "safe to drink."

Each of the municipalities, excluding the Town of Yountville, processes and delivers its own drinking water to its customers and operates its own water treatment facility. The County's nine treatment facilities vary greatly in terms of water capacity and technical complexity, but all are designed to safely deliver drinking water. All but one plant uses the same basic filtration techniques of coagulation, flocculation, sedimentation, and filtration, followed by chlorine disinfection addition and pH balancing.¹

Napa County water treatment plants range from T2-T5 rated facilities, with T5 being the most complex.² The T-rating is dependent on the physical size, water processing capacity, and complexity of the facility. Plant operators are themselves T-rated and certified.³ All municipal operating plants deliver water that meets State and Federal standards and is safe to drink.

In the City of Napa and the County's other municipalities, water treatment utilities are operated as self-funding enterprises.⁴ Water services are paid for by users through direct or tiered water and wastewater rates to recapture operating expenses and fund future capital improvement programs (CIP). It is unusual that each municipality within Napa County manages its own water supply and charges rates to a relatively small population base. Comparable population-sized California counties such as Marin County have one water authority that manages all water treatment, delivery, and wastewater across the County. Napa County's separate and autonomous water utilities are a legacy of a rural history of city-by-city self-funding and self-management.

Napa County's Water Treatment Operations by Municipality

The 26,550 residents and 7,000 households, plus wineries and farms that are in unincorporated areas of Napa County, are outside of the municipal water delivery systems and are not covered in this report. They source drinking water from private wells, which are regulated by the County. Napa County itself maintains two very small treatment facilities, with water sourced from Lake Berryessa, that deliver water to a total of 560 households in Berryessa Highlands and Berryessa Estates. These are not covered in the report. Additionally, there are unincorporated County residential neighborhoods, such as Silverado serviced by the City of Napa, or Tucker Estates serviced by St. Helena. They are included in the delivery statistics reported in the table below.

Drinking water generated by or delivered to the municipalities is summarized in the chart below, based upon their submissions to the SWRCB.

¹ Appendix #1 Standard water treatment process

² Appendix #3 facility rating

³ Appendix #4 individual rating

⁴ Appendix #15, Section 1.2

Municipal Sources of Treated Water Delivered in Napa County (Gallons per Day)

Municipality	Population / Water Connections	Water Treatment Capacity	Water average distribution	Comments
City of Napa	79,775 population 25,095 water connections	43,000,000	12,100,000 Peak distribution 20,000,000 + gpd.	Source: Jamieson, Hennessey, and Milliken treatment plants. Napa serves a population of 88,000 including water for residents of Calistoga and St. Helena. Napa on average supplies 325,000 gpd to outside cities. Peak delivery is much higher.
American Canyon	20,250 population 5,400 water connections	5,000,000 can be expanded by 3,000,000 gpd	2,700,000	Accesses some additional water from Vallejo for higher elevation homes. Not included.
Yountville / Veterans Home of California, Yountville	2,925 Population 833 Yountville connections	1,000,000	420,000 Yountville 325,000 Vet. Home 100,000 Other customers	Source of water is the Rector Reservoir operated by the California Department of Veterans Affairs.
St. Helena	6,200 Population 2,423 water connections	650,000	640,725 includes water from Napa	Includes water from wells and the Louis Stralla WTP. Added distribution is up to a maximum of 500,000 gpd purchased from City of Napa Water Utility. This amount fluctuates over the course of wet and dry months.
Calistoga	5,275 Population 1,483 water connections	335,000	269,000	Added distribution of 387,250 gpd is purchased from the City of Napa Water Utility. This amount will fluctuate over the course of wet and dry months.
Unincorporated Napa County	26,550	Well water	Well water	Approximately 7,000 households, wineries, and farms served by wells. 560 households source water from two small Napa County Berryessa WTP facilities. Not included in total numbers
Napa County Total	140,975 35,234 connections	49,975,000	16,554,725	30% of the County's water capacity is utilized on an average day. Summer months see utilization rise to 50% or more of capacity; distribution increases to over 25 million gallons per day.

Source: 2017 State Department Drinking Water Reports provided by each municipality and compiled by the Grand Jury.

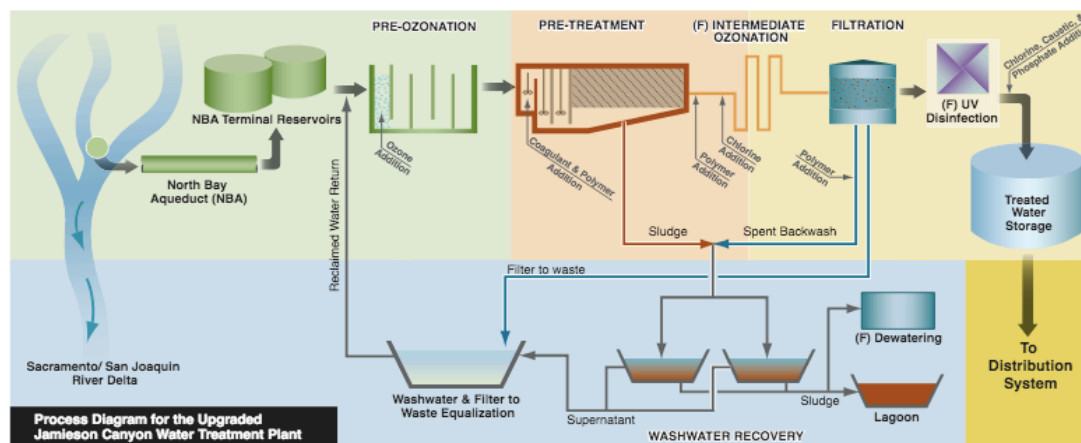
The cities of Napa and American Canyon each purchase water from the California State Water Project managed by the California Department of Water Resources. Sierra water is stored in Lake Oroville and travels through the Sacramento–San Joaquin River Delta. At the Barker Slough Pumping Station, the water begins a 27-mile journey through the North Bay Aqueduct, traveling ultimately to adjacent city holding tanks in Jamieson Canyon at the “end of the line.” Based upon State allocations, fully 50% of the County’s drinking water capacity is paid for and sourced from this North Bay Aqueduct (NBA) water system.

City of American Canyon

American Canyon's water treatment plant consists of two side-by-side processes with a combined capacity of five million gallons per day (GPD). On one side is a conventional treatment process, while the other side features a unique membrane filtration system.⁵ American Canyon's average daily drinking water generation is 2.7 million gallons. The more recently built membrane filtration system was constructed to allow capacity to be expanded by an additional three million GPD, for a total capacity of eight million GPD. American Canyon, like other Napa County municipalities such as the City of Napa, built its treatment capacities based upon forecasts that predicted substantially higher water consumption than have occurred. Water conservation efforts have largely reduced predicted demand. American Canyon's WTP and plant operators are T4 certified by the SWRCB. Treated water is continuously monitored through an automated Supervisory Control and Data Acquisition system (SCADA) as well as tested daily at an on-site lab to ensure State standards are achieved.

City of Napa

The City of Napa, utilizing NBA water, operates the Jamieson Water Treatment Plant with a maximum capacity of 20 million GPD. The Jamieson WTP was upgraded to its current standard in 2012 at a cost of \$38 million. Its design incorporated the most recent technologies available at that time, including a pre- and post-ozonation treatment process to remove residual microscopic particulate matter and algae, minimizing T&O and color residue in the water. The Jamieson WTP and operators are T4-T5 certified by the SWRCB. Water is continuously monitored via SCADA and lab tested onsite every two hours to ensure State regulatory compliance.



Jamieson Water Treatment Plant process flow.

⁵ Appendix #2 Membrane water treatment process



Jamieson Water Treatment Plant aerial view.

Approximately 50% of Napa County drinking water is sourced from Napa County lakes and reservoirs.

Napa operates the Hennessey Water Treatment Plant, built in 1981, with the standard treatment design and with a maximum capacity of 20 million GPD. Water is sourced from Lake Hennessey, which is owned by the City of Napa. Lake Hennessey water may contain runoff microbiological contaminants and algae build up, particularly in late summer when algae blooms⁶, requiring special treatment. The algae are not concentrated in any one section of the Lake. They are present throughout the entire body of the Lake at all water levels, making pre-treatment difficult. The Hennessey WTP has a National Pollutant Discharge Elimination System permit to apply aquatic pesticides to the Lake Hennessey water, close to the intake tower, to help control algae intake.

The Hennessey WTP typically treats water at a rate of 10-12 million GPD when in full operation. Operators are T4 and T5 certified. This water is continuously monitored by SCADA and is lab-tested every two hours.

⁶ Appendix #5 Algae bloom definition

Napa also operates the Milliken Water Treatment Plant, the original Napa City owned water source, built in the late 1920's, with a maximum capacity of four million GPD. This plant operates with a simpler filtration system than Hennessey due to higher purity of Milliken Reservoir water. The Milliken WTP was taken off-line in 2018 due to runoff contamination caused by the 2017 Napa wildfires. The plant is expected to be back online in mid-2019. The WTP is T3 rated and the operators are T3 and higher certified. Water is lab tested daily onsite to ensure SWRCB regulations are achieved.

Combined, Napa's Jamieson, Hennessey, and Milliken water treatment plants represent over 80% of Napa County's total water treatment capacity; they deliver 73% of Napa County's drinking water on an average daily basis.

Town of Yountville and Veteran's Home (CalVet)

The Town of Yountville purchases its drinking water from the California Department of Veterans Affairs (CalVet) which operates a small standard design WTP at the Rector Reservoir with T2 up to T4 operators. The plant uses a recently upgraded SCADA system. Maximum capacity of the plant is upwards of one million GPD. Approximately 450,000 GPD are utilized by the Town of Yountville, 325,000 GPD by the Veterans Home of California in Yountville, and 100,000 GPD are delivered to other local customers. The Town also accesses City of Napa water when the Rector plant has scheduled maintenance or when the Rector Reservoir has low water acre feet capacity during droughts.

St. Helena

The City of St. Helena delivers water to its customers via three sources:

- Approximately 615,000 GPD from the Bell Canyon Reservoir, owned by the City of St Helena, processed through the T-4 rated Louis Stralla Water Treatment Plant. Operators are T2 up to T4 rated.
- An average of 400,000 GPD purchased from the City of Napa at a cost of \$1.2 million a year under a long-term contract.
- Approximately 25,000 GPD from the Stonebridge Potable Wells.

Average distribution to drinking water customers from all three sources is approximately one million GPD. The use of Napa water is based upon demand; deliveries are higher during summer months and lower during the winter. All Louis Stralla WTP water is continuously SCADA monitored and lab tested daily. The City of Napa supplied water is tested daily for chlorination levels at a St. Helena receiving site.

Calistoga

Calistoga sources water from the Kimball Reservoir, which is owned by the City of Calistoga, at the T-4 rated Kimball Water Treatment Plant. The plant features the standard operating design with a maximum capacity of 350,000 GPD. Operators are T2 up to T4 rated. The water treatment

process is SCADA monitored and lab tested daily. Average water generation is 269,000 GPD. Calistoga also purchases, on average, 387,000 GPD from the City of Napa Water Utility. Napa water may come from the Jamieson, Hennessey, or Milliken treatment facilities. Water purchases from Napa substantially increase in higher demand summer months.

How is this water treated and tested to make sure that it is safe to drink?

To ensure that drinking water is safe to drink, the USEPA and the SWRCB establish and enforce regulations that limit the number of certain contaminants in water provided by public water systems. The results of all required testing indicate that drinking water meets or exceeds all primary drinking water standards set by the Federal Safe Drinking Water Act, and the USEPA as monitored by the SWRCB.

SWRCB regulation measures include, but are not limited to, inorganic compounds, microscopic coliform bacteria, chlorine levels (both free and total), phosphate, the disinfection byproducts (total trihalomethanes (TTHM) and Haloacetic acids (HAA5))⁷, lead, and copper. Alkalinity, hardness, odor, and color are also measured, with data sent to the SWRCB, but are not generally included in the Drinking Water Quality Report (DWQR) published yearly by each municipality for its citizens. Every Napa County municipality tests water within its distribution system from multiple sites within its boundaries on a recurring, rotating schedule.⁸

Water Quality Tests and Frequency: Source Napa County Public Works Officials

Municipality	DWQR Measures including bacteriological samples	TTHMs/HAA5s Disinfection byproducts	Copper/Lead
Napa	24 sites; 97 total Chlorine sites monthly	8 sites quarterly	30 of 40 sites 3 times a year
American Canyon	15 sites; up to 25 tests per month	4 sites quarterly	30 sites every 3 years
St. Helena	8 sites monthly	2 sites quarterly	20 sites every 3 years
Rector WTP / VA	5 sites monthly	5 sites quarterly	10 sites every 3 years
Yountville	4 sites monthly	4 sites quarterly	10 sites every 3 years
Calistoga	6 sites monthly; 10 sites chlorine/week	2 random sites quarterly	20 sites every 3 years

Data supplied by each municipality and compiled by the Grand Jury

- DWQR tests include bacteriological samples, pH, Cl₂ free and total, turbidity, alkalinity, hardness, odor, and color.
- DWQR tests generally include "Threshold Odor Number" levels which measure the level of Odor in the water. These TON's are included in SWRCB reporting but generally are not reported in Annual Water Quality Reports presented to the public.⁹
- Disinfection byproducts TTHM and HAA5.
- Detailed SWRBC tests conducted by municipalities are outlined in Appendix #6.

⁷ Appendix #10 Health risk of TTHMs

⁸ Appendix #6 Quantitative Measures and acceptable Ranges Submitted to the SWRCB

⁹ Appendix # 14

DISCUSSION

Over the period 2016-2018, test results for water provided to Napa County municipal water consumers have been well within State and USEPA standards with only a handful of test results outside of SWRCB standards, affecting a small number of residents over a short period of time. These positive measurements do not account for the T&O and color issues that have occurred on a more frequent and predictable basis.

This section will address these results on a city-by-city basis, reporting on how each water district deals with water quality complaints. T&O and color complaints are the most prevalent issues raised, according to interviewed water officials.

T&O issues in drinking water may develop when residual algae as small as “10 parts per trillion” remain in the processed water after its treatment. A senior public works official in Napa County stated: “This may be thought of as the equivalent of 10 drops of algae-affected water in an Olympic-sized swimming pool that can be tasted by individuals with sensitive taste receptors.”

Freshwater algal blooms are the result of an excess of nutrients, particularly some phosphates. The excess of nutrients may originate from fertilizers that are applied to land for agricultural or recreational purposes. They may also originate from household cleaning products containing phosphorus. These nutrients can then enter watersheds through water runoff. Excess carbon and nitrogen have also been suspected as causes. Presence of residual sodium carbonate acts as catalyst for the algae to bloom by providing dissolved carbon dioxide for enhanced photosynthesis in the presence of nutrients.¹⁰

Residual organic compounds from local reservoirs such as Lake Hennessey or from the NBA may also be present in water. This can result in T&O and color aftertaste which, while not dangerous to health, may be off-putting to consumers.

The Napa County water utilities are responsible for providing safe drinking water up to the meter at the household connection. They do not control water between the residents’ intake systems from the meter to the tap. T&O and color complaints can result from standing water at a customer’s own pipe intake system, beyond the city water meter, or by organic leaching within the pipe delivery system. This can often be controlled by simply running the water system for a few seconds before use.¹¹

Most T&O and color complaints derive from algae and residual organic compounds that remain in the treated and delivered water. T&O and color are measured in ongoing reports supplied to the SWRCB but are not included in the DWQR that each water district must publish under State requirements for its residents. The Jury concludes that T&O and color complaints are considered by the water utilities across Napa County as “subjective and qualitative” judgements as opposed to “objective and quantitative” determinations.

¹⁰ Appendix #5 Algae bloom definition

¹¹ Appendix #9 Taste and odor in drinking water

Based upon the social media posts reviewed, the Jury concludes that the reported levels of T&O and color complaints are only a small percentage of actual unreported complaints. This is consistent with complaint report levels across many consumer product categories.

City of Napa

The City of Napa has achieved 100% compliance of regulatory standards for water safety over the past three years. The City is Environmental Laboratory Accreditation Program¹² certified and conducts its own water quality tests. The City of Napa consistently scores in the best ranges for test values on all measured contaminants. For example, on chlorine levels, the State standard is between .02-4.0 parts per million (ppm) and Napa's average is .08 ppm. Notwithstanding these very positive regulatory results, City of Napa water has had persistent and predictable T&O and color issues, particularly in water processed from the Hennessey WTP. T&O prevalence during summer to early fall months is attributed to algae blooms in Lake Hennessey. All City of Napa Water Utilities Department officials interviewed were very aware of the T&O issues. However, some T&O complaints were dismissed as "from persons with sensitive receptors."

To minimize future T&O and color issues, the Hennessey WTP could be upgraded with additional processes similar to the ozone treatment process at Jamieson. The City of Napa is already planning for substantial and expensive Hennessey upgrades beginning in 2022 with costs that will exceed \$10 Million. The City of Napa Utility Division has also sponsored and undertaken a "Watershed Study and Monitoring and Analysis Plan" to be finalized in 2019. This program should predict future watershed runoff issues at Hennessey, Milliken, and other "runoff reservoir" locations via computer modeling. The results of the modeling could help identify future watershed runoff issues jeopardizing all Napa County reservoirs.

The City of Napa submits Complaint Summaries to the State Department of Drinking Water in an annual report. During 2017, the City logged 62 formal T&O and color complaints, with the majority a result of Hennessey's underlying algae issues. Most complaints were logged as "resolved on the phone" with limited noted follow-up. Sample complaints from a City of Napa supplied log are:

- *5.02.2017: "I explained to her that the chlorine and taste & odor was due to Lake Hennessey and explained about the hot weather and the turning over of the Lake. I did tell her that some customers are more sensitive to chlorine, she was still not satisfied and thought I was making it up. Resolved over the phone."*
- *8.14.2017: "Water tastes like pond water. Undrinkable. Suggested to put it in the refrigerator the colder it is the better. Explained when demand goes down and temperatures even out that it will be back to normal and in the mean-time we will continue to make adjustments the best we can. Resolved over the phone."*

¹² Appendix #7 ELAP certification

- 8.15.2017: *“Customer complained of terrible taste and odor in water. Husband said was earthy, wife thought it was metal. Explained water meets all regulations and is constantly tested. Hung up happy? Resolved over the phone.”*
- 9.25.2017: *“Customer is complaining of strong odor, complains chlorine smell has gotten worse ...she was not happy.”*
- 11.02.2017: *“Customer called multiple times about quality of water ... chlorine smell ...we test, and everything is safe ... spoke to customer ... No additional information needed.”*

The City of Napa’s water complaint procedure begins with a call to the Utilities Department Water Division phone number listed on the Napa City website. The complaint is received and logged by office assistants and contact information is recorded. The majority of logged calls indicate “resolved over the phone.” The City sends no written response to the caller. While the City also compiles the DWQR, it does not include any mention of T&O or other qualitative water complaint issues. During interviews the Jury also noted that the head of the City of Napa Utility Department does not regularly review complaint summaries.

The Town of Yountville / Veterans Home State of California

The California Department of Veterans Affairs’ Rector WTP utilizes the independent Alpha Analytical Laboratories service to take water samples at five locations. The Town of Yountville contracts with the independent Caltest Analytical Laboratory to take its water test samples at four locations for water delivered from the Rector WTP. In the past three full years, from 2016-2018, both the Rector WTP and the Town of Yountville have achieved all SWRCB water standards.

However, as this report was being finalized, the Rector WTP and the Town of Yountville experienced significant T&O issues in April and May, 2019. During an initial event in April, water “Threshold Odor Number” (TON) readings registered a score of 40, ten times the normal measured TON¹³ of 4 as a result of filtration issues at the plant. Yountville discontinued water service from Rector, and switched to City of Napa water. The Rector WTP filtration issue reoccurred in early May and the Rector WTP was again put off-line in order to resolve the issue by replacing the “roughing filters.” These filters are large metal inserts in large tanks into which water flows and sediment is removed. Their life can be 20+ years if properly maintained. Replacing them is a significant and expensive underdoing and will take 4-8 weeks for the Rector WTP to complete. Yountville will use City of Napa water until the issue is resolved.

In April, during the initial event, Yountville officials reported the T&O issues to local residents via social media and through the Yountville Sun, as well as posting updates on the Public Works web site. Because chlorine levels remained high, the Town believed that the water was still safe to drink: “This was not a health issue, but it was a quality issue,” said Public Works Director Joe Tagliaboschi in the Yountville Sun. The response by the Rector WTP to the management and

¹³ Appendix #14

residents of the Veterans Home is unknown. The Town continued social media and news media updates in May.

Normally, a customer calls Town Hall or uses a “MyVille App” to send a water quality complaint to the Town of Yountville. Calls are logged but no written response is issued. During the two years prior to the April and May 2019 T&O incidents, neither CalVet Rector nor the Town of Yountville had any T&O or color complaints on record to report.

The City of American Canyon

The City of American Canyon contracts with the independent Caltest Analytical Laboratory to take test samples at 15 locations. Over the past three years, American Canyon had one test sample in 2017 that did not meet State standards. It was taken in a localized area of American Canyon comprised of 466 households. State regulations require all Napa County municipalities to notify affected households about non-conforming test results. American Canyon officials notified the affected customers in writing and on its Department of Public Works (DPW) website. By the following calendar quarter, the City was once again in compliance with the regulatory standard and no further notices were required or issued.

American Canyon had over 100 water color complaints registered in 2017. Water discoloration is caused by elevated organic activity, algae growth and the presence of soluble minerals in the vicinity of a water body. The color issues were caused by high turbidity¹⁴ in water accessed from the NBA during that period. American Canyon DPW publishes a DWQR, which has no mention of T&O or color complaints.

American Canyon has an employee-monitored online complaint response form. Anyone can click on a link to various DPW officials to send an email. While there is an online form to send in a DPW complaint, there is no explanation of “how to file a water quality or other complaint” nor is there any advice as to what might be expected in response from the City. In interviews, the Jury understood that reports submitted to the SWRCB are seen neither by senior Public Works officials nor other City officials. A Quarterly DPW report presented to the American Canyon City Council by senior Public Works officials does not include any reference to any water quality complaints.

The City of St. Helena

The City of St. Helena contracts with independent Alpha Analytics Laboratories to test water samples from eight specified locations and electronically report quarterly to the SWRCB. The City also uses Eurofins Scientific for disinfection byproduct testing, and Caltest Analytical Laboratories for lead testing. Reports are issued electronically to the SWRCB.

According to Q4 2016 and Q1 2017 reports, based on a 12-month running average, the drinking water provided to the Madrone Knoll and Meadowood areas had a running annual average measurement of HAA5s that did not meet SWRCB standards. The levels found were just over

¹⁴ Appendix # 13

the safe water limit, restricted to one test period, and localized. Since water sourced from the City of Napa did not exceed HAA5 levels at that time, the source of the contamination was likely water processed at the Louis Stralla WTP.

As required by California State Law, St. Helena notified its residents of these results in letters sent by the DPW. To mitigate future issues, St. Helena Public Works undertook a series of additional steps:

- added Powder Activated Carbon at the Louis Stralla Treatment Plant at an annual cost of \$100,000. The plant was originally designed to use this material process. It was not used until new DPW management was installed in 2016.
- increased mixing and aeration at the City's three water holding tanks.
- Capital funds were set aside by the St. Helena DPW to replace the obsolete redwood tanks that serve the Madrone Knoll area and Meadowood resort.

The City of St. Helena DPW Water Treatment Division monitors water quality complaints made by phone calls to its employees. These complaints are typically T&O issues from water supplied from Lake Hennessey or water processed via the Bell Canyon reservoir. In 2017 and 2018, the City advised citizens of T&O issues and efforts to resolve them by way of press releases.

Phone numbers and email addresses of department officials are posted on the DPW website. An average of 30-40 complaints per year were recorded in 2017 and 2018. The majority of complaints focused on T&O. St. Helena DPW maintains an ongoing log of complaints. However, there is no specific form for reporting complaints online. St. Helena's personnel followed up personally with many, if not most, customer complaints. A summary of water complaints is not supplied to senior DPW or City management. Complaints are not summarized in the annual DWQR.

The City of Calistoga

Calistoga contracts with the independent Alpha Analytical Laboratory and Caltest Analytical Laboratory for SWRCB reporting.

In Q4 2017, Calistoga exceeded the standards for TTHMs and HAA5s. The local newspaper, the Calistoga Tribune, carried an article that mentioned a "risk of cancer" caused by heavy consumption of these contaminants. Test samples for Q1 2018 were within State standards as were the four-quarter averaging standards. Notifications were issued to customers. Several press releases were issued in 2018 detailing updated steps taken by the Calistoga DPW to mitigate future TTHM and HAA5 problems.

Steps included:

- Installed a new sprinkler system and mixer in the Mt. Washington storage tank.
- DPW implemented a State approved pre-oxidant at the Kimball Water Treatment Plant to improve the removal of organic carbon prior to disinfection.

- Began “drawing down” water levels in the reservoirs to promote greater “turn-over” of the water.
- Resumed a water system flushing program which had been suspended during the drought.

The Calistoga DPW receives water quality complaints by phone calls to a DPW assistant. A summary report is prepared and, if warranted, an action request is issued to a city employee for follow-up. In 2017 a total of 10 complaints were registered and eight concerned T&O and color issues. Complaints were not summarized in the Calistoga DWQR.

Additional issues raised by the Grand Jury:

1. There are 3,734 mobile home sites in Napa County; 99% within the five municipalities.¹⁵ The Jury learned that all Napa County municipalities treat mobile homes, gated communities with a common meter address, and some apartment buildings as a single meter connection. Utility and Water notices are sent only to the account holder on record, usually the management office of the facility, not to individual residents. Therefore, notices of water quality issues and rate issues may bypass these water customers altogether.
2. While all municipalities deliver water that meets State and Federal standards, the water treatment plant capacities, level of technical sophistication of water treatment, amount of water delivery and waste-water management, and capital budgets for system upgrades is commensurate and proportionate with the relative size of each municipality. The City of Napa Utilities Department has a large staff of highly experienced and technically trained managers with 21 T-rated and certified positions. A number of Napa’s Utilities Department employees have advanced master’s level engineering degrees.

The City of Napa’s T4-T5 rated water treatment plants are substantially larger and more sophisticated than the other treatment facilities in the County. American Canyon’s T4-rated water treatment facilities efficiently generate sufficient water demand for city residents, with capacity to spare. The Cities of Calistoga and St. Helena have smaller and less-sophisticated facilities with lower staffing levels and lower T certification levels. They rely on City of Napa Water Utility agreements to provide a significant level of their water deliveries. Yountville benefits from the CalVet Rector plant’s T rating and State CIP funding.

3. The annual cost for drinking water and wastewater paid by Calistoga and St. Helena residents for a single household can be more than double the cost of the City of Napa, American Canyon, or Town of Yountville rates. This amounts to an extra \$1,000-\$1,500 per household per year, or \$10,000-\$15,000 over 10 years. The smaller up-valley cities have fewer water connections and households to amortize the cost of large capital improvements. For example, St. Helena’s current bond debt for past water projects and State-mandated capital projects for future drinking and wastewater projects exceeds \$15,000 per household.

¹⁵ Source: Napa County Assessor’s Office

2018 Drinking Water and Wastewater Rate Comparisons for 1" Pipe Single Family Households: \$/Yr.

**Cities of Napa, American Canyon, Yountville, St. Helena, Calistoga¹⁶
86,000 | 125,000 | 200,000 gallons per annum. 1,000 gallons = 1 Unit**

		City of Napa	American Canyon	St. Helena	Calistoga	Yountville
Base annual Household Water Rate per City	Included in the drinking water annual cost.	\$198	\$76	\$675	\$991	\$626
Household Usage Total 86,000 GPA	Drinking water	\$363 \$4.07/Unit. Average less than 14 Units used per billing period	\$707	\$1,423	\$1,601	\$944
.	Wastewater	\$678	\$647	\$1,248	\$942	\$675
86,000 GPA	Household annual cost . \$/yr.	\$1,239	\$1,354	\$2,671	\$2,543	\$1,619
Index		100%	109	215	207	130
Household Usage Total 125,000 GPA	Drinking Water	\$760 \$4.50/Unit A higher rate was used for usage over 14 Units used per billing period	\$1,032	\$1,762	\$1,877	\$1,098
.	Wastewater	\$678	\$680	\$1,507	\$942	\$675
125,000 GPA	Household annual cost . \$/yr.	\$1,438	\$1,712	\$3,268	\$2,819	\$1,763
Index		100	119	227	195	122
Household Usage Total 200,000 GPA	Drinking Water	\$1,298 \$5.50/Unit A higher rate was used for 33 Units used per billing period	\$1,665	\$2,416	\$2,409	\$1,365
.	Wastewater	\$678	\$680	\$2,004	\$942	\$675
200,000 GPA	Household annual cost . \$/yr.	\$1,976	\$2,345	\$4,420	\$3,351	\$2,040
Index		100	119	224	170	104

¹⁶ Source: Data supplied by or confirmed by each City Public Works Department as requested by the Grand Jury

4. The Jury is aware that the Napa County Local Area Formation Commission (LAFCO) has begun a countywide Municipal Service Review (MSR) of drinking water and wastewater. LAFCO has selected Policy Consulting Associates and Berkson Associates to undertake the MSR at an approximate cost of \$150,000. In part, the MSR will evaluate whether there are opportunities for shared County service resources, facilities, equipment, etc., and may consider the viability of forming a “countywide municipal utility district” or single utility water provider. This could result in better countywide utilization of water capacity and water processing operations. Consolidation could also facilitate a more equitable rate structure and assist with coordination of a countywide watershed policy.

The LAFCO MSR was coincidentally initiated soon after the Jury began investigating County water issues. The Jury was pleased to see that this review would include several issues that were brought up during the Jury’s investigation, including the possibility of sharing water supplies, consolidating water operations, reducing capital improvement demands, and more. The findings could go a long way toward keeping County residents’ water and wastewater rates in check in the future. The Jury will be very interested to learn the results of the MSR and encourages the municipalities involved to give serious consideration to the results of the study.

5. The April 2019 episode at the CalVet Rector WTP revealed that Rector plant management initially did not disclose a severe Taste and Odor problem to Yountville City officials. The plant only decided to flush the system after a sternly worded message was sent by the Yountville Public Works Department to plant management, and the Town stopped taking deliveries of Rector water. Communication between CalVet management and the Town appears to be strained, according to Jury interviews. This may be problematic and should be watched closely by local Yountville city officials.

FINDINGS

The 2018-2019 Napa County Grand Jury finds that:

- F1. Drinking water supplied by all Napa County municipalities meets all USEPA and State Water Resources Control Board standards and is safe to drink.
- F2. Drinking water supplied by each municipality is acknowledged by all Napa County Public Works officials to have, from time-to-time, predictable Taste and Odor (T&O) and color issues which, while not unsafe, the water-consuming public may find objectionable and a cause for concern.
- F3. Communication of water quality testing and T&O and color issues to the public by all Napa County Public Works municipalities is inconsistent and, at times, inadequate.
- F4. Napa County Public Works officials are aware of existing T&O and color issues and a number of municipalities are assessing and testing various treatment options for improvement, including long-term capital improvement projects.

- F5. Public Works officials countywide treat T&O and color issues as less important than Federal and State regulated contaminant standards, thereby minimizing T&O and color concerns in their water treatment standards and reporting.
- F6. All municipalities lack formal written procedures for the handling of water quality complaints.
- F7. There are large disparities in household drinking water and wastewater rates between the municipalities, with smaller up-valley cities in Napa County paying much higher costs for the same amount of residential drinking water and wastewater.
- F8. Residents of mobile home parks, gated communities and apartment buildings do not always receive communication about water quality or taste and odor issues – rather the owner/operator/manager of the site receives required water quality notifications and is not required to pass the notification on to individual residents.

RECOMMENDATIONS

The 2018-2019 Napa Grand Jury recommends that:

- R1. Each Napa County municipality's Department of Public Works explain on its City and/or Department of Public Works website, in water invoices, via social and other local media, what ongoing water quality tests are taken, where and when are they taken, and what is required if results do not meet USEPA and State standards. Each of Napa County's five Department of Public Works should implement these actions no later than June 30, 2020.
- R2. Each Napa County municipality's Department of Public Works advise citizens of known and anticipated T&O and color issues by notices on its Department of Public Works website and within social media and news media. Each of Napa County's five Department of Public Works should implement these actions no later than June 30, 2020.
- R3. Each Napa County municipality's Department of Public Works identify, evaluate, and estimate water treatment process improvements and longer-term capital improvement programs that could mitigate T&O and color issues in their respective water treatment operations. Each of Napa County's Department of Public Works should implement these actions no later than June 30, 2020 for the 2021/2022 budget year.
- R4. Each Napa County municipality's Department of Public Works publish T&O and color quality measures and results as part of their Annual Consumer Confidence Water Quality Report provided to citizens. Each of Napa County's Department of Public Works should implement this action in the 2019 Report published by June 30, 2020.
- R5. Each Napa County municipality's Department of Public Works establish a formal written complaint policy identifying how complaints should be received, processed, tracked, responded to, and reported, including a written complaint resolution notice to be issued

for every complaint. Each of Napa County's Department of Public Works should implement these actions no later than June 30, 2020.

- R6. Each Napa County municipality's Department of Public Works establish a formal written communication policy identifying how to better communicate to and interact with customers in mobile home parks, gated communities, and apartment residents that are beyond the water meter. Each of Napa County's Department of Public Works should implement these actions no later than June 30, 2020.
- R7. The LAFCO Municipal Service Review of drinking water and wastewater countywide resources recommendations are due in February 2020. Each Napa County municipality's senior municipal elected officials should review, evaluate, respond to, and where appropriate, incorporate the LAFCO MSR recommendations into each Napa County municipality's operating and long-range plans. Each of Napa County's senior municipal elected officials should implement these actions by no later than June 30, 2020.

REQUIRED RESPONSES

Pursuant to Penal Code sections 933 and 933.05, the Grand Jury requests responses as follows:

From the following City Councils within 90 days:

- City of Napa (F1-F8 and R1-R7)
- City of American Canyon (F1-F8 and R1-R7)
- City of St. Helena (F1-F8 and R1-R7)
- City of Calistoga (F1-F8 and R1-R7)
- Town of Yountville (F1-F8 and R1-R7)

INVITED RESPONSES

Pursuant to Penal Code sections 933 and 933.05, the Grand Jury invites responses as follows:

From the following County municipal officials within 60 days:

- Utilities Director of the City of Napa, Director of Public Works the City of American Canyon, Director of Public Works the Town of Yountville, Director of Public Works the City of St. Helena, and Director of Public Works the City of Calistoga. (F1-F6 and R1-R6)
- Mayors of the Cities of Napa, American Canyon, St. Helena, Calistoga, and Town of Yountville (F7 and R7)
- Director of the Napa County LAFCO (R7)

APPENDICES

1. Standard water treatment plant process to process drinking water:
https://www.cdc.gov/healthywater/drinking/public/water_treatment.html
2. Membrane Water Treatment Process used in American Canyon:
<https://blog.harnrosystems.com/what-is-membrane-water-treatment-technology-and-why-do-we-specialize-in-it>
<https://blog.harnrosystems.com/topic/membrane-treatment-system>
3. Water Treatment Plants T Classifications (see pages 7-12)
<https://legacy.azdeq.gov/enviro/water/dw/download/opcert.pdf>
4. Water Treatment Operators Certification T1 -T5:
https://www.waterboards.ca.gov/water_issues/programs/operator_certification/cert.html
https://www.waterboards.ca.gov/water_issues/programs/operator_certification/docs/ocr_table.pdf
5. Algae Bloom: https://en.wikipedia.org/wiki/Algal_bloom
6. Quantitative Measures and acceptable Ranges Submitted to the State Water Resources Control Board
https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/CCR.html
(Appendix A: Regulated Contaminants with Primary Drinking Water Standards (Word))
7. Environmental Laboratory Accreditation Program
https://www.waterboards.ca.gov/drinking_water/certlic/labs/
8. EPA Drinking Water and Test Standards: <https://www.epa.gov/ground-water-and-drinking-water/national-primary-drinking-water-regulations>
<https://www.doh.wa.gov/portals/1/Documents/pubs/331-286.pdf>
9. Taste and Odor in drinking water:
<https://www.mrwa.com/WaterWorksMnl/Chapter%2020Taste%20and%20Odor.pdf>
10. Health Risk of the Total Trihalomethanes Found in Drinking Water:
https://cfpub.epa.gov/ncer_abstracts/index.cfm/fuseaction/display.highlight/abstract/22/report/F <https://www.lenntech.com/processes/disinfection/byproducts/disinfection-byproducts-types.htm#ixzz5WeUQPDCt>

11. City of Napa, American Canyon, Calistoga, St. Helena and Town of Yountville 2017 Annual Water Quality Consumer Reports:
 - <https://www.cityofnapa.org/672/Water-Quality-Report>
 - <https://www.cityofamericancanyon.org/Home/ShowDocument?id=15724>
 - <http://www.ci.calistoga.ca.us/home/showdocument?id=29547>
 - http://www.cityofsthenana.org/sites/default/files/fileattachments/public_works/page/3334/2017_cosh_ccr_cc.pdf
 - <http://www.townofyountville.com/home/showdocument?id=9933>
12. NPDES: National Pollutant Discharge Elimination System – The NPDES permit program addresses water pollution by regulating point sources that discharge pollutants to waters of the United States. <https://www.epa.gov/npdes>
13. Turbidity: <https://en.wikipedia.org/wiki/Turbidity>
14. Threshold Odor Number (TON):
<https://www.epa.gov/dwstandardsregulations/secondary-drinking-water-standards-guidance-nuisance-chemicals>
15. Self-supporting enterprise:
<https://www.cityofnapa.org/DocumentCenter/View/2208/2017-Water-Cost-of-Service-Rate-Study-PDF?bidId=>

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.
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Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: New Business

Subject: Discussion and authorization to submit Grand Jury Response letter for the 2018-2019 Napa County Grand Jury Report "St. Helena: A Small Town with Big City Problems"

CEQA Determination: Not a CEQA project

Prepared By: Mark T. Prestwich, City Manager

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On June 25, 2019, the Napa County Grand Jury (Grand Jury) issued a Final Report titled, "St. Helena: A Small Town with Big City Problems". Pursuant to California Penal Code sections 933 and 933.05, the City is required to respond.

DISCUSSION

The City of St. Helena has carefully reviewed and considered the findings and recommendations of the Grand Jury its report. The Grand Jury requested the City's responses to the report's findings one through ten (F1-F10) and the report's recommendations one through twelve (R1-R12). The attached letter provides the requested responses.

FISCAL IMPACT

There is no fiscal impact to the response.

RECOMMENDED ACTION

Discussion and authorization for the City Manager to sign and submit the City of St. Helena's Response letter for the 2018-2019 Napa County Grand Jury Report, "St. Helena: A Small Town with Big City Problems"

ATTACHMENTS

[2018-2019 Grand Jury St. Helena A Small Town with Big City Problems Response by the City of St. Helena published 082319](#)
[St. Helena - A Small Town With Big City Problems Grand Jury Report](#)



City of St. Helena

*"We will conduct city affairs on behalf of our citizens
using an open and creative process."*

[DATE]

The Honorable Elia Ortiz
Presiding Judge of the Civil Grand Jury
The Superior Court of California, County of Napa
825 Brown Street
Napa, CA 94559

Napa County Civil Grand Jury
c/o Foreperson Kort van Bronkhorst
1754 Second Street, Suite D
Napa, CA 94559

Re: 2018-19 Napa County Grand Jury Report "ST. HELENA: A SMALL TOWN WITH
BIG CITY PROBLEMS"

Dear Judge Ortiz and Foreperson Bronkhorst:

This City is in receipt of the Grand Jury report: "St. Helena: A Small Town with Big City Problems". The City has carefully reviewed and considered the findings and recommendations of the report. Pursuant to your June 25, 2019, request for response, at the regularly scheduled City Council meeting held on August 27, 2019, the City of St. Helena City Council approved this response.

The City's Introductory Comment:

The City responds to the Napa County Grand Jury's *Findings* and *Recommendations*, as specifically requested by the Grand Jury. The background for the Grand Jury's *Findings* and *Recommendations* is stated in its *Summary* and *Discussion* sections. The City finds itself in disagreement with several Grand Jury statements under those headings. In response, the City concluded that the best approach is to identify Grand Jury statements of concern to the City, reference them, and respond directly to them. This approach enables the City to respond succinctly to the Grand Jury's *Findings* and *Recommendations*, as required under section 933 and 933.05 of the California Penal Code. The statements of concern are listed below in the order they are presented in the Grand Jury Report. Each is labeled as SC (Statements of Concern).

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Summary (Grand Jury Report pages 2-3):

SC1 STATEMENT IN GRAND JURY REPORT: Page 2, paragraph three, fourth line, “the Upper York Creek Dam (UYCD) removal project that has been stalled since 2005...”

RESPONSE FROM CITY: Contrary to the above referenced statement, the City has made significant progress towards the removal of UYCD and restoration of surrounding habitat as noted below.

- The City has been working on this project since 2005 with actual costs-to-date of \$2.6 million. Costs-to-date include design and removal of sediment build-up upstream of the dam, ongoing design coordination with permitting agencies, and pursuing grant funds to complete the dam removal.
- The City has successfully applied for and received both federal and state grants in the amount of \$1.7 million to support completion of the project.
- The City has received all necessary permits to proceed with Phase I of the project. These permits include:
 - San Francisco Regional Water Quality Control Board – 401 Water Quality Certification Permit – issued 7/17/18
 - Army Corp of Engineers – Section 404/Nationwide Permit 27 – issued 10/10/18
 - California Department of Fish and Wildlife – 1602 Final Streambed Alteration Agreement – issued 7/3/19
- The City is preparing the Phase I bid package and has recently hired EKI to assist the City in managing the project, provide third party peer review of the plans for both Phase I and Phase II, construction assistance on Phase I, and detailed review of the permits, studies, and post construction monitoring plans.
- Phase I is anticipated to take 2-4 weeks and the goal is to start Phase I by September and have it completed by October 31, 2019.

SC2 STATEMENT IN GRAND JURY REPORT: Page 2, paragraph three, fifth line states, “...repeated water main ruptures that have caused street closures for emergency repairs...”.

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The recent street closures for emergency repairs were largely related to storm drain failures, especially in the Oak Avenue/Mitchell Drive area.

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SC3 STATEMENT IN GRAND JURY REPORT: Page 3, item 1 states, “Inaccurate financial forecasting of the Unallocated General Fund.”

RESPONSE FROM THE CITY:

- See *Discussion – The 10-year Long Range Financial Forecast (LRFF)* section for information contrary to the statement by the GJ - SC6 through SC13

SC4 STATEMENT IN GRAND JURY REPORT: Page 3, item 4 states, “Operation of the City water and wastewater system as “break even” commercial enterprises, as required by bond covenants.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- There is no such language in the Bond Covenants (Covenants). The Installment Purchase Agreement for both the water and wastewater bonds requires to the maximum extent permitted by law, to fix, prescribe, and collect rates, fees and charges and manager the water and wastewater operations such that the Net Revenues in each Fiscal Year will be equal to 120% of the Annual Debt Service.

SC5 STATEMENT IN GRAND JURY REPORT: Page 3, item 7 states the City faces many issues including, “Presenting these and other similar issues to its citizens in a regular, comprehensive, and easily comprehensible manner.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The City routinely keeps its citizens informed about city matters through the following outlets:
 - Published Staff Reports
 - Staff reporting at City Council Meeting
 - Council discussion at noticed meetings (e.g. budget preparation, City commissions and boards, workshops, special advisory committees)
 - Email and other communications, including utility billing inserts and SHINE quarterly community newsletter
 - Formal reports such as:
 - (i) Annual Budget
 - (ii) CAFR – Comprehensive Annual Financial Report
 - (iii) PAFR – Popular Annual Financial Report. The PAFR is a new report prepared by the Finance Department for the FY 2018 audited financials. This report extracts information from the CAFR to produce a high-quality reporting tool specifically

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designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

(iv) Long Range Financial Forecast (LRFF)

- Public press such as the St. Helena Star and the Napa Valley Register
- The first full paragraph after point 7 begins, “Despite longstanding public knowledge of these issues...” This longstanding public knowledge has come about because the City regularly keeps its citizens informed.
- On August 12, 2019, the City received the prestigious Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA). GFOA honored the City for delivering a CAFR that “represents a constructive spirit of full disclosure to clearly communicate the City’s financial story and motivate potential users and user groups to read the CAFR.”

Discussion:**The 10-year Long Range Financial Forecast (LRFF)**

SC6 STATEMENT IN GRAND JURY REPORT: Bottom of page 5 and top of page 6, bullet points 1-6 states, “the LRFF is used for several purposes including, but not limited to, the following:

- To identify amounts due for unfunded pension liabilities
- To plan for payment of payroll and non-pension benefits for City workers
- To fund needed repairs to City physical assets
- To pay for emergency funding of unexpected costs, such as litigation, wildfires, earthquakes, etc.
- To support various civic projects
- To determine what new projects might be undertaken by the City”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The LRFF projects future expenses based on previous budget actuals, Memoranda of Understandings, Consumer Price Index (CPI) adjustments, current debt, CalPERS actuarial analysis, analysis of prior recession and budget impacts dating back to 1993, and other informational documents.
- The LRFF is not a funding document. It provides an indication of the revenue available (or absence thereof) to fund repairs and replacement of City assets, fund emergencies as they arise, and provides a forecast of the net revenue to support City projects (General Fund only).

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- The LRFF provides an indication of the revenues available to support civic projects
- The LRFF does not determine new projects that might be undertaken by the City; it is strictly a financial forecast tool.

SC7 STATEMENT IN GRAND JURY REPORT: Page 6, paragraph one, first line states, "It is important to understand that the City's General Fund is divided into two parts: allocated funds and unallocated funds."

RESPONSE FROM THE CITY:

- The terms "allocated" and "unallocated" are not governmental accounting terms. There are five categories of fund balances associated with the General Fund:
 - Nonspendable
 - Restricted
 - Committed
 - Assigned
 - Unassigned

SC8 STATEMENT IN GRAND JURY REPORT: Page 6, paragraph 1, fifth line states, "Historically, the City's ratio of allocated to unallocated funds has been 2:1."

RESPONSE FROM THE CITY:

- While the terms "allocated" and "unallocated" are not governmental accounting terms, the GJ does define "allocated" as being set aside for existing liabilities the City is committed to pay such as payroll, benefits, rents, etc.
- Historically utilizing the LRFF actuals for FYs 2008 through 2018, the average of funds "allocated" has been 66%. This figure is taken from combining the following object codes: Salaries and Benefits, Health Insurance, PERS Unfunded Liabilities, Taxes, Insurance & Contributions, and Debt Service and dividing that total by the total expenses. This number does not take into account any requirements in the Transfer to Other funds such as MOUs.

SC9 STATEMENT IN GRAND JURY REPORT: Page 6, paragraph 2, second line states, "In predicting annual revenue increases each year during the 10-year period 2018-2028, the City assumes a 15%-20% annual increase of revenues each year."

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RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- In determining the revenue assumptions, staff analyzed revenue data trends back to 1993 which included removing one time and unanticipated revenues collected, when known. The data tables for this information are not part of the LRFF; however, the information was used to determine the annual revenue growth rate. This data shows from 1993 to 2017 the annual growth in revenues was 5% and, utilizing the same dates and removing the great recession, the annual growth rate increased to 6%. In analyzing the last 15 years (FYs 2003 through 2017) the annual growth rate with the recession was 4% and removing the great recession was 5%.
- The LRFF dated March 28, 2018, provided to the Grand Jury and available on the City's website, shows on Page 9 Table 7 the baseline revenue assumptions range between 1% and 5% annually.
- Pages 31 through 33, Appendix G – Appendix L, of the LRFF show annual revenues range from -6.88% to 10.53% dependent on the scenario with the 10-year average between 3.89% and 5.18%.
- No scenarios indicate a 15%-25% annual increase in revenues each year.

SC10 STATEMENT IN GRAND JURY REPORT: Page 6, paragraph 2, seventh line states, "The assumptions in the 2018-2028 LRFF are based only on the historically 'good years;' more recent 'bad years' that featured significant declines in City revenues were specifically excluded by the City from the most recent LRFF."

RESPONSE FROM CITY: Contrary to the above referenced statement:

- The 2018-2028 LRFF does account for the 'bad years' in the recession scenarios presented. There were six scenarios presented in the 2018-2028 LRFF, four of the scenarios included recessions, both mild and deep. A summary of the recession scenarios is on page 3 of the 2018-2028 LRFF and more detailed information is included on page 10 of the 2018-2028 LRFF. Staff analyzed revenue data trends back to 1993 which included recessions in FYs 1995, 2003, and the great recession that began in 2009. Additionally, staff analyzed the data on revenue recovery following each recession scenario.

SC11 STATEMENT IN GRAND JURY REPORT: Page 6, paragraph 4, first line states, "The 2018-2028 LRFF applied even more aggressive assumptions about revenues from Transient Occupancy Tax (TOT). First, the 2018-2028 LRFF not

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only assumes continued growth in the TOT from existing hotels despite current high occupancy rates, but also incorporates unreasonable growth factors in the calculation of those amounts. Secondly, it was recently reported that plans for developing a new hotel on a City-owned parcel were recently delayed [referring to Adams Street]. Finally, the planned TOT revenue assumptions do not take into consideration a possible decline in TOT revenues in the next few years as new hotels, currently under construction and in various stages of opening in Calistoga, Yountville, and Napa, compete for clientele.”

RESPONSE FROM CITY: Contrary to the above referenced statement:

- The City applied a 5% growth for the TOT baseline, which is lower than the historical trends for TOT. The average increase for TOT from 1994 to 2017 was 9% each year (including the great recession). If the great recession is removed, the average increase was 10%.
- The recession scenarios included -5% and -3% in the mild recession and -10% and -10% for the deep recession scenario (page 9 of LRFF).
- Three additional scenarios were presented with a new, modest hotel, that has already been approved for development, in year 4 (FY 2021-22) bringing in an additional \$600,000 annually in TOT revenues.
- The GJ Report points out that the City has delayed potential hotel development on a City-owned parcel [referring to Adams Street]. However, the assumptions built into the 2018-2028 LRFF did not include a hotel on the Adams street property in the three scenarios which included a hotel in year 4. These scenarios are based on a different hotel project which has already been approved but has not pulled permits; it is not based on a hotel on the Adams Street property.
- While the LRFF TOT revenue assumptions do not take into consideration a possible decline in TOT revenues as new hotels are opened in neighboring cities it also did not take into consideration the historical increase in Average Daily Room (ADR) rates from St. Helena hotels, Bed & Breakfasts (B&Bs), and Short Term Rentals (STRs) which would partially serve to smooth revenues. The ADR for hotels and B&Bs increased from \$181 per night in FY 2012 to \$335 per night in FY 2019 and the ADR for STRs went from \$264 per night in FY 2013 to \$606 per night in FY 2019.
- In 2017, the City retained Kosmont Companies to provide municipal financial and real estate advisory services. In February 2019, Kosmont Companies presented a Hotel Market Analysis to the City Council to assist the City in evaluating the potential for new hotel development. This professional analysis confirmed that under current market conditions St. Helena has capacity for additional rooms.

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SC12 STATEMENT IN GRAND JURY REPORT: Bottom of Page 6, paragraph five, first line and top of page 7, paragraph one, first paragraph states, "In addition the 2018-2028 LRFF does not discuss or analyze the constraints on City growth imposed by the Agricultural Preserve bounding the City, the political impact of an anti-hotel/anti-growth faction of City voters, or the impact of the current high vacancy rates in the downtown district. Each of these factors could also adversely affect City revenues from TOT and sales tax, which represent two of the three foundations of City revenues."

RESPONSE FROM CITY: Contrary to the above referenced statement:

- The 10-year forecast provides scenarios both with and without hotels. This is done to show the fiscal impact if a hotel is built. The scenario with a hotel is based on a project that the City has already approved; it does not include other unapproved hotel projects. The LRFF responsibly does not assume additional hotels beyond what has been approved.
- The vacancy rates in the downtown district, as well as other closed businesses, are considered in the LRFF. The City contracts with Avenu Insights & Analytics (Avenu) to provide sales tax revenue projections. Staff meets with Avenu on a quarterly basis to review sales tax figures, provide updates on business closures, and discuss trends, legislation, and projections. The LRFF projections for sales tax take into account actuals, information from Avenu, as well as adjustments for closed businesses.

SC13 STATEMENT IN GRAND JURY REPORT: Page 7, first full paragraph states, "...the LRFF does not present any "percent of probability," a must-have in any financial forecast. a "percent of probability" gives the users of the forecast a better understanding of the numbers they are relying upon.../...Professional forecasts always give a percent of probability to the plan numbers. The St. Helena LRFF gives no such assessment or probability of accuracy."

RESPONSE FROM CITY: Contrary to the above referenced statement:

- Percentage of probability is not typically done, or required, for government forecasts and is more commonly seen with investment portfolios and project operational budgets.

Unfunded Pension Liabilities

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SC14 STATEMENT IN GRAND JURY REPORT: Page 7, footnote 17, “See Van Hort & Frankhanel Auditors Notes to 2014 CAFR, page iv”

RESPONSE FROM THE CITY: As a statement of correction:

- The firm which conducted the audit for FY 2014 was Terry E. Krieg, Certified Public Accountant
- Page iv of the FY 2014 audit is the table of contents
- The auditing firm of Van Lant & Fankhanel, LLP (not Van Hort & Frankhanel) began auditing the City’s financials in FY 2015.

SC15 STATEMENT IN GRAND JURY REPORT: Page 7, footnote 19, “See 2017-2027 CAFR, page 6.”

RESPONSE FROM THE CITY: As a statement of correction:

- The source for the information is not the 2017-2027 CAFR, it is the 2018-2028 Long Range Financial Forecast dated March 27, 2018, page 4 (not page 6).

SC16 STATEMENT IN GRAND JURY REPORT: Page 7, fifth full paragraph, first line states, “In June 2016, the City retained Bartel and Associates, an actuarial firm specializing in the public sector, to assess the City’s liabilities to CalPERS and to suggest methods to pay down this increasing debt.”

RESPONSE FROM THE CITY: As a statement of correction:

- The City retained Bartel Associates, LLC in February 2018 (not June 2016) and this firm reported to City Council in August 2018. Based on the firms analysis and a review of options, the City Council responsibly directed staff to accelerate pension liability payments to a 15-year term. The FY 2020 adopted budget includes this additional payment. On August 13, 2019, the City Council reaffirmed its commitment to accelerate payments and in fact has requested an analysis for both 15-year and 10-year repayment schedules.

SC17 STATEMENT IN GRAND JURY REPORT: Page 7, sixth full paragraph, third line states, “...the City Council said that, in the future, it would put aside one-third of the unallocated General Fund to address these liabilities. In the past however, the City has always used the majority of unallocated funds for other City projects.”

RESPONSE FROM THE CITY: Contrary to the above reference statement:

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- The City Council did not state it would put aside one-third but favored paying down the unfunded liabilities as if it were on a 15-year amortization schedule, as opposed to the current 30-year schedule.
 - The FY 2019-20 adopted budget includes the regularly scheduled CalPERS unfunded liability payment (determined by CalPERS) as well as an additional payment to the CalPERS unfunded liability paying off the unfunded liability in a 15-year period vs. a 30-year period, which is projected to save the City \$5.2 million over 30 years.
 - The payments of CalPERS unfunded liabilities began in FY 2016. The City Council retains discretion as to how to spend unassigned (unallocated) funds in the annual budget cycle.

SC18 STATEMENT IN GRAND JURY REPORT: Page 8, paragraph one, first line states, "In February 2018, the State of California and CalPERS voted to collect from cities and other public entities their respective unfunded liabilities over 20 years."

RESPONSE FROM THE CITY: As a statement of correction:

- The 20-year timeline applies only to newly established amortization bases commencing with 6/30/19 valuations. The current 30-year repayment structure will remain in place and only the gains/losses will be paid back over 20 rather than 30 years. This will be effective with the June 30, 2019 valuation for the 2021/22 contributions. This change was included and taken into consideration in the Bartel Associates, LLC study.

SC19 STATEMENT IN GRAND JURY REPORT: Page 8, paragraph two, first line states, "Without budgeting a set amount for paying down pension liabilities, this issue could arise again, or the funds might be put aside as other pressures for use of the unallocated General Fund emerge."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- During the annual budget process, the City allocates the mandatory, minimum payment to CalPERS for unfunded liabilities, which is based off of a 30-year amortization schedule. The minimum payment to CalPERS is not optional, it is mandated by CalPERS, and considered "allocated" funds when budgeting and forecasting.
- As noted in SC16, Bartel Associates, LLC was retained in February 2018 and issued a report to City Council in August 2018. Based on this analysis and a review of options, the City Council directed staff to accelerate pension liability payments to a 15-year term. The FY 2020 adopted budget

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includes this additional payment. On August 13, 2019, the City Council reaffirmed this commitment and has asked for analysis for both 10-year and 15-year repayment schedules.

Flood, Dam and Wastewater Projects

SC20 STATEMENT IN GRAND JURY REPORT: Page 8, first full paragraph in this section, first line states, "In 1998, Napa County enacted Measure A, providing a 1/2 -cent sales tax to facilitate and support funding for flood and water projects in the greater Napa Valley. Amounts spent on approved and completed projects would be reimbursable until June 30, 2018. Since 2005, the UYCD [Upper York Creek Dam] and BCR [Bell Canyon Reservoir] projects have appeared as "open projects" in the City's CIP. The Jury learned that these projects could have been paid for by Measure A funding but were not completed within the 20-year window of Measure A"

RESPONSE FROM THE CITY:

- It is correct that both the UYCD and BCR projects were considered eligible for Measure A funding; however, there were no funds available for these projects because the City directed its entire share of Measure A sales tax proceeds during its 20-year life to its critically needed Flood Control Project along and near the Napa River. The amount received in Measure A funding for the various projects along the Napa River was just short of \$37 million. The total costs of these projects well exceeded \$45 million. Additional funding for the Flood Control Project came from grants, loans, and the General Fund.
- In October 2017, Amendment No. 12 of the agreement between the City of St. Helena and the Napa County Flood Protection and Watershed Improvement Authority (Authority) was approved and allowed the City to draw 100% of the balance of the funds available through Measure A. These funds were used to reimburse the General Fund for past State Revolving Fund (SRF) loan payments and to pay off the SRF loan which was used for the purpose of financing the acquisition of land parcels and construction costs related to the Flood Control Project. When the SRF loan was taken out in 2008, the City pledged Measure A sales tax revenue allocations as security for repayment of the loan.
- All Measure A funds have been expended on the Flood Control project and no funds remain left unspent in Measure A.

Upper York Creek Dam (UYCD)

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SC21 STATEMENT IN GRAND JURY REPORT: Page 8, first full paragraph in this section, first line states, “The UYCD project is a dam reconstruction project...”

RESPONSE FROM THE CITY: As a statement of correction:

- The dam is an old earthen dam and it is not being reconstructed; it is being removed – to the extent necessary – to allow for the passage of fish to their historical breeding grounds upstream of the dam.

SC22 STATEMENT IN GRAND JURY REPORT: Page 9, paragraph one, first line states, “In November 2018, the City Council directed \$1.6 million from the City’s General Fund to the UYCD project, despite the bond covenants that the dam project, like the BCR project and City’s Water and Wastewater Enterprises (WWE) operations, be operated on a “not-for-profit” basis, without the use of General Fund monies.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The bond covenants do not state the WWE operations be operated on a “not-for-profit” basis, without the use of General Fund monies. The bond covenants state that net system revenues must be sufficient to cover debt obligations of bonds.
- Footnote 25 is noted with this statement. The document cited is an overview and perspective on the impact of Proposition 218 on local finance and government provided by the Legislative Analyst’s Office in December 1996, less than one month after the state’s voters approved Proposition 218. This document has not been updated since 1996 (Note at end of LAO report). The Proposition 218 document does not discuss bond covenants. Instead it states:
 - Section 4. Assessment and Property Related Fee Reform – Article XIII D. Section 6. (2)(b)(1) “Revenues derived from the fee or charge shall not exceed the funds required to provide the property related services.” It does not state that General Fund monies can not be used.

SC23 STATEMENT IN GRAND JURY REPORT: Page 9, paragraph two, first line states, “An Independent Commercial Enterprise is required by St. Helena bond covenants to operate on a breakeven basis: its expenses must not exceed its revenue, and conversely, its revenues must pay for all its expenses. The use of General Fund monies is prohibited by the bond covenants: all differences must be passed through to customers in the form of lower or higher rates.”

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RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The statement that, “the use of General Fund monies is prohibited by the bond covenants” is inaccurate.
- The bond covenants do not preclude the use of General Fund monies to support the Water or Wastewater Enterprises as noted in Section 10.1 of the 2012B Installment Purchase Agreement (Bond document). This section states:
 - “The Participant [City] may, however, advance moneys [to an Enterprise fund] for any such purpose so long as moneys are derived from a source legally available for such purpose and may be legally used by the Participant for such purposes.”
- Use of General Funds monies will not be considered part of the required 120% debt coverage ratio.

SC24 STATEMENT IN GRAND JURY REPORT: Page 9, paragraph three, first line states, “The UYCD project was eligible for Measure A funding but the City did not submit this project for Measure A support. The reason for not submitting this project is unknown to the Jury.”

RESPONSE FROM THE CITY:

- See section above *Flood, Dam and Wastewater Projects*, SC20.

SC25 STATEMENT IN GRAND JURY REPORT: Page 9, paragraph four, first line states, “The current CIP still lists the cost of this project at \$6.5 million. However, a redesign of the project, providing for completion within two years (2018-2019), has been reported. If this redesign is implemented, then it is presumed that the bond covenants will require at least \$1.6 million be reimbursed to the General Fund.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- There is no requirement in the bond covenants requiring a reimbursement to the General Fund. The cost of the project will not be known until the work is bid and completed and may be less than estimated.

Bell Canyon Reservoir

SC26 STATEMENT IN GRAND JURY REPORT: Page 9, paragraph 5, first line states, “BCR [Bell Canyon Reservoir] is one of the City's water sources and its stabilization and enhancement was one of the original projects proposed to Napa County for reimbursement from Measure A. The project has appeared on the

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City's CIPs as an ongoing project since 2005, but to date no work has begun. The projected reimbursement would have been \$5.1 million. However, since the 2018 deadline for Measure A reimbursement has passed, this project will have to be funded by WWE rates."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- See section above *Flood, Dam and Wastewater Projects*, SC20.
- Several projects have been included in the CIP list for Bell Canyon Reservoir, they include:
 - Bell Canyon Intake Tower Repair (W-84) – This project started in 2010 and was completed in 2017 with a total cost of \$253,000
 - Bell House Valve Replacement (W-85) – This was opened as a project in 2010 and \$49,000 has been spent to-date on this project. This project is anticipated to be completed in FY 2020.
 - Bell Canyon Creek Flow Measurement (W-91) – This project started in 2011 with the Design phase completed in 2019. The SCADA enhancement was completed in 2019 with a total project cost to-date of \$467,000.
 - Bell Canyon Intake Tower Replacement (W-109) – This project was created in 2015. When the project was created, it was not anticipated it would start until at least 2021. This project began in FY 2017 and is currently in the design phase. Design is estimated to be completed in FY 2020 with construction in FY 2021. \$104,000 has been spent to-date on this project.
 - Bell Canyon Spillway Assessment (W18-119) - This project was placed on the CIP list in FY 2018 and was completed in FY 2019 with total project cost of \$95,000.
 - Bell Canyon Surface Monitoring (W18-120) - This project was placed on the CIP list in FY 18. The spillway assessment is underway and expected to be complete in FY 19. The total project cost to-date of \$31,000.
 - The City continues to seek grant funding to offset capital expenditures and reduce impacts on rate payers.

Other WWE Issues

SC27 STATEMENT IN GRAND JURY REPORT: Page 10, paragraph 1, third line states, "Due to the need for more capital to complete the UYCD, BCR, and Wastewater projects, the City has commissioned multiple water rate studies to determine the necessary WWE rates to support the cost of the projects."

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RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- This statement includes a Footnote 27 which refers to a link on the City's website: <https://www.cityofsthelena.org/publicworks/page/water-and-wastewater-rate-studies>. The information provided on this link is for two water and wastewater rate studies as well as links and information for the Ad Hoc Revenue Source Task Force for the water and wastewater rate study.
- An initial rate study for both water and wastewater enterprises (two separate entities) was completed in 2016 with new Proposition 218 compliant rates going into effect in 2017. Once the new rates went into effect, the City Council provided direction to review the Water and Wastewater study dated October 31, 2016, and make recommendations, if any, to the Council for revisions to the Study. Adjustments to the rates were adopted by the City Council on November 29, 2017.
- Water and wastewater rates are set for a five-year period with the expectation that new studies help inform updates approximately every five years. Projected costs for projects are a factor for rate studies as well as ensuring bond covenants are met. Revenues for both the water and wastewater systems declined due to reduced water volume drought conditions, which temporarily impacted the compliance with bond covenants.

SC28 STATEMENT IN GRAND JURY REPORT: Page 10, paragraph 2, first line states, "Based on the results of these studies, the City established a single rate system in 2017."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The City does not have a "single rate system". For the water enterprise the base rate is determined by the size of the meter and consumption charges are the same for all customers. For the wastewater enterprise, the base rate in the initial study (adopted in 2016 and implemented in January 2017) was based off of type of customer (residential, laundry, restaurant, etc.) and the consumption charge was also based off of type of customer. The methodology for the wastewater system changed in the second rate study (adopted in November 2017) to be based on the size of the meter and the consumption changed based off of the type of customer.

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SC29 STATEMENT IN GRAND JURY REPORT: Page 10, paragraph 2, second line states, "After these new rates were established, some citizens demanded a review of the studies and significant flaws were found."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The footnote associated with this statement refers to an article in the *St. Helena Star*, titled, "City of St. Helena Reaches \$1.15 Million Settlement with Former Utility Rate Consultant." The methodologies for the water rate study are correct and projected revenues are tracking with projections in the rate study; however, staff detected issues not directly related to the water rate methodologies, including shortages in the City's wastewater fund revenues. The City entered into a settlement agreement to resolve these issues.

SC30 STATEMENT IN GRAND JURY REPORT: Page 10, paragraph three, fourth line states, "...a multi-tiered rate might better serve the City's needs. A multi-rate system would:

- Distribute the fixed costs of the enterprise across all WWE users
- Adjust rates for users outside of the City limits
- Distinguish rates between residential and commercial users."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- It is premature to speculate on recommended changes to the current water and wastewater rate structures; this can only be done through a formal rate study process that is compliant with Proposition 218.
- It is also incorrect to assume that the City does not already distribute fixed costs across all users and distinguish rates between residential and commercial users.

SC31 STATEMENT IN GRAND JURY REPORT: Page 10, paragraph five, first line states, "The Jury also learned from City officials and Staff that there are presently at least 30 water users located outside the City limits. However, only 10 of these users have water contracts and most of those contracts have not been reviewed or renegotiated in over 20 years. In fact, some of these contract documents could not be located by City Staff when requested by the Jury. As these users are outside of the city limits, they pay no fees or taxes to support the City's WWE. The water and wastewater rates applicable to these users, as well as other contract provisions, are unknown."

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RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- There are currently 361 water customers located outside of City limits. Of this amount, 307 are residential and 54 fall into the “other” category (Industrial, Commercial, Hotel/Motel, Fire Service)
- Water customers who have water contracts are typically commercial properties, a copy of all water agreements have been inventoried on the City’s website at: <https://www.cityofstheleena.org/publicworks/page/water-agreements> for more than a year.
- Water agreements were put into place to limit the amount of water used by these particular entities. If water use exceeds the contract amount, the entity is charged a higher rate for excess water.
- The amount of water used by those who have water agreements is monitored by staff and an annual compliance summary is located on the City’s website at: <https://www.cityofstheleena.org/publicworks/page/water-agreement-compliance-summary>.
- On January 8, 2019, City Council adopted Ordinance No. 2019-1 which added language to the St. Helena Municipal Code giving the City Council authority and discretion to verify compliance with the water agreements. This consists of a City Council subcommittee to review customer water use data and documents. Since the adoption of the Ordinance a subcommittee met with the Finance Director and confirmed compliance with the water agreements.
- The agreements have been reviewed over the past few years by staff and the City attorney.
- The water rates paid by these users are the same as the adopted rates except for the higher rates that are imposed when limits are exceeded.
- The only fees and/or taxes supporting the City’s WWE’s are collected through rates. Revenues derived from property, sales, and transient occupancy taxes (the three largest tax bases) are typically used for General Fund purposes, with the exception of the Council directed funding to go towards the removal of Upper York Creek Dam. There are no wastewater customers outside of City limits.

Aging and Deteriorating Physical Assets

SC32 STATEMENT IN GRAND JURY REPORT: Page 11, first full paragraph five, first line states, “Even through asset preservation is one of the CIP’s guiding principles, the Jury learned through interviews and budget reviews that there has been no money allocated from the General Fund for this purpose in the last 10 years.”

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RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- While not enough to ensure asset preservation, there have been contributions from the General Fund for Civic and Streets projects in the last 10 years.
- A part of the reason for the decline in General Fund allocations was due to the Great Recession which began affecting the City in FY 2009 with a recovery to pre-recession revenues in FY 2012.
- With the passage of Measure D in November 2016 and a new rate structure for the Water and Wastewater Enterprises, funding is now becoming available as noted on page 3, paragraph 2, fourth line of the Five-Year CIP (2018-2023) document provided to the Grand Jury. This document states, “The addition of the new rate structure along with increases in General Fund revenues and debt issuance capacity have allowed St. Helena to fund a higher level of capital projects than in years past. As a result, St. Helena will be better positioned to build a healthy infrastructure program and meet challenges ahead.”
- Below is a summary by Fiscal Year (FY) of the recent contributions towards Civic and Streets projects. These include contributions from the General Fund, Gax Tax Funds, Measure T, and Impact Fee Funds.
 - FY 2016 - \$395,057
 - FY 2017 - \$57,465
 - FY 2018 - \$475,000
 - FY 2019 - \$1,353,206
 - FY 2020 - \$1,831,759
 - Includes contract for Noll & Tam for Library, City Hall, and Recreation visioning process and contract with BKF for downtown streetscape improvements – agreements signed in FY 19; however, the funds are being expended in FY 20.
- Two years ago, the City Council initiated a process to assess the City’s various physical assets. Through the St. Helena Asset Planning Engagement (SHAPE) Committee and Facilities Condition Needs Assessment (FCNA) process – which included careful analysis, robust citizen engagement and professional evaluations – the City had developed a better understanding of the uses of each property, the extent of deferred maintenance, the cost to bring our assets up to community standards and various future use options.
- The City Council has approved a four-phase infrastructure strategy that builds on the work of the SHAPE Committee. The City’s consultants are now assessing the needs and costs associated with a new City Hall, upgrades at the library, and conceptual recreational facilities. In addition, the City is continuing to plan for its downtown streetscape project and long-term renovations of the City’s storm drains, and sewer and water infrastructure.

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The strategy includes exploring all reasonable and realistic funding options to address the City's capital and infrastructure needs.

SC33 STATEMENT IN GRAND JURY REPORT: Page 11, first full paragraph five, third line states, "In addition, the Jury noted that the legally required projects of the Wastewater Plant retrofit and the UYCD project have not been completed in the last five years."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The Wastewater Treatment Plant upgrade project (CIP S-52) was approved by City Council and added to the CIP list in FY 16 (less than 5 years ago). Work for this project started in June 2016 and includes feasibility studies, engineering services, groundwater monitoring and reporting, and design.
- The City is committed to meeting the schedule set forth in the Cease and Desist Order issued by the Regional Water Quality Control Board.
- UYCD project (CIP W-26)
 - The City has been working on this project since 2005 with actual costs-to-date of \$2.6 million. Costs-to-date include design and removal of sediment build-up upstream of the dam, ongoing design coordination with agencies, and pursuing grant funds to complete the dam removal.
 - The City has received both federal and state grants for \$1.7 million to support the removal of the project.
 - The City has received all necessary permits to proceed with Phase I of the project.
 - San Francisco Regional Water Quality Control Board – 401 Water Quality Certification Permit – issued 7/17/18
 - Army Corp of Engineers – Section 404/Nationwide Permit 27 – issued 10/10/18
 - California Department of Fish and Wildlife – 1602 Final Streambed Alteration Agreement – issued 7/3/19
 - The City is currently advertising the Phase I bid package and has recently hired EKI to assist the City in managing the project, provide third party peer review of the plans for both Phase I and Phase II, construction assistance on Phase I, and detailed review of the permits, studies, and post construction monitoring plans.
 - Phase I is anticipated to take 2-4 weeks and the goal is to start Phase I by September and have it completed by October 31, 2019.

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SC34 STATEMENT IN GRAND JURY REPORT: Page 11, last paragraph, first line states, "The 2018 CIP [Actual CIP provided to the Grand Jury was the adopted FY 2019-2023 CIP] also does not include funding for the reconstruction of the City Hall (as of June 1, 2019, the Jury has not seen the 2019 CIP). Although the CIP is supposed to be a comprehensive list of all major projects, the 2018 CIP shows the City Hall project as 'deferred,' despite it being on the City Council's docket as a current project."

RESPONSE FROM THE CITY:

- Page 13 of the FY 2019-23 Adopted CIP budget provided to the Grand Jury provides a list of deferred projects. Projects are placed on the deferred list when there is no estimated budget or start date for the project. At the time the CIP for FY 2019-23 was adopted, no known figures or dates were available to add the City Hall project to the CIP 5-year list.
- At the time the FY 2019-23 CIP budget was adopted on May 8, 2018, the final St. Helena Asset Planning Engagement (SHAPE) report (a comprehensive report of all General Fund Civic infrastructure needs and projected costs) had not been completed. Instead, the SHAPE report was completed on May 26, 2018, and presented to City Council on June 12, 2018 and at a joint session between the City Council and the SHAPE Committee on June 25, 2018.
- On May 28, 2019, City Council authorized a \$255,570 agreement with Noll & Tam Architects to provide professional services described as Architectural Feasibility/Visioning Study of Library, City Hall, and Recreational Facilities of the City of St. Helena. Concurrently, information is being provided to the City Council on the various funding options available for this project.
- The City Hall project will not be added to the CIP list until a better understanding of the project needs and total project costs are known.
- On April 2, 2019, the Planning Commission considered the projects and programs contained in the FY 2020-24 CIP document and on May 28, 2019, the City Council adopted the FY 2020-24 CIP.
- The Grand Jury never asked for any additional information from staff beyond the February 1, 2019 date when interviews concluded.

SC35 STATEMENT IN GRAND JURY REPORT: Page 12, first full paragraph (and partial second full paragraph), sixth line states, "Unfortunately, the SHAPE Committee was relying on the 2018 LRFF for the unallocated General Fund, based upon erroneous assumptions and long-range forecasts. The Jury believes

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this depicts a financial future that is unlikely to exist for the City. All of the SHAPE Committee alternatives required substantial net additional funding from the City. The SHAPE Committee used the 2017-2018 LRFF forecast of the General Fund, which was fundamentally flawed, as discussed earlier.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- See *Discussion – The 10-year Long Range Financial Forecast (LRFF)* section for information contrary to the statement by the GJ - SC6 through SC13

SC36 STATEMENT IN GRAND JURY REPORT: Page 12, second full paragraph, third line states, “Of the 15 identified methods of funding for most of these projects, none are adequately addressed and seem to be the most unlikely vehicles for St. Helena’s LRFF. These suggested methods include parcel taxes, additional sales, taxes, left-over unallocated funds from the General Fund, increases of business license fees, TOT increases, or a move to a new system of metered parking.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The intent of the SHAPE Committee report was not to provide a single recommended strategy. Its purpose was to identify feasible options, consistent with community desires, to address significant issues presented in the City’s Facility Condition Assessment (FCA) summary report.
- City Council discussed the recommendations at the June 25, 2018 joint meeting of the City Council and the SHAPE committee. Direction was provided to City staff in September 2018 to prioritize initial work on City Hall, Library improvements, and a conceptual Community/Recreation building. This work is underway today as stated in the response to SC34 above.

SC37 STATEMENT IN GRAND JURY REPORT: Page 12, last full paragraph, second line states, “Three very realistic and cost-effective options for a newly re-envisioned City Hall were not presented to or considered by the City Council:

1. Repurpose existing City-owned buildings to house City workers and sell current City Hall (valued at approximately \$1 Million), or
2. Buy/swap an existing City building and sell the existing City Hall (costing approximately \$2.5 Million), or
3. Execute a IRC § 1031 Exchange(s) of existing City real property assets for other empty or partially-occupied commercial properties.”

RESPONSE FROM THE CITY:

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- The Grand Jury does not explain why it perceives these subjective options to be “very realistic” or “cost-effective” and offers these without public engagement.
- Appraisal report for City Hall shows the value of the City Hall parcel is \$4,740,000, not \$1,000,000 as stated in the Grand Jury report. The appraisal report is located on the City’s website at: https://www.cityofsthelena.org/sites/default/files/fileattachments/boards_and_commissions/page/3358/restricted_appraisal_report_-_1480mainst-cityhallpolicestationnov-17.32.pdf.
- The City has already identified temporary relocation strategies that do not required leasing of private space.

Above-Average City Legal Fees

SC38 STATEMENT IN GRAND JURY REPORT: Page 13, paragraph one, fourth sentence states, “In the last fiscal year, the City’s costs for legal services have exceeded the City’s budget by \$600,000. Further, page 13, paragraph two states, “For a small town with relatively small budget, the Jury finds that St. Helena has a recurring history of spending a disproportionate share of that budget on legal fees. While a complete investigation of St. Helena’s legal activities and costs are beyond the scope of this investigation, the Jury strongly recommends the City conduct an analysis of its legal expenditures and associated results. Such a study may help the City Council and Staff to better manage its legal services budget.”

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- Legal costs have not exceeded the adjusted budget by \$600,000 as stated in the Grand Jury report. Below is a chart for FYs 2016-2019 showing the Adopted budget, adjusted budget, and actual budget.

FY	Adopted	Adjusted by Council Resolution	Actual
2016	\$702,000	\$925,970	\$879,563
2017	\$642,037	\$1,158,597	\$1,106,120
2018	\$645,000	\$710,000	\$727,355
2019	\$600,000	\$910,000	est. \$910,000

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- The Grand Jury ignored revenues received through work of the City Attorney's office including the \$1.15 million wastewater settlement, litigation settlements, and Short Term Rental (STR) compliance enforcement. Below is a summary showing additional revenues received through the work of the City Attorney.

	FY 2016	FY 2017	FY 2018	FY 2019
Legal Cost Recovery	48,052	158,922	10,683	32,726
Restitution	14,186	3,848	9,775	**181,127
Civil Penalties	41,000	65,400	106,778	149,264
TOT from Illegal STRs	*	64,205	26,868	90,221
Penalties & Interest from Illegal STRs	*	45,667	13,529	58,095
Settlement Agreements				1,150,000
TOTAL	103,238	338,042	167,633	1,661,433

* TOT, Penalties, and Interest from illegal STR enforcement for FY 2016 were resolved in FY 2017

** Restitution in FY 2019 for \$181,127 was a result of a 2015 settlement agreement

- The City is aware of the legal fees incurred over the past few years and is working towards reducing legal fees. This includes:
 - Adoption of City Council Policy P-CC-0001 Management of Legal Services on May 8, 2018. This policy was established to ensure that the City receives and manages general legal and litigation services in accordance with best practices.
 - Implementation of a first-ever City Attorney Performance Evaluation Process to improve the delivery and reduce the cost of legal services.
 - At the May 14, 2019 meeting, City Council directed staff to work with Vice Mayor Dohring to develop a scope of work to solicit legal services for the City of St. Helena. The draft scope of work was presented to City Council on June 11, 2019 and the RFP for legal services was released on June 14, 2019 with a deadline date of July 31, 2019. This RFP included proposals for various legal service delivery and compensation models.
 - The RFP responses are currently being reviewed.

City Financial Reporting

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SC39 STATEMENT IN GRAND JURY REPORT: Page 13, paragraph four, first sentence states, "Presently there is no single document or source of communication to City taxpayers or property owners that identifies the City's accrued amount of debt or other obligations."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The CAFR, presented annually to the City Council and posted on the City's website, contains the City's accrued amount of debt and other obligations. This information is included in the "Notes to the Financial Statements" under the section titled, "Long-term liabilities." The Grand Jury was provided copies of the CAFR's for FY 2013 through FY 2017. FY 2018 was not complete yet at the time of the request for documentation from the Grand Jury which was November 13, 2018.
- The City Council receives an annual briefing at a public, regularly scheduled Council meeting on the CAFR.

SC40 STATEMENT IN GRAND JURY REPORT: Page 13, paragraph four, third sentence states, "...it was only after the waste rates rose that residents started to learn about the debt that St. Helena would need to incur to fix its failing wastewater infrastructure."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- The increase was discussed at length during the rate setting process for the Water and Wastewater systems. This includes the list of meetings/presentations listed under "Other Resources" and "Documents" on the City's website page pertaining to the rate studies. See link below: <https://www.cityofsthenana.org/publicworks/page/water-and-wastewater-rate-studies>

SC41 STATEMENT IN GRAND JURY REPORT: Page 13, paragraph five, first sentence states, Public forums, held by the City to disseminate information, reach only a small percentage of City residents."

RESPONSE FROM THE CITY: Contrary to the above referenced statement:

- With regard to the Water and Wastewater rate studies, the information was presented at public forums and the Proposition 218 Notice of Public Hearing was sent to all property owners and property tenants for both rate studies.

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The City of St. Helena responds to the Grand Jury's *Findings and Recommendations* as follows:

Findings:

- F1. The City's financial forecasting is not performed by an actuary, thereby leaving the results suspect. It is not reasonably possible to do five-year financial planning without accurate revenue and expense data and forecasts.

Response: The City **disagrees** with this finding. The LRFF is a financial forecast and not an actuarial exercise. The results are not suspect based on the information presented in Statements of Concern (SC) SC6 through SC13.

- F2. The City's Capital Improvement Plan does not list amounts to be expended for the Water and Wastewater Enterprise projects mandated by federal, state, and local authorities. The Upper York Creek Dam, Bell Canyon Reservoir, and Wastewater projects have been on the CIP docket for many years, without beginning construction or making other material forward progress toward their completion.

Response: The City **disagrees** with this finding. The City's Capital Improvement Plan (CIP) does list estimated amounts for each CIP project; however, the CIP does not specifically indicate which projects are mandated by federal, state, and local authorities. Additionally, in recent years there has been material progress on the Upper York Creek Dam Removal, various Bell Canyon Reservoir improvements, and Wastewater CIP projects.

- F3. The various projects facing the City place tremendous time and expertise burdens on City Staff. City Staff lacks specific expertise to manage some of these complicated dam and reservoir projects.

Response: The City **disagrees** with this finding. The City hires qualified outside firms, when prudent, for major projects. City Staff oversees the work of these firms.

- F4. The City has not adhered to its own Capital Improvement Plans for the previous 10 years. This is especially notable concerning how few of the major projects—listed repeatedly in the CIPs over these years—have been completed.

Response: The City **partially disagrees** with this statement. The City has not completed some major projects that have been listed on the CIP list; however, the City has completed some significant projects and has made progress on other projects. Examples include: Flood Control Project, replacement of Tank 1 with Tank 1A at Bell Canyon, installation of a new water tower at Bell Canyon,

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various paving projects, and installation of a new practice range for the Police Department.

- F5. The City's Water and Wastewater Enterprise rates are suspect, due to an inaccurate water and wastewater rate report.

Response: The City **disagrees** with this finding. The inaccuracies noted by the Grand Jury impacted the last wastewater rate increase, not the water rate increase. The methodologies for the water rate study are correct and projected revenues are tracking with projections in the rate study for water. However, issues arose in connection with the rate study, including shortages in the City's wastewater fund revenues. The City entered into a settlement agreement to resolve those issues. The City is currently under contract with an engineering firm to evaluate rate methodologies and concurrently completing an underground utilities master planning effort to identify critical infrastructure deficiencies and needed investments before initiating a subsequent new water and wastewater rate study, which is typically done every five years.

- F6. The SHAPE Committee recommendations to the City did not include the less-expensive options in the SHAPE Committee Report.

Response: The City **disagrees** with this finding. All SHAPE Committee options to the City were included in its report, and therefore the City received all options considered by the SHAPE Committee.

- F7. On a regular basis, the City's Comprehensive Annual Financial Report has not funded the cost of deferred asset maintenance, which has left its physical assets in disrepair.

Response: The City **disagrees** with this finding. The Comprehensive Annual Financial Report (CAFR) is not a funding document like a budget. Instead the CAFR contains the audited financials from the previous fiscal year. While this report would show if funds were set aside for asset recapitalization, it is not a budgetary mechanism for setting aside funds. This is done through the budget process.

- F8. The cost of the City's 'City Attorney' is remarkably higher than comparable small cities in Northern California.

Response: The City **partially disagrees** with this finding. The City acknowledges the annual attorney costs are high and is working to reduce costs each year; however, some attorney costs are derived from unanticipated expenses such as litigation. Additionally, there are attorney costs which are offset by revenues as stated in SC38. Recognizing these costs are still high, the City

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issued a Request for Proposals for Legal Services in June 2019 which included a solicitation for alternative legal service models.

- F9. There is no budgeted or written method for dealing with the City's unfunded pension liabilities, as reported to the City in the Bartel & Associates Report.

Response: The City **disagrees** with this finding. The City's annual budget includes the Unfunded Liability payment required by CalPERS. The LRFF projects the annual payments forecasted by CalPERS and Bartel & Associates in the next ten years. Further, the City Council commissioned the Bartel study to better inform itself with options in addressing this challenge. At the City Council meeting in August 2018 the Council directed staff to accelerate the City's pension payments from 30 years to 15 years which is projected to save the City \$5.2 million.

- F10. The City's residents are not adequately informed of the financial impact of decisions made by the City Council and City Staff.

Response: The City **disagrees** with this finding. Significant financial decisions are made by the City Council, not City Staff. The financial impact on the City's funds is discussed during the budget cycle as well as routinely disclosed in Staff reports prepared for the City Council and presented at City Council meetings. The financial impact of significant City Council decisions is typically reported to in the St. Helena Star newspaper and also City emails to all residents who sign up for City informational email. The financial impact of water and wastewater rate increases is especially widely discussed, as they cannot be lawfully implemented without conformity to the notice provisions required under Proposition 218. In addition to being reported at regular City Council meetings, financial reporting is presented to City Council at the end of each fiscal year through the CAFR presentation and, more recently, included in the presentation of the PAFR as noted in SC5.

Recommendations:

- R1. Prior to the issuance of the 2020-2030 CIP, the City should engage an experienced outside actuarial firm, or assign a qualified member of City Staff, to generate a professionally appropriate Long-Range Financial Forecast, for the fiscal years beginning July 1, 2020 and thereafter.

Response to Recommendation 1: The City **rejects** this recommendation. With regard to engaging an actuarial firm for the LRFF see SC6 through SC13. However, City can take actions to ensure best practices in governmental financial forecasting are taking place. This can include, but is not limited to, developing a revenue and forecasting policy, documenting revenue sources in a revenue manual, achieving consensus on revenue forecasts (part of the forecasting

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policy), and implementing the National Advisory Council on State and Local Budgeting (NACSLB) best practices, where appropriate for St. Helena.

- R2. The City should adopt a system that prioritizes payments for projects mandated by federal, state, or local authorities, to go into effect no later than the fiscal year beginning July 1, 2020. This mandate should provide that lesser projects cannot subvert any prioritized projects. Projects that are mandated by law (i.e. Upper York Creek Dam and Wastewater Plant retrofit) should be assigned to a City Council member for oversight and project management to completion. This Council member should be required to provide regular periodic status reports to all St. Helena citizens.

Response to Recommendation 2: City staff routinely updates the City Council on critical projects. The City Council, as the governing authority, has the authority to change priorities. The suggestion that a Council member should be assigned for “project management” is not consistent with the Council/City Manager form of government chosen by the City of St. Helena. In this form of government, Council members are policy makers; they do not engage in management.

- R3. No later than the Fiscal Year beginning July 1, 2020, the City should adhere to its Capital Improvement Plans.

Response to Recommendation 3: There are many reasons, including funding availability, which can result in the deferral of CIP projects. Additionally, a current City Council, even if it agreed with the Grand Jury recommendation, cannot lawfully commit a future City Council not to deviate from an adopted CIP plan as these plans are fluid and can be adjusted as conditions or priorities change.

- R4. For the larger and more complex projects such as Bell Canyon Reservoir, Upper York Creek Dam, and the Wastewater Plant retrofit, the City should consider hiring or otherwise engaging the services of an outside project manager to oversee the project, in order to lessen the burden on City Staff and assure a timely and appropriate outcome for the project completion. These assignments should take place commensurate with the start of the July 1, 2020 budget year.

Response to Recommendation 4: The City currently engages in this practice of employing qualified outside firms when prudent and efficient to do so. In doing so, it evaluates its internal expertise as to whether it should or should not undertake to manage a specific project (whether larger and more complex or small).

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- R5. The City should review and implement the findings in the new Water Rate study, on or before June 30, 2020, and thereafter review then-current and relevant engineering and rate studies to determine appropriate multi-tiered Water and Wastewater rates.

Response to Recommendation 5: The City cannot prudently commit to implement findings for a rate study which has not begun. In August 2018, the City entered into an agreement with a consulting firm to conduct a water engineering and cost of service analysis. This is the first step in exploring the potential for tiered rates and beginning a new rate study. This analysis is currently underway and results should be available soon. The next step in conducting a rate study is inventorying the critical deficiencies that need addressing. This work is underway with the update of the City's comprehensive underground utilities master plan. Next, the City issues an RFP for consulting services, awards a contract for services, and conducts a rate study which will provide recommendations and options for City Council consideration. Once that is complete, the public review process, as required by Proposition 218, begins. The process culminates in a City Council meeting (or meetings), in which Council members assess any recommendations without prior commitment.

- R6. In accordance with the new Water Rate, and no later than June 30, 2020, the City should identify, review, and renegotiate all water contracts with commercial and residential users located inside and outside the City Limits. All such rates and contracts should be identified publicly to all City taxpayers and residents.

Response to Recommendation 6: The City does not have water contracts with residential customers. The City's water contracts with commercial and industrial users set annual limits on water consumption with rates set at the same rate as all water consumers. To the extent that the City has a contractual basis and appropriate leverage to renegotiate these individual commercial and industrial contracts, the City will continue to explore such options on a case by case basis.

- R7. The City should follow and seriously consider the findings in the current LAFCO municipal services review, cited in the Water Quality Report by this 2018-2019 Grand Jury published June 1, 2019.

Response to Recommendation 7: The recommendation requires further analysis as the referenced report has yet to be completed or released and is expected in February 2020. The City agrees that review and consideration of implementation of possible recommendations contained in the LAFCO Municipal Services Review (MSR) is important. As with other recommendations and reports from LAFCO, the City is committed to a thorough review and analysis of this report once it is published. However, before the City can commit to implement a course of yet unknown recommendations, the City must review, evaluate, and fully understand the scope and implications of the recommendations contained in

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the, yet to be released, LAFCO MSR. Additionally, the City anticipates the Napa LAFCO will initiate a MSR of all City services, not just water and wastewater, in 2020.

- R8. The City should reconsider the proposed City Hall project, on or before June 30, 2020. The estimated costs and sources for funding the proposed City Hall project should be included on the most current Capital Improvement Plan docket and Long-Range Financial Forecast. Emphasis should be placed on possible use of the City's existing real property assets as "City Hall" offices.

Response to Recommendation 8: The recommendation ignores the City's methodical investigatory and public engagement process to develop options for City Hall, Library, etc. The City has commenced this important process by retaining the City's architectural consultant, Noll and Tam, and the City Hall project is currently in the feasibility/visioning stage. The City has not settled on a specific City Hall project and site selection; therefore, there is no project to "reconsider."

- R9. Beginning in the 2020-2021 Fiscal Year beginning July 1, 2020, and continuing thereafter, the City should allocate a designated percentage of the General Fund each year for additional payments toward its unfunded liabilities to CalPERS as well as deferred maintenance costs for City real property assets.

Response to Recommendation 9: As discussed in SC16 through SC19, the City has already accelerated its amortization of its accrued pension liability for past employee services. In early 2018 EMG presented to the SHAPE Committee the Facility Condition Assessment (FCA) summary report. This report is a systematic review of major physical components of a property to result in a projection of future needs and costs to meet those needs and is based on a visual review of City properties. As noted in SC32 City Council has allocated funding for Civic and Street projects.

- R10. Beginning with the fiscal year commencing on July 1, 2020, as the City hires additional full-time personnel, such as new full-time firefighters, the City should recalculate the effect of such hires on unfunded pension liabilities to CalPERS and include those new liabilities in the allocated budget.

Response to Recommendation 10: During the ordinary course of business, the City takes into account and budgets for the financial impact of employees and new hires on the General Fund, Water Fund, and Wastewater Fund, as appropriate. New hires in and of themselves do not affect unfunded pension liabilities (for other City employees' past service) as reforms enacted independently by the City to create a second benefit tier for employees hired after July 2012 and reforms implemented by the Public Employees' Pension Reform Act of 2013 (PEPRA) eliminated enhancements prospectively and have

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required the City's employees to contribute more towards retirement benefits. Moreover, the City has aggressively invested in prefunding its retiree medical obligations and changed agreements (MOUs and Compensation Programs) to discontinue this expensive benefit.

- R11. No later than December 31, 2019, the City should conduct an analysis of its legal expenditures and associated results in order to determine whether any changes need to be made to the City's current legal support and strategy. The results of this analysis and any accompanying recommendations should be shared with the public.

Response to Recommendation 11: The City **agrees** with this recommendation and has already begun the process as identified in Finding 8.

- R12. The City should develop and enhance its system of community-based communications to highlight important financial issues affecting City residents. These communications could be published in the weekly St. Helena Star or by e-mail or both. Re-advertise the city e-mail communications system and how city residents can access these communications on a regular basis.

Response to Recommendation 12: The City currently communicates with City residents in many different ways as noted in SC5. Additionally, the City recently developed a communication checklist which outlines the various communication tools available to disseminate information to the public and staff. This checklist includes, but is not limited to:

- Digital outreach
 - Online Calendars
 - E-news Blast
 - "News" on the City's website homepage
 - Facebook
 - Intranet
 - Library Newsletter
 - NextDoor
 - PeachJar/SHSD
 - Chamber Local Blasé
- Individual outreach
 - Email to Council, Commissioners, City Staff
 - Outreach to Newspaper
 - Ad in St. Helena Star and/or Napa Valley Register
 - Aunt Helena
 - Outreach at Community Events
- Physical Outreach
 - Council Mailboxes

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- Farmer's Market (May – October)
- Copies at City Council, Planning Commission, or other City Committee meetings
- Employee Bulletin Boards
- Copies at the Library, Rianda House, City Hall, Brown's Auto Board, Napa Coffee Roasters, Cycle Shop.
- SHINE Quarterly Newsletter
- Ambassador Outreach
 - Chamber of Commerce
 - Visit Napa Valley
 - Local Non-Profits such as Rianda House, Our Town St. Helena, Library Foundation, Historical Society, Friends of the Cameo, Nimbus Arts, OLE Health
 - Local Service Clubs such as Rotary, Kiwanis, Oddfellows, American Legion, Federated Women, Masons, and Soroptimist
 - Boys & Girls Club
 - Robert Louis Stevenson Museum
 - UpValley Waste
 - UpValley Family Center
 - Little League
 - Vineyard Valley

The City of St. Helena appreciates the opportunity to provide written responses to the Napa County Grand Jury Report, "St. Helena: A Small Town with Big City Problems."

Should the Grand Jury require any additional information, please contact me directly at (707) 312-0252.

Thank you,

Mark T. Prestwich
City Manager

cc: City Council
Cindy Tzafopoulos, City Clerk



**NAPA COUNTY GRAND JURY
2018-2019**

**FINAL REPORT
June 25, 2019**

**ST. HELENA:
A SMALL TOWN WITH
BIG CITY PROBLEMS**

St. Helena: A Small Town With Big City Problems

Published June 25, 2019

SUMMARY

The City of St. Helena—incorporated in 1876—lies in the center of Napa Valley, one of the premier wine regions in the world. St. Helena is the quintessential American small town, with a population of approximately 6,000 individuals, in approximately 2,400 households.¹

As many as three million visitors from California and around the world visit the Napa Valley annually^{2,3}. The City's aging infrastructure, intended to support its much smaller fulltime populations, also must support its share of this population surge. St. Helena is the only municipality in Napa County whose actual Main Street is a part of the primary Napa Valley State Highway. This is estimated⁴ to increase daily traffic flow during peak periods by over 1,200 people daily using its roads: 20% or more of its population. This combination of traffic and aging infrastructure leaves the City a small town with “big city” problems.

The impetus for this investigation by the 2018-2019 Napa County Grand Jury stemmed from visible issues in what is presumed to be a wealthy, thriving small town: a blue tarp covering the roof and other parts of City Hall, various articles in local papers about the Upper York Creek Dam (UYCD) removal project that has been stalled since 2005, repeated water main ruptures that have caused street closings for emergency repairs, and the increasing number of empty storefronts on Main Street.

Outgoing multi-term Mayor Alan Galbraith listed eleven items of extreme concern to the City's future in his post-election defeat “Farewell” article.⁵ When combined with the Jury's investigation, these items present a worrisome future picture for the City, unless the present Council, Mayor, and City Staff successfully resolve these issues.

The City provides a usual range of municipal services, including, but not limited to:

- Fire protection, including the need to support surrounding areas of unincorporated Napa County and, in extreme emergency situations, other areas⁶

¹ "U.S. Census Bureau QuickFacts: St. Helena City, California." Census Bureau QuickFacts. Accessed May 18, 2019. <https://www.census.gov/quickfacts/sthelenacitycalifornia>.

² City of St. Helena, California. (2018). Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2018. St. Helena, CA: City of St. Helena.

³ "Travel Research & Statistics." Visit Napa Valley. Accessed May 18, 2019. <https://www.visitnapavalley.com/about-us/research/>.

⁴ City of St. Helena CAFR 2018, *supra* note 2, at 2.

⁵ Galbraith, Alan. “Your Turn: St Helena's outgoing Mayor says Farewell,” The Napa Valley Register, November 29, 2018.

⁶ The City encompasses approximately 5 square miles within its incorporated limits; the surrounding St. Helena American Agricultural Area is slightly greater than 10 square miles in area.

- Police protection
- Maintenance of aging City streets, City buildings, storm drains, bridges, dams and reservoirs
- Drinking water production and wastewater purification for the City and for some commercial entities and others located outside City limits

The City has constraints of limited personnel, time, and finances, due to its population size. Presently, the City faces many issues, including:

1. Inaccurate financial forecasting of the Unallocated General Fund
2. Payment of currently unfunded CalPERS employee pension liabilities (approximately \$12-\$15 million, depending upon what investment rate the City uses)
3. Funding and operation of City dam, reservoir and wastewater projects
4. Operation of City water and wastewater systems as “break even” commercial enterprises,⁷ as required by bond covenants. This would include annual payments on currently outstanding City bond debt of approximately \$19 million for prior projects and an additional approximately \$32 million to complete State-mandated projects.
5. Maintenance and/or replacement of City physical assets, including City Hall
6. Payment of apparently larger-than-average amounts for City related legal services
7. Presenting these and other similar issues to its citizens in a regular, comprehensive, and easily comprehensible manner

These issues are not new: they have been noted consistently in the City’s annual Capital Improvement Plans (CIP), some as far back as 2005,⁸ private actuarial reports back to 2016 and the City’s Comprehensive Annual Financial Reports (CAFR) dating back to 2013.⁹ Despite longstanding public knowledge of these issues, the City has failed to take action and, in some cases, its actions – or inactions - have exacerbated the present and future impacts of these issues.

After interviews with multiple members of City Staff, the Jury came to believe that these individuals are working at “maximum capacity” and therefore their organization will require additional personnel and other assets to address the issues described in this report.

GLOSSARY

BCR: The Bell Canyon Reservoir that is owned and maintained by the City of St. Helena as a water resource.

CalPERS: California Public Employees’ Retirement System

⁷ City of St. Helena, California. (2013). *Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2013*. St. Helena, CA: City of St. Helena.

⁸ see, eg, <https://tinyurl.com/y5s8gpf8>

⁹ see "Comprehensive Annual Financial Report (CAFR) | City of St. Helena." Accessed May 18, 2019. <https://www.cityofsthenelena.org/finance/page/comprehensive-annual-financial-report-cafr>. for 2018 and prior years.

CAFR: Comprehensive Annual Financial Report, *see*
<https://www.cityofsthenana.org/finance/page/comprehensive-annual-financial-report-cafr>

CIP: Capital Improvement Plan

The City: Refers to, at various times in this Report and in context, either the area of the City, the City government, or the elected officials of the City.

The Jury: The 2018-2019 Napa County Grand Jury

LRFF: The annual St. Helena Long Range Financial Forecast: *see*
<https://www.cityofsthenana.org/finance/page/long-range-financial-forecast>

SHAPE: St. Helena Asset Planning Engagement Committee

TOT: Transient Occupancy Tax

UYCD: Upper York Creek Dam

WWE: Water and Wastewater Enterprise

METHODOLOGY

The interviews conducted by the Jury covered periods through and including February 1, 2019. In the course of subsequent interviews, the Jury learned that City Council and City Staff have been working to address some of the issues outlined in this report. Accordingly, the Jury expects that some of the City's responses to the Findings and Recommendations will contain additional, updated information, reflecting their efforts during this interim period.

The Jury conducted the following research during its investigation:

Interviews:

- Thirteen interviews with former and present members of the City Council and current senior City Staff

Reviewed and Analyzed:

- 2013-2018 St. Helena CAFRs
- Current Chart of Accounts
- Description of Budgeting Process
- 2014-2018 CIP reports
- Napa County 2017 report on St. Helena compliance with Measure A Funding

- Napa County Finalization of Measure A Funding Disbursements to City of St. Helena
- Nigro and Nigro Forensic Audit Report, provided to Jury by City
- Current City Council Processes, provided to Jury by City
- St. Helena's 10-Year Long-Range Financial Forecasts (LRFFs), 2015-2018
- Planning Commission By-Laws¹⁰
- 10-year Transient Occupancy Tax (TOT) statistics¹¹
- Four Year Grant Funding and Allocations
- 2017 SHAPE Committee Report¹²
- EMG 2018 Facility Condition Assessment
- California Municipal Health Diagnostic St. Helena 2018
- 2005, 2006, 2012 Water and Wastewater Bond Covenants
- Commercial Out of City Water Usage Report

DISCUSSION

The 10-year Long Range Financial Forecast (LRFF)

Many of the issues facing the City have their foundations in errors in the City's prior financial planning.

The City engages in a 10-year LRFF. "The primary objective is to provide the City Council and the community with a financial forecast and identify any significant issues that may need to be addressed in the annual budget development process."¹³ Although the City Council states that the LRFF is "not a budget," it is, in brief, a multi-year financial plan for the operation of the City. The current version is the 2018-2028 LRFF.¹⁴

This LRFF is used for several purposes including, but not limited to, the following:

- To identify amounts due for unfunded pension liabilities
- To plan for payment of payroll and non-pension benefits for City workers
- To fund needed repairs to City physical assets

¹⁰ City of St. Helena. (2018). *Resolution No. 2018-116 Resolution of the Council of the City of St Helena adopting revisions to the City of St Helena Planning Commission By-Laws*. St. Helena, CA: City of St. Helena.

¹¹ "Transient Occupancy Tax (TOT) & Tourism Assessment (TID) | City of St. Helena." City of St. Helena. Accessed May 18, 2019. <https://www.cityofstheleena.org/finance/page/transient-occupancy-tax-tot-tourism-assessment-tid>

¹² SHAPE Committee. (2018). *St Helena Assets Planning Engagement Committee Final Report*. St. Helena, CA: SHAPE Committee.

¹³ "Long Range Financial Forecast | City of St. Helena." City of St. Helena. <https://www.cityofstheleena.org/finance/page/long-range-financial-forecast>

¹⁴ City of St. Helena. (2018). *General Fund Long Range Financial Forecast City of St. Helena 2018-2018*. St. Helena, CA: St. Helena.

- To pay for emergency funding of unexpected costs, such as litigation, wildfires, earthquakes, etc.
- To support various civic projects
- To determine what new projects might be undertaken by the City

It is important to understand that the City's General Fund is divided into two parts: allocated funds and unallocated funds. The allocated portion is set aside for existing liabilities that the City is committed to pay, including, but not limited to, payroll, benefits, and rents. The unallocated portion must support all the remaining, previously mentioned items. Historically, the City's ratio of allocated to unallocated funds has been 2:1.

The 2018-2028 LRFF uses a methodology to predict future revenues and expenses that raises concerns to the Jury. In predicting annual revenue increases for each year during the 10-year period 2018-2028, the City assumes a 15%-25% annual increase of revenues each year. However, there is no basis in St Helena's prior financial history to support these assumed rates of increases. In fact, prior years' LRFFs show that the City's revenues have not increased at these rates at any time in the past five years. The assumptions in the 2018-2028 LRFF are based only on the historically 'good years;' more recent 'bad years' that featured significant declines in City revenues were specifically excluded by the City from the most recent LRFF¹⁵. This model might have been supportable if the years used in the analysis covered a longer (e.g. 30-year) period, but the 2018-2028 LRFF used only 10 years of history and took out the three unfavorable years: 2008-09, 2009-10, and 2010-11.

By not including these 'recession years' in the LRFF, the reader would be led to believe that the City's revenues would grow at an exponential rate, instead of experiencing the usual "ups and downs" of most economic cycles.

The 2018-2028 LRFF applied even more aggressive assumptions about revenues from the Transient Occupancy Tax (TOT). First, the 2018-2028 LRFF not only assumes continued growth in the TOT from existing hotels despite current high occupancy rates, but it also incorporates unreasonable growth factors in the calculation of those amounts. Secondly, it was recently reported that plans for developing a new hotel on a City-owned parcel were recently delayed.¹⁶ Finally, the planned TOT revenue assumptions do not take into consideration a possible decline in TOT revenues in the next few years as new hotels, currently under construction and in various stages of opening in Calistoga, Yountville, and Napa, compete for clientele.

In addition, the 2018-2028 LRFF does not discuss or analyze the constraints on City growth imposed by the Agricultural Preserve bounding the City, the political impact of an anti-hotel/anti-growth faction of City voters, or the impact of the current high vacancy

¹⁵ "Long Range Financial Forecast | City of St. Helena." City of St. Helena. <https://www.cityofstheleena.org/finance/page/long-range-financial-forecast>, pg. 3

¹⁶ Duarte, Jesse. "St. Helena Council Hits Brakes on Hotel Plans for City-owned Adams Street Property", The Napa Valley Register, May 29, 2019.

rates in the downtown commercial district. Each of these factors could also adversely affect City revenues from TOT and sales tax, which represent two of the three foundations of the City's revenues.

Lastly, the LRFF does not present any "percent of probability," a must-have in any financial forecast. A "percent of probability" gives the users of the forecast a better understanding of the numbers they are relying upon. As an example, a user would have more confidence in the numbers if there is a 90% reliability on the forecasted numbers, than a lesser 50% probability. Professional forecasts always give a percent of probability to the plan numbers. The St. Helena LRFF gives no such assessment or probability of accuracy.

The importance of the LRFF cannot be understated. Virtually every decision made by the City Council and City employees should find its background and support in the LRFF. Although it is not a 'budget,' if the assumptions and conclusions in the LRFF are incorrect or misleading, then decision-making errors are inevitable.

Unfunded Pension Liabilities

In 2014, the State of California changed its accounting rules and required every city to report unfunded pension liabilities for its employees' state retirement funds on its own books. It is estimated that the City has between \$12-15 million¹⁷ in unfunded pension liabilities, depending on which investment rate is used.

The City provides pensions for City employees through the California Public Employees' Retirement System (CalPERS). At the present time, only 68% of the City's CalPERS retirement fund obligation has been funded; the remaining 32% is an unfunded liability for the City.¹⁸ CalPERS' pension costs continue to rise and are projected to double, ultimately reaching an average of 15.8% of the City's General Fund budget by FY 2024-25.¹⁹

In June 2016, the City retained Bartel and Associates, an actuarial firm specializing in the public sector, to assess the City's liabilities to CalPERS and to suggest methods to pay down this increasing debt.

In 2018, Bartel & Associates presented to the City Council²⁰ four different plans for payment of these liabilities over time. However, the City Council did not, at that time, adopt any of these proposals. Instead, the City Council said that, in the future, it would put aside one-third of the unallocated General Fund to address these liabilities. In the past however, the City has always used the majority of unallocated funds for other City projects.

¹⁷ See Van Hort & Frankhanel Auditors Notes to 2014 CAFR, page iv.

¹⁸ City of St. Helena CAFR 2018, supra note 2, at 2.

¹⁹ See 2017-2027 CAFR, page 6.

²⁰ Bartel & Associates Report, cited in St Helena Star, August 21, 2018, reporting on City Council Meeting of June 12, 2018. | Galbraith, Alan. "As the City of St. Helena Celebrates, We Need to Exercise Caution," The St. Helena Star. August 22, 2018.

In February 2018, the State of California and CalPERS voted to collect from cities and other public entities their respective unfunded liabilities over 20 years. This move was instituted because CalPERS was facing financing issues where cash outflows for payments were outstripping the revenues coming into the CalPERS system. These unfunded liabilities are due and payable from the City unless the City declares bankruptcy.

Without budgeting a set amount for paying down pension liabilities, this issue could arise again, or the funds might be put aside as other pressures for use of the unallocated General Fund emerge.

Another pressure on the overall General Fund will be the plan to convert, over time, the City's volunteer fire department to full time employees, with pensions and benefits.²¹ This will increase the allocated General Fund and possibly decrease the unallocated portion of the General Fund.

Flood, Dam and Wastewater Projects

In this arena, the City faces three major challenges:

1. Upper York Creek Dam decommissioning and removal
2. Bell Canyon Reservoir (BCR) Intake Tower stabilization
3. Retrofit of the St. Helena Wastewater plant

In 1998,²² Napa County enacted Measure A, providing a ½-cent sales tax to facilitate and support funding for flood and water projects in the greater Napa Valley. Amounts spent on approved and completed projects would be reimbursable until June 30, 2018. Since 2005, the UYCD and BCR projects have appeared as "open projects" in the City's CIP. The Jury learned that these projects could have been paid for by Measure A funding but were not completed within the 20-year window of Measure A.

Upper York Creek Dam Project

The UYCD project is a dam reconstruction project related to watershed improvements which had been planned since 2005. Since October 2012, the Federal Government has ordered the completion of this project.²³ The continuing failure to complete this project has resulted in the imposition of a \$70 a day fine (approx. \$25,000 per year). Since 2016, this project also has been mandated by the State of California.²⁴

²¹ See, eg, Duarte, Jesse. "St. Helena City Council Supports Having More On-duty Firefighters," The St. Helena Star. March 19, 2019.

²² Napa County Flood Protection and Watershed Improvement Authority. Ordinance No. 1 (NCFPWIA); <https://www.countyofnapa.org/1422/Measure-A-Organizational-Documents>

²³ City of St Helena Resolution No.2010-61 <https://tinyurl.com/yydq9eph>

²⁴ California Regional Water Quality Control Board San Francisco Bay Region, Cease and Desist Order No. R2-2016-0004 (2016).

In November 2018, the City Council directed \$1.6 million from the City's General Fund to the UYCD project, despite the bond covenants that the dam project, like the BCR project and City's Water and Wastewater Enterprises (WWE) operations, be operated on a "not-for-profit" basis,²⁵ without the use of General Fund monies.

An Independent Commercial Enterprise is required by St Helena bond covenants to operate on a breakeven basis: its expenses must not exceed its revenue, and conversely, its revenues must pay all its expenses. The use of General Fund monies is prohibited by the bond covenants: all differences must be passed through to customers in the form of lower or higher rates.

The UYCD project was eligible for Measure A funding but the City did not submit this project for Measure A support. The reason for not submitting this project is unknown to the Jury. In 2005 the project would have qualified but work did not begin within the 20-year limit for Measure A reimbursement (between 1998 and 2018) and was therefore ineligible for funding.

The current CIP still lists the cost of this project at \$6.5 million. However, a redesign of the project, providing for completion within two years (2018-2019), has been reported.²⁶ If this redesign is implemented, then it is presumed that the bond covenants will require at least \$1.6 million be reimbursed to the General Fund.

Bell Canyon Reservoir

BCR is one of the City's water sources and its stabilization and enhancement was one of the original projects proposed to Napa County for reimbursement from Measure A. The project has appeared on the City's CIPs as an ongoing project since 2005, but to date no work has begun. The projected reimbursement would have been \$5.1 million. However, since the 2018 deadline for Measure A reimbursement has passed, this project will have to be funded by WWE rates.

Financing the St. Helena Water and Wastewater Enterprise

In addition to the UYCD and BCR projects, the WWE must complete and finance the wastewater treatment facility. The retrofit of this facility—estimated to cost \$19 million—is necessary because it no longer meets State of California standards.

²⁵ Based upon California Proposition 218, amending the California Constitution to require that "... all taxes and most charges on property owners are subject to voter approval."... See O'Malley, Marianne. Understanding Proposition 218. Accessed May 28, 2019. https://lao.ca.gov/1996/120196_prop_218/understanding_prop218_1296.html.

²⁶ "Duarte, Jesse. "Removal of St. Helena's York Creek Dam Becomes a Two-year Project." Napa Valley Register. April 12, 2018.

Other WWE Issues

St. Helena presently has the highest water and wastewater rates in Napa County. These are double the cost of American Canyon or Napa for the same water usage per annum. Due to the need for more capital to complete the UYCD, BCR, and Wastewater projects, the City has commissioned multiple water rate studies²⁷ to determine the necessary WWE rates to support the cost of the projects.

Based on the results of these studies, the City established a single rate system in 2017, which seemingly pushed more of the costs to residential users. After these new rates were established, some citizens demanded a review of the studies and significant flaws were found.²⁸

The Jury was informed by City officials and City Staff that the City is currently studying a multi-tiered rate system, similar to those used by the City of Napa and the City of Calistoga. City officials and Staff believe that a multi-tiered rate system might better serve the City's needs. A multi-rate system would:

- Distribute the fixed costs of the enterprise across all WWE users
- Adjust rates for users outside of the City limits
- Distinguish rates between residential and commercial users

However, the time for completion of this study is unknown.

The Jury also learned from City officials and Staff that there are presently at least 30 water users located outside the City limits. However, only 10 of these users have water contracts and most of those contracts have not been reviewed or renegotiated in over 20 years. In fact, some of these contract documents could not be located by City Staff when requested by the Jury. As these users are outside of the city limits, they pay no fees or taxes to support the City's WWE. The water and wastewater rates applicable to these users, as well as other contract provisions, are unknown.

In the course of its investigation, the Jury learned that City Staff is aggressively looking to refinance and/or issue additional bonds to finance these three projects. At this time, it is unknown whether WWE rates will pay for all of these projects or if another increase in water and wastewater rates might be at hand. As of this writing the new bond funding was not completed and unavailable for analysis.

The 2018-2019 Napa County Grand Jury issued a report on Water Quality on June 14, 2019. In this report, the Jury referenced a Municipal Service Review regarding countywide water and wastewater currently being conducted by the Napa County

²⁷ See, generally, <https://www.cityofstheleena.org/publicworks/page/water-and-wastewater-rate-studies>.

²⁸ The ensuing dispute with the water rate consultant, focused on the consultant's computational error that caused a shortfall in wastewater rate revenues, was settled recently, See Star Staff. "City of St. Helena Reaches \$1.15 Million Settlement with Former Utility Rate Consultant." *St. Helena Star*. May 29, 2019.

LAFCO (Local Area Formation Commission). This report may eventually result in better countywide utilization of water capacity and water processing operations. Consolidation could also facilitate a more equitable rate structure and assist with coordination of a countywide watershed policy. The Jury recommends that St. Helena officials pay particular attention to the results of this Review, which will be completed in early 2020.

Aging and Deteriorating Physical Assets

Each year the City issues a CIP, listing capital improvement projects to be completed over a five-year period. The CIP outlines each project, its expected costs, estimated dates of completion, and source(s) of funding. There are several basic funding principles noted in the CIP that should help to prioritize projects, including:

- Address legal or regulatory mandated improvements
- Protect life, safety and security of citizens
- Ensure asset preservation

In fact, the CIP calls for a “buildings, facilities and infrastructure replacement reserve to provide timely replacement of City owned fixed assets.”²⁹

In March, 2018, the City commissioned one of several Facility Condition Assessments that were performed by EMG Corporation, an engineering firm specializing in facility assessments.³⁰ The EMG reports stated that the deferment of maintenance of the City properties left them in such a poor condition that many of the buildings either needed extensive repairs or should be torn down and rebuilt.

The EMG report stated that City Hall required immediate repairs, at an estimated cost of \$1 million. The City Hall shows obvious signs of deterioration.³¹ It presently sports a blue tarp on its south side and its roof to keep out water. This is just one example of the lack of funding of a maintenance and replacement reserve for City assets, causing significant deterioration to those assets.

Even though asset preservation is one of the CIP’s guiding principles, the Jury learned through interviews and budget reviews that there has been no money allocated from the General Fund for this purpose in the last 10 years. In addition, the Jury noted that the legally required projects of the Wastewater Plant retrofit and the UYCD project have not been completed in the last five years.

The 2018 CIP also does not include funding for the reconstruction of the City Hall (as of June 1, 2019, the Jury has not seen the 2019 CIP). Although the CIP is supposed to be a comprehensive list of all major projects, the 2018 CIP shows the City Hall project as

²⁹ See St Helena 2018 City Administrative Policy and Capital Improvements Plan <https://www.cityofsthenana.org/publicworks/page/capital-improvement-plan-cip>.

³⁰ See, generally, <https://www.cityofsthenana.org/sites/default/files/> for various reports on a long list of City buildings and the substantial costs estimated for current maintenance.

³¹ See discussion at https://napavalleyregister.com/community/star/news/local/tour-shows-condition-of-st-helena-facilities-warts-and-all/article_61560887-cacb-5b94-b241-07e60c992f78.html

‘deferred,’ despite it being on the City Council’s docket as a current project.³² The \$40 million plus funding listed in the current five-year CIP does not include the \$8-15 million City Hall project.

In 2018, the City Council established the St. Helena Asset Planning Engagement (SHAPE) Committee,³³ to prioritize and identify strategies to address City needs and opportunities vis-a-vis City-owned assets. The SHAPE Committee was also tasked to identify alternatives to address deficiencies and opportunities in the LRFF. These included identifying financial strategies for City Council consideration and utilization of community assets. Unfortunately, the SHAPE Committee was relying on the 2018 LRFF for the unallocated General Fund, based upon its erroneous assumptions and long-range forecasts. The Jury believes this depicts a financial future that is unlikely to exist for the City.

All of the SHAPE Committee alternatives required substantial net additional funding from the City. The SHAPE Committee used the 2017-2018 LRFF forecast of the General Fund, which was fundamentally flawed, as discussed earlier. Of the 15 identified methods of funding for most of these projects, none are adequately addressed and seem to be the most unlikely vehicles for St. Helena’s LRFF. These suggested methods include parcel taxes, additional sales taxes, left-over unallocated funds from the General Fund, increases of business license fees, TOT increases, or a move to a new system of metered parking.

The SHAPE Committee concluded its recommendations with several options for City Hall relocation. Some had the City building a new City Hall, some had the City Hall co-locating with the City Library, and one had the City renting above-street space in some of the vacant downtown commercial spaces. However, in the opinion of the SHAPE Committee, the least expensive option, co-locating in the library, does not seem reasonable without gross reductions in the size of the library.

While the SHAPE committee’s full report contained seven options for City Hall, the Committee only presented two options to the City Council. Three very realistic and cost-effective options for a newly re-envisioned City Hall were not presented to or considered by the City Council:

1. Repurpose existing City-owned buildings to house City workers and sell current City Hall (valued at approximately \$1 Million), or
2. Buy/swap an existing City building and sell the existing City Hall (costing approximately \$2.5 Million), or
3. Execute a IRC §1031 Exchange(s) of existing City real property assets for other empty or partially-occupied commercial properties

³² See LRFF 2017-2027 and LRFF 2018-2028.

³³ <https://www.cityofstheleena.org/bc-shape>

The City should explore one or more of these options, or variations, as it attempts to resolve the issues listed above.

Above-average City Legal Fees

Over the last seven years, according to data provided to the Jury by City officials, the City has paid its City Attorney four times as much per capita as Calistoga, and ten times as much per capita as Sebastopol. These towns are of comparable size and in adjacent areas of Northern California. In the last fiscal year, the City's costs for legal services have exceeded the City's budget by \$600,000. The City pays almost the same for its City Attorney legal services as does the City of Napa, with a population 13 times larger than St. Helena.

For a small town with a relatively small budget, the Jury finds that St. Helena has a recurring history of spending a disproportionate share of that budget on legal fees. While a complete investigation of St. Helena's legal activities and costs are beyond the scope of this investigation, the Jury strongly recommends the City conduct an analysis of its legal expenditures and associated results. Such a study may help the City Council and Staff to better manage its legal services budget.

City Financial Reporting

The financial issues facing the City are complex. It is critical in a small town to advise the citizens of important issues that can impact them financially. Unlike a larger town or city, St. Helena is comprised of approximately 2,400 property owners and 6,000 citizens, who bear the financial impact of all the issues identified above.

Presently there is no single document or source of communication to City taxpayers or property owners that identifies the City's accrued amount of debt or other obligations. Notably, it was only after the water rates rose that residents started to learn about the WWE debt that St. Helena would need to incur to fix its failing wastewater infrastructure. Until that time, many City taxpayers and residents were likely unaware of the failing infrastructure, the maintenance on buildings that was needed, or the aging pipeline infrastructure.

Public forums, held by the City to disseminate information, reach only a small percentage of City residents. The City is to be commended for beginning to have small town meetings and an open forum for comment at council meetings, but these activities can be expected to reach only a fraction of the City's population.

In today's age of constant and frequent communication, the City's communications do not regularly update its citizens on the details of the City's financial obligations. There is no easily digestible and readily available information disseminated to City residents and taxpayers that explains the financial impact of the City's decisions on taxpayers and residents.

FINDINGS

The 2018-2019 Napa County Grand Jury finds that:

- F1. The City's financial forecasting is not performed by an actuary, thereby leaving the results suspect. It is not reasonably possible to do five-year financial planning without accurate revenue and expense data and forecasts.
- F2. The City's Capital Improvement Plan does not list amounts to be expended for the Water and Wastewater Enterprise projects mandated by federal, state, and local authorities. The Upper York Creek Dam, Bell Canyon Reservoir, and Wastewater projects have been on the CIP docket for many years, without beginning construction or making other material forward progress toward their completion.
- F3. The various projects facing the City place tremendous time and expertise burdens on City Staff. City Staff lacks specific expertise to manage some of these complicated dam and reservoir projects.
- F4. The City has not adhered to its own Capital Improvement Plans for the previous 10 years. This is especially notable concerning how few of the major projects—listed repeatedly in the CIPs over these years—have been completed.
- F5. The City's Water and Wastewater Enterprise rates are suspect, due to an inaccurate water and wastewater rate report.³⁴
- F6. The SHAPE Committee recommendations to the City did not include the less-expensive options in the SHAPE Committee Report.
- F7. On a regular basis, the City's Comprehensive Annual Financial Report has not funded the cost of deferred asset maintenance, which has left its physical assets in disrepair.
- F8. The cost of the City's 'City Attorney' is remarkably higher than comparable small cities in Northern California.
- F9. There is no budgeted or written method for dealing with the City's unfunded pension liabilities, as reported to the City in the Bartel & Associates Report.
- F10. The City's residents are not adequately informed of the financial impact of decisions made by the City Council and City Staff.

³⁴ As reported in the St. Helena Star on May 29, 2019, a dispute with the consultant for part of this report recently has been settled for ~\$1 Million. <https://tinyurl.com/y638xapl> .

RECOMMENDATIONS

The 2018-2019 Napa County Grand Jury recommends that:

- R1. Prior to the issuance of the 2020-2030 CIP, the City should engage an experienced outside actuarial firm, or assign a qualified member of City Staff, to generate a professionally appropriate Long-Range Financial Forecast, for the fiscal years beginning July 1, 2020 and thereafter.
- R2. The City should adopt a system that prioritizes payments for projects mandated by federal, state, or local authorities, to go into effect no later than the fiscal year beginning July 1, 2020. This mandate should provide that lesser projects cannot subvert any prioritized projects. Projects that are mandated by law (i.e. Upper York Creek Dam and Wastewater Plant retrofit) should be assigned to a City Council member for oversight and project management to completion. This Council member should be required to provide regular periodic status reports to all St. Helena citizens.
- R3. No later than the Fiscal Year beginning July 1, 2020, the City should adhere to its Capital Improvement Plans.
- R4. For the larger and more complex projects such as Bell Canyon Reservoir, Upper York Creek Dam, and the Wastewater Plant retrofit, the City should consider hiring or otherwise engaging the services of an outside project manager to oversee the project, in order to lessen the burden on City Staff and assure a timely and appropriate outcome for the project completion. These assignments should take place commensurate with the start of the July 1, 2020 budget year.
- R5. The City should review and implement the findings in the new Water Rate study, on or before June 30, 2020, and thereafter review then-current and relevant engineering and rate studies to determine appropriate multi-tiered Water and Wastewater rates.
- R6. In accordance with the new Water Rates, and no later than June 30, 2020, the City should identify, review, and renegotiate all water contracts with commercial and residential users located inside and outside the City limits. All such rates and contracts should be identified publicly to all City taxpayers and residents.
- R7. The City should follow and seriously consider the findings in the current LAFCO municipal services review, cited in the Water Quality Report by this 2018-2019 Grand Jury published June 14, 2019.
- R8. The City should reconsider the proposed City Hall project, on or before June 30, 2020. The estimated costs and sources for funding the proposed City Hall project should be included on the most current Capital Improvement Plan docket and

Long-Range Financial Forecast. Emphasis should be placed on possible use of the City's existing real property assets as "City Hall" offices.

- R9. Beginning in the 2020-2021 Fiscal Year beginning July 1, 2020, and continuing thereafter, the City should allocate a designated percentage of the General Fund each year for additional payments toward its unfunded liabilities to CalPERS as well as deferred maintenance costs for City real property assets.
- R10. Beginning with the fiscal year commencing on July 1, 2020, as the City hires additional full-time personnel, such as new full-time firefighters, the City should recalculate the effect of such hires on unfunded pension liabilities to CalPERS and include those new liabilities in the allocated budget.
- R11. No later than December 31, 2019, the City should conduct an analysis of its legal expenditures and associated results in order to determine whether any changes need to be made to the City's current legal support and strategy. The results of this analysis and any accompanying recommendations should be shared with the public.
- R12. The City should develop and enhance its system of community-based communications to highlight important financial issues affecting City residents. These communications could be published in the weekly St. Helena Star or by e-mail or both. Re-advertise the city e-mail communications system and how city residents can access these communications on a regular basis.

REQUIRED RESPONSES

Pursuant to Penal Code sections 933 and 933.05, the 2018-2019 Napa County Grand Jury requests responses as follows:

From the following within 90 days:

- St. Helena City Council (F1-F10 and R1-R12)

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.



Report to the City Council
Council Meeting of August 27, 2019

Agenda Section: New Business

Subject: *Updated Agreement 8/27/19

Proposed adoption of a Resolution authorizing the City Manager to enter into a Police Shared Services Agreement with the City of Calistoga for Police Officer and Police Dispatcher services on an as-needed basis and authorizing City Manager to coordinate City of St. Helena participation in Calistoga/St. Helena shared services delivery structure analysis.

CEQA Not a CEQA project
Determination:

Prepared By: Mark T. Prestwich, City Manager

Reviewed By: Mark T. Prestwich, City Manager

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

In mid-November 2018, the City of Calistoga notified the City of St. Helena that it was experiencing a temporary staffing shortage of Police Officers. At the same time, the City of St. Helena Police Department (SHPD) was experiencing a temporary staffing shortage of Police Dispatch personnel. At the time, an agreement was reached to fill some of the staffing shortages on a mutual aid emergency basis. Because it was anticipated the staffing shortage could extend several months and recur from time to time, the City Managers of each agency felt it would be helpful to eventually formalize the working relationship into a formal agreement to clarify roles, expectations, etc.

Historically, St. Helena and Calistoga have assisted each other when short term personnel shortages existed beyond Police services including Fire and other services. For example, recognizing the value and benefits to both agencies, the cities in 2017 entered into a reciprocal building inspection services agreement to provide critical inspection services when an official in one of the agencies is unavailable for a short

period of time (e.g. illness, personal leave, etc.), or to reduce or eliminate the need for contract building inspection services during an absence.

At present, while SHPD is experiencing full staffing levels with its police officers and dispatch personnel, the Calistoga Police Department (CPD) has three vacant police officer positions with a fourth officer vacancy expected by the end of the year. While CPD is in a recruitment process to fill their positions, it will take several months to fill and train their new officers so they can work as independent solo officers. Per the City of Calistoga, these vacant CPD positions present challenges in providing coverage for unanticipated absences as a result of illnesses and injuries, as well as anticipated absences due to vacations and training commitments. This situation has also presented challenges in staffing Calistoga special events, providing community outreach activities, addressing community issues, and providing overall services. Currently, all CPD dispatcher positions are filled. However, over the past decade, CPD has advised there have been several instances when the dispatch center experienced staff shortage issues resulting in challenges of providing services due to vacancies caused by unanticipated and anticipated absences.

Additionally, on July 16, 2019, the City of Calistoga notified the City of St. Helena it was interested in beginning a dialogue to jointly analyze police service delivery options (see attached letter). Calistoga is anticipating contracting with Matrix Consulting Group, a local government consulting firm with a core competency in law enforcement analysis. As envisioned, the Calistoga-funded Matrix study would consist of a three pronged analysis:

- A continuation of the standalone Calistoga Police Department with recommendations to improve recruitment and retention
- A St. Helena/Calistoga shared services delivery structure including a shared command, patrol, and dispatch services - either separately or combined
- Police services via contract with the Sheriff's Department

DISCUSSION

CPD and SHPD regularly experience both police officer and dispatcher staffing issues. At times, this can jeopardize the level of service provided to the communities. The ability to utilize each others resources via a shared services agreement on an as-needed basis will allow for continued continuity of police services, reduces officer safety issues, and officer fatigue. It will also maximize resources to address staffing shortages, special event coverage, and unanticipated and anticipated vacancies.

In terms of the shared services delivery structure, with discussions underway about replacing the City Hall/Police Facility at 1480 Main Street, it is opportune time to participate in a study of possible synergies with a more formal shared services model. As a result, it is recommended the City agree to jointly participate in the Calistoga shared services delivery structure analysis. The City Manager has also been advised by the President of the St. Helena Police Officers Association that they are supportive of the analysis of a shared services model with the City of Calistoga.

FISCAL IMPACT

Exact impact is unknown as the coverage between the agencies would be done on an as-needed basis and on a predetermined recharge rate. In most cases, it is anticipated the coverage issue would be handled internally on an overtime rate basis. Instead of paying overtime to St. Helena staff, the City would be paying Calistoga on a recharge rate. The SHPD recharge rate is slightly higher than the overtime rate due to administrative and benefit costs built into the recharge rate.

RECOMMENDED ACTION

1) Adopt a Resolution authorizing the City Manager to enter into a Police Shared Services Agreement with the City of Calistoga for Police Officer and Police Dispatcher services on an as-needed basis; and 2) Authorize City Manager to coordinate City of St. Helena participation in Calistoga/St. Helena shared services delivery structure analysis.

ATTACHMENTS

[DRAFT Shared Services Agreement between CPD and SHPD](#)
[Reso-Police Shared Services Agreement](#)
[July 16, 2019 Letter from City of Calistoga](#)

Attachment 2

City of St. Helena Agreement No. _____

City of Calistoga Agreement No. _____

**AGREEMENT FOR LAW ENFORCEMENT AND DISPATCH SERVICES
BETWEEN THE CITY OF ST. HELENA
AND
THE CITY OF CALISTOGA**

THIS AGREEMENT FOR LAW ENFORCEMENT AND DISPATCH SERVICES (“Agreement”) is made and entered into as of this _____ day of _____, 2019, by and between City of St. Helena (“ST. HELENA”), a municipal corporation, and the City of Calistoga (“CALISTOGA”), a municipal corporation.

RECITALS

WHEREAS, CALISTOGA and ST. HELENA desire to contract with one another for performance of law enforcement functions within CALISTOGA and ST. HELENA’s municipal boundaries; and

WHEREAS, CALISTOGA and ST. HELENA desire to contract with one another for performance of public safety dispatch services within CALISTOGA and ST. HELENA’s municipal boundaries; and

WHEREAS, ST. HELENA and CALISTOGA are capable of rendering such services under the terms and conditions set forth in this Agreement; and

WHEREAS, the performance by ST. HELENA for CALISTOGA of law enforcement functions and dispatch services referenced herein will require ST. HELENA to incur certain costs and expenses, including but not limited to costs and expenses for patrol and dispatch personnel and public liability insurance; and

WHEREAS, the performance by CALISTOGA for ST. HELENA of law enforcement functions and dispatch services referenced herein will require CALISTOGA to incur certain costs and expenses, including but not limited to costs and expenses for patrol and dispatch personnel and public liability insurance; and

WHEREAS, it is the intent of the parties to this Agreement that CALISTOGA assume all such costs and expenses when using the services of ST. HELENA patrol and dispatch personnel, including but not limited to the costs and expenses described above; and

WHEREAS, it is the intent of the parties to this Agreement that ST. HELENA assume all such costs and expenses when using the services of CALISTOGA patrol and dispatch personnel, including but not limited to the costs and expenses described above; and

WHEREAS, the Parties supply one another with Police Officer(s), on an as-needed basis, to supplement the Parties’ law enforcement needs; and

WHEREAS, the Parties supply one another with public safety dispatch personnel, on an as-needed basis, to supplement the Parties' public safety dispatch needs.

TERMS

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1) Term: This Agreement shall commence on April ___, 2019 and shall continue in full force until cancelled by a Party or the Parties, as provided herein.

- 2) ST. HELENA Obligations:
 - a. During the term of this Agreement, ST. HELENA shall provide services set forth in Exhibit "A" and Exhibit "B", attached hereto and incorporated by reference herein.
 - b. Submission of Payment Requests: St. Helena Police Department shall submit to CALISTOGA written requests for payment on a monthly basis in a form satisfactory to CALISTOGA for services provided by ST. HELENA under paragraph 2(a)
 - c. Amount of payment for services:
 - i. For the public safety dispatch services provided by CALISTOGA under this Agreement, ST. HELENA shall pay CALISTOGA at a recharge rate, which includes the cost in salary (Regular or Overtime) and all statutory benefits, retirement contributions, and other negotiated MOU benefits for a top step dispatcher as set forth in Exhibit "C", attached hereto and incorporated by reference herein. The parties will update this Exhibit "C" as necessary for subsequent fiscal years.
 - ii. For the law enforcement services provided by CALISTOGA under this Agreement, ST. HELENA shall pay CALISTOGA at a recharge rate which includes the cost in salary (Regular or Overtime) and all statutory benefits, retirement contributions, and other negotiated MOU benefits for a top step Police Officer and Police Sergeant as set forth in Exhibit "D", attached hereto and incorporated by reference herein. The parties will update this Exhibit "D" as necessary for subsequent fiscal years.
 - d. Space and equipment to be provided: ST. HELENA shall provide and pay for any office space for a CALISTOGA Police Officer or dispatcher provided under this Agreement, including those things ordinarily associated with an office including but not limited to heat, a telephone, a desk, computer, printer and access to a FAX machine.
 - e. ST. HELENA Police Department management will monitor and evaluate the number of hours worked by individual officers and/or dispatchers pursuant to this Agreement to ensure that total hours worked by any individual officer or dispatcher comports with best practice standards concerning officer and public safety.

3) CALISTOGA Obligations:

- a. During the term of this Agreement, CALISTOGA shall provide services set forth in Exhibit "A" and Exhibit "B", attached hereto and incorporated by reference herein.
- b. Submission of Payment Requests: Calistoga Police Department shall submit to ST. HELENA written requests for payment on a monthly basis in a form satisfactory to ST. HELENA for services provided by CALISTOGA under paragraph 3(a).
- c. Amount of payment for services:
 - i. For the public safety dispatch services provided by ST. HELENA under this Agreement, CALISTOGA shall pay ST. HELENA at a recharge rate, which includes the cost in salary (Regular or Overtime) and all statutory benefits, retirement contributions, and other negotiated MOU benefits for a top step dispatcher as set forth in Exhibit "C", attached hereto and incorporated by reference herein. The parties will update this Exhibit "E" as necessary for subsequent fiscal years.
 - ii. For the law enforcement services provided by ST. HELENA under this Agreement, CALISTOGA shall pay ST. HELENA at a recharge rate, which includes the cost in salary (Regular or Overtime) and all statutory benefits, retirement contributions, and other negotiated MOU benefits for a top step Police Officer and Police Sergeant as set forth in Exhibit "D", attached hereto and incorporated by reference herein. The parties will update this Exhibit "F" as necessary for subsequent fiscal years.
- d. Space and equipment to be provided: CALISTOGA shall provide and pay for any office space for a ST. HELENA Police Officer or dispatcher provided under this Agreement, including those things ordinarily associated with an office including but not limited to heat, a telephone, a desk, computer, printer and access to a FAX machine.
- e. CALISTOGA Police Department management will monitor and evaluate the number of hours worked by individual officers and/or dispatchers pursuant to this Agreement to ensure that total hours worked by any individual officer or dispatcher comports with best practice standards concerning officer and public safety.

4) Relationship to the Parties:

- a. This Agreement shall not constitute, nor shall it be interpreted as constituting, an agreement for hire of the ST. HELENA Police Officer or dispatcher by CALISTOGA and any ST. HELENA Police Officer or dispatcher providing services under this Agreement is, and shall continue to be, an employee of ST. HELENA under the supervision, management and control of ST. HELENA.
- b. This Agreement shall not constitute, nor shall it be interpreted as constituting, an agreement for hire of the CALISTOGA Police Officer or dispatcher by ST. HELENA and any CALISTOGA Police Officer or dispatcher providing services

under this Agreement is, and shall continue to be, an employee of CALISTOGA under the supervision, management and control of CALISTOGA.

- c. The terms and conditions of employment of the ST. HELENA Police Officers and dispatchers providing services under this Agreement are, and shall continue to be, governed by the ST. HELENA Police Officers Association (POA) Memorandum of Understanding (MOU) and any other ST. HELENA personnel rules, policies, and/or procedures.
- d. The terms and conditions of employment of the CALISTOGA Police Officers and dispatchers providing services under this Agreement are, and shall continue to be, governed by the CALISTOGA Police Officers Association (POA) Memorandum of Understanding (MOU) and any other CALISTOGA personnel rules, policies, and/or procedures.
- e. Supervision over the rendition of law enforcement and dispatch services, the standards of performance, the discipline of officers and dispatchers, and other matters incident to the performance of such services and the control of personnel shall remain with each agency over its respective officers and dispatchers.

5) Indemnification; Insurance:

- a. To the furthest extent permitted by law and without limiting or otherwise waiving liability for any acts or omissions of the parties hereto, CALISTOGA agrees to indemnify, hold harmless, and defend ST. HELENA, its City Council members, its elected officials, officers, agents and employees from every claim, suit, action, loss, liability, demand, or expense of any nature whatsoever including, but not limited to, any claim by any CALISTOGA Police Officer or dispatcher providing service to ST. HELENA under this Agreement that such persons or individuals are entitled to any benefit otherwise provided to employees of ST. HELENA, including coverage under the California Public Employee Retirement System, civil rights violations, injury to or death of person(s), or damage to any property that arises as a result of any act or omission of CALISTOGA, its elected officials, officers, agents or employees arising out of, connected with, or resulting from performance of this Agreement or as a condition of the services rendered under this Agreement..
- b. To the furthest extent permitted by law and without limiting or otherwise waiving liability for any acts or omissions of the parties hereto, ST. HELENA agrees to indemnify, hold harmless, and defend CALISTOGA, its City Council members, its elected officials, officers, agents and employees from every claim, suit, action, loss, liability, demand, or expense of any nature whatsoever including, but not limited to, any claim by any ST. HELENA Police Officer or dispatcher providing service to CALISTOGA under this Agreement that such persons or individuals are entitled to any benefit otherwise provided to employees of CALISTOGA, including coverage under the California Public Employee Retirement System, civil rights violations, injury to or death of person(s), or damage to any property that arises as a result of any act or omission of CALISTOGA, its elected officials, officers, agents or employees arising out of, connected with, or resulting from

performance of this Agreement or as a condition of the services rendered under this Agreement.

- c. Workers' Compensation Insurance: To the extent required by law during the terms of this Agreement, the Parties shall provide workers' compensation insurance for the performance for all duties under this Agreement, including but not limited to, coverage for workers' compensation and employer's liability and a waiver of subrogation, and shall provide the other party with certification of all such coverages upon request by either party's Risk Manager. CALISTOGA shall be responsible for all costs, including but not limited to, "4850" pay associated with a work-related injury occurring to a CALISTOGA Police Officer providing services under this Agreement, including if said costs continue to be incurred after the expiration of the Agreement. ST. HELENA shall be responsible for all costs including but not limited to, "4850" pay associated with a work-related injury occurring to a ST. HELENA Police Officer providing services under this Agreement, including if said costs continue to be incurred after the expiration of the Agreement. CALISTOGA shall be responsible for all costs associated with a work-related injury occurring to a CALISTOGA dispatcher providing services under this Agreement, including if said costs continue to be incurred after the expiration of the Agreement. ST. HELENA shall be responsible for all costs associated with a work-related injury occurring to a ST. HELENA dispatcher providing services under this Agreement, including if said costs continue to be incurred after the expiration of the Agreement.
- d. Liability Insurance:
 - i. General Liability: Each party shall obtain and maintain in full force and effect during the term of this Agreement, commercial comprehensive general liability insurance coverage (personal injury and property damage) or equivalent self-insurance or combination thereof, of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, issued by a company duly and legally licensed to transact business in the State of California, covering liability for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of that party to any officer, agent or employee of that party under this Agreement except for acts of omissions performed in strict compliance with express direction by the other party's governing board, officers or personnel.
 - ii. Comprehensive Automobile Liability Insurance: Each party shall obtain and maintain in full force and effect during the term of this Agreement, a comprehensive automobile liability insurance policy (Bodily Injury and Property Damage) on owned, hired, leased and non-owned vehicles used in conjunction with the party's activities under this Agreement of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence
- e. Certificates of Coverage and Required Endorsements: When the foregoing coverages are proved by insurance rather than by self-insurance (written proof of

which shall be provided to other party), the coverage shall be evidenced by one or more certificates of coverage which shall be filed with the other party's Secretary or Clerk prior to reimbursement for performance of any of the party's duties under this Agreement; shall name the other party, its officers, directors, employees, agents, elected and appointed officials, and representatives as additional insureds; shall be kept current during the term of this Agreement; and shall provide that the other party shall be given no less than thirty (30) days prior written notice of any non-renewal, cancellation, other termination, or material change. Upon request by the other party, the party shall provide or arrange for the insurer to provide the other party with certified copies of the actual insurance policies or relevant portions thereof within thirty (30) days of the request. Each policy of insurance provided for herein shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limit of the insurance company's liability required hereunder. Should any of the policies identified herein contain a "cross-suits" exclusion, such exclusion must not apply to any additional insureds.

- 6) Amendments/Modifications of Agreement: Any requests for modifications to this Agreement shall be submitted in writing and approved by CALISTOGA and ST. HELENA.
- 7) Interpretation/Venue: This Agreement is governed by California Law. In the event any action or proceeding is filed to interpret, enforce, challenge, or invalidate any term of this Agreement, venue shall be in the Superior Court of Napa County or the U.S. District Court for the Northern District of California.
- 8) Termination, Notices: Either party may terminate this Agreement for any reason by giving the other party no less than ten (10) working days advance written notice of the intent to do so. The Parties will be responsible for payment for all services rendered if the Agreement is terminated early. Notice shall be deemed given for this purpose when deposited in the United States' mail, first class postage prepaid, and addressed to the following persons or their successors in office:

To St. Helena

Timothy Foley, Chief of Police
St. Helena Police Department
1480 Main Street
St. Helena, CA 94574

To CALISTOGA:

Mitchell Celaya, Chief of Police
Calistoga Police Department
1235 Washington Street
Calistoga, CA 94515

- 9) No Waiver: The waiver by either party of any breach or violation of any requirement of this agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.
- 10) Severability: If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

- 11) Entirety of Agreement: This Agreement constitutes the entire agreement between the parties relating to the subject of this Agreement and supersedes all previous agreements, promises, representations, understanding and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement:

CITY OF CALISTOGA:

CITY OF ST. HELENA

By: _____
Michael Kim, City Manager

By: _____
Mark T. Prestwich, City Manager

EXHIBIT “A”

WORK TO BE PERFORMED: POLICE SERVICES

The Parties shall provide each other with the following services on an as-needed basis.

1) **Description of Services:**

CALISTOGA and ST. HELENA are contracting for the services of persons who meet all of the standards imposed by law on a peace officer pursuant to Penal Code Section 830, et seq.

ST. HELENA will provide general and specialized law enforcement services within the corporate limits of CALISTOGA. The services shall encompass duties and functions of the type falling under the jurisdiction of and customarily rendered by a police department of a City under state statutes. Services shall include traffic enforcement and related services, patrol and related duties involving the prevention of crime, the protection of life and property, and the enforcement of federal, state, and local laws and ordinances. Services shall also include conducting investigations, assisting in the preparation of cases, testifying in court, serving in specialized departmental roles as assigned, providing information and assistance to the public, and performing related work as assigned.

CALISTOGA will provide general and specialized law enforcement services within the corporate limits of ST. HELENA. The services shall encompass duties and functions of the type falling under the jurisdiction of and customarily rendered by a police department of a City under state statutes. Services shall include traffic enforcement and related services, patrol and related duties involving the prevention of crime, the protection of life and property, and the enforcement of federal, state, and local laws and ordinances. Services shall also include conducting investigations, assisting in the preparation of cases, testifying in court, serving in specialized departmental roles as assigned, providing information and assistance to the public, and performing related work as assigned.

Location: City of Calistoga

ST. HELENA will assign Police Officers to assist the CALISTOGA Police Department on an as needed basis. CALISTOGA will advise ST. HELENA of shift vacancies one month in advance and ST. HELENA will offer to its police officers the opportunity to work the CALISTOGA shifts. CALISTOGA will have the responsibility to fill any shifts unable to be filled by ST. HELENA Police Officers. If a ST. HELENA Police Officer assigned a shift with CALISTOGA is unable to work said shift for reasons of illness, work or personal emergency, or work-related tasks, such as reporting to court on ST. HELENA business, ST. HELENA will attempt to find another ST. HELENA officer to fill said shift. However, in the event that ST.

HELENA is unable to fill the shift with a ST. HELENA officer, CALISTOGA will be responsible for filling said shift.

The ST. HELENA Police Officer(s) will work out of the CALISTOGA Police Department Headquarters and will follow the policies and procedures of ST. HELENA, will drive a CALISTOGA or a ST. HELENA patrol unit as assigned, use ST. HELENA Citations (with the exception of parking issued citations) and will write his/her reports utilizing the ST. HELENA system. If the ST. HELENA Police Officer chooses to use a ST. HELENA vehicle while performing services under this agreement, CALISTOGA will reimburse ST. HELENA for such vehicle usage at the then-current IRS mileage rate. The ST. HELENA Police Officer(s) will be equipped with ST. HELENA-issued equipment, including a ST. HELENA uniform, duty gear, and safety equipment.

Location: City of St. Helena

CALISTOGA will assign Police Officers to assist the ST. HELENA Police Department on an as needed basis. ST. HELENA will advise CALISTOGA of shift vacancies one month in advance and CALISTOGA will offer to its police officers the opportunity to work the ST. HELENA shifts. ST. HELENA will have the responsibility to fill any shifts unable to be filled by CALISTOGA Police Officers. If a CALISTOGA Police Officer assigned a shift with ST. HELENA is unable to work said shift for reasons of illness, work or personal emergency, or work-related tasks, such as reporting to court on CALISTOGA business, CALISTOGA will attempt to find another CALISTOGA officer to fill said shift. However, in the event that CALISTOGA is unable to fill the shift with a CALISTOGA officer, ST. HELENA will be responsible for filling said shift.

The CALISTOGA Police Officer(s) will work out of the ST. HELENA Police Department Headquarters and will follow the policies and procedures of CALISTOGA, will drive a CALISTOGA or a ST. HELENA patrol unit as assigned, use CALISTOGA Citations (with the exception of parking issued citations) and will write his/her reports utilizing the CALISTOGA system. If the CALISTOGA Police Officer chooses to use a CALISTOGA vehicle while performing services under this agreement, ST. HELENA will reimburse CALISTOGA for such vehicle usage at the then-current IRS mileage rate. The CALISTOGA Police Officer(s) will be equipped with CALISTOGA-issued equipment, including a CALISTOGA uniform, duty gear, and safety equipment.

EXHIBIT “B”

WORK TO BE PERFORMED: DISPATCH SERVICES

The Parties shall provide each other with the following services on an as-needed basis.

1) **Description of Services:**

ST. HELENA and CALISTOGA are contracting for police dispatch services.

CALISTOGA will provide public safety dispatch services within the corporate limits of ST. HELENA. The services shall encompass duties and functions of the type falling under the jurisdiction of and customarily rendered by a public safety department of a City under state statutes. Services shall include receiving police and emergency calls, dispatching police and fire units following prescribed procedures; answering non-emergency calls for public safety, performing a variety of general administrative support duties including record keeping, typing, and filing, and performing related work as required.

ST. HELENA will provide public safety dispatch services within the corporate limits of CALISTOGA. The services shall encompass duties and functions of the type falling under the jurisdiction of and customarily rendered by a public safety department of a City under state statutes. Services shall include receiving police and emergency calls, dispatching police and fire units following prescribed procedures; answering non-emergency calls for public safety, performing a variety of general administrative support duties including record keeping, typing, and filing, and performing related work as required.

Location: City of St. Helena

CALISTOGA will assign dispatchers to assist the ST. HELENA Police Department on an as needed basis. ST. HELENA will advise CALISTOGA of shift vacancies one month in advance and CALISTOGA will offer to its dispatchers the opportunity to work the ST. HELENA shifts. ST. HELENA will have the responsibility to fill any shifts unable to be filled by CALISTOGA dispatchers. If a CALISTOGA dispatcher assigned a shift with ST. HELENA is unable to work said shift for reasons of illness, work or personal emergency, or work-related tasks, CALISOGA will attempt to find another CALISTOGA dispatcher to fill said shift. However, in the event that CALISTOGA is unable to fill the shift with a CALISTOGA dispatcher ST. HELENA will be responsible for filling said shift.

The CALISTOGA dispatcher(s) will work out of the ST. HELENA Police Department Headquarters and will follow the policies and procedures of CALISTOGA. The CALISTOGA dispatcher(s) will be equipped with CALISTOGA-issued equipment, including a CALISTOGA uniform.

Location: City of Calistoga

ST. HELENA will assign dispatchers to assist the CALISTOGA Police Department on an as needed basis. CALISTOGA will advise ST. HELENA of shift vacancies one month in advance and ST. HELENA will offer to its dispatchers the opportunity to work the CALISTOGA shifts. CALISTOGA will have the responsibility to fill any shifts unable to be filled by ST. HELENA dispatchers. If a ST. HELENA dispatcher assigned a shift with CALISTOGA is unable to work said shift for reasons of illness, work or personal emergency, or work-related tasks, ST. HELENA will attempt to find another ST. HELENA dispatcher to fill said shift. However, in the event that ST. HELENA is unable to fill the shift with a ST. HELENA dispatcher, CALISTOGA will be responsible for filling said shift.

The ST. HELENA dispatcher(s) will work out of the CALISTOGA Police Department Headquarters and will follow the policies and procedures of ST. HELENA. The ST. HELENA dispatcher(s) will be equipped with ST. HELENA-issued equipment, including a ST. HELENA uniform.

EXHIBIT "C"**BASE RATE SERVICES****DISPATCH**

PUBLIC SAFETY DISPATCHER	
Total Hourly Regular Reimbursement Rate	\$71
Total Hourly Overtime Reimbursement Rate	\$75

BASE RATE SERVICES**DISPATCH SUPERVISOR**

PUBLIC SAFETY DISPATCHER	
Total Hourly Regular Reimbursement Rate	\$81
Total Hourly Overtime Reimbursement Rate	\$89

EXHIBIT "D"**BASE RATE SERVICES****PATROL**

POLICE OFFICER	
Total Hourly Regular Reimbursement Rate	\$88
Total Hourly Overtime Reimbursement Rate	\$90

POLICE SERGEANT	
Total Hourly Regular Reimbursement Rate	\$109
Total Hourly Overtime Reimbursement Rate	\$112

CITY OF ST. HELENA

RESOLUTION NO. 2019-

**AUTHORIZING THE CITY MANAGER TO ENTER INTO A
POLICE SHARED SERVICES AGREEMENT WITH THE
CITY OF CALISTOGA TO BE
REVIEWED ON AN ANNUAL BASIS**

RECITALS

- A. WHEREAS, the Calistoga Police Department and St. Helena Police Department often are challenged with periodic staffing shortages and coverage issues in both dispatcher and officer positions; and
- B. WHEREAS, the staffing shortages and coverage issues impact the delivery of services, ability to address community concerns, and pose increased officer and public safety concerns; and
- C. WHEREAS, Calistoga and St. Helena desire to contract with one another for police officer and dispatcher functions within Calistoga and St. Helena's municipal boundaries; and
- D. WHEREAS, Calistoga and St. Helena are capable of rendering such services under the terms and conditions set forth in the Shared Services Agreement.

RESOLUTION

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

- 1. Authorize the City Manager to enter into a Police Shared Services agreement between the Calistoga Police Department and the St. Helena Police Department in substantial conformance with the Agreement referenced in the August 27, 2019 staff report and subject to approval as to from by the City Attorney's Office.

Mayor Ellsworth: _____

Vice Mayor Dohring: _____

Councilmember Chouteau: _____

Councilmember Knudsen: _____

Councilmember Koberstein: _____

APPROVED: ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzaopoulos, City Clerk

CITY OF CALISTOGA

1232 Washington Street • Calistoga, CA 94515
Telephone 707-942-2800
Fax 707-942-0732
www.ci.calistoga.ca.us



Mark T. Prestwich
City Manager
City of St. Helena
1480 Main Street
St. Helena, CA 94574

July 16, 2019

Dear Mr. Prestwich:

Calistoga's Police Chief has expressed his interest in retiring at the end of this calendar year. Prior to recruiting to fill the pending vacancy I have been tasked by our City Council to explore options for delivery of police services.

The purpose of this letter is to formally begin a dialogue with St. Helena on whether it makes sense to jointly review police service delivery methods and identify opportunities and constraints from a modified police service delivery model.

Chief Celaya and I have talked with Richard Brady from Matrix Consulting Group and discussed contracting with them to analyze police service delivery options. He provided a copy of a recent study he did for Kensington and the Phase 1 executive summary is almost identical to the challenges we are experiencing in Calistoga. I have attached the summary from Phase I and the staff report that transmitted the report to the Kensington City Council.

As envisioned, Matrix would conduct a three pronged analysis as follows:

- A continuation of a standalone Calistoga PD with recommendations to improve recruitment and retention
- A St. Helena/Calistoga shared services delivery structure including a shared command, patrol, and dispatch services - either separately or combined
- Police services via contract with the Sheriff's Department

I anticipate the analysis to take approximately 45-60 day and would involve interviews with each of us and our respective Chiefs and the Sheriff's Office. Because the analysis and implementation of any changes is not going to happen overnight we are still interested in pursuing a shared services agreement with St.



Helena to provide each of our jurisdictions additional police resources. A draft agreement has been prepared and I believe the terms and conditions have been pretty much agreed to. I would like to get it before our respective Councils as soon as possible and anything you can do to expedite its finalization is appreciated.

If this concept is something you are interested in pursuing I would like to suggest that the four of us get together early next week to discuss the scope of the consulting agreement with Matrix Consulting Group and to finalize the interim shared services agreement.

I look forward to scheduling the meeting and getting this process underway.

Sincerely,



Michael Kirn
City Manager
City of Calistoga



KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

**BOARD OF DIRECTORS MEETING
APRIL 25, 2019
ITEM 7b**

KENSINGTON POLICE DEPARTMENT: EVALUATION OF ALTERNATIVES RELATED TO DELIVERING POLICE SERVICES; REVIEW OF PROCESS AND COMMUNITY ENGAGEMENT CONDUCTED BY THE MATRIX CONSULTING GROUP; AND CONSIDERATION OF A REQUEST FOR PROPOSAL

BACKGROUND

In December 2009, the evaluation and consideration of options related to Kensington Police Services was originally initiated by District Special Employee, Brown D. Taylor. A "Feasibility Study – Contract Police Service Alternative" provided early rudimentary data for consideration and was an "initial preliminary evaluation" that recommended a "more in-depth evaluation."

On October 1, 2016, the Final Report of the Ad Hoc Committee for Governance and Operations Structure Submitted their report to the District Board of Directors. The Ad Hoc Committee was an initial step in gathering information on police contracting options with neighboring jurisdictions. The report pointed out they were "unable to gather information about the relative cost of contracting" with other agencies. They also suggested, "given the critical importance of these activities, consideration should be given to hiring professionals" to conduct further review and evaluate options. The next step of review would be an analysis by a professional with experience in evaluating police departments.

At the September 14, 2017 meeting, the Board of Directors authorized a Request for Proposal (RFP) for individuals experienced and knowledgeable about organizing and operating police departments to evaluate the options related to delivering police services. This evaluation would provide specific data on the best options available to the Kensington community, including a high-performing but sustainable in-house model vs. other contracting options. Specific cost data and best practices information would create a uniform basis to make a factual decision. Since police services are central to the District's mission and consumes most the budget, the District will need a thorough and methodical evaluation of alternatives moving forward.

At that time, it was roughly estimated that the cost of this analysis would be \$50,000 to \$100,000. A number of officers had been off work for a variety of personnel matters, costing the department approximately an annualized \$200,000+ in non-productive

employee time. This represented a large portion of the departmental line staffing, which is currently budgeted for 10 sworn positions including the Chief of Police. In addition, legal costs averaged about \$240,000 per year over Fiscal Years 2014/15, 2015/16 and 2016/17. There has been some reduction in these costs in 2017/18 and the total figures for the current 2018/19 are not yet available. It is expected that changes in the department structure or contract/shared services approaches would drastically reduce these costs. These studies also typically result in operational and service improvements to the community.

The selection process was updated at the November 16, 2017 meeting and a special meeting of the Board of Directors was scheduled for November 29, 2017. At this meeting, the General Counsel was authorized to finalize a contract with the Matrix Consulting Group for a not to exceed project cost of \$74,000. To date, \$50,759 has been paid to Matrix.

Matrix was asked to present an objective viewpoint on the issues facing Kensington and the options for delivering police services. According to their website, the Matrix Consulting Group indicates that law enforcement is a core area of expertise. The firm has conducted over 350 studies for agencies across the United States and Canada.

MATRIX PRESENTATIONS & COMMUNITY ENGAGEMENT

Mr. Richard Brady, President of the Matrix Consulting Group, initially presented an overview of the study at the November 29, 2017 Board of Directors meeting. On May 24, 2018 Matrix presented the draft Phase I of the report and on October 4, 2018 Matrix presented the draft Phase II of the report.

Four community meetings have been held: Saturday, March 17, 2018, Saturday, April 28, 2018, Thursday, February 28, 2019 and Saturday, March 2, 2019.

Since some individuals do not wish to express ideas in a public setting, an online community survey was developed. The survey presented an additional opportunity to provide feedback on the quality of current police services and solicit any ideas to improve service delivery. The survey was not a scientific measure of public opinion, only another technique available to residents to express opinions. There were 628 responses to the project team in addition to many separate emails.

There are three main options for the consideration of the Board of Directors:

ALTERNATIVE I: IN-HOUSE POLICE OPERATION**ALTERNATIVE II: REQUEST FOR PROPOSAL TO CONTRACT FOR SPECIFIC POLICE FUNCTIONS (HYBRID MODEL)****ALTERNATIVE III: REQUEST FOR PROPOSAL TO FULLY CONTRACT POLICE SERVICES**

These alternatives are discussed in greater detail below. Under all three options, the General Manager will seek to change the immediate management structure of the Police Department by (1) recruiting and striving to hire an experienced Police Chief to serve as Interim Chief of Police effective July 1, 2019 and assist with guiding the implementation process; if the individual selected is a CalPERS retiree, they will be subject to the 960 hour limitation per fiscal year and cannot be compensated above the salary level of the current Chief of Police, and (2) appointing the current Interim Chief of Police to Police Captain retaining his current salary level. Although not ideal to have both positions compensated at the same level, this is a temporary, transitional organization that will see the department through to the next phase toward a permanent organization as determined by the Board of directors. The salary situation is caused by below market police salaries in Kensington.

ALTERNATIVE I: IN-HOUSE POLICE OPERATION

Definition: The recommendations for this alternative are contained in the Phase I Report and summarized below. The recommendations include:

- Staffing for 11 positions including a corporal
- Elimination of the detective position; assign all investigative efforts to the patrol sergeants and officers.
- Fill the vacant reserve position; double the size of the reserve program to four (4) officers while retaining the minimum 20 hours of service per month.
- Develop a Volunteers program for local seniors wishing to support the Kensington community through various service.
- Explore supporting contract services with another police department for Records, Property and Evidence, Internal Affairs investigations, and Recruitment (excluding background) services.
- Training improvements for all sworn personnel.
- Use of body-worn cameras, reduction of the Albany dispatch 'queue' time, improved recruitment strategies and additional metrics.

Implementation Process:

1. Recruit and hire permanent Chief of Police.
2. The Police Chief, in concert with the General Manager and the Board, should develop a Kensington Policing Strategic Plan and a financial plan to address budget issues and options available to the Board of Directors.
3. Develop a performance management program with relevant output and outcome measures, including improved training opportunities for all staff, designed to report upon key metrics important to the Kensington community.
4. Evaluate best practices and report back to the Board of Directors on implementing relevant industry standards of excellence.
5. Explore with the City of Albany, the average 6.08-minute dispatch 'queue' time and discuss ways to reduce this queue time by 50% over the next year.
6. Direct staff to evaluate cost saving strategies including contract negotiation options, contracting some internal services and night shift staffing costs.
7. Direct staff to present a balanced budget with options for increasing revenue to appropriately fund the Police department.
8. Develop an implementation timeframe and budget to complete these tasks and report back to the Board of Directors. It is likely that full implementation could take a year or longer that would include on-going review and updating.

Cost: The projected cost is included in the Phase 2 report and approximates an additional cost of \$720,000 per annum, including consideration of a salary raise of up to 25%. Kensington's excellent benefits were also noted. This cost is based on the staffing model recommended in the report. However, Matrix representatives have indicated that these figures are only included for discussion purposes and can be subject to wide variation depending on actual salary and benefit costs which are subject to the negotiation process.

Discussion: As noted in the Phase II report, Kensington is a very safe community with both violent and property crime rates trending downward. This trend has continued despite difficulties in recruitment and filling positions, with a declining average number of deployed police staff over the last several years and the lack of 24-hour supervision. Some residents have questioned the adequacy of statistical research in the analysis and the need for 11 staff, including sergeants for the night shift. The recommendations in the report are based on the firm's extensive experience in evaluating police services in hundreds of jurisdictions. There have also been suggestions from the community that the Town of Ross should be utilized as a model of police staffing and operations. There can be discrepancies with modeling operations on a single jurisdiction since there is not an exact comparison of demographics, geography, location and crime statistics.

ALTERNATIVE II: REQUEST FOR PROPOSAL TO CONTRACT FOR SPECIFIC POLICE FUNCTIONS (HYBRID MODEL)

Definition: The recommendations for this alternative are contained in the Phase II Report and summarized below. The report can be referenced for additional details on this option. This alternative is in coordination with Alternative I. Essentially, this alternative is an internal department with some services contracted out, as determined by the Board of Directors. The potential services that could be contracted include:

- Patrol services on the night shift.
- Investigative services for all Kensington 'major' crimes.
- Property and evidence services.
- Crime Scene Investigation (CSI) services.
- Records management services.
- Executive Management.
- Perishable skills training. Specialized Ancillary Support.
- Recruitment services.

Implementation Process:

1. Authorize the Matrix Consulting Group to prepare and disseminate a Request For Proposal for specific police for a cost not to exceed \$12,000.
2. Direct the Matrix consulting Group to present the draft RFP to the Board of Directors for approval prior to distribution.
3. Once the draft RFP is approved, authorize distribution of the RFP to cities of El Cerrito, Albany, Berkeley and Contra Costa County.
4. Present the results of the RFP process to a future meeting of the Board of Directors once the results have been received.
5. Once a decision is made on, and if, services to be contracted, proceed with the Alternative I implementation process.

Cost: There are rough estimates for each option included in the Phase II report. The projected cost is dependent on the services selected and the responses to the RFP. Some services also have the potential of cost savings. For example, this would occur under the model of a police services contractor only responding to calls for service with no preventive patrol, during the very quiet period in the evening.

Discussion: It is estimated the solicitation schedule for RFP responses would span 120-150 days. This alternative essentially creates a menu of possible services that could be considered. Seeking responses to an RFP allows definitive pricing for specific options and does not obligate the Board of Directors to contract these services. Some jurisdictions may choose to bid on only specific services that they would consider undertaking. This option largely maintains the existing in-house department and

creates flexibility by contracting out services that may improve efficiency, embraces possible partnership opportunities, and explores the potential for cost effective options.

The Board can consider including all or most options identified in the Matrix report. Obtaining cost information will aid in the decision-making process and there could be a changed perspective regarding some alternatives with additional information. This hybrid model, in which core police services are provided by an in-house department with a contract agency providing some supporting services could be an effective approach for providing law enforcement to the community.

With respect to hybrid services, Matrix believes given the unique needs of the Kensington community, that these services and the related emphasis in an RFP should be prioritized as follows:

- Patrol services on the night shift to either include a contracted one officer deployment or alternatively contract response to calls for service only.
- Investigative services for all Kensington 'major' crimes such as Part I burglaries.
- Crime Scene Investigation (CSI) services to collect evidence on the above crimes.

Moreover, Matrix further suggests that a citizens committee could be assembled to help identify which hybrid services should be focused upon in an RFP.

The cost for any RFP by Matrix is \$12,000 total for all RFP's authorized by the Board of Directors.

ALTERNATIVE III: REQUEST FOR PROPOSAL TO FULLY CONTRACT POLICE SERVICES

Definition: The recommendations for this alternative are contained in the Phase II Report and summarized below. This alternative is extensively discussed by the ad hoc committee and the Matrix reports.

Implementation Process:

Same process as the previously discussed Hybrid Model (Alternative 2).

Cost: The projected cost of this options is projected at an additional \$858,140. As noted earlier, Matrix representatives have indicated that these figures are only included for discussion proposes. There can be wide variation depending on actual proposals that are submitted by interested contracting partners. There is no additional cost for Matrix to seek an RFP for these services. The \$12,000 RFP cost includes all contract options that are submitted in a single RFP.

Discussion: The pros and cons of contracting services has been debated over the year, including the Ad Hoc Committee for Governance and Operations Structure in a report submitted to the Board of directors on October 1, 2016. Some of the key pros and cons that were identified include:

Pros

- Fully staffed police
- The contracting agency responsible for legal liabilities
- Access to a broader range of special services
- Ability to change out officers that are not desired
- Improved access to field supervision
- relieved of the human resource management responsibilities

Cons

- Not have control over negotiations salaries and benefits
- Not have direct control over managing the day-to-day operations
- Concerns in a loss of local identity
- Need for effective contract management
- Re-establishing the Kensington PD once it is dissolved would likely be difficult
- Existing Kensington PD officers may not be guaranteed a job

The Sheriff's Department has successfully contracted with areas of the County and their services could be included in an RFP. The contracts seem to provide seamless services with officers wearing the uniforms and driving vehicles of the local agency. Regular cost management is an essential part of the contracting option.

The Phase II report also evaluates the cost issues related to the unfunded actuarial accrued liability for CalPERS retirement costs. Four options were evaluated, with the Active 30-year amortization option being the most cost effective over a 15-year or 30-year period. These costs have been factored into the cost analysis of the report. It is possible that if the District pays these costs, a contracting agency will realize some savings on their PERS costs, reducing the cost of a contract. This information should be available from potential contracting agencies that submit proposals.

The Phase II report recommends the following considerations for potential police services contract which are discussed in greater detail in the report:

- Dedicated Kensington Management and Leadership
- Comparable Community Profile
- History and Philosophy of Customer Service
- Prior Service Relationship
- Access to Police Support Services
- Willingness to be Flexible In-Service Delivery
- Best-practice Service Delivery Philosophy

- Field Staffing and Operations
- Proactive Time Usage
- Professionalism in Policing

There may be limited response to the RFP, with only one city indicating a possible interest to provide full contractual services. To augment the potential cost and service comparisons, the Contra Costa Sheriff's Department, an experienced police services contracting agency, should also be included in the RFP. Having this information will help guide the evaluation process and strengthen the justification for the organizational alternative selected by the Board after all the data has been submitted.

According to the report, the components of an RFP would include the following elements and is applicable to both Alternative I and Alternative II:

- Solicitation Schedule.
- Introduction, Background and Purpose of the RFP.
- Response Requirements.
- RFP Scope.
- Qualifications.
- Proposal Requirements.
- Selection Criteria.
- Contract Terms and Conditions.

This report includes an attachment submitted by Director Cyrus Modavi on April 22, 2019.

RECOMMENDATIONS ON NEXT PAGE

RECOMMENDATIONS:

1. Authorize the Matrix Consulting Group, for a cost not to exceed \$12,000, to prepare a Request For Proposal for specific police functions (Alternative II) and to fully contract police services (Alternative III).
2. Direct the Matrix consulting Group to present the draft RFP to the Board of Directors for approval prior to distribution.
3. Once the draft RFP is approved, authorize Matrix to distribute the RFP to the cities of El Cerrito, Albany, and Berkeley and the Contra Costa County Sheriff's Department.
4. Present the results and analysis of the RFP to a future meeting of the Board of Directors once the results have been received.
5. Once the RFP information has been received and evaluated, the Board of Directors can then then direct staff with an organizational approach for the Police Department.

FISCAL IMPACT:

1. There are sufficient salary savings to fund an Interim Chief of Police.
2. There are sufficient funds in the authorized Matrix contract to fund the \$12,000 for the preparation and management of a Request For Proposal, which was included in the original Matrix proposal.

ATTACHMENTS:

1. Phase I report
2. Phase II report
3. Material submitted by Director Cyrus Modavi

SUBMITTED BY: Anthony Constantouros, General Manager

1. Introduction and Executive Summary

1 Goals of the Study

The Matrix Consulting Group was retained by the Kensington Police Protection and Community Service District to conduct a multi-phased Police Services Options Analysis. This Phase 1 report is designed to evaluate current police services and to develop standards related to retaining in-house police operations or to seek service delivery alternatives.

2 Methodology and Process Used to Conduct the Study

The project team utilized a number of approaches in order to fully understand the service environment and issues relevant to the study, including the following:

- **On-site interviews** with members of the Board, the General Manager, the Chief of Police, and staff of the District's police services.
- **Data collection** across a wide range of areas in order to facilitate our analysis. While computer-aided dispatch (CAD) records from Albany Police Department were provided, other data from Kensington was limited but included budgets, policies and procedures, and various Excel spreadsheets, principally relating to service costs.
- **Community feedback** was obtained from a variety of sources including two Town Hall meetings (on March 17, 2018 and April 28, 2018), a web-based survey, and invitation for e-mail comments. This information provided a wide variety of opinions on police services. It is clear that the Kensington community is very engaged on public service issues. The results of the community survey are provided in Attachment B to this report.
- **A Profile document** was provided as an interim deliverable to identify basic staffing, scheduling and operational protocols of Kensington's police services. This was circulated and corrected and serves as a factual baseline for many of the findings in this report. This "Profile" is provided as Attachment A to this report.

This draft report represents the culmination of this Phase 1 effort, presenting the

results of our analysis, including specific recommendations for Kensington operations, staffing, deployment, and other relevant issues.

3 Executive Summary

Kensington's Police services have faced many staffing and management issues in recent years. Like most police agencies in California and across the country, recruiting police officers is challenging in a full employment economy and in an environment of intense public scrutiny. A small agency faces even bigger challenges. These challenges have been addressed in prior Board efforts to examine their options for police services, including this study and an internal study conducted last year.

There are numerous findings in this report about Kensington's police service environment and issues which need to be addressed. The following reflects some of the highlights of our review of Kensington's current police service.

- "Major crime" (as defined by the FBI in its Uniform Crime Reports) are not common in Kensington, averaging approximately one per week – and are mostly property related (burglaries and thefts). Kensington, based on these crimes, is among the top 7% of safest communities in California.
- Kensington suffers from significant challenges related to maintaining sworn staffing levels, with continual declines in staffing over the past three years. Recruitment and retention will remain a challenge in Kensington due to several factors that include compensation and an operational environment that is not considered "challenging" to many potential recruits and laterals.
- Approximately two-thirds of the time only one sworn personnel is deployed in the District—and regularly there is no supervisor on duty.
- Requests for police services (i.e., community-generated calls for service) occur at low levels in Kensington too, and averaged about four (4) calls per day in 2017. Mostly, requests for police services are for 'quality of life' issues and minor crimes.
- Response times are reasonable considering the composition of most of the service

requests, though there is opportunity to improve dispatch queue time.¹

- The ability of staff to be proactive is exceptional – 81% of total field time in 2017 was available for proactive problem solving and/or working with the community. However, despite high proactive levels, recorded self-initiated activity by officers during this time is modest, at only four activities per day. However, these activities appear to be increasing.
 - Access to and use of better equipment should be considered a priority.
 - There are a variety of operational issues in Kensington's police services relating to inconsistent internal management, leadership and oversight.
 - There is a significant opportunity to develop a more strategic approach to law enforcement service delivery in Kensington consistent with problem-oriented and community-oriented policing philosophies.
- These issues are explored in more detail in the body of the report. The section,

which follows, summarizes the key recommendations for change in Kensington's current police services.

4 Summary of Recommendations

Throughout this report the project team provides evaluation and analysis of the operations and services provided by Kensington police operations and, where appropriate, makes suggestions for improvements. The table, below, provides a summary of the recommendations and/or opportunities for improvement that appear in this report.

¹ Queue time is dispatch processing time – the elapsed time from the receipt of a call in the communications center to the dispatch of an officer in the field.

Recommendations

Staff-Related Recommendations

Develop an organizational structure consisting of one (1) Chief, four (4) sergeants, one (1) corporal, (4) four officers and one (1) Police Services Specialist for a total of 11 staff positions. This would provide for a presence in Kensington of two personnel on duty each shift, one of whom should be a supervisor.

The corporal position, providing line support and back-up supervision to sergeants, should be rotated for coverage purposes and receive compensatory pay when rotated off their baseline "Day Shift" assignment.

Deploy all sergeants and officers/corporal on the team-based 12-hour shift schedule.

Eliminate the detective position and assign all investigative efforts to patrol sergeants and officers.

Fill the vacant reserve position. The Chief should attempt to double the size of the reserve program to four (4) officers while retaining the minimum 20 hours of service per month.

The Chief should develop a Volunteers program for local seniors wishing to support the Kensington community through Vacation Watch, administrative support, and other efforts.

Operations-Related Recommendations

Explore supporting contract services with another police department for support services – records, property and evidence, internal affairs investigations, and recruitments (excluding backgrounds).

Ensure that all sworn personnel obtain, at minimum, 24-hours every two years of Continuing Professional Training (CPT) and 12-hours of Perishable Skills training for a total of 36-hours every two years. Endeavor to provide voluntary training of an additional 22-hours per officer per year for career / skill / leadership enhancement, resulting in an average of 40-hours annually for in-service training.

Over the next year provide the Chief with dedicated managerial training and mentorship.

Strongly consider adopting use of Tasers and body-worn cameras consistent with best practices.

Explore with the contract dispatch agency, Albany, the average 6.08-minute dispatch 'queue' time², impacting overall response time, and endeavor to reduce this queue time by 50% over the next year.

² Queue time is dispatch processing time – the elapsed time from the receipt of a call in the communications center to the dispatch of an officer in the field.

Recommendations

Devise more comprehensive recruitment strategies to expedite new officer hires.

The Police Chief, in concert with the General Manager, the Board and the community, should develop a Kensington Policing Strategic Plan consistent with the approach detailed in the *IACP Building Police-Community Partnerships in Small Towns*.

The Strategic Plan should contain, at minimum: 1) community and internal survey; 2) community planning retreat, and 3) design and development of the Strategic Plan.

As part of the strategic planning effort, devise a specific Community Action Plan developed to identify services, programs and related community-focused efforts to conduct during proactive policing activities.

As part of the Community-oriented Action Plan effort, develop a performance management program with relevant output and outcome measures designed to report on key metrics important to the Kensington community.

Metrics that should be considered include: 1) response times; 2) formal complaint tracking; 3) annual training hours obtained; 4) neighborhood watch meetings conducted; 5) non-injury, injury and fatal traffic accidents; 6) traffic and parking citations and warnings; 7) business and home security checks performed; 8) sergeant follow-up contacts made on officer performance; 9) special events supported; and 10) case clearance rate.

Relevant performance metrics should be updated quarterly and reported on the Kensington website similar to the 'old' Activity Log and Monthly Report.