City of St. Helena
Regular City Council Meeting
Tuesday, May 12, 2020 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

In accordance with Executive Orders N-25-20, N-29-20, and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. We will address the Order in the following ways: Members of the public may not physically attend meetings. The City Council meeting will be live-streamed on Comcast Channel 28 and on the City's website, barring technical difficulties. Those members of the public wishing to participate must do so remotely via Zoom electronic meetings in the following ways; by either logging onto the Zoom link located on the meeting agenda (please download the app to your computer or mobile device) and enter the meeting ID or by calling a listed number and enter the meeting ID. Public comment for City Council meetings will be accepted via email to publiccomment@cityofsthelena.org.

Please see the end of the agenda for detailed PUBLIC PARTICIPATION instructions.

Please click the link below to join the meeting: https://us02web.zoom.us/j/83997402682

Or iPhone one-tap: US: +16699006833,,83997402682# or +12532158782,,83997402682#

Or Telephone: Dial(for higher quality, dial a number based on your current location):
US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799

Meeting ID: **839 9740 2682**

International numbers available: https://us02web.zoom.us/u/kvl6t1gwC
PLEASE NOTE: Any person who wishes to speak regarding an item on the agenda or make a comment under the "Oral Communication" portion of the agenda may do so, but <u>please observe the time limit of four minutes.</u>

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 <u>4 minutes</u>. 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. None

7. STAFF BRIEFING

7.1. Upper York Creek Dam Project Update by Erica Ahmann Smithies, Public Works Director and City Engineer

7.2. Update on Waste Water Treatment Plant Upgrade Project by Erica Ahmann Smithies, Public Works Director and City Engineer

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. Second reading and proposed adoption of an ordinance amending Title 13, Public Services of the St. Helena Municipal Code to be in compliance with SB 998 requiring a written policy on water service discontinuation for nonpayment. 11 - 41

CEQA Determination: Not a CEQA project
Prepared By: Jennifer Weeks, Senior Accounting Technician
Recommendation:
Conduct second reading and adopt the draft Ordinance (Attachment 1), by title only and waive further reading.

Staff Report - Pdf

8.2. Consideration and approval of a resolution approving an agreement with Liebert Cassidy Whitmore for various employee relations training and services at no cost to the City of St. Helena which is offered through Redwood Empire Municipal Insurance Fund 43 - 54

CEQA Determination: Not a CEQA project
Prepared By: Cindy Tzafopoulos, City Clerk
Recommendation:
Staff recommends adopting the resolution and authorizing the City Manager to execute the agreement.

Staff Report - Pdf

8.3. Consideration and proposed approval of a resolution authorizing: 55 - 60

1. Ceremonial flags recognizing LGBTQ Pride Month during the month of June.

2. A ceremonial POW/MIA flag to be flown on the City's ceremonial flag pole from May 16, 2020 through May 31, 2020.

CEQA Determination: Not a CEQA project
Prepared By: Cindy Tzafopoulos, City Clerk
Recommendation:
Approve Resolution authorizing the LGBTQ, Transgender and MIA/POW flag to be flown on the City's ceremonial flag pole during the requested times.

Staff Report - Pdf

8.4. Authorize the Mayor to Sign a Letter on Behalf of the St. Helena City Council to Governor Newsom and the State Legislature to Establish a $7 Billion Revenue Stabilization Fund for California Cities 61 - 64

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager
Recommendation:
Authorize the Mayor to sign a letter on behalf of the City Council to Governor Newsom and the state legislature to establish a $7 billion revenue stabilization fund for cities in California.

Staff Report - Pdf

8.5. Consideration and proposed approval of a resolution authorizing the City Manager to implement the optional Coronavirus Aid, Relief, and Economic Security (CARES) Act's Retirement Plan Liquidity Provisions 65 - 73

CEQA Determination: Not a CEQA project
Prepared By: Kathy Robinson, Human Resources & IT Director
Recommendation:
Authorize the City Manager to implement the optional Coronavirus Aid, Relief, and Economic Security (CARES) Act's Retirement Plan Liquidity Provisions.

Staff Report - Pdf

8.6. Consideration and proposed approval for accepting the donation of a memorial bench for public use to be located on the north end of the Hunt Avenue pedestrian path near the east end of Adams Street and a second memorial bench for public use to be installed near the northwest corner of Pope Street and Chiles Avenue in St Helena. 75 - 82

CEQA Determination: Not a CEQA project
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer
Recommendation:
Accept the donation of a memorial bench for public use to be located on the north end of the Hunt Avenue pedestrian path near the east end of Adams Street and a second memorial bench for public use to be installed near the northwest corner of Pope Street and Chiles Avenue in St Helena.

Staff Report - Pdf

8.7. Quarterly Grant Report for FY 2020 Q3, for the period ending March 31, 2020 83 - 88

CEQA Determination: Not a CEQA project
Prepared By: Mandy Kellogg, Finance Manager
Recommendation:
Receive and file report.
Staff Report - Pdf

9. PUBLIC HEARINGS

9.1. Discussion of Potential Activities and Projects for Inclusion in the 2020 Community Development Block Grant (CDBG) Applications; and Consideration of Approval of a Resolution Approving (1) Applications for Funding for the Hunt's Grove Parking Lot Project, and (2) the Execution of a Grant Agreement and any Amendments thereto from the 2019-2020 Funding Year of the CDBG Program. 89 - 145

CEQA Determination: Exempt from the requirements of CEQA for sections 15332, 15301, and 15303
Prepared By: Martin Beltran, Management Analyst
Recommendation:
Affirm direction on the activities and projects for inclusion in the 2020 State Community Development Block Grant (CDBG) applications; and approve a resolution approving; (1) applications for funding, and (2) the execution of a grant agreement and any amendments thereto from the 2019-2020 funding year of the CDBG Program.
Staff Report - Pdf

10. OLD BUSINESS

10.1. Discussion and consideration of the City of St. Helena Water Supply and possible direction of establishing a Water Shortage Emergency condition requiring the implementation of Phase I Water Regulations 147 - 165

CEQA Determination: Not a CEQA project
Prepared By: Erica Ahmann Smithies, Public Works Director and City Engineer
Recommendation:
Discussion and consideration of the City of St. Helena Water Supply and possible direction of establishing a Water Shortage Emergency condition requiring the implementation of Phase I Water Regulations
Staff Report - Pdf

10.2. Approval of a Resolution: (1) Authorizing Phase 1 Business Recovery Marketing Partnership with City of Calistoga and Town of Yountville and the Respective Chambers of Commerce; and (2) Authorizing the City Manager to execute a Professional Services Agreement with the St. Helena Chamber of Commerce in an amount not-to-exceed $25,000 for Business Recovery Marketing Services. 167 - 186

CEQA Determination: Not a CEQA project
Prepared By: Preya Nixon, Asst. to the City Manager
Recommendation:
Approval of a Resolution: (1) Authorizing Phase 1 Business Recovery Marketing Partnership with City of Calistoga and Town of Yountville and the Respective Chambers of Commerce; and (2) Authorizing the City Manager to execute a Professional Services Agreement with the St. Helena Chamber of Commerce in an amount not-to-exceed $25,000 for Business Recovery Marketing Services.

Staff Report - Pdf
Business Recovery Marketing Campaign Proposal

10.3. City Manager Update on COVID-19 Emergency; Discussion and Direction Regarding Anticipated Reopening of City Amenities and Associated Protocols (Oral Report) 187 - 199

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

Staff Report - Pdf
Reopening St Helena Parks and Recreation Programs

10.4. Consideration and adoption of a Resolution: (1) Awarding the Rehabilitate Crane Park Tennis Courts Project, Capital Improvement Project C19-02 to Vintage Contractors, Inc. in the amount of either (a) $162,400 for the base bid or (b) $217,975 for the base bid and the additive alternative bid; (2) Authorizing the City Manager to execute the Construction Contract with Vintage Contractors, Inc.; (3) Authorizing the Director of Public Works to approve Change Orders not to exceed 15% of the contract amount; (4) Authorizing a budget increase to CIP C19-02 of (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671 (dependent of bid selected); and (5) Authorizing use of Park Impact Fee Funds for an additional (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671. 201 - 211

CEQA Determination: Class I Categorical Exemption under Section 15301 of CEQA
Prepared By: Edrees Argand, Assistant Engineer
Recommendation:
Adopt a Resolution (1) Awarding the Rehabilitate Crane Park Tennis Courts Project, Capital Improvement Project C19-02 to Vintage Contractors, Inc. in the amount of either (a) $162,400 for the base bid or (b) $217,975 for the base bid and the additive alternative bid; (2) Authorizing the City Manager to execute the Construction Contract with Vintage Contractors, Inc.; (3) Authorizing the Director of Public Works to approve Change Orders not to exceed 15% of the contract amount; (4) Authorizing a budget increase to CIP C19-02 of (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671 (dependent of bid selected) ; and (5) Authorizing use of Park Impact Fee Funds for an additional (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount

of $250,671.

Staff Report - Pdf

11. NEW BUSINESS

11.1. Fiscal Year 2019-20 Finance Report through April 30, 2020 and Discussion and Direction Regarding Water Fund City Attorney Budget 213 - 230

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Recommendation:
Receive and file the FY 2019-20 Finance Report through April 30, 2020 and provide discussion and direction in an interest in revising the current policy to charge Water Fund litigation expenses to the General Fund.

Staff Report - Pdf

11.2. Consideration and Approval of Resolution authorizing the City Manager to negotiate and execute up to four voluntary retirement incentive agreements to create cost-saving vacancies. (~~staff report forthcoming~~) Staff report provided May 11, 2020 at 1:50 pm 231 - 245

CEQA Determination: Exempt
Prepared By: Kathy Robinson, Human Resources & IT Director
Recommendation:
Approve Resolution authorizing the City Manager to negotiate and execute up to four voluntary retirement incentive agreements to create cost-saving vacancies.

Staff Report - Pdf

11.3. Appointment to Groundwater Sustainability Plan Advisory Committee 247 - 255

CEQA Determination: Not a CEQA project
Prepared By: Mark T. Prestwich, City Manager
Recommendation:
Pass a Motion appointing an elected official or staff member to the Groundwater Sustainability Plan Advisory Committee.

Staff Report - Pdf
Public Comment.Donald Williams
Public Comment.Joelle Gallagher
Public Comment.Warren Winiarski
Public Comment.Ann Cottrell

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

12.1.

May City Council Meetings:
5/14 Budget Workshop 1 (9am – 12pm)
5/26 (staff reports due 5/8)
5/28 Budget Workshop 2 (9am – 12pm)
6/3 Special Joint CC & Task Force Report Out

TBD Special Project Update Mtg
STAFF BRIEFING:
Upper York Creek Dam Project Update by Erica Ahmann Smithies, Public Works Director and City Engineer
Update on Waste Water Treatment Plant Upgrade Project by Erica Ahmann Smithies, Public Works Director and City Engineer
CONSENT:
5/26 Addendum for Meadowood Tanks Upgrade
5/26 City conflict of Interest Code Update
5/26 Farmer's Market Agreement
5/26 LEAP Grant Application Resolution
OLD BUSINESS:
5/26 Renew Housing Authority Contract
PH or NEW BUSINESS:
5/14 Budget Workshop Long Range Financial Forecast
June City Council Meetings: **6/9 (staff reports due 5/22)** **6/23 (staff reports due 6/5)**
STAFF BRIEFING:
Upper York Creek Dam Project Update by Erica Ahmann Smithies, Public Works Director and City Engineer
Update on Waste Water Treatment Plant Upgrade Project by Erica Ahmann Smithies, Public Works Director and City Engineer
2020 City of St. Helena Water Storage Projections Update by Erica Ahmann Smithies, Public Works Director and City Engineer
CONSENT:
6/23 Upvalley Diversion Program Contract Amendment
6/23 Award of Upper York Creek Construction Contract
6/23 Award of CEQA/NEPA PSA for S-52 WWTRP Upgrades
6/9 Spring Mountain Vineyard Sediment Disposal Agreement in conjunction with Upper York Creek
6/9 Cell Tower Lease
OLD BUSINESS:
6/9 First reading for Vaping Ordinance
6/9 and 6/23 Budget adoption
PH or NEW BUSINESS:
6/9 Utility Master Plan
6/23 First reading ADU ordinance
6/9 Non-profit award

13. ADJOURNMENT

The next Regular City Council meeting is scheduled for May 26, 2020, at 6:00 p.m.

I do hereby certify that a copy of the foregoing agenda was posted on the City website on Friday, May 8, 2020.

Cindy Tzafopoulos

Cindy Tzafopoulos, City Clerk

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

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

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

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

THE CITY OF ST. HELENA ENCOURAGES ONLINE PUBLIC PARTICIPATION IN VIRTUAL CITY COUNCIL MEETINGS

St. Helena, CA– The City of St. Helena is committed to public participation in City government in a manner that is consistent with guidance provided by the Napa County Public Health Official and Governor Newsom's Executive Order N-25-20. These guidelines relate to social distancing, and are intended to protect everyone by limiting the spread of COVID-19 in our community. In adherence to these guidelines, the St. Helena City Council will host a Virtual Council Meeting on Zoom; a free teleconferencing tool that enables users to watch and/or call into the meeting from their computers or phones. This meeting will be open to public and allows for live public comment. The meeting will also be recorded, livestreamed, and posted on the City's website after the adjournment of the meeting if technical difficulties occur: https://sthelena.civicweb.net/Portal/

The ZOOM web link, meeting ID, and phone number will be listed at the top of the City Council Meeting Agenda. You will be required to enter the meeting ID, but there will be no password or participant ID.

How to Watch or Listen to Council Meetings:

1. Watch on Comcast Channel 28
2. Watch the livestreaming video on the City's website
3. Watch and Listen on Zoom.us by clicking on the link in the Council Agenda
4. Listen only by calling the Zoom number listed on the Council Agenda

Watch Council Meeting by Joining the Zoom Meeting:

1. **By Computer, Tablet, or Smart Phone:**
    a. Before joining the virtual City Council Meeting, it is highly encouraged that you download the Zoom App. To sign up for your own free account, visit zoom.us/signup and enter your email address. You will receive an email from Zoom (no-reply@zoom.us). In this email, click Activate Account.
    b. If you are logged into your account, Enter the **Meeting ID** listed on the City Council Agenda. If you have not created an account go to: https://zoom.us/join and enter the **Meeting ID**
    c. Select if you would like to connect audio and/or video and tap **Join Meeting**.
    d. For specific instructions for your device, go to: https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting
2. **Listen Only by Telephone:**
    a. **Dial** the number listed on the Council Agenda.
    b. At the prompt, enter the **Meeting ID** provided on the top of the City Council Meeting Agenda and **Press #. A participate ID is not required.**
    c. To disconnect from the meeting, hang up the phone.

Ways to Provide Public Comment:

While attending the virtual City Council Meeting, the public will have the opportunity to provide live public comment during Public Forum and after each agenda item. When it is the appropriate time for public comment the Mayor will verbally open public comment. At this time each individual is permitted 4 minutes to speak.

1. **Send a Public Comment in Advance to** publiccomment@cityofsthelena.org

The easiest way to provide public comment is to email your public comment. Public comments may be emailed to publiccomment@cityofsthelena.org. Please include in the subject line "COMMENT TO COUNCIL and the AGENDA

ITEM". Any public comment is required to be submitted no later than 1 hour before the scheduled meeting and will be included as an attachment to the agenda.

2. **Provide Comment through Zoom meeting from a computer, tablet, or smart phone**

This option allows the public to virtually attend the meeting as a muted 'attendee' with no video or screen sharing capabilities. You will be able to see and hear those participating in the meeting, but they will not be able to hear you until the host unmutes you.

If you wish to provide public comment during a specific agenda item or during public forum, you can use the **"raise hand"** feature located in the control panel at the bottom of your screen. The icon is a small blue hand. In Windows you can also use the Alt+Y keyboard shortcut to raise or lower your hand. In Mac you can also use the Option+Y keyboard shortcut to raise or lower your hand.

The host will be notified that you've raised your hand and you will be placed in a queue with all incoming requests.

When it is your turn to speak, you will be notified that the host has unmuted you. To be removed from the queue, just click the '**raise hand'** button again.

3. **Call in to the ZOOM meeting from a cell phone or landline phone only**

This option allows the member of the public with the opportunity to verbally participate in public comment.

If you wish to speak during public comment time dial ***9** on your telephone.

The host will be notified that you would like to speak and you will be placed in a queue with all incoming requests.

When it is your turn to speak, you will be notified that the host has unmuted you. You may press ***9** again if you wish to be removed from the queue.

You will be notified at the end of your statement that you have been muted.

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Second reading and proposed adoption of an ordinance amending Title 13, Public Services of the St. Helena Municipal Code to be in compliance with SB 998 requiring a written policy on water service discontinuation for nonpayment.**

CEQA Determination: **Not a CEQA project**

Prepared By: Jennifer Weeks, Senior Accounting Technician

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND
Senate Bill No. 998 requires all public water systems to have a written policy on water service discontinuation for nonpayment. Specifically, the provision of the bill would require amendment to the City's existing ordinance related to water billing and the adoption of a written policy. The policy is applicable to all residential water customers and results in expanded notification procedures prior to service shut off for nonpayment.

The first reading was held and approved at the regular City Council meeting of April 28, 2020.

DISCUSSION
Through the adoption of SB998, the California Legislature intends to protect Californians from losing access to water service due to inability to pay without proper notice and enough time to remedy. The Water Shutoff Protection Act (SB998), applies to public water providers supplying water to more than 200 service connections. The objective of the statute is to minimize the number of customers losing access to water service due to financial limitations. Compliance with SB998 is required by all water utility agencies by April 2020.

Specifically, the bill requires an adopted policy by the City, which must fulfill the following key requirements:

- SB998 stipulates that the City shall not discontinue residential water service for nonpayment until a customer is delinquent for at least 60 days.; while the delinquent payment is under investigation by the City or under review for appeal; and while the customer is enrolled in an alternative payment agreement.

- Provide written or telephone notice at least 15 days before discontinuation. The notice must contain information on the delinquent amount, a deadline to contact the City to arrange for alternative payment arrangements, procedures to avoid discontinuation, and a description of the bill review and appeals process.

- Provide the customer with information on how to restore service and include the City's contact information to discuss options for averting service discontinuation.

- For residential customers who demonstrate a household income below 200% of the federal poverty line, waive interest charges on delinquent bills and limit the reconnection service fees to a maximum of $50 during business hours and $150 after hours.

- Prohibit discontinuation under certain medical and financial circumstances if the customer agrees to an alternative payment arrangement and provides certification.

- Require the City to make good faith effort to inform by written both the customer of record and residential tenants that water service will be discontinued if payment or payment arrangements are not arranged.

To ensure transparency and accessibility, SB998 requires translations of the adopted policy in the following languages: English, Spanish, Chinese, Vietnamese, Tagalog, Korean, and any other language spoken by 10% of the service area. The policy in the listed languages must be posted on the City's website and made available upon request.

The City is required to annually report the number of disconnections of residential service for inability to pay to the State Water Resources Control Board (SWRCB), and post on the City website. The SWRCB may enforce a penalty for noncompliance of $1,000 for each day that the violation occurs.

It is important to note SB998 was passed prior to the COVID-19 pandemic. This action modifies the current Municipal Code and adopts a shut-off policy. The recommended action is based on the bill's requirements; however, during the existence of the COVID-19 emergency, via City Council's ratification of the proclamation of a local emergency on

March 23, 2020, disconnection of utility services for non-payment have been suspended during the duration of the emergency and for 30 days thereafter.

FISCAL IMPACT

The fiscal impact of this resolution is not clear at this time. Costs associated with printing notices and translation will be absorbed in the operating budget.

RECOMMENDED ACTION

Conduct second reading and adopt the draft Ordinance (Attachment 1), by title only and waive further reading.

ATTACHMENTS

Redline - Ordinance 2020-XX Adopting Change in Municipal Code Chapter 13
Ordinance 2020-XX Adopting Change in Municipal Code Chapter 13
Resolution 2020- Authorizing Policy P-FI-0019
P-FI-0019 Discontinuation of Water Service for Non-Payment
Senate Bill No. 998

CITY OF ST. HELENA

ORDINANCE NO. 2020-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ST. HELENA AMENDING CHAPTER 13 OF THE ST. HELENA MUNICIPAL CODE TO REVISE CHAPTERS 13.04.130 THROUGH 13.04.160 REGARDING THE WATER SYSTEM.

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

SECTION 1: Code Amendment. Section 13.04.130 through 13.04.160 of Chapter 13.04 of the St. Helena Municipal Code is hereby amended to read as follows:

13.04.130 Enforcement—Discontinuance of service upon delinquency.

A. Discontinuance of Service to Abate Dangerous Conditions, Waste, Etc. The city may refuse to furnish water and may discontinue service to any premises where apparatus, appliances or equipment using water is found by the director of public works or designee to be dangerous or unsafe or where the use of water on such premises is found by the director of public works or designee to be detrimental or injurious to the water service furnished by the city to other consumers, or where the director of public works or designee finds that negligent or wasteful use of water exists on any premises which affects the city's water service. The city shall have the right to refuse or discontinue water service to any premises if necessary to protect itself against fraud or abuse.

B. Enforcement by Director of Public Works. The director of public works is charged with the enforcement of all the provisions of this chapter and Chapters 13.08 and 13.12.

C. Discontinuance for Certain Violations. In the event of violation, other than nonpayment of water service charges, of any terms of this chapter and Chapters 13.08 and 13.12, the director of public works may disconnect any premises from the water system after first notifying in writing the person causing, allowing or committing such violation, specifying the violation and, if applicable, the time after which, upon the failure of such person to prevent or rectify the violation, the director of public works will exercise his or her authority to disconnect the premises from the water system; provided, that such time shall not be less than five days after the deposit of such notice in the United States Post Office at St. Helena, Napa County, California, addressed to the person to whom notice is given; provided, however, that in the event such violation results in a public hazard or menace, then the director of public works may enter upon the premises without notice and do such things and expend such sums as may be necessary to abate such hazard, and the reasonable value of the things done and the amounts expended in so doing shall be a charge upon the person so in violation.

D. Failure to Pay Bill. Bills are due and payable upon presentation and delinquent after thirty (30) days. Upon failure of any consumer billed or the owner of any premises to pay any water service charge prior to the delinquency, the following action or actions shall be taken by the city to enforce such payment after such bill becomes delinquent:

1. Impose a penalty for delinquency of ten percent (10%) of the amount then delinquent;

2. Assess interest in the amount of one percent per month or fraction thereof on the amount delinquent from the date on which the bill remittance first became delinquent until paid;

~~3. Disconnect the premises from the water system for nonpayment of water bills with proper notice as set forth in Division 5, Chapter 1, Article 1 of the California Public Utilities Code;~~

3. If a payment by a customer has been delinquent for at least 60 days, the City may disconnect the premises from the water system for nonpayment of water bills following proper notice.. Water shutoff shall occur consistent with the Disconnection of Water Service for Nonpayment Policy adopted by a resolution of the City Council;

4. Cause an action at law to be brought on behalf of the city against the person responsible for payment of such bill to recover the amount of such bill and the cost of such action including reasonable attorney fees incurred in an amount fixed by the court;

5. Any person wishing to appeal penalties and interest imposed in this section shall adhere to provisions in accordance with Section 13.04.180, Appeals.

E. Disconnection ~~for Nonpayment. No person shall refuses to pay the charges for water services provided for in this code. If any such person shall fail or refuse to pay these lawful charges, including both delinquent and current charges, the water service to the premises, regardless of tenancy, shall be shut off. Water shutoff shall occur consistent with the Disconnection for~~of Water Service for Nonpayment Policy ~~adopted by Resolution of the~~. The City Council~~. Water service shall only be disconnected for non-payment if a customer has been delinquent for at least 60 days.~~may adopt, by resolution, a Disconnection of Water Service for Nonpayment Policy. Such policy may include, but may not be limited to, provisions concerning additional billing procedures, disconnection of service, notification procedures, restoration of service, procedures to contest or appeal a water bill, extensions or other alternative payment arrangements, protections available to qualified low-income customers, procedures for becoming a customer of the city under specified circumstances, and related matters. To the extent a policy adopted pursuant to this section conflicts with any provisions of this chapter, this chapter shall control.

1. ~~**Notice of Disconnecton for Nonpayment**. The account holder shall be mailed a final notice at least 15 days before discontinuation of water service informing him or her that the shutoff will be enforced if payment is not made with the time specified by the notice. In addition a copy of the final notice shall be posted on the property in questions. Written notice shall include:~~
   - ~~**a. The customer's name and address;**~~
   - ~~**b. The amount of the delinquency;**~~
   - ~~**c. The date by which payment or arrangement for payment is required to avoid discontinuation of residential service;**~~
   - ~~**d. The procedure and form to apply for a Hardship Agreement;**~~
   - ~~**e. The procedure and form to petition for bill review and appeal;**~~
   - ~~**f. The telephone number of the City of St. Helena Water Department representative, who can provide additional information or institute arrangements for payments.**~~

2. ~~**Notice to Tenants.** If there is a landlord-tenant relationship between residential occupants and the owner, manager, or operator of the property, the City shall also make resonable, good faith effort to inform the occupants, by means of written notice, when the water service account~~ is in arrears and subject to disconnection.

a. ~~If tenants reside in a multi-unit complex served through a master meter, written notice shall be hung on the door of each residence. The written notice will advise the tenants/occupants that they have the right to become customers of the City of St.~~

~~Helena without being required to pay the amount due on the delinquent account, as~~ long as they are willing to assume financial responsibility for subsequent changes for ~~water service at the address(es) served by the mater meter. If one of more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of the City of St. Helena., or if there is a physical means legally available to the City, of selectively terminating service to those occupants who have not met the requirements for service, the City will make service available to the occupants who have met those requirements. Such notice shall be given at least 15 days before water service is shut off, in accordance with the following provisions.~~

b. ~~If tenants reside in an individually metered residence, the written notice shall advise the tenants/occupants that they have the right to become customers of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at that address. In order for the amount due on delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement~~

~~or proof of rent payments. Such notice shall be given at least 15 days before water service is shut off, in accordance with the following provisions.~~

3. ~~**Specified Properties not Subject to Disconnection.** Properties that meet all of the following requirements are not subject to disconnection:~~

a. ~~The customer, or tenant of the customer, submits to the City a primary care provider certification, as defined in Welfare and Institutions Code section 14088(A)(1)(b), such as that discontinuation of service would be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where the service is provided.~~

b. ~~The customer demonstrates that he or she is financially unable to pay for the service within the City's normal billing cycle. A customer may be deemed financially uanble to pay if~~:

1. ~~Any member of the cvustomer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants and Children; or~~
2. ~~The customer declares that the household's annual income is less than 200 percent of the federal poverty level.~~
3. ~~The customer is willing to enter into a Hardship Agreement consistent with the City's written policies, with respect to all delinquent charges.~~

4. ~~**Options for Specified Properties.** Prior to discontinuation of water services for delinquent payment, properties that meet the requirements of subdivision 3 of this section shall be offered the option to apply for a Hardship Agreement for the unpaid balance consistent with the City's Disconnection of Water Service for Nonpayment Policy.~~

~~5. **Disconnection for Specified Properties.** Properties on a Hardship Agreement may have water service discontinued if, after the City posted a notice that meets the requirements of Subdivision 1 of this section on the property at least 5 business days before discontinuation, the customer:~~

~~a. Fails to comply with a Hardship Agreement for delinquent charges for 60 days or more; or~~
~~b. Does not pay current service charges for 60 days while on a Hardship Agreement for delinquent charges.~~

~~6. **Disconnection While Awaiting Appeal.** The City shall not discontinue water services while an appeal of a water nill from that residence is pending.~~

~~7. **Post-Termination Procedures.** The City shall provide any disconnected customer with~~ information on how to restore service.

F.. Hardship Agreements. City finance department may in its discretion offer hardship agreements which create payment plans for delinquent bills. All requests for hardship agreements and payment plans must be submitted in writing. Hardship agreements are approved at the discretion of the finance director based on amount owed and payment history.

G~~:~~. Reconnection Fee. Whenever any premises have been disconnected from the water system for any violation of this chapter or Chapters 13.08 and 13.12, such premises shall not be reconnected to the water system until all delinquent fees, charges, penalties and interest have been paid, together with a reconnection charge as may be set by resolution of the city council.

For ~~customer's~~customers who demonstrate they are financially unable ~~to pay in~~ accordance with ~~this code section 13.04.130(E)(1), the reconnection fee shall be set at the actual cost of reconnection,. Such~~as provided in the Disconnection of Water Service for Nonpayment Policy, the reconnection fee shall not exceed $50 during normal operating hours or $150 ~~durning~~during nonoperational hours, which amounts shall be subject to inflation as described in the policy.

H. Lien for Delinquencies. In addition and as an alternative to any other remedy for enforcement and collection, all delinquent water service charges, including late charges and interest for nonresidential properties, shall become a lien upon the nonresidential real property upon which water is furnished prior to all other liens, encumbrances or exemptions, other than state and county taxes, and shall have the force and effect of a tax lien. The lien shall continue until it is paid together with the penalties and interest set forth in this section. The lien shall be collected at the same time and in the same manner as ordinary municipal taxes are collected, and shall be subject to the same procedure and sale in case of delinquency as provided for ordinary municipal taxes. All acts applicable to levy, collection and enforcement of municipal taxes apply to this lien. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 02- 5 § 18 (part): prior code § 18.13)

13.04.140 When water charges become effective Discontinuance of service at consumer's request.

A. Water charges shall become effective against all premises immediately upon connection to the water system.

B. Any consumer may have his or her water service discontinued by giving notice requesting discontinuance at least two business days prior to the requested date of discontinuance. Each such consumer shall pay all water charges up to and including the date of discontinuance stated in such notice. In any case where such notice is not given, the consumer shall be required to pay for water service until two business days after the city has knowledge that the consumer has vacated the premises or otherwise discontinued water service. The city shall set a charge per council resolution for restoring water service to any consumer whose water service has been discontinued at his or her request. Water service will be turned off by a city representative during normal working hours, defined as after eight a.m. and prior to three-thirty p.m., Monday through Friday excluding legal holidays. Water service turn off shall not be made after three-thirty p.m. or prior to eight a.m., Monday through Friday, nor on Saturday, Sunday or legal holidays unless the customer agrees to pay the appropriate fee as set by resolution for such after-hours service.

C. If the discontinuance of a water service under subsection B of this section continues more than thirty (30) days, the consumer may request that the water service be placed on a standby basis. While on a standby basis, the water service rates established by council resolution will apply. In order to reestablish water service, the customer will be responsible for the fee associated with restoring water service and must pay any delinquent charges for which the customer is legally liable before service will be reconnected. (Ord. 16-13 § 5 (Att. 6 (part)): Prior code § 18.14)

13.04.150 Service interruptions.

A. Temporary Suspension of Service. The city will exercise reasonable diligence to provide continuous and adequate water service to consumers and to avoid any shortage or interruption of delivery of water, but cannot guarantee complete freedom from interruption. The city shall have the right to suspend water service temporarily to make necessary repairs or improvements to the water system. In each case of temporary suspension of service, the city will notify the consumers affected as soon as circumstances permit and will prosecute the work of repair or improvement with due diligence and with the least possible inconvenience to consumers.

B. Apportionment Among Consumers. During any period of threatened or actual water shortage the city shall have the right to apportion its available water supply among consumers in such manner as appears most suitable under the circumstances then prevailing and with due regard to public health and safety.

C. City's Responsibility. The city shall not be liable for interruption, shortage or insufficiency of water supply or water pressure or any loss or damage occasioned thereby. (Ord. 16-13 § 5 (Att. 6 (part)): Prior code § 18.15)

13.04.160 Duties of director of public works and director of finance.

It shall be the duty of the director of public works to supervise all connections to the water system, to fix all connection charges and to enforce all provisions of this chapter. It shall be the duty of the director of finance to collect all water bills and charges and all connection and other fees herein provided for, and to deposit the same with the appropriate account. The director of finance shall keep an accurate accounting and records showing the source, amount and disposition of all monies received by them hereunder. The city will carry fidelity insurance with respect to all city officers and employees who respectively receive, collect or have in their care or custody any moneys referred to in this section, such insurance to be in an amount at least equal in the aggregate to the maximum amount of such moneys at any one time in the care or custody of all such officers or employees. (Ord. 16-13 § 5 (Att. 6 (part)): Prior code § 18.16)

THE FOREGOING ORDINANCE was introduced at a regular meeting of the St. Helena City Council on the 28th day of April 2020, and was adopted at a regular meeting of the St. Helena City Council on the 12th day of May 2020, by the following vote:

Mayor Ellsworth: ________________

Vice Mayor Dohring: ________________

Councilmember Chouteau: ________________

Councilmember Knudsen: ________________

Councilmember Koberstein: ________________

APPROVED:

____

Geoff Ellsworth, Mayor

I, CINDY TZAFOPOULOS, 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 28th day of April 2020. That thereafter said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 12th day of May 2020, by the following vote:

Mayor Ellsworth: ________________

Vice Mayor Dohring: ________________

Councilmember Chouteau: ________________

Councilmember Knudsen: ________________

Councilmember Koberstein: ________________

APPROVED:

____

Cindy Tzafopoulos, City Clerk

Summary report: **Litéra® Change-Pro 7.5.0.135 Document comparison done on 1/17/2020 5:49:06 PM**	
Style name: Nick Style	
Intelligent Table Comparison: Active	
Original DMS: iw://iManage/iManage/32639642/1	
Modified DMS: iw://iManage/iManage/32639642/2	
Changes:	
Add	13
~~Delete~~	34
~~Move From~~	3
Move To	3
Table Insert	0
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	53

CITY OF ST. HELENA

ORDINANCE NO. 2020-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ST. HELENA AMENDING CHAPTER 13 OF THE ST. HELENA MUNICIPAL CODE TO REVISE CHAPTERS 13.04.130 THROUGH 13.04.160 REGARDING THE WATER SYSTEM.

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

SECTION 1: Code Amendment. Section 13.04.130 through 13.04.160 of Chapter 13.04 of the St. Helena Municipal Code is hereby amended to read as follows:

13.04.130 Enforcement—Discontinuance of service upon delinquency.

A. Discontinuance of Service to Abate Dangerous Conditions, Waste, Etc. The city may refuse to furnish water and may discontinue service to any premises where apparatus, appliances or equipment using water is found by the director of public works or designee to be dangerous or unsafe or where the use of water on such premises is found by the director of public works or designee to be detrimental or injurious to the water service furnished by the city to other consumers, or where the director of public works or designee finds that negligent or wasteful use of water exists on any premises which affects the city's water service. The city shall have the right to refuse or discontinue water service to any premises if necessary, to protect itself against fraud or abuse.

B. Enforcement by Director of Public Works. The director of public works is charged with the enforcement of all the provisions of this chapter and Chapters 13.08 and 13.12.

C. Discontinuance for Certain Violations. In the event of violation, other than nonpayment of water service charges, of any terms of this chapter and Chapters 13.08 and 13.12, the director of public works may disconnect any premises from the water system after first notifying in writing the person causing, allowing or committing such violation, specifying the violation and, if applicable, the time after which, upon the failure of such person to prevent or rectify the violation, the director of public works will exercise his or her authority to disconnect the premises from the water system; provided, that such time shall not be less than five days after the deposit of such notice in the United States Post Office at St. Helena, Napa County, California, addressed to the person to whom notice is given; provided, however, that in the event such violation results in a public hazard or menace, then the director of public works may enter upon the premises without notice and do such things and expend such sums as may be necessary to abate such hazard, and the reasonable value of the things done and the amounts expended in so doing shall be a charge upon the person so in violation.

D. Failure to Pay Bill. Bills are due and payable upon presentation and delinquent after thirty (30) days. Upon failure of any consumer billed or the owner of any premises to pay any water service charge prior to the delinquency, the following action or actions shall be taken by the city to enforce such payment after such bill becomes delinquent:

1. Impose a penalty for delinquency of ten percent (10%) of the amount then delinquent.

2. Assess interest in the amount of one percent per month or fraction thereof on the amount delinquent from the date on which the bill remittance first became delinquent until paid.

3. If a payment by a customer has been delinquent for at least 60 days, the City may disconnect the premises from the water system for nonpayment of water bills following proper notice. Water shutoff shall occur consistent with the Disconnection of Water Service for Nonpayment Policy adopted by a resolution of the City Council.

4. Cause an action at law to be brought on behalf of the city against the person responsible for payment of such bill to recover the amount of such bill and the cost of such action including reasonable attorney fees incurred in an amount fixed by the court;

5. Any person wishing to appeal penalties and interest imposed in this section shall adhere to provisions in accordance with Section 13.04.180, Appeals.

E. Disconnection of Water Service for Nonpayment Policy. The City Council may adopt, by resolution, a Disconnection of Water Service for Nonpayment Policy. Such policy may include, but may not be limited to, provisions concerning additional billing procedures, disconnection of service, notification procedures, restoration of service, procedures to contest or appeal a water bill, extensions or other alternative payment arrangements, protections available to qualified low-income customers, procedures for becoming a customer of the city under specified circumstances, and related matters. To the extent a policy adopted pursuant to this section conflicts with any provisions of this chapter, this chapter shall control.

F. Hardship Agreements. City finance department may in its discretion offer hardship agreements which create payment plans for delinquent bills. All requests for hardship agreements and payment plans must be submitted in writing. Hardship agreements are approved at the discretion of the finance director based on amount owed and payment history.

G. Reconnection Fee. Whenever any premises have been disconnected from the water system for any violation of this chapter or Chapters 13.08 and 13.12, such premises shall not be reconnected to the water system until all delinquent fees, charges, penalties and interest have been paid, together with a reconnection charge as may be set by resolution of the city council.

For customers who demonstrate they are financially unable to pay as provided in the Disconnection of Water Service for Nonpayment Policy, the reconnection fee shall not exceed $50 during normal operating hours or $150 during nonoperational hours, which amounts shall be subject to inflation as described in the policy.

H. Lien for Delinquencies. In addition and as an alternative to any other remedy for enforcement and collection, all delinquent water service charges, including late charges and interest for nonresidential properties, shall become a lien upon the nonresidential real property upon which water is furnished prior to all other liens, encumbrances or exemptions, other than state and county taxes, and shall have the force and effect of a tax lien. The lien shall continue until it is paid together with the penalties and interest set forth in this section. The lien shall be collected at the same time and in the same manner as ordinary municipal taxes are collected and shall be subject to the same procedure and sale in case of delinquency as provided for ordinary municipal taxes. All acts applicable to levy, collection and enforcement of municipal taxes apply to this lien. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 02-5 § 18 (part): prior code § 18.13)

13.04.140 When water charges become effective—Discontinuance of service at consumer’s request.

A. Water charges shall become effective against all premises immediately upon connection to the water system.

B. Any consumer may have his or her water service discontinued by giving notice requesting discontinuance at least two business days prior to the requested date of discontinuance. Each such consumer shall pay all water charges up to and including the date of discontinuance stated in such notice. In any case where such notice is not given, the consumer shall be required to pay for water service until two business days after the city has knowledge that the consumer has vacated the premises or otherwise discontinued water service. The city shall set a charge per council resolution for restoring water service to any consumer whose water service has been discontinued at his or her request. Water service will be turned off by a city representative during normal working hours, defined as after eight a.m. and prior to three-thirty p.m., Monday through Friday excluding legal holidays. Water service turn off shall not be made after three-thirty p.m. or prior to eight a.m., Monday through Friday, nor on Saturday, Sunday or legal holidays unless the customer agrees to pay the appropriate fee as set by resolution for such after-hours service.

C. If the discontinuance of a water service under subsection B of this section continues more than thirty (30) days, the consumer may request that the water service be placed on a standby basis. While on a standby basis, the water service rates established by council resolution will apply. In order to reestablish water service, the customer will be responsible for the fee associated with restoring water service and must pay any delinquent charges for which the customer is legally liable before service will be reconnected. (Ord. 16-13 § 5 (Att. 6 (part)): Prior code § 18.14)

13.04.150 Service interruptions.

A. Temporary Suspension of Service. The city will exercise reasonable diligence to provide continuous and adequate water service to consumers and to avoid any shortage or interruption of delivery of water but cannot guarantee complete freedom from interruption. The city shall have the right to suspend water service temporarily to make necessary repairs or improvements to the water system. In each case of temporary suspension of service, the city will notify the consumers affected as soon as circumstances permit and will prosecute the work of repair or improvement with due diligence and with the least possible inconvenience to consumers.

B. Apportionment Among Consumers. During any period of threatened or actual water shortage the city shall have the right to apportion its available water supply among consumers in such manner as appears most suitable under the circumstances then prevailing and with due regard to public health and safety.

C. City’s Responsibility. The city shall not be liable for interruption, shortage or insufficiency of water supply or water pressure or any loss or damage occasioned thereby. (Ord. 16-13 § 5 (Att. 6 (part)): Prior code § 18.15)

13.04.160 Duties of director of public works and director of finance.

It shall be the duty of the director of public works to supervise all connections to the water system, to fix all connection charges and to enforce all provisions of this chapter. It shall be the duty of the director of finance to collect all water bills and charges and all connection and other fees herein provided for, and to deposit the same with the appropriate account. The director of finance shall keep an accurate accounting and records showing the source, amount and disposition of all monies received by them hereunder. The city will carry fidelity insurance with respect to all city officers and employees who respectively receive, collect or have in their care or custody any moneys referred to in this section, such insurance to be in an amount at least equal in the aggregate to the maximum amount of such moneys at any one time in the care or custody of all such officers or employees. (Ord. 16-13 § 5 (Att. 6 (part)): Prior code § 18.16)

THE FOREGOING ORDINANCE was introduced at a regular meeting of the St. Helena City Council on the 28th day of April 2020, and was adopted at a regular meeting of the St. Helena City Council on the 12th day of May 2020, by the following vote:

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

APPROVED:

____
Geoff Ellsworth, Mayor

I, CINDY TZAFOPOULOS, 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 24th day of March 2020. That thereafter said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 7th day of April 2020, by the following vote:

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

APPROVED:

____
Cindy Tzafopoulos, City Clerk

Attachment 2

CITY OF ST. HELENA

RESOLUTION NO. 2020-

A Resolution Approving City Council Policy P-FI-0019 Disconnection of Water Service for Nonpayment to comply with SB998 mandates.

RECITALS

A. On September 28, 2018, Governor Brown signed Senate Bill No. 998 (Water Shutoff Protection Act), which imposes new requirements for shutting off residential water service for unpaid bills; and

B. California Health and Safety Code Section 116906 requires each urban and community water system, including the City of St. Helena ("City"), to have a written policy on discontinuation of residential service for nonpayment, and such written policy must address specified subjects required by law; and

C. Senate Bill No. 998 will also require the City to take several steps before discontinuing water service, and to also report the number of water discontinuations to the State of California; and

D. The City Council desires to adopt the Policy P-FI-0019 Discontinuation of Residential Water Service for Nonpayment, as required by Senate Bill No. 998 and Health and Safety Code section 11690; and

RESOLUTION

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

1. The foregoing recitals are true and correct; and
2. The City Council hereby adopts the attached Policy P-FI-0019 for Discontinuation of Residential Water Service.
3. The Resolution is hereby adopted and becomes effective and in full force immediately upon adoption.

Approved at a Regular Meeting of the St. Helena City Council on April 28, 2020, by the following vote:

Mayor Ellsworth: ___________

Vice Mayor Dohring: ___________

Councilmember Koberstein: ___________

Councilmember Chouteau: ___________

Councilmember Knudsen: ___________

APPROVED:

Geoff Ellsworth, Mayor

ATTEST:

Cindy Tzafopoulos, City Clerk

	City of St. Helena Policy Finance	Policy Disconnection of Water Service for Nonpayment Page 1 of 6

Title: **Disconnection of Water Service for Nonpayment**		Policy #	P-FI-0019
		Revision #	Release
		Implementation Date	Immediate
		Last Update Date	
Approval by City Council		Date Approved	

I. Purpose, Overview, and Scope of this Policy

The City of St. Helena is committed to ensure sound financial practices, proper controls over revenues and general oversight. The Finance Department is committed to providing best practices in developing efficient revenue management programs. This policy establishes a minimum standard to be upheld and enforced by all City of St. Helena's employees.

The purpose of the Disconnection of Water Service for Nonpayment Policy sets forth guidelines that govern the Senate Bill No. 998 (Water Shutoff Protection Act) for interruption of water service for non-payment of unpaid bills for residential water service. Furthermore, this policy is intended to supersede any other prior policies.

II. Authority

Updates to this policy require City Council approval.

III. Policy

On September 28, 2018, Senate Bill No. 998 (Water Shutoff Protection Act) was passed which imposes new requirements for shutting off residential water service for unpaid bills effective April 2020. This will outline the procedure of enforcement once water/wastewater bills are delinquent after sixty (60) days.

1. **Definitions**
    - **a.** "Residential" means all living or dwelling units (as defined by the Uniform Building Code) of a permanent, rather than transient, nature, including but not limited to single-family residences, apartments, mobile homes, manufactured homes, duplexes, townhouses, apartment buildings and condominiums. A "dwelling unit" shall be defined as any structure containing sleeping, eating, cooking and sanitation facilities.
    - **b.** "Customer" means the person responsible for paying each water and/or wastewater service account on the water distribution system, both inside and outside city limits, of the water enterprise owned by the city of St. Helena.
    - **c.** "Owner" means the legal property owner of a parcel.
    - **d.** "Tenant" means the leaseholder of a house, apartment, condominium or similar residential dwelling OR the owner of an individual mobile/manufactured home.

2. **Rules and Regulations Generally**
   a. Bills for water and/or water waste charges will be invoiced by the City on a bi-monthly basis. Invoices will be prepared after the 10th of each month, but no later than the 15th of each month.
   b. All bills are due within thirty (30) days from the date of billing.
3. **Responsibility for payment of charges**
   a. All water charges shall be billed to the person making application for water service, unless requested by the owner to be billed differently. Where allowed by law, all shall be the responsibility of the owner of the premises upon which the charges fixed are levied and assessed or their successor in interest.
4. **Enforcement – Penalty & Interest upon delinquency (after 30 days)**
   a. Bills delinquent after thirty (30) days. Upon failure of any customer billed or the owner of any premises to pay any water and/or wastewater service charge prior to delinquency, the following action or actions shall be taken by the City.
      i. Impose a penalty for delinquency of ten percent (10%) on the amount delinquent.
      ii. Assess interest in the amount of one percent (1%) per month or fraction thereof on the amount delinquent from the date on with the bill remittance first became delinquent until paid.
5. **Enforcement – Reminder notice of delinquency (after 45 days)**
   a. Bills delinquent after forty-five (45) days upon failure of any customer billed or the owner of any premises to pay any water and/or wastewater service charge prior to delinquency, the following action shall be taken by the City.
      i. Customers will receive a reminder notice by mail for the amount delinquent, which will include a Hardship Agreement form to set up a payment plan if needed.
6. **Enforcement – Final Notice of delinquency (after 60 days)**
   a. Bills delinquent after sixty (60) days upon failure of any customer billed or the owner of any premises to pay any water and/or wastewater service charge prior to delinquency, the following action or actions shall be taken by the City to enforce such payment after such bill became delinquent.
      i. Customers will receive a reminder notice by mail for the amount delinquent. In addition, a copy of the letter will be left at the service address in a prominent and conspicuous location. This will include:
         1. The customer's name and address.
         2. The amount of the delinquency.

3. The date by which payment or arrangement for payment is required to avoid discontinuation of residential service.
4. The procedure and form to file for a Hardship Extension Request (Payment Plan).
   a. 12 months is the maximum breakdown of payments allowed.
   b. These payments must be made in addition to any future water bills due.
   c. No penalties or interest will accrue if the payment terms defined are met.
   d. Failure to meet the terms of the agreement could result in disconnection of the premises from the water system for non-payment and/or could cause action at law to be brought on behalf of the City against the person responsible for payment of such bill to recover the amount of such bill and the cost of such action including reasonable attorney fees incurred in an amount fixed by the court.
5. The procedure and form to file for an Appeal with City Council.
   a. All forms are to be given to the City Clerk or designee for review and tracking.
   b. The City Manager has the authority to resolve specified appeals up to $2,000.00. The City Council has the authority to resolve appeals over $2,000.00.
   c. Service will not be interrupted while the appeal is pending
   d. No penalties or interest will accrue while the appeal is pending.
6. The telephone number of the City of St. Helena Water Department representative who can provide additional information or institute arrangements for payments.

b. **Notice to Tenants.** If there is a landlord-tenant relationship between residential occupants and the owner, manager, or operator of the property, the City shall also make reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection.

   i. If tenants reside in a multi-unit complex served through a master meter, written notice shall be hung on the door of each residence. The written notice will advise the tenants/occupants that they have the right to become customers of the City of St. Helena without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent changes for water service at the address(es) served by the mater meter. If one of more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of the City of St. Helena, or if there is a physical means legally available to the City, of selectively terminating service to those occupants who have not met the requirements for service, the City will make service available to the occupants who have met those requirements. Such notice shall be given at least 15 days before water service is shut off, in accordance with the following provisions.

ii. If tenants reside in an individually metered residence, the written notice shall advise the tenants/occupants that they have the right to become customers of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at that address. For the amount due on delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments. Such notice shall be given at least 15 days before water service is shut off, in accordance with the following provisions.

c. Specified Properties not Subject to Disconnection. Properties that meet all the following requirements are not subject to disconnection:

i. The customer, or tenant of the customer, submits to the City a primary care provider certification, as defined in Welfare and Institutions Code section 14088(A)(1)(b), such as that discontinuation of service would be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where the service is provided.

ii. The customer demonstrates that they are financially unable to pay for the service within the City's normal billing cycle. A customer may be deemed financially unable to pay if:

1. Any member of the customer's household is a current recipient of CalWORKs, Cal Fresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants and Children; or

2. The customer declares that the household's annual income is less than 200 percent of the federal poverty level.

3. The customer is willing to enter into a Hardship Agreement consistent with the City's written policies, with respect to all delinquent charges.

d. **Options for Specified Properties.** Prior to discontinuation of water services for delinquent payment, properties that meet the requirements of subdivision 3 of this section shall be offered the option to apply for a Hardship Agreement for the unpaid balance consistent with the City's Disconnection of Water Service for Nonpayment Policy.

e. **Disconnection for Specified Properties.** Properties on a Hardship Agreement may have water service discontinued if, after the City posted a notice that meets the requirements of Subdivision 1 of this section on the property at least 5 business days before discontinuation, the customer:
   i. Fails to comply with a Hardship Agreement for delinquent charges for 60 days or more: or
   ii. Does not pay current service charges for 60 days while on a Hardship Agreement for delinquent charges.

7. **Enforcement – Discontinuance of Service upon delinquency**
   a. Bills delinquent after seventy (70) days upon failure of any customer billed or the owner of any premises to pay any water and/or wastewater service charge prior to delinquency, the following action or actions shall be taken by the City.
      i. City Staff will make courtesy calls to the customer informing them if payment is not received their water service will be shut-off for non-payment.
      ii. The Finance Department will inform the Water Distribution department of each account to be shut-off for non-payment.
      iii. If the Water Distribution department has been dispatched to shut-off water service, a shut-off fee shall be accessed to the fees that are due and payable.
      iv. Service will not be restored until full payment has been made or a Hardship Agreement has been approved by the Finance Director, or designee.
      v. Failure to pay can cause an action at law to be brought on behalf of the City against the person responsible for payment of such bill to recover the amount of such bill and the cost of such action including reasonable attorney fees incurred in an amount fixed by the court.
   b. **Disconnection While Awaiting Appeal.** The City shall not discontinue water services while an appeal of a water bill from that residence is pending.
   c. **Post-Termination Procedures.** The City shall provide any disconnected customer with information on how to restore service.

8. **Enforcement – Reconnection Fee**

a. Reconnection of Service: In order to resume or continue service that has been disconnected for non-payment, the customer must pay a reconnection fee. The City will endeavor to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next working day following payment of any past due amount, delinquent fees attributable to the termination of service, and a deposit for reconnection of the account. Water service that is turned on by any person other than City personnel without City authorization may be subject to fines or additional charges or fees. Any damages that occur as a result of unauthorized restoration of service are the responsibility of the customer.

b. Reconnection of Service After Business Hours: Service restored after 4:00pm Monday through Friday, or on weekends or holidays will be charged an after-hours reconnection fee. Service will not be restored after regular business hours unless the customer has been informed of the after-hours reconnection fee and following payment of any past due amount, delinquent fees attributable to the termination of service, and a deposit for reconnection of the account. The after-hours reconnection fee is in addition to the regular reconnection fee and the late charge for a past due account. Customers requesting reconnection of service after business hours will contact the St. Helena Police Dispatch non-emergency number to arrange for payment of any past due amount, delinquent fees attributable to the termination of service, and a deposit for reconnection of the account.

Sometimes water service is discontinued because the service is a new account the City has not received a request to establish service. If service is being restored after regular business hours because the customer has yet to establish service, the customer must agree to contact the Water Department to establish service the next business day.

If service is discontinued for any reason not identified above, the customer is advised to contact the Water Department to resolve the issue as quickly as possible. No after-hours reconnection fee will be charged in this instance.

c. For customers who demonstrate they are financially unable to pay in accordance with this code section 13.04.30(E)(1), the reconnection fee shall be set at the actual cost of reconnection. Such reconnection fee shall not exceed $50 during normal operating hours or $150 during nonoperational hours.

Senate Bill No. 998

CHAPTER 891

An act to add Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

[Approved by Governor September 28, 2018. Filed with
Secretary of State September 28, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 998, Dodd. Discontinuation of residential water service: urban and community water systems.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations. Existing law requires certain notice to be given before a water corporation, public utility district, municipal utility district, or a municipally owned or operated public utility furnishing water may terminate residential service for nonpayment of a delinquent account, as prescribed.

This bill would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request. The bill would provide for enforcement of these provisions, including making a violation of these provisions punishable by a civil penalty issued by the board in an amount not to exceed $1,000 for each day in which the violation occurs, and would require the enforcement moneys collected by the board to be deposited in the Safe Drinking Water Account. The bill would prohibit an urban and community water system from discontinuing residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. The bill would require an urban and community water system to contact the customer named on the account and provide the customer with the urban and community water system's policy on discontinuation of residential service for nonpayment no less than 7 business days before discontinuation of residential service, as prescribed.

This bill would prohibit residential service from being discontinued under specified circumstances. The bill would require an urban and community water system that discontinues residential service to provide the customer with information on how to restore service. The bill would require an urban and community water system to waive interest charges on delinquent bills for, and would limit the amount of a reconnection of service fee imposed on, a residential customer who demonstrates, as prescribed, to the urban and community water system household income below 200% of the federal poverty line. The bill would require an urban and community water system that furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit structure, mobilehome park, or permanent residential structure in a labor camp, and that the owner, manager, or operator of the dwelling, structure, or park is the customer of record, to make every good faith effort to inform the residential occupants by written notice that service will be terminated and that the residential occupants have the right to become customers, as specified. The bill would require an urban and community water system to report the number of annual discontinuations of residential service for inability to pay on its Internet Web site and to the board, and the bill would require the board to post on its Internet Web site the information reported. The bill would require an urban water supplier, as defined, or an urban and community water system regulated by the commission, to comply with the bill's provisions on and after February 1, 2020, and any other urban and community water system to comply with the bill's provisions on and after April 1, 2020. The bill would provide that the provisions of the bill are in addition to the provisions in existing law duplicative of the bill and that where the provisions are inconsistent, the provisions described in the bill apply.

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

SECTION 1. The Legislature finds and declares as follows:

(a) All Californians have the right to safe, accessible, and affordable water as declared by Section 106.3 of the Water Code.

(b) It is the intent of the Legislature to minimize the number of Californians who lose access to water service due to inability to pay.

(c) Water service discontinuations threaten human health and well-being, and have disproportionate impact on infants, children, the elderly, low-income families, communities of color, people for whom English is a second language, physically disabled persons, and persons with life-threatening medical conditions.

(d) When there is a delinquent bill, all Californians, regardless of whether they pay a water bill directly, should be treated fairly, and fair treatment includes the ability to contest a bill, seek alternative payment schedules, and demonstrate medical need and severe economic hardship.

(e) The loss of water service causes tremendous hardship and undue stress, including increased health risks to vulnerable populations.

(f) It is the intent of the Legislature that this act provide additional procedural protections and expand upon the procedural safeguards contained in the Public Utilities Code and Government Code as of January 1, 2018, relating to utility service disconnections.

SEC. 2. Chapter 6 (commencing with Section 116900) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

Chapter 6. Discontinuation of Residential Water Service

116900. This chapter shall be known, and may be cited, as the Water Shutoff Protection Act.

116902. For the purposes of this chapter, the following definitions apply:

(a) "Board" means the State Water Resources Control Board.

(b) "Public water system" has the same meaning as defined in Section 116275.

(c) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.

(d) "Urban and community water system" means a public water system that supplies water to more than 200 service connections.

(e) "Urban water supplier" has the same meaning as defined in Section 10617 of the Water Code.

116904. (a) An urban water supplier not regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020.

(b) An urban and community water system regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020. The urban and community water system regulated by the Public Utilities Commission shall file advice letters with the commission to conform with this chapter.

(c) An urban and community water system not described in subdivision (a) or (b) shall comply with this chapter on and after April 1, 2020.

116906. (a) An urban and community water system shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The policy shall include all of the following:

(1) A plan for deferred or reduced payments.

(2) Alternative payment schedules.

(3) A formal mechanism for a customer to contest or appeal a bill.

(4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) The policy shall be available on the urban and community water system's Internet Web site, if an Internet Web site exists. If an Internet Web site does not exist, the urban and community water system shall provide the policy to customers in writing, upon request.

(c) (1) The board may enforce the requirements of this section pursuant to Sections 116577, 116650, and 116655. The provisions of Section 116585 and Article 10 (commencing with Section 116700) of Chapter 4 apply to enforcement undertaken for a violation of this section.

(2) All moneys collected pursuant to this subdivision shall be deposited in the Safe Drinking Water Account established pursuant to Section 116590.

116908. (a) (1) (A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system shall contact the customer named on the account by telephone or written notice.

(B) When the urban and community water system contacts the customer named on the account by telephone pursuant to subparagraph (A), it shall offer to provide in writing to the customer the urban and community water system's policy on discontinuation of residential service for nonpayment. An urban and community water system shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(C) When the urban and community water system contacts the customer named on the account by written notice pursuant to subparagraph (A), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

(i) The customer's name and address.

(ii) The amount of the delinquency.

(iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.

(iv) A description of the process to apply for an extension of time to pay the delinquent charges.

(v) A description of the procedure to petition for bill review and appeal.

(vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 116906.

(2) If the urban and community water system is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the urban and community water system shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.

(b) If an adult at the residence appeals the water bill to the urban and community water system or any other administrative or legal body to which such an appeal may be lawfully taken, the urban and community water system shall not discontinue residential service while the appeal is pending.

116910. (a) An urban and community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (a) are met, the urban and community water system shall offer the customer one or more of the following options:

(A) Amortization of the unpaid balance.

(B) Participation in an alternative payment schedule.

(C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.

(D) Temporary deferral of payment.

(2) The urban and community water system may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. An urban and community water system may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

(3) Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

(A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

(B) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.

116912. An urban and community water system that discontinues residential service for nonpayment shall provide the customer with information on how to restore residential service.

116914. (a) For a residential customer who demonstrates to an urban and community water system household income below 200 percent of the federal poverty line, the urban and community water system shall do both of the following:

(1) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars ($50), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, an urban and community water system shall set a reconnection of service fee at one hundred fifty dollars ($150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(2) Waive interest charges on delinquent bills once every 12 months.

(b) An urban and community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

116916. (a) This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.

(b) If an urban and community water system furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the urban and community water system shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(c) The urban and community water system is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the urban and community water system's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the urban and community water system of selectively terminating service to those residential occupants who have not met the requirements of the urban and community water system's rules and tariffs, the urban and community water system shall make service available to those residential occupants who have met those requirements.

(d) If prior service for a period of time is a condition for establishing credit with the urban and community water system, residence and proof of prompt payment of rent or other credit obligation acceptable to the urban and community water system for that period of time is a satisfactory equivalent.

(e) Any residential occupant who becomes a customer of the urban and community water system pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the urban and community water system for those services during the preceding payment period.

(f) In the case of a detached single-family dwelling, the urban and community water system may do any of the following:

(1) Give notice of termination at least seven days prior to the proposed termination.

(2) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

116918. An urban and community water system shall report the number of annual discontinuations of residential service for inability to pay on the urban and community water system's Internet Web site, if an Internet Web site exists, and to the board. The board shall post on its Internet Web site the information reported.

116920. (a) The Attorney General, at the request of the board or upon his or her own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in this chapter to be unlawful.

(b) For an urban and community water system regulated by the Public Utilities Commission, the commission may bring an action in state court to restrain by temporary or permanent injunction the use by an urban and community water system regulated by the commission of any method, act, or practice declared in this chapter to be unlawful.

116922. All written notices required under this chapter shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the urban and community water system's service area.

116924. Where provisions of existing law are duplicative of this chapter, compliance with one shall be deemed compliance with the other. Where those provisions are inconsistent, the provisions of this chapter shall apply. Nothing in this chapter shall be construed to limit or restrict the procedural safeguards against the disconnection of residential water service existing as of December 31, 2018.

116926. This chapter does not apply to the termination of a service connection by an urban and community water system due to an unauthorized action of a customer.

O

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Consideration and approval of a resolution approving an agreement with Liebert Cassidy Whitmore for various employee relations training and services at no cost to the City of St. Helena which is offered through Redwood Empire Municipal Insurance Fund**

CEQA Determination: **Not a CEQA project**

Prepared By: Cindy Tzafopoulos, City Clerk

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

The City of St. Helena is a member of Redwood Empire Municipal Insurance Fund (REMIF), which is a self-insured joint powers authority (JPA) established in 1976 to handle the insurance claims, benefit programs, and risk management needs of fifteen member cities.

Through REMIF, the City is a part of the Sonoma/Marin Employment Relations Consortium (ERC) with Liebert Cassidy Whitmore (LCW). The ERC is a number of local agencies joining together for the purpose of securing quality employment relations training, consultation, and informational services on a very economical basis.

DISCUSSION

Through the ERC, specialized attorney services are paid for by REMIF. These fees cover four days of group training workshops covering various employment relations subjects, availability of LCW consultation by phone for questions that the attorney can answer quickly with little research, and providing a monthly newsletter covering employment relations developments.

The City has historically participated with the ERC Membership paid for by REMIF and routinely uses these services on a monthly basis. While these services are paid for by REMIF, it does require the signing of an Agreement for Special Services which outlines the services covered under the REMIF portion, term of the agreement (one calendar year), and, if requested, additional services. The City has not previously utilized the additional services outlined in the Agreement.

FISCAL IMPACT

There is no fiscal impact in signing this agreement because fees are paid by REMIF.

RECOMMENDED ACTION

Staff recommends adopting the resolution and authorizing the City Manager to execute the agreement.

ATTACHMENTS

LCW Resolution
Liebert Cassidy Whitmore Agreement

CITY OF ST. HELENA

RESOLUTION NO. 2020-___

A Resolution of the City Council of the City of St. Helena approving an agreement with Liebert Cassidy Whitmore for various employee relations training and services at no cost to the City of St. Helena

RECITALS

A. The City of St. Helena values the expert training and consulting services to assist the City in workforce management and employee relations provided by Liebert Cassidy Whitmore; and

B. Fees for services by Liebert Cassidy Whitmore will be paid by the Redwood Empire Municipal Insurance Fund (REMIF) for the training and consultative.

C. The agreement with Liebert Cassidy Whitmore is effective for calendar year 2020.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena hereby resolves that the City Manager is authorized to execute an agreement for services with Liebert Cassidy Whitmore at no cost to the City.

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

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

APPROVED:

____

Geoff Ellsworth, Mayor

ATTEST:

____

Cindy Tzafopoulos, City Clerk

LCW LIEBERT CASSIDY WHITMORE

6033 West Century Boulevard, 5th Floor
Los Angeles, California 90045
T: (310) 981-2000 F: (310) 337-0560

December 31, 2019

Mark Prestwich
City Manager
City of St. Helena
1480 Main Street
St. Helena, CA 94574

Re: Sonoma/Marin Employment Relations Consortium

Dear Mr. Prestwich:

We are looking forward to another successful year with the Sonoma/Marin Employment Relations Consortium. We are pleased to provide the consortium with four full days of training, our monthly newsletter, and telephone consultation.

We are enclosing the planning meeting notes for your records. We will forward the schedule when it is ready.

Enclosed is an Agreement for Special Services. Please execute and return a copy to our office.

You'll note that the attached invoice gives you the option of subscribing (or renewing) your Liebert Library membership. This summer we added our Model Personnel Policies to the premium library membership, at no additional charge. If you do want to subscribe/renew, just check the corresponding box and return the amount indicated (the listed rate reflects the ERC discount).

If you have any questions about the consortium or our other training programs, please contact Cynthia Weldon, Director of Marketing & Training at (310) 981-2055 or cweldon@lcwlegal.com.

We thank you for your membership and we look forward to another successful training year.

Sincerely,

LIEBERT CASSIDY WHITMORE

BY:

J. Scott Tiedemann
Managing Partner

Enclosures

SA590

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the City of St. Helena, A Municipal Corporation, hereinafter referred to as "Agency," and the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation, hereinafter referred to as "Attorney."

WHEREAS Agency has the need to secure expert training and consulting services to assist Agency in its workforce management and employee relations; and

WHEREAS Agency has determined that no less than thirty-three (33) public agencies in the Sonoma/Marin area have the same need and have agreed to enter into identical agreements with Attorney; and

WHEREAS Attorney is specially experienced and qualified to perform the special services desired by the Agency and is willing to perform such services;

NOW, THEREFORE, Agency and Attorney agree as follows:

Attorney's Services:

During the year beginning January 1, 2020, Attorney will provide the following services to Agency (and the other aforesaid public agencies):

1. Four (4) days of group training workshops covering such employment relations subjects as management rights and obligations, negotiation strategies, employment discrimination and affirmative action, employment relations from the perspective of elected officials, performance evaluation (administering evaluations), grievance and discipline administration for supervisors and managers, planning for and responding to concerted job actions, current court, administrative and legislative developments in personnel administration and employment relations, etc., with the specific subjects covered and lengths of individual workshop presentations to be determined by Agency and the other said local agencies.

   It is expressly understood that the material used during these presentations, including written handouts and projected power points are provided solely for the contracted workshops. This agreement warrants there will be no future use of Liebert Cassidy Whitmore material in other trainings or formats without the expressed written permission of Liebert Cassidy Whitmore. Any such use will constitute a violation of this agreement and copyright provisions.

2. Availability of Attorney for Agency to consult by telephone. Consortium calls cover questions that the attorney can answer quickly with little research. They do not include the review of documents, in depth research, written responses (like an opinion letter) or advice on on-going legal matters. The caller will be informed if the question exceeds the scope of consortium calls. Should the caller request, the attorney can assist on items that fall outside the service, but these matters will be billed at the attorney's hourly rate. (See additional services section.)

3. Providing of a monthly newsletter covering employment relations developments.

Fee:

Fees will be paid by the Redwood Empire Municipal Insurance Fund (REMIF). Said fee will cover Attorney's time in providing said training and consultative services and the development and printing of written materials provided to attendees at the training programs.

SA590

Additional Services:

Attorney shall, as and when requested by Agency, make itself available to Agency to provide representational, litigation, and other employment relations services. The Agency will be billed for the actual time such representation services are rendered, including reasonable travel time, plus any necessary costs and expenses authorized by the Agency.

The range of hourly rates for Attorney time is from Two Hundred Ten to Three Hundred Ninety Dollars ($210.00 - $390.00) per hour for attorney staff, Two Hundred Forty Dollars ($240.00) per hour for Labor Relations/HR Consultant and from One Hundred Thirty-Five to One Hundred Seventy-Five Dollars ($135.00 - $175.00) per hour for services provided by paraprofessional and litigation support staff. Attorneys, paraprofessional and litigation support staff bill their time in minimum units of one-tenth of an hour. Attorney reviews its hourly rates on an annual basis and if appropriate, adjusts them effective July 1.

Independent Contractor:

It is understood and agreed that Attorney is and shall remain an independent contractor under this Agreement.

Term:

The term of this Agreement is twelve (12) months commencing January 1, 2020. The term may be extended for additional periods of time by the written consent of the parties.

Condition Precedent:

It is understood and agreed that the parties' aforesaid rights and obligations are contingent on no less than thirty-three (33) local agency employers entering into a substantially identical Agreement with Attorney on or about January 1, 2020.

LIEBERT CASSIDY WHITMORE A Professional Corporation	**CITY OF ST. HELENA** A Municipal Corporation
By: ______________________ J. Scott Tiedemann / Managing Partner	By: ______________________
	Name: Mark T. Prestwich
Date: 12/31/19	Title: City Manager
	Date: ______________________

9115696.1 ER020-018

SA590

LCW LIEBERT CASSIDY WHITMORE

6033 West Century Boulevard, 5th Floor
Los Angeles, California 90045
T: (310) 981-2000 F: (310) 337-0560

INVOICE

December 19, 2019

Mark Prestwich
City Manager
City of St. Helena
1480 Main Street
St. Helena, CA 94574

(SA590-10000)

SONOMA/MARIN EMPLOYMENT RELATIONS CONSORTIUM

Membership: 01/01/20 through 12/31/20

Please make your check out for one of the following amounts:

ERC Membership	**PAID BY REMIF**	
ERC Membership w/ Basic Liebert Library Subscription (optional) *Basic Subscription provides access to LCW workbooks in digital format. You can search all workbooks, but cannot print or download the books.*	**$405.00**	☐
ERC Membership w/ Premium Liebert Library Subscription (optional) *Premium Subscription provides unlimited access to LCW workbooks in digital format, as well as over 200 sample forms, model policies and checklists that can be downloaded and used as templates.*	**$900.00**	☐

Note: *Please send us a copy of this invoice along with your payment.*

For more information about the Liebert Library, please visit www.liebertlibrary.com, call Nick Rescigno at 310.981.2053 or email library@lcwlegal.com.

LIEBERT LIBRARY

Our firm is proud to present the **Liebert Library:** an online collection of trusted legal training and reference materials that cover a variety of public-sector labor and employment topics!

For nearly 40 years our attorneys have tirelessly worked to create an entire library of legal resources that covers a variety of labor and employment topics. Now you can get on-demand access to our extensive collection of workbooks, sample forms, model policies and checklists, including:

WORKBOOKS:

- The FLSA Compliance Guide
- Principles for Public Safety Employment
- Leaves, Leaves and More Leaves
- Privacy Issues in the Workplace
- Exercising Your Management Rights
- Understanding Public Employee Retirement Issues

SAMPLE FORMS & POLICIES:

- Checklist for POBR/FBOR Investigation
- Reasonable Accommodation Policy
- Sample Anti-Bullying Policy
- Sample Discipline Policy
- Social Media Policy

We offer 2 levels of subscription for Liebert Library at economical prices that will allow you to lower future legal costs for your agency:

1. **Basic Membership** - Access to **all of our workbooks in digital format**. You will have on-demand access to these documents, which are fully searchable (but not downloadable.)
2. **Premium Membership** - Access to all of the benefits of our Basic Membership (see above), as well as the ability to download in Word more than 200 sample forms, checklists and model policies. The newly incorporated model policies include detailed commentary on the statute/reason the policy is recommended as well as tips on how to customize the policies to your specific agency and how to best implement them.

For more infomation, visit www.liebertlibrary.com

SONOMA/MARIN ERC

1) <u>Comments</u>

- Members mentioned the materials for the Leaves, Leaves and More Leaves workshop did not arrive. LCW has followed up with FedEx to locate the lost shipment.
- The group stated their employees need training so they really appreciate the consortium!
- Members think Francesca is doing a great job.
- The group thought Casey was great!
- The response to consortium calls has been timely.
    - Note that LCW has established a new email address dedicated to consortium emails: AskLCW@lcwlegal.com
- LCW on-line harassment training:
    - Cynthia explained that LCW just rolled this out and promised to send more detailed information, but essentially:
        - Geared specifically towards public entities.
        - Interactive sessions available for both supervisors and non-supervisors.
        - Participant receives certificate of completion.
        - Available for single viewers as well as incorporated into Learning Management Systems (it is SCROM).
        - For further info, contact Katie Huber (khuber@lcwlegal.com)
    - Cynthia also reminded the members that LCW offers Train the Trainer courses for Harassment Prevention
        - Member think it is a great program.
        - We can come to your location
        - Material is kept updated for a two year period (so if the law changes, the Trainer receives updated material to use)
- Members like the facility, the SOMO Village Event Center, but hate the chairs. With that said, they would like to continue to host workshops here. The members did suggest the following:
    - There are technical difficulties with the microphone.
    - Presenter should repeat questions.
- Members continue to want workshops to be held on Wednesdays (not the 2nd Wednesday of the month) or Thursdays.

- Cynthia reminded the group that the Model Personnel Policies have been incorporated into the Liebert Library Premium subscription level. Members will have the opportunity to subscribe to the Library when they renew their consortium membership.

2) Services Explained

- Consortium Calls: Can be placed to any of the LCW offices: San Francisco, Fresno, Los Angeles, San Diego or Sacramento. Members may ask for a specific attorney or any available attorney. Questions may also be submitted by e-mail directly to the attorney or to AskLCW@lcwlegal.com.
- Consortium Workshops across the State: ERC members are able to attend other Consortiums' workshops. If you are interested in attending, you must contact Francesca Savellano (fsavellano@lcwlegal.com) two weeks prior the scheduled workshop. Once all the registration sheets are received from the host Consortium, if space is available, members from other consortiums are able to attend. There is no cost to attend another Consortiums' workshop, *unless* they require a per person/refreshment fee.
- Workshop Attendance: LCW reminds agencies that they are responsible for monitoring who is registering for the workshops. LCW provides a guide as to who should attend the workshops and requests that the agency use its best discretion when registering employees as the composition of the audience can impact the message and tone of the workshop.
- Public Sector Employment Relations Certificate Program: This is a complimentary program. Participants are required to complete 8 specific workshops within a three year period. Participants must present proof of attendance through paperwork distributed at the workshop. LCW does not track attendance.
- Individual/Customized Training:
  - Includes the incorporation of your policies and procedures, as well as an original set of materials for your reproduction.
  - Any of the workshops listed on the Master Workshop Topics List can be presented outside of the consortium to one specific agency or a group of agencies to share the cost. Currently our rate for a three-hour, half-day session ranges from $2,000 - $2,500 while a six-hour, full day session ranges from $3,000 - $3,500. If you schedule two half day sessions on the same day, we will honor the full day rate. Please note that this rate increases July 1, 2020 and will range from $2,050 - $3,600, depending upon the length of your training and instructor.
  - LCW would be happy to send an e-mail to other agencies if a request for an individual workshop has been made and the agency requesting the workshop wishes to combine with other agencies. For more information, contact Anna Sanzone-Ortiz at (310) 981-2051.

- Newsletters: LCW has multiple monthly newsletters: Client Update, The Briefing Room (geared towards law enforcement) and Fire Watch (geared towards Fire Safety Personnel). Members may sign up for any or all of these publications. The newsletters are sent either via surface mail or via e-mail. The e-mail comes from newsletter@lcwlegal.com so please ensure that this e-mail address is accepted by your system.
- Social Media: follow us on Twitter (http://twitter.com/lcwlegal); Linked In (https://www.linkedin.com/company/liebert-cassidy-whitmore/) and read our Labor and Employment blog (http://www.calpublicagencylaboremploymentblog.com).

3) Workshops (4 full days of training to be held on Wed. or Thurs. avoiding the 2nd Wed. of the month)

- Maximizing Supervisory Skills for the First Line Supervisor (Full Day)
- Maximizing Performance Through Evaluation, Documentation and Corrective Action (Half Day)
- Supervisor's Guide to Understanding and Managing Employees' Rights: Labor, Leaves and Accommodations (Half Day) [formerly titled "Key Legal Issues for Supervisors: Absenteeism, Disability and Labor]
- Public Sector Employment Law Update (Half Day) [schedule earlier in the year]
- The Meaning of At-Will, Probationary, Seasonal, Part-Time and Contract Employment (Half Day) [schedule earlier in the year]
- Administering Overlapping Laws Covering Discrimination, Leaves and Retirement (Full Day)

4) Workshop Hosting

- The workshops will remain at SOMO Village Event Center for next year.
- Member agencies are needed to "host" the workshops – set up and staff the registration tables at SOMO Village Event Center and collect and return signed registration sheets and completed evaluation forms.
  - The Cities of Cotati, Petaluma and Rohnert Park, Central Marin Police Authority and Sonoma County Library have all volunteered to host.
- For the hosting agencies, LCW will provide the following:
  - Pens will be included with the registration material.
  - The point of contact at SOMO Village Event Center will be listed.
    - This will also be helpful to know in case the presenter needs assistance with any audio equipment.
  - Two registration tables work nicely and will continue to be provided.

- Note for hosts: Please send any leftover materials back to LCW.

5) <u>ERC Membership Rates</u>

The 2020 pricing structure is listed below and includes the facility fee and refreshment fee.

- Agencies w/less than 150 full time employees:
  $2,385 ($2,010 + $375 facility and refreshment fee)
- Agencies w/150 to 1,000 full time employees:
  $3,275 ($2,860 + $415 facility and refreshment fee)
- Agencies w/ over 1,000 full time employees:
  $4,695 ($4,250 + $445 facility and refreshment fee)

❖ The facility and refreshment fee covers the $375 per day rental fee as well as breakfast and drinks in the afternoon for the attendees. It does not cover lunch.

❖ A late fee of $100 will be assessed if payment is not received by February 15, 2020.

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Consideration and proposed approval of a resolution authorizing:**
1. **Ceremonial flags recognizing LGBTQ Pride Month during the month of June.**
2. **A ceremonial POW/MIA flag to be flown on the City's ceremonial flag pole from May 16, 2020 through May 31, 2020.**

CEQA Determination: **Not a CEQA project**

Prepared By: Cindy Tzafopoulos, City Clerk

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND
The City Council adopted policy P-CC-0001 Outdoor Display of Governmental and Non-Governmental Flags on City Property, which authorizes the display of non-governmental flags on City property (attached).

Per City Council adopted policy Mayor Ellsworth formally requested in writing to the City Manager for the Pride and Transgender flags be flown during the month of June and POW/MIA flag to be flown from May 16, 2020 through May 31, 2020.

FISCAL IMPACT
There is no fiscal impact.

RECOMMENDED ACTION
Approve Resolution authorizing the LGBTQ, Transgender and MIA/POW flag to be flown on the City's ceremonial flag pole during the requested times.

ATTACHMENTS

Policy P-CC-0001 Outdoor Display of Governmental and Non-Governmental Flags on City Property and Authorizing a Ceremonial Flag

Flag Request

Resolution

	City of St. Helena Council Policy Administration	Policy Outdoor Display of Governmental and Non-Governmental Flags on City Property
		Page 1 of 2

Title: Outdoor Display of Governmental and Non-Governmental Flags on City Property		**Policy #**	P-CC-0001
		Revision #	1
		Implementation Date	2017-06-13
		Last Update Date	2019-05-28
Approval by City Council	Resolution No. 2019-66	**Date Approved**	2019-05-28

I. Purpose, Overview and Scope of this Policy

The purpose of this administrative policy is to establish a uniform policy to govern Outdoor Display of Governmental and Non-Governmental Flags on City Property.

Nothing set forth in this Policy is intended to prohibit or curtail individuals from displaying a flag on private property under his or her control or to wear or carry a flag.

This policy rescinds the previous Outdoor Display of Governmental and Non-Governmental Flags on City Property policies and remains in effect until rescinded by City Council.

II. Authority

The City Council has authority to update this policy.

III. Policy - Flying Flags on City Property at Half-Staff

1. National flags and/or California flags on City-owned property shall be flown at half-staff upon order of the President of the United States or authorization by the Governor of California.
2. National, California, and/or City flags on City-owned property may also be flown at half-staff at the direction of the Mayor upon the death of:
    a. A City Councilmember, past or present;
    b. A City employee whose death occurred during the discharge of duty;
    c. A City employee or retiree having served the City for 25 or more years; and/or
    d. A prominent citizen not holding or having held elected public office, whose accomplishments and contributions to the community clearly demonstrated a commitment over and beyond that which would be normally associated with the performance of work.
3. For the above circumstances, flags will be flown at half-staff as soon as practicable following the notification of a death, and will ordinarily be continued for 48 hours.

	City of St. Helena Council Policy Administration	Policy Outdoor Display of Governmental and Non-Governmental Flags on City Property Page 2 of 2

IV. Policy – Display of Non-Governmental Flags on City Property

1. The Mayor and/or a member of the City Council may submit a request to the City Manager in writing to display a Non-Governmental Flag on a Ceremonial Flagpole in conjunction with official actions, ceremonial items, or proclamations of the City Council. The request shall specify:
   a. the type of flag to be displayed
   b. how display of the flag would relate to a prior or proposed official action, ceremonial item, or proclamation of the City Council, and
   c. the proposed time and manner of display.

2. Following consideration of a request, if the Council approves the request, either by minute order or in conjunction with adoption of some other official action, ceremonial item, or proclamation, the City shall display the requested Non-Governmental Flag on a Ceremonial Flagpole at the time, place, and manner so directed by the Council. If the Council does not approve a request, it shall be deemed to have been denied and shall not be reconsidered for a period of six (6) months.

3. When a Ceremonial Flagpole is not displaying a Non-Governmental Flag, the City Flag may be flown upon the order of the City Manager, in his or her discretion.

4. The Ceremonial Flag Pole will be located beside the existing governmental designated flag pole outside of City Hall.

Cindy Tzafopoulos

From: Geoff Ellsworth
Sent: Monday, May 4, 2020 5:22 PM
To: Mark Prestwich
Cc: Paul Dohring; Cindy Tzafopoulos
Subject: Amended - Pow-MIA flag - Pride and Trans flag requests

I would like to request the period of Saturday May 16 2020 (Armed Forces Day) through Sunday May 31 2020 to fly the POW-MIA Flag on the City of St. Helena ceremonial flagpole. Memorial Day falls in this period as well. (I currently have a call out to the Post Office to get their thoughts on the POW-MIA flag but have yet to hear back.)

Amended -I would also like to request the month of June 2020 to fly both the Pride flag and Trans flag the entire month.

Thank you,
Geoff

CITY OF ST. HELENA

RESOLUTION NO. 2020-

Authorizing the LGBTQ Pride, Transgender and POW/MIA Ceremonial Flags to be Flown

RECITALS

A. On May 28, 2019, the St. Helena City Council adopted policy P-CC-0001 Outdoor Display of Governmental and Non-Governmental Flags on City Property, which authorizes the display of non-governmental flags on City property.

B. A request was received by Mayor Ellsworth formally requested in writing to the City Manager for the LGBTQ Pride and Transgender flags be flown during the month of June and POW/MIA flag to be flown from May 16, 2020 through May 31, 2020.

RESOLUTION

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

1. Authorizes the LGBTQ Pride, Transgender and MIA/POW ceremonial flags to be flown during the requested times.

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

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

APPROVED:

ATTEST:

____
Geoff Ellsworth, Mayor

____
Cindy Tzafopoulos, City Clerk

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Authorize the Mayor to Sign a Letter on Behalf of the St. Helena City Council to Governor Newsom and the State Legislature to Establish a $7 Billion Revenue Stabilization Fund for California Cities**

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

New data from the League of California Cities shows that California cities face significant revenue shortfalls and are already reducing or eliminating core services as a result of this pandemic. In aggregate, California cities are projecting a nearly $7 billion general revenue shortfall over the next two fiscal years. This shortfall will grow by billions of dollars if stay-at-home orders to protect public health extend into the summer months and beyond.

DISCUSSION

Cities remain on the front-line helping residents stay safe sheltering at home, providing emergency services, and supporting their local businesses and community organizations.

As COVID-19 related revenue losses continue to accumulate, city budgets statewide and the core services they support will be severely impacted. Preliminary forecasts for the City of St. Helena project a revenue decline of $7.2 million over the next 15 months, as well as a nearly $1 million loss of dedicated ½ cent local sales tax revenues for transportation projects. The City's annual General Fund budget is approximately $15.5 million so these losses will inevitably impact core services.

The League of California Cities, represents the City of St. Helena and the other 481 cities in California on legislative advocacy matters, and is requesting the State establish a statewide revenue stabilization fund for California cities. Specifically, the League requests the State:

1. Establish at least a $7 billion city revenue stabilization fund for direct aid to all cities to address the general revenue shortfall over the next two fiscal years;
2. Allocate a share of the State's $8.4 billion CARES Act funding for cities with populations under 500,000 to support COVID-19 expenses; and
3. Create a COVID-19 financing vehicle that all cities can access to support immediate cash flow needs.

A draft letter supporting the League of California Cities' request is attached.

FISCAL IMPACT

There is no impact to the submittal of the letter. However, State action to establish a statewide city revenue stabilization fund would likely provide some fiscal relief to the City of St. Helena. Additionally, any additional financing vehicle established by the state may be helpful to assist with cash flow needs.

RECOMMENDED ACTION

Authorize the Mayor to sign a letter on behalf of the City Council to Governor Newsom and the state legislature to establish a $7 billion revenue stabilization fund for cities in California.

ATTACHMENTS

DRAFT COSH COVID-19-Fiscal-Impacts-to-CA-Cities

DRAFT

May 12, 2020

Honorable Gavin Newsom
Governor, State of
California State Capitol
Sacramento, CA 95814
VIA E-mail: ExternalAffairs@gov.ca.gov

Dear Governor Newsom:

On behalf of the City of St. Helena City Council, I am writing to thank you for your leadership and efforts to protect and support Californians during the COVID-19 emergency.

St. Helena, like other California cities, is actively assisting the State's efforts to reduce transmission of the virus. We are ensuring our residents stay safe sheltering at home, enhancing our emergency services, and supporting local businesses and community organizations during this uncertain time. However, the substantial statewide loss of local government sales and transient occupancy tax revenues is projected to have a severe impact on city budgets and services.

Based on the League of California Cities analysis, California cities are projecting a nearly
$7 billion general revenue shortfall over the next two fiscal years. This shortfall will grow by billions of dollars if stay-at-home orders to protect public health extend into the summer months and beyond.

In the small 6,000 population City of St. Helena, we are projecting a revenue decline of $7.2 million over the next 15 months, as well as a nearly $1 million loss of dedicated ½ cent local sales tax revenues for transportation projects. The City's annual General Fund budget is approximately $15.5 million so these losses will inevitably impact our core services.

In order to continue to be a full partner with the state in saving lives, protecting our communities, and ultimately recovering from this crisis, **we need your help.** Our City supports the following actions:

- Establish at least a $7 billion city revenue stabilization fund for direct aid to all cities to address the general revenue shortfall over the next two fiscal years;
- Allocate a share of the State's $8.4 billion CARES Act funding for cities with populations under 500,000 to support COVID-19 expenses; and
- Create a COVID-19 financing vehicle that all cities can access to support immediate cash flow needs.

The City of St. Helena appreciates your consideration of our requests and look forward to further discussing in the coming days how together we can continue to best protect Californians and reopen our economy. Thank you again for your leadership and partnership during these uncertain times.

Sincerely,

Geoff Ellsworth
Mayor

Cc: Senator Bill Dodd
Assembly Member Cecilia Aguiar-Curry
St. Helena City Council
Mark Prestwich, City Manager
Nancy Bennett, League Regional Public Affairs Manager (via email)
Meg Desmond, League of California Cities, cityletters@cacities.org

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Consideration and proposed approval of a resolution authorizing the City Manager to implement the optional Coronavirus Aid, Relief, and Economic Security (CARES) Act's Retirement Plan Liquidity Provisions**

CEQA Determination: **Not a CEQA project**

Prepared By: Kathy Robinson, Human Resources & IT Director

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On March 27, 2020, the President signed the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). This Bill provides a number of potential benefits for individuals impacted by the Coronavirus which include provisions for retirement plan liquidity options.

The following liquidity options and provisions are as follows:

- Withdrawals of Coronavirus-Related Distributions (CRD) up to $100,000 may be obtained from tax-favored retirement arrangements including 401(k), profit sharing and money purchase plans, individual retirement accounts (IRAs), 403(a) and 403(b) arrangements and certain 457 arrangements).
    - A CRD must occur in 2020 and be made to an individual who is (or was) diagnosed with COVID-19, has a spouse or dependent who is (or was) diagnosed with COVID-19 or who experiences (or who has experienced) adverse financial consequences as a result of quarantine, furlough, layoff, reduction in work hours or child care issues due to the Coronavirus emergency.
    - The $100,000 cap is applied in the aggregate to all of an individual's CRD.

  - A qualifying distribution is free from the 10% early withdrawal penalty and while the distribution is taxable, a taxpayer may elect to include the distribution in income in 2020, 2021, and 2022.
  - Similar to other special distribution provisions applicable to retirement plans, the amount can be recontributed to a tax-favored retirement arrangement over the three-year period beginning on the day after the distribution.
- Until September 22, 2020, a retirement plan may provide for increased participant loan limits – from the current $50,000 or 50% of the vested account balance limit to $100,000 or 100% of the vested account balance limit.
  - Additionally, the provisions allows a one-year moratorium on loan repayments for certain outstanding plan loans, although interest must still continue to accrue during that period.
  - Retirement arrangements with regard to loan moratorium, the employer is not *required*to "opt in".

DISCUSSION

The City participates in a 457(b) retirement plan through ICMA-RC which allows employees and City Council Members (participants) an option to contribute pre-tax dollars through payroll deductions. In order for participants to seek these retirement liquidity options the City must elect to "opt in" to the provisions. Employers that do elect to offer the "opt in" provision of the CARES Act will be required to amend the governing plan documents; however, the Act does provide relief from the need to do so immediately. The governing plan document amendment may be postponed up until the last day of the first plan year beginning on or after January 1, 2024.

In light of the uncertain economic challenges that our participants may be facing during this pandemic, the ability for the City to offer these retirement distribution options provided for through the Coronavirus Aid, Relief, and Economic Security Act is a potential benefit that our participants may access to counter the devastating economic impact of COVID-19.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDED ACTION

Authorize the City Manager to implement the optional Coronavirus Aid, Relief, and Economic Security (CARES) Act's Retirement Plan Liquidity Provisions.

ATTACHMENTS

COVID Related Distributions RESO
Exhibit A. 46713_COVID_ER_Election_Form_S REV 0423 (002)

CITY OF ST. HELENA

RESOLUTION No. 2020 - ____

AUTHORIZING THE CITY MANAGER TO IMPLEMENT THE OPTIONAL CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT'S RETIREMENT PLAN LIQUIDITY PROVISIONS

RECITALS

A. On March 27, 2020, the President signed the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”); and

B. The Bill provides potential benefits for individuals impacted by the Coronavirus; and

C. Allows for withdrawals of Coronavirus-Related Distributions (CRD) up to $100,000 that may be obtained from tax-favored retirement arrangements including 401(k), profit sharing and money purchase plans, individual retirement accounts (IRAs), 403(a) and 403(b) arrangements and certain 457 arrangements); and

D. The CRD must occur in 2020 and be made to an individual who is (or was) diagnosed with COVID-19, has a spouse or dependent who is (or was) diagnosed with COVID-19 or who experiences (or who has experienced) adverse financial consequences as a result of quarantine, furlough, layoff, reduction in work hours or child care issues due to the Coronavirus emergency; and

E. The $100,000 cap is applied in the aggregate to all of an individual’s CRD; and

F. A qualifying distribution is free from the 10% early withdrawal penalty and while the distribution is taxable, a taxpayer may elect to include the distribution in income in 2020, 2021 and 2022; and .

G. Similar to other special distribution provisions applicable to retirement plans, the amount can be recontributed to a tax-favored retirement arrangement over the three-year period beginning on the day after the distribution; and

H. Until September 22, 2020, a retirement plan may provide for increased participant loan limits – from the current $50,000 or 50% of the vested account balance limit to $100,000 or 100% of the vested account balance limit; and

I. Additionally, the provisions allow a one-year moratorium on loan repayments for certain outstanding plan loans, although interest must still continue to accrue during that period; and

J. Retirement arrangements with regard to loan moratorium, the employer is not required to "opt in"; and

K. in fire protection or law enforcement to be paid overtime on a “work period” basis; and

L. The City participates in a 457(b) retirement plan through ICMA-RC; and

M. In order for participants to seek these retirement liquidity options the City must elect to "opt in" to the provisions; and

N. Employers who elect to offer the "opt in" provision of the CARES Act will be required to amend the governing plan documents which may be postponed up until the last day of the first plan year beginning on or after January 1, 2024; and

O. In light of the uncertain economic challenges that our participants may be facing during this pandemic, the City wishes to provide these retirement distribution options provided for through the Coronavirus Aid, Relief, and Economic Security Act.

RESOLUTION

Now, therefore, the City Council of the City of St. Helena resolves as follows:

1. Authorizes the City Manager to implement the optional Coronavirus Aid, Relief, and Economic Security (CARES) Act's retirement plan liquidity provisions and execute the required form (Exhibit A).

Approved at a regular meeting of the St. Helena City Council on May 12, 2020 by the following vote:

Mayor Ellsworth: _____________

Vice Mayor Dohring: _____________

Councilmember Koberstein: _____________

Councilmember Chouteau: _____________

Councilmember Knudsen: _____________

APPROVED: ATTEST:

Geoff Ellsworth, Mayor

Cindy Tzafopolous, City Clerk

ICMA-RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

April 2020

Re: New Optional Provisions to Provide Coronavirus-Related Relief

Dear Plan Sponsor:

ICMA-RC understands that you and your employees are facing unprecedented challenges due to the coronavirus (COVID-19) pandemic and we are eager to assist you. We have been working diligently to implement the new Coronavirus Aid, Relief, and Economic Security (CARES) Act provisions as quickly as possible. Please see the below description of the new CARES Act retirement plan provisions and an **enclosed form you may complete and return to ICMA-RC to indicate your intent to add one or both of the optional provisions to your plan.**

The CARES Act provides relief for a "qualified" participant:

- who is diagnosed with COVID-19; or
- whose spouse or dependent is diagnosed with COVID-19; or
- who experiences adverse financial consequences as a result of being quarantined, furloughed, or laid off; having work hours reduced; being unable to work due to lack of child care due to COVID-19; or closing or reducing hours of a business owned or operated by the individual due to COVID-19.

Employees will be able to acknowledge that they meet one of the above qualifying criteria by completing a self-certification form provided by ICMA-RC.

New <u>Optional</u> Coronavirus-Related Distribution (CRD):

- Code Section 72(t), which applies an additional 10% tax on early withdrawals, is waived for withdrawals up to $100,000 across all retirement plans or IRAs for a qualified participant.
- Those individuals may prorate the payment of applicable taxes on the income from the withdrawal over a three-year period.
- The withdrawal amount may be paid tax-free back to the plan over the next three years.
- Repayments of these withdrawals would not be subject to the retirement plan contribution limits.

Note: In-service withdrawal options need to be elected in a 401(a) Money Purchase Plan to offer this provision in these plans, and the participant must meet the plan's age requirements for an in-service withdrawal.

(continued)

Loan Suspension Available to Plan Participants:

- Qualified participants may delay the due date for loan repayments due between March 27, 2020, and December 31, 2020, for up to one year and extend the maximum five-year repayment period accordingly.
- Plan sponsor adoption is NOT required for this provision. It will automatically be made available to plan participants. Plan sponsor authorization for each loan suspension is also NOT required. However, if plan sponsor authorization is desired, please indicate so on the election form.
- Participants must request the option before you stop payroll repayments.
- Participants will complete the *Loan Suspension Form* and send it to ICMA-RC, while also notifying the plan sponsor to stop any payroll deductions, unless the plan sponsor chooses the Employer Authorization requirement on the election form. If it is the latter instance, the participant will need to first submit the form to the plan sponsor for employer signature and the plan sponsor will need to send it to ICMA-RC.

Note: ICMA-RC will provide plan sponsors with a loan suspension report via EZLink reporting to aid in tracking suspensions.

New <u>Optional</u> Loan Increase Provision (Available April 30, 2020):

- The current plan loan limits are increased to the lesser of $100,000 or 100% of the qualified participant's vested account balance in the plan.
- In order to adopt this provision, your plan must currently allow loans for your participants.

Please complete the attached election form (one form per plan number) if you wish to take advantage of either the CRD option or the increased loan amount option created by the CARES Act. As always, please contact ICMA-RC's Plan Sponsor Services Team securely using the Contact Us option within EZLink or call (800) 326-7272 to speak to a teammate, if you have any questions.

Sincerely,

David Tanguay

David Tanguay
Senior Vice President and Chief Client Services Officer

Coronavirus Aid, Relief, and Economic Security (CARES) Act Provisions Election Form Applicable to 457(b), 401(a), 401(k) and 403(b) Plans

Updated April 23, 2020

The CARES Act provides relief for a "qualified" participant:

- who is diagnosed with coronavirus (COVID-19); or
- whose spouse or dependent is diagnosed with COVID-19; or
- who experiences adverse financial consequences as a result of being quarantined, furloughed, or laid off; having work hours reduced; being unable to work due to lack of child care due to COVID-19; or closing or reducing hours of a business owned or operated by the individual due to COVID-19.

Employees will be required to acknowledge that they meet one of the above qualifying criteria by completing a self-certification provided by ICMA-RC.

A. Coronavirus-Related Distribution (CRD) — Distributions are permitted until December 31, 2020

Note to employers offering 401(a) Money Purchase Plans: If you elect to offer CRDs, you understand that your plan must already allow in-service withdrawals and the CRD participant must satisfy your plan's requirements for in-service withdrawals. Consequently, this provision may not be available to all participants in 401(a) Money Purchase Plans.

The plan will permit a qualified employee to withdraw up to $100,000 across all plans:

☐ Yes ☐ No (***"No" is the default provision under the plan if no selection is made.***)

401(a) Money Purchase Plan and 401(a) Profit Sharing Plan Sponsors Only: Please indicate whether you wish to waive the limit of two in-service withdrawals per year to allow for one or more CRDs.

☐ Yes ☐ No (***"No" is the default provision under the plan if no selection is made.***)

B. Loan Increase — Expanded loan limits permitted until September 23, 2020 (*Available April 30, 2020* – Please indicate your preference so that we can immediately begin offering this provision once it is available.)

<u>**Your plan must currently offer loans to elect this provision. If you do not currently offer loans but are interested in learning more about this option, please contact us.**</u>

If the plan permits loans, the plan will allow a qualified participant to receive a loan of up to the lesser of $100,000 or 100% of the participant's vested balance in their plan account.

☐ Yes ☐ No (***"No" is the default provision under the plan if no selection is made.***)

In addition to the number of loans currently allowed in your plan, do you wish to allow for an additional loan and allow for additional refinancing opportunities for COVID-19 relief?

☐ Yes ☐ No (***"No" is the default provision under the plan if no selection is made.***)

(continued)

C. Ongoing Plan Sponsor Authorization — Allow ongoing authorization for CRDs and Coronavirus-related Loan Suspensions (Loan Suspension) without additional plan sponsor signature.

A CRD or Loan Suspension may be processed by ICMA-RC without requiring plan sponsor signature. ICMA-RC's responsibilities regarding the CRD request are to ensure the form is fully completed and there are sufficient funds available to meet the request. **As a reminder, the CARES Act only allows a plan to provide a CRD if the participant's CRDs from all plans of the employer will not exceed $100,000.**

Indicate below whether ICMA-RC is authorized to process the CRD or Loan Suspension with or without a plan sponsor signature/authorization:

Coronavirus-Related Distribution (CRD)

❑ No Employer Authorization is required to process a CRD up to $100,000 across all ICMA-RC accounts held by the participant.

❑ Employer Authorization is required. ***("Employer Authorization is required" is the default election under the plan if no selection is made.)***

Loan Suspension

❑ No Employer Authorization is required to process a Loan Suspension. A Loan Suspension report will be posted to EZLink to aid in suspending payroll deductions for loan repayments. ***("No Employer Authorization is required" is the default election if no selection is made.)***

❑ Employer Authorization is required prior to processing a Loan Suspension.

Plan Sponsor Authorization (please provide one form per plan number):

By signing below, I certify I am authorized to make plan design changes and that we intend to amend our plan to allow these provisions as of the date below or as soon as administratively feasible, and we authorize ICMA-RC to operate the plan in accordance with our elections as of the date below.

Employer Plan Number: ____________ Employer Plan Name: ___________________________________

Signature of Authorized Plan Representative: __________________________________

Print Name: _______________________________

Title: ____________________________________

Date: __ __ / __ __ / __ __ __ __
Month Day Year

This form can be returned by email, fax, or mail using the information below.

Email to: PlanAdoptionServices@icmarc.org

Fax to: (202) 682-6439
ATTN: Workflow Management Team

Mail to: ICMA-RC
ATTN: Workflow Management Team
777 North Capitol Street, NE, Suite 600
Washington, DC 20002-4240

AC: 47011-0420-WCT160

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Consideration and proposed approval for accepting the donation of a memorial bench for public use to be located on the north end of the Hunt Avenue pedestrian path near the east end of Adams Street and a second memorial bench for public use to be installed near the northwest corner of Pope Street and Chiles Avenue in St Helena.**

CEQA Determination: **Not a CEQA project**

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

Two residents have submitted separate requests for the donation and installation of two benches for public use that include memorial inscriptions in memory of Rudy Hovanesian and Walter Fuller. The donating parties will cover the full cost of the benches and the inscriptions that will be purchased by the Beautification Committee on their behalf.

DISCUSSION

It was requested by the donors that the benches be located along popular pedestrian routes in St Helena that could serve as a place to sit and rest during a person's walk about town.

Locations of Benches: The first memorial bench (Hovanesian) is proposed to be placed on the north end of the City's Hunt Avenue pedestrian path near the east end of Adams Street. The second memorial bench (Fuller) is proposed to be placed along the City sidewalk near the northwest corner of Pope Street and Chiles Avenue (opposite the Signorelli Barn).

Memorial Inscriptions:

The inscription for the Hunt Avenue pedestrian path bench will read:
Rudy Hovanesian
St. Helena Public Worker 1958-1977
Far from home he found a new life here

The inscription for the Pope Street bench will read:
May you enjoy a rest
and the view from this bench
In memory of Walter Fuller 1926-2016

On April 20, 2020, the Parks and Recreation Commission discussed the donation of the two memorial benches and endorsed the request.
City staff recommends the City Council accept the donation of the two benches with the proposed memorial inscriptions.

Life Span of Bench and Plaque: The bench and plaque remain the property of the City. The City will maintain the bench and plaque in proper working order for a period of five years. If after five years the bench and/or plaque become inoperable or unsafe, the City, at its discretion, may remove or replace the bench and/or plaque. Donors will have the option of purchasing a new bench and/or plaque at that time.

FISCAL IMPACT

By adopting this resolution the City commits to the cost of installing two benches. The Public Works Department estimates two staff at 1.5 hours per person per bench, and 4 bags of cement per bench, at a cost not to exceed $500. The cost of the two benches, including fabrication, inscription, tax and shipping, will be covered by local residents and not the City.

RECOMMENDED ACTION

Accept the donation of a memorial bench for public use to be located on the north end of the Hunt Avenue pedestrian path near the east end of Adams Street and a second memorial bench for public use to be installed near the northwest corner of Pope Street and Chiles Avenue in St Helena.

ATTACHMENTS

Attachment 1: Memorial Bench Resolution
Attachment 2: Donor bench location Hunt Avenue Pedestrian Path
Attachment 3: Donor Bench location Pope Street Sidewalk
Attachment 4: Bright Idea benches sales order
Attachment 5: Sample contour bench with engraving

CITY OF ST. HELENA

RESOLUTION NO. 2020-

Accept the donation of a memorial bench for public use to be located on the north end of the Hunt Avenue pedestrian path near the east end of Adams Street and a second memorial bench for public use to be installed near the northwest corner of Pope Street and Chiles Avenue in St Helena

RECITALS

A. Two City residents have submitted separate requests for the donation and installation of two benches for public use along popular pedestrian routes that include individual memorial inscriptions in memory of Rudy Hovanesian and Walter Fuller; and

B. The donating parties will cover the full cost of the benches and the inscriptions that will be purchased by the Beautification Committee on their behalf; and

C. The first memorial bench (Hovanesian) is proposed to be placed on the north end of the City's Hunt Avenue pedestrian path near the east end of Adams Street; and

D. The second memorial bench (Fuller) will be placed along the City sidewalk near the northwest corner of Pope Street and Chiles Avenue (opposite the Signorelli Barn); and

E. The two public benches will include memorial inscriptions that read as follows:

Rudy Hovanesian
St. Helena Public Worker 1958-1977
Far from home he found a new life here

and

May you enjoy a rest
and the view from this bench
In memory of Walter Fuller 1926-2016 ;and

F. On April 20, 2020, the Parks and Recreation Commission discussed the donation of the two memorial benches and endorsed the request; and

G. The Public Works department will receive the delivery of the two benches and install them at the cost to the City not to exceed $500.

RESOLUTION

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

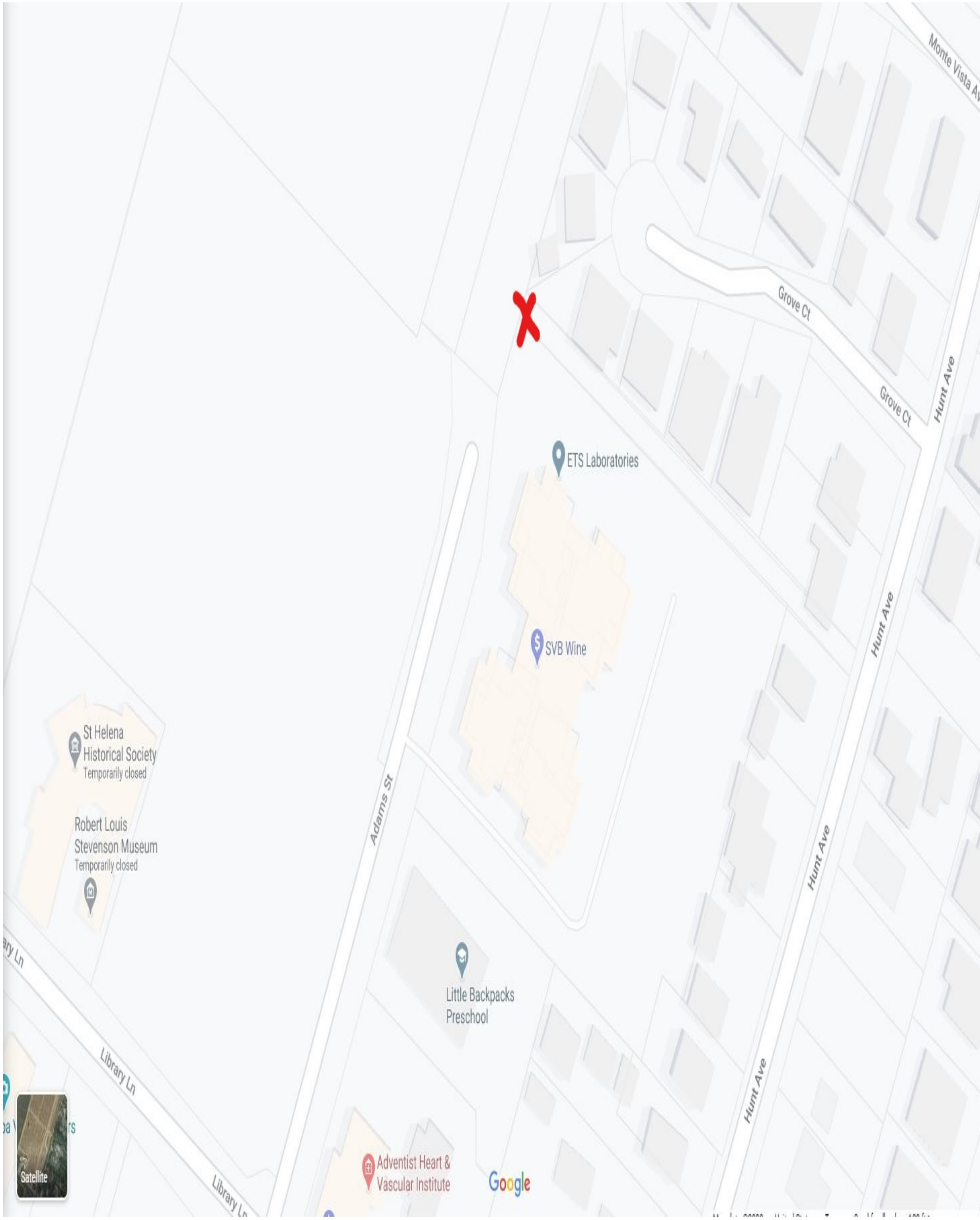
1. Accepts the donation of two inscribed memorial benches, with one to be placed on the north end of the City's Hunt Avenue pedestrian path near the east end of Adams Street and the second memorial bench to be placed along the pedestrian path near the northwest corner of Pope Street and Chiles Avenue (opposite the Signorelli Barn).

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

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

APPROVED: ATTEST:

___________________________	___________________________
Geoff Ellsworth, Mayor	Cindy Tzafopoulos, City Clerk


Monte Vista Ave
Grove Ct
Grove Ct
Hunt Ave
ETS Laboratories
SVB Wine
Hunt Ave
St Helena
Historical Society
Temporarily closed
Robert Louis
Stevenson Museum
Temporarily closed
Adams St
Hunt Ave
Little Backpacks
Preschool
Library Ln
Hunt Ave
Library Ln
Satellite
Adventist Heart &
Vascular Institute
Google


Temporarily closed
Chiles Ave
Signorelli Cir
Hunt Ave
Edwards St
Pope St
Allison Ave
Church St
Brown St
C Beck Winery
55 Degrees Napa Valley
Karl Lawrence Cellars
Himalayan
Sherpa Kitchen
Takeout available
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Akron, OH 44301

Ph: 800-886-8990
Fax: 330-258-0167

www.brightideashops.com

Sales Order

Date	S.O. No.
4/20/2020	6023

Sold To

The St. Helena Beautification Foundation
Attention : Helen Dake
P.O. Box 454
St. Helena CA 94574

Ship To

Maintenance Building
1405 Charter Oak
St. Helena, CA 94574
Carlos Uribe 707-486-6144

Phone: (707) 339-2954

Fax: (707) 963-7966

Ship Via	Est. Ship Date	P.O. No.	Project
LTL FREIGHT	6/1/2020		

Item	Description	Color	Qty	Price	Amount
FP2045	6' Contour Bench In Ground	Cedar-Black	2	1,028.00	2,056.00
Setup	Charge for Design and Layout		2	38.50	77.00
Routing	Routing Charge per Board Rudy Hovanesian Far from home he found a new life here St. Helena Public Worker 1958-1977		3	38.50	115.50
Routing	Routing Charge per Board - Engraving (no color) May you enjoy a rest and the view from this bench In memory of Walter Fuller 1926-2016		3	38.50	115.50
Shipping	LTL Freight - standard shipping, no special services added		1	860.00	860.00

Subtotal	**$3,224.00**
Sales Tax (6.75%)	**$0.00**
Total	**$3,224.00**

Net 30

Please sign, date and return to proceed.

X____________________________ Date_____________

Fax 1-800-762-4721 or
jradosevic@brightideashops.com


Put-in-Bay Township Park District
Preserving the heritage

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **CONSENT ITEMS**

Subject: **Quarterly Grant Report for FY 2020 Q3, for the period ending March 31, 2020**

CEQA Determination: **Not a CEQA project**

Prepared By: Mandy Kellogg, Finance Manager

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

This report covers grant activity for the 3rd Quarter of Fiscal Year (FY) 2020.

DISCUSSION

New Awarded Grant Applications in FY 2020 3rd Quarter

The City of St Helena was awarded two new grants during 3rd Quarter of Fiscal Year 2020.

Agency	Project	Amount
CalOES	PSPS Resiliency Allocation - Replace two generators at the treatment plants and purchase a roving generator.	$ 300,000
CalOES	Federal Public Assistance - Reimbursement of expenses for 2019 storms: Category E.	$ 13,157

Applications Pending

The City has three grant applications pending.

Agency	**Project**	**Amount**
Alzheimer's Foundation of America	Project Lifesaver Program to provide services to locate at-risk citizens that are prone to wandering.	$ 5,000
HCD - HOME Investment Partnership Program: Project	Funding to aid in the construction of new rental housing at 963 Pope Street.	$ 1,050,000
HCD - HOME Investment Partnership Program: Program	Funding to continue the Owner-Occupied Rehabilitation Program.	$ 500,000

Alzheimer's Foundation of America: Project Lifesaver Program - The City submitted an application on June 30, 2019. If the application is approved the City will receive funding for services and technology to locate at-risk citizens as quickly as possible that are prone to wandering and becoming lost. The total amount of funding requested is $5,000.

HCD - HOME Investment Partnership Program: Project - In conjunction with Our Town St. Helena funding will be used to aid in the construction of new rental housing at 963 Pope Street. The property was recently acquired by Our Town St. Helena with a $450,000 acquisition loan from the City and a short-term predevelopment loan of $543,889 from Rural Community Assistance Corporation. HOME funding would allow for at least one low income unit to be subsidized with a HOME loan. If approved the City will receive up to $1,050,000 to support development of new construction rental housing and grant administration costs.

HCD - HOME Investment Partnership Program: Program - Funds will be used to assist low-income homeowners whose primary residence is in need of repairs, improvements, or reconstruction necessary to meet federal, state, or local buildings codes and for correction of all health and safety deficiencies. If approved the City will receive up to $500,000 to continue the City's housing rehabilitation program.

Active Grants

These are grant awards with signed agreements. This chart identifies the grant award, required match, and percent expended. Staff is currently managing $7.2 million in active grant funds.

Grant	**Project**	**Award Amount**	**Additional Project Funding**	**% Grant Funds Expended**	**Notes**
CENIC on behalf of Califia	Connection to CalRen Hub at St. Helena Public Library	Based on discounts applied	$ -	0.0%	The CENIC connection was completed in March 2019.

Department of Water Resources (DWR)	Comprehensive Flood Control Project	$2,371,333	$20,000,000	100.0%	Holding $237,000 in retention until Conservation Easement is completed.
Environmental Protection Agency (EPA)	Upper York Creek Ecosystem Restoration	$987,876	$987,876	5.1%	Project will move forward in one Phase during 2020.
CalTrans/Federal - OBAG2	Main Street Pedestrian Improvements	$1,206,000	$351,000	0.0%	Planning and design process for the Streetscape began February 2019.
SF Bay Area Integrated Regional Water Management (IRWM)	Upper York Creek Ecosystem Restoration	$800,000	$1,174,119	0.0%	Not eligible for reimbursement Grant share costs until required funding match is met.
Friends & Foundation	Enhancements for Library (PT Staff, Spanish/Youth/Adult Programs, Materials, Elsie the Cat, Supplies)	$134,150	$ -	80.2%	The third grant disbursement of $33,563 was received January 2020.
Metropolitan Transportation Commission - TDA 3	Hunt Avenue Sidewalk Gap Closure	$75,000	$ -	100.0%	Construction has been completed and the grant will be invoiced after retention is released.
Bulletproof Vest Partnership	Purchase of one bulletproof vest	$1,356	$1,356	0.0%	
CalTrans/Federal - HSIP	Replacement of 1,175 lineal feet of guardrail on Silverado Trail that is located in the City limits of St. Helena	$556,100	$ -	0.0%	Preliminary design/environmental started in-house this quarter.
Department of Justice	Prop 56 - Hire law enforcement officer to manage programs educating and enforcing issues of underage tobacco use.	$393,514	$ -	20.7%	$48,100 in reimbursements were received November 2019 and the 1st quarter report was submitted April 2020.
Housing and Community Development (HCD) - SB2 Planning Grant	Updates to current zoning code in order to implement housing policies and directives identified in the General Plan and in the 2015 Housing Element.	$160,000	$159,990	0.0%	Awarded a PSA on 11/12/2019 with Lisa Wise Consulting for the Zoning Code Update.
CalOES - HMPG	Purchase of	$485,392	$161,797	0.0%	Project is projected

	generators and upgrading electrical panels to provide emergency backup power to City facilities.				to begin in June 2020.

Closed Out Grants

Grant	Project	Award Amount	Cash Match	% Grant Funds Expended	Notes
Department of Housing and Community Development - HOME	Home repairs for Low-Income individuals via 0% interest loans.	$500,000	$ -	89.6%	All project completion reports were received by HCD in September 2019. Annual reports will continue to be submitted per the program requirements.
Bulletproof Vest Partnership	Purchase of 1 Bulletproof Vest.	$327	$327	100.0%	Reimbursement recorded on 10/11/2019.
CalOES	FEMA & CDAA Public Assistance - Reimbursement of expenses for 2019 storms: Category B	$39,785	$-	100.0%	Reimbursement record on 01/2020.

Flood Projects

- Measure A – On December 19, 2017, the Napa County Flood Authority approved Amendment No. 12 to the Agreement authorizing disbursement of the remaining Measure A funds through its sunset in June 2018 which was estimated to be approximately $5.3 million. In March 2018 the City received a disbursement for $1,053,609 and in September the City received a disbursement for $3,970,518. In October, the City paid a total of $5,120,250 towards the balance of the SRF Loan. In September 2019, the City received the final disbursement from the County for the remainder of Measure A funds in the amount of $51,918.
- Department of Water Resources (DWR) – Public Works staff is working on completing the conservation easement as a requirement of the DWR grant. Once completed, the City will receive $237,000 still held by DWR.

Non-Profit Grant Funding

For FY 2019/20 a total of 21 applications were funded. The charts below identify the grantee, project description, award amount, and percent of grant funds expended through March 31, 2020.

Community Enrichment Grants:

Grantee	Project Description	Award Amount	% of Grant Expended
Boys and Girls Club	Power Hour - Homework Assistance Program	$5,000	0.0%
Community Organizations Active in Disaster (COAD)	COAD Community Response Table-Top Exercise	$2,500	0.0%
Friends of the Cameo	Arts in April 2020	$10,000	0.0%
Kiwanis Foundation St. Helena	St. Helena Kiwanis Foundations Scholarships	$1,500	0.0%
Music in the Vineyards	2019 Music in the Vineyards Community Outreach Program	$2,500	100.0%
NapaShakes	NapaShakes On Screen in St. Helena	$4,500	0.0%
Nimbus Arts	Free Community Festival & Event Art Activities	$6,000	100.0%
Saint Helena Community Band	Saint Helena Community Band Yearly Performances	$5,000	100.0%
St. Helena Choral Society	3rd Annual A Capella Festival	$3,000	100.0%
St. Helena Historical Society	"St. Helena: History a la Carte" Project - Didactic Panels/Storyboards and Travelling Trunks Museum	$5,000	0.0%
Vailima Foundation	Gallery and Exhibition Improvement Project	$5,000	0.0%
	Totals	**$50,000**	**33.0%**

Programmatic Grants:

Grantee	Project Description	Award Amount	% of Grant Expended
Boys and Girls Club	Teen Center	$30,000	100.0%
California Federation of Women	Spelling Bee & Community Christmas Family Adoption Program	$1,200	0.0%
Collabria Care	UpValley Village Fee Waiver Program	$6,000	0.0%
Community Organizations Active in Disaster (COAD)	COAD Community Preparedness Events	$5,300	0.0%
Mentis	Mentis Teens Connect Teen Mental Health Program	$29,400	0.0%
Our Town St. Helena	Organizational Development & Assistance to Marietta HOA	$25,000	0.0%
Rianda House	Senior Center Wellness and Enrichment Programs	$30,000	0.0%
St. Helena Farmers' Market	Market Match Program	$2,500	56.9%
St. Helena Little League	St. Helena Little League Uniforms & Equipment	$10,000	0.0%
Up Valley Family Centers	Community Connections and Immigration Assistance	$30,000	0.0%

	Totals	**$169,400**	**18.5%**

Due to the COVID-19 Pandemic several non-profit grantees have contacted the City requesting a one-time six-month extension as a result of orders that the governor imposed that prohibited the completion of their projects within the original timeline. Under the current non-profit grant policy the City Manager has the authority to grant a one-time six-month extension. Due to the extenuating circumstances the City Manager will grant one-time extensions to grantees that have been impacted by the pandemic.

The 2020/21 grant application period was opened at the beginning of December 2019 and closed on February 14, 2020. The City received a total of 27 applications and is currently reviewing funding requests. It is anticipated that recommended funding will be provided at the June 9th council meeting.

FISCAL IMPACT
There is no fiscal impact associated with this report.

RECOMMENDED ACTION
Receive and file report.

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **PUBLIC HEARINGS**

Subject: **Discussion of Potential Activities and Projects for Inclusion in the 2020 Community Development Block Grant (CDBG) Applications; and Consideration of Approval of a Resolution Approving (1) Applications for Funding for the Hunt's Grove Parking Lot Project, and (2) the Execution of a Grant Agreement and any Amendments thereto from the 2019-2020 Funding Year of the CDBG Program.**

CEQA Determination: **Exempt from the requirements of CEQA for sections 15332, 15301, and 15303**

Prepared By: Martin Beltran, Management Analyst

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

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program authorizes the use of funds to assist low- and moderate-income families or aid in the prevention or elimination of slums or blight.

Due to the State of California's low expenditure rate of CDBG funds, the State's Department of Housing and Community Development (HCD) has worked over the past two years redesigning the CDBG program as required by HUD direction. Due to this major concern, many changes have occurred and have been implemented under the 2020 Notice of Funding Availability (NOFA) process as described in this staff report. The City is required to conduct public outreach regarding potential CDBG projects/activities that could be considered for the current application period including holding a public hearing to discuss the potential application(s) and allow for public input. Therefore, staff requests that the Council review potential CDBG projects/activities and provide direction on the projects/activities to include in the application.

Project/Activity Selection

In order to be considered eligible, a suggested project/activity must meet one or more of the three National Objectives listed in CDBG Federal Statutes:

- Benefit to low- and moderate-income persons;
- Prevention or elimination of slums and blight; or
- Meeting an urgent community need which poses an immediate threat to the health and welfare of the community (State designates when the "urgent need" objective is allowed for a NOFA).

The benefit to low- and moderate-income persons is the most predominately used National Objective. In order to benefit low- or moderate-income persons, the project/activity must either benefit an area that is comprised of at least 51% low- or moderate-income households, or the program benefits individually qualified households (i.e., each participating household is income certified).

The 2020 State NOFA, involving approximately $60 million in 2019 and 2020 CDBG funds, was recently released. The total grant award may not exceed $3,500,000 for Housing & Community Development Applications and $6,000,000 for Economic Development Over the Counter (OTC) applications. Beginning on February 14, 2020, eligible jurisdictions may apply for a maximum of six applications, with one project or program per application with total funding not to exceed $3,500,000, excluding the Economic Development OTC program. In addition to meeting one of the three National Objectives, the project/activity must also fall under one of the categories listed below and will be either a competitive or over the counter (OTC) application. OTC applications will be accepted between February and September 2020 and will be reviewed on a first-come, first-served basis.

Public Improvements (maximum grant of $3,500,000). Project must be located in and serve a predominantly residential area within the city. Examples include water and sewer facilities, flood and drainage facilities, accessibility related street improvements (i.e., curb ramps), and utilities.

Public Facility (maximum grant of $3,500,000). Examples include acquisition, rehabilitation or new construction of buildings used for public purposes such as training, health services, education, senior and recreation centers, nutrition, shelter, day care, temporary housing and fire protection.

Project Predevelopment (maximum grant up to $500,000). Predevelopment activities such as the completion of plans and environmental review for a public improvement or public facility project.

Public Service (maximum grant of $500,000). Examples include subsistence payments, security deposits, childcare, health care, recreation programs, fair housing counseling, drug and alcohol abuse counseling and testing, homeless services, senior services, and nutrition services benefiting low- and moderate-income persons.

Planning and Technical Assistance (maximum grant of $250,000). The product must show a connection to assisting with an eligible CDBG activity that, if implemented, meets a National Objective. Product(s) are submitted to the State at the time of completion. The grant requires a five percent cash match to be expended prior to expenditure of CDBG funds. Examples include studies, analysis, and data gathering.

Housing Assistance Activities:

- Home-ownership Assistance Program (maximum grant of $1 million): assistance with loans for down-payment or closing costs.
- Housing Rehabilitation Program for Single Family Homes. (maximum grant of $1 million): loans for repairs and improvements of owner-occupied units.
- Multi-Family (five or more units at a specific site) Housing Rental Rehabilitation Project (with or without acquisition) (maximum grant of $3.5 million): loan for repairs and improvements of renter-occupied units for sites where all of the tenants qualify as low- or moderate-income households.
- Acquisition of Real Property for Multi-Family Projects (maximum grant of $3.5 million): acquisition of a site where all of the tenants qualify as low- or moderate-income households.
- Public Improvements in Support of New Housing (maximum grant of $3.5 million).

Business Assistance (maximum grant of $750,000). Examples include financing of working capital, furniture, equipment, and property repairs/improvements.

Microenterprise Assistance (maximum grant of $500,000). Examples include business training, financing of working capital, furniture, equipment, and property repairs/improvements.

St. Helena Housing Needs The City of St. Helena is within the Association of Bay Area Governments (ABAG) region and ABAG is responsible for conducting the Bay Area's Regional Housing Needs Allocation (RHNA) process in conjunction with the local elected officials and staff. Following State law, every eight years the State determines the total number of new homes the Bay Area needs to build and then ABAG distributes a share of the region's housing need to each City, Town, and County in the region. During the planning period of 2014-2022, the City of St. Helena's Housing Element RHNA allocation noted the 31 units needed within the following income categories: Very Low 8; Low 5; Moderate 5; and Above Moderate 13.

DISCUSSION

Potential CDBG Projects

Staff reviewed the eligibility criteria of CDBG funds and proposed the following list of potential projects eligible for OTC applications. The following list of potential projects was presented during the March 10, 2020 City Council meeting:

- *Multifamily Single Family Housing Acquisition and Rehabilitation*: Our Town St. Helena (OTSH) has identified an opportunity to acquire, through a Charitable Sale, an existing 4-unit rental property at 723 Hunt Avenue in St. Helena. The estimated Charitable Sale price is between $1,500,00 to $1,700,000.
- *Public Improvement Project – Crinella Pump Station Upgrade*: The project consists of removing the existing pump station structure and updating both the external structure as well as addressing internal operations and odor control. The estimated cost of this project is $1,000,000.
- *Housing Rehabilitation Program – Single Family Residential*: CDBG funds can be used to continue the Owner-Occupied Rehabilitation (OOR) Program, which meets the national objectives by serving low-income (at or below 80% AMI) and very low-income (at or below 50% of AMI) households. The estimated cost of this program is $300,000.

During the March 10, 2020 City Council meeting, direction was given by Council for staff to incorporate the Hunt’s Grove parking lot project as part of the CDBG Grant Application for the 2020 Notice of Funding Availability (NOFA).

CDBG-Non-Housing-OTC – Hunts Grove Parking Lot Project

The apartment complex was built on City property, and has been in existence since 1991. The property is leased to Hunt’s Grove (Bridge Housing Corporation) and is comprised of affordable housing units. There has been an on-going parking related issue at Hunt's Grove Apartments. The project proposed will expand and improve parking for Hunt's Grove Apartments.

Over the years parking has become impacted due to growing families in the Hunt's Grove Apartment complex. The rather significant parking issue has had an impact in the surrounding neighborhood. Since there are not enough parking spaces, many residents have been parking on the streets, which they are legally allowed to do for only 72 hours.

The City evaluated the potential of expanding parking at this site, and to minimize parking in the streets. Based on preliminary plans, it appears an additional 6 tandem spots would fit in the proposed area, creating space for an additional 12 parked cars. This configuration would leave room for the driveway. The estimated cost of this project is $200,000.

It is important to note that if the City is awarded grant funding there may be additional parking adjustments needed that will impact the net increase of parking spaces due to Electric Vehicle (EV) requirements in the California Building Code. Per the Building Code, 1 EV-ready space is required when 10-25 parking spaces are provided which could eliminate up to 1-2 parking spaces elsewhere. However, the charging station and space marking is not required to be installed at the time of implementation, just the conduit and necessary infrastructure to facilitate a future charging space. In addition, the Building Code has an exception that the EV charging would not be required if the utility company charges for equipment upgrades to support the EV charging (e.g., new transformer) that results in more than $400 per housing unit. The Building Code also notes that the EV space should be located in a common area (available to all residents), and preferably next to an ADA parking space.

FISCAL IMPACT

If awarded, an approved CDBG application is 100% grant funded, including costs to administer the grant.

RECOMMENDED ACTION

Affirm direction on the activities and projects for inclusion in the 2020 State Community Development Block Grant (CDBG) applications; and approve a resolution approving; (1) applications for funding, and (2) the execution of a grant agreement and any amendments thereto from the 2019-2020 funding year of the CDBG Program.

ATTACHMENTS

Exhibit A - St Helena - Rehabilitation Program Guidelines
Resolution 2020- Authorizing Submittal of CDBG Grant Application
Hunts Grove Parking Layout

CITY OF ST. HELENA

SINGLE-FAMILY HOUSING REHABILITATION ASSISTANCE PROGRAMS
(HOME, CDBG)

PROGRAM DESIGN AND PROCESS

EQUAL HOUSING OPPORTUNITY

HCD Version 10/2019

CDBG Approved (date)
HOME Approved (date)

CITY OF ST. HELENAHOUSING REHABILITATION PROGRAM GUIDELINES

TABLE OF CONTENTS

CITY OF ST. HELENAHOUSING REHABILITATION PROGRAM GUIDELINES

ATTACHMENTS TABLE OF CONTENTS

CITY OF ST. HELENAHOUSING REHABILITATION PROGRAM GUIDELINES

Adopted March 10, 2020

1.0. GENERAL

The above-named entity, hereinafter referred to as the "Sponsor", has entered into a contractual relationship with the California Department of Housing and Community Development ("HCD") to administer one or more HCD-funded housing rehabilitation programs. The rehabilitation program described herein and hereinafter referred to as the "Program" is designed to provide assistance to eligible homeowners for correction of health and safety items, as well as code violations, located within the Program's eligible area, as described in Section 3.0. The Program provides this assistance in the form of deferred payment loans used to finance the cost of necessary repairs that will provide the homeowner with a healthy, safe, sanitary and code compliant home, referred to herein as "housing unit". The Program will be administered by Housing Authority of the City of Napa, hereinafter referred to as the "Program Operator".

1.1. PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation, be excluded, denied benefits or subjected to discrimination under the Program. The Sponsor will ensure that all persons, including those qualified individuals with handicaps have access to the Program.

A. The Fair Housing Lender and Accessibility logos will be placed on all outreach materials. Fair housing marketing actions will be based upon a characteristic analysis comparison (census data may be used) of the Program's eligible area compared to the ethnicity of the population served by the Program (includes, separately, all applications given out and those receiving assistance) and an explanation of any underserved segments of the population. This information is used to show that protected classes (age, gender, ethnicity, race, and disability) are not being excluded from the Program. A Fair Housing Marketing Plan can be found as Attachment D. Flyers or other outreach materials, in English and any other language that is the primary language of a significant portion of the area residents, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program may sponsor homeownership education classes to help educate homeowners about credit, budgeting, predatory lending, foreclosure prevention and home maintenance, as well as future responsibilities.

B. Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds. The Program Sponsor will take appropriate steps to ensure effective communication with disabled housing applicants, residents and members of the public.

1.2. APPLICATION PROCESS AND SELECTION

A. Waiting List/Homeowner Contact

The Sponsor will utilize a waiting list. In response to a homeowner's request, the homeowner is placed on the waiting list. Homeowners are offered the opportunity to qualify for assistance by waiting list priority (a first-come, first served basis).

The Program Operator will contact homeowners by mail and/or by telephone to advise of funding availability. The homeowner has 30 days to complete and return the loan application and supporting documentation. Should a homeowner fail to respond to the initial contact for assistance or to provide any of the required documentation within the 30-day period, the homeowner's name will be removed from the waiting list. If the homeowner desires assistance at a later time, he/she will be placed on the waiting list at that time.

Should the waiting list be exhausted, the Program will be marketed in accordance with the Sponsor's Marketing Plan. **See Attachment D.**

B. Application/Interview

An application packet is provided to the homeowner for completion and submittal to the Program Operator, along with supporting documentation. An interview is scheduled with the applicant. The Program is fully explained; application forms and documentation are reviewed. Verifications are obtained for income, assets, employment, benefits, and mortgage. Title report and appraisals are also obtained.

If the Program Operator encounters material discrepancies and/or misrepresentations, and/or there are income, asset, household composition, or other important questions that can't be resolved, the Sponsor reserves the right to deny assistance to the household.

C. Household Selection

Households selected for participation in the Sponsor's Housing Rehabilitation Program are those determined eligible upon completion of processes described in A. and B. above.

D. Initial Inspection/Work Write-Up/Estimate

Prospective units are inspected by the Program Operator, a certified housing inspector, or a Sponsor representative to determine eligibility and acceptability of properties for participation in the Program.

If the home is a pre-1978 unit, the initial inspection will also include paint testing by a certified Lead-Based Paint (LBP) inspector/assessor or presumption of LBP. Code deficiencies will be corrected and if presumption is used or lead hazards are found they will be properly treated according to HUD regulations (Section 6.1.E & F) and cleared by a certified LBP inspector/assessor. **Note: CDBG projects shall refer to Chapter 20, Lead-Based Paint Requirements for guidance in the CDBG Grant**

Management Manual.

Measurements and observations are noted about the property, including special conditions with potential cost consequences (dilapidated outbuildings, absence of curb and gutter when required by code, etc.). A floor plan and site plan, as needed, are drawn for the home and property, including all appurtenances.

Findings are noted on an inspection form, and later used by the Program Operator to prepare the work write-up. Estimated costs are determined by the Program Operator who has years of experience in the building industry, and in reviewing contractor bids and verifying cost with materials suppliers. The homeowner reviews the completed work write-up and cost estimate, and the approved write-up is incorporated into bid documents.

E. Bid Solicitation

A bid walk-through date and time are scheduled. The homeowner may choose to solicit his/her own bids or request that the Program Operator solicit bids on his/her behalf. Invitations to bid are mailed to all eligible contractors on file in efforts to obtain three reasonable bids. Bid results will be provided to participating contractors.

Contractors must be licensed and bonded by the State of California Contractors Licensing Board. Contractors must also provide Program Operator with evidence of Workers' Compensation Insurance and Comprehensive General Liability and Property Damage Insurance with Combined Single Limits of at least $1,000,000.

Cost reasonableness is determined by comparing the bids received with the cost estimate prepared by the Program Operator. Bids should be within 10% of the Program Operator's cost estimate, otherwise an explanation must be provided to the file for any bid selected exceeding 10% of the estimate. The homeowner is encouraged to accept the lowest reasonable bid.

The Program Operator determines eligibility of the contractor by contacting the State Contractors License Board and checking the Federal List of Debarred Contractors. The contractor is also required to provide a self-certification stating that he/she is not on the Federal debarred list. Once determined eligible, the contractor is then notified of provisional award of bid (pending loan approval). Notices of non-award are mailed to participating contractors.

F. Loan Request/Approval

A report and loan request are prepared on behalf of the homeowner by the Program Operator. The loan request includes the cost of construction, a contingency fund, and other project costs (listed in Section 6.3.). Note: For HOME, the project costs listed in Section 6.3 are considered activity delivery costs to be paid by the Sponsor and may not be charged to the homeowner's loan. Section 1.3 provides additional information on the loan approval process. Once approved, loan documents are executed and the loan is funded.

G. Pre-Construction Conference

A pre-construction conference is scheduled with homeowner, contractor, and Program Operator. The Program Operator reviews the Owner-Contractor Construction Contract, including the work write-up, start date, pay schedule, and date of completion, with the homeowner and contractor. The construction contract and Notice to Proceed are executed.

H. Start-Up/Field Inspections

The Program Operator monitors date of start-up and performs field inspections on a regular basis. The Program Operator will visit the job site regularly in order to check the scope of work, inspect materials, and to confirm the job is on schedule and within budget. The Program Operator works with the Sponsor's Building Inspector to ensure the work meets building codes, while not exceeding funding limits.

The Program Operator reviews the work status with the homeowner and with the contractor in order to remedy any developing problems quickly and to ensure that both are satisfied with the construction process. At the completion of each phase, the Program Operator inspects the work and the homeowner authorizes contractor payments.

The Program Operator will refer back to original plans and specifications to verify the work was completed as contracted.

I. Change Orders

Written change orders are required when the homeowner requests any changes in the write-up, such as eliminating an item completely, eliminating one item and substituting another, or adding items. The change order will state the change and dollar value for the change. The change order must be signed by both the contractor and the homeowner, and submitted to the Program Operator for approval. If the change order exceeds the approved financing, the homeowner will be asked to provide additional funds or a report and request for additional funds may be presented to the Sponsor's Loan Review Committee for approval prior to Program Operator signing-off on the change order.

J. Progress Payments

Ninety percent (90%) of the contract amount is distributed to the contractor in the form of progress payments during construction. The final ten-percent (10%) of the contract amount is set aside as a retention payment. The contractor requests a progress payment from the homeowner and notifies the Program Operator that he/she has done so. Upon favorable inspection by the homeowner, Program Operator, and Sponsor or Sponsor's Building Inspector, the payment authorization is signed by the homeowner and submitted for payment.

K. Final Inspections/Notice of Completion/Final Payment

When the project is completed, the Program Operator inspects the work item by item with the homeowner, the contractor, and/or the Sponsor. The Sponsor's Building

Inspector performs a final inspection. Any corrections or deficiencies are noted and corrected by the contractor. Upon favorable final inspections, a Notice of Completion is prepared, signed by the homeowner, and then recorded. The final ten-percent (10%) retention payment is released 35 days after the recording of the Notice of Completion.

1.3. LOAN PROCESS

The Sponsor's City Manager or his/her designee must approve all loans and grants. Sponsor may approve assistance with CDBG financing exceeding 100 percent of after-rehabilitation value as needed in cases where no other financial resources are available to cover the cost of the repairs and where clear and convincing documentation exists, justifying why the exception is needed.

For HOME-funded loans, the total financing cannot be more than 100 percent of the after-rehabilitation value In addition, the amount of HOME assistance, including Sponsor's claimed Activity Delivery Costs, cannot exceed the Sponsor's County maximum HOME Per Unit Subsidy Limit at http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml, and the after-rehabilitation value cannot exceed the HOME Maximum After-Rehabilitation Value. **See Attachment C for current limits.**

In order to obtain financing, applicants must meet all property and eligibility guidelines in effect at the time the application is considered. Homeowners will be provided written notification of approval or denial. Any reason for denial will be provided to the applicant in writing.

1.4. CONFLICT OF INTEREST REQUIREMENTS

When the Sponsor's program contains Federal funds, the applicable Conflict of Interest requirements of 24 CFR Section 570.611 shall be followed for CDBG assistance. Section 92.356 of the HOME Final Rule shall be followed for HOME assistance, as follows:

(a) Conflicts prohibited. No persons described in paragraph (b) of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect to the HOME-assisted activity, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including stepparent), child (including stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild and in-laws of a covered person.

(b) Persons covered. The conflict of interest provisions of paragraph (a) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the participating jurisdiction, State recipient, or subrecipient which are receiving HOME funds.

(c) Exceptions: Threshold requirements. Upon the written request of the participating jurisdiction to HCD, HUD may grant an exception to the provisions of paragraph (a) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of the participating jurisdiction's program or project. See 24 CFR 92.356(d)(1-6) for details on the documentation needed in order to submit an exception request to HUD.

A contractor with a vested interest in the property cannot bid on a rehabilitation job. Such a contractor may act as owner/builder, subject to standard construction procedures. Owner/builders are reimbursed for materials purchased which are verified by invoice/receipt and used on the job. Reimbursement occurs after the installation is verified by the Program Operator to be part of the scope of work. Owner/builders are not reimbursed for labor.

2.0. APPLICANT QUALIFICATIONS

2.1. INCOME LIMITS

All homeowners must certify that they meet the household income eligibility requirements for the applicable HCD program(s) and have their household income documented. The income limits in place at the time of loan approval will apply when determining applicant income eligibility. All applicants must have incomes at or below 80% of the County's area median income (AMI), adjusted for household size, as published by HCD each year. **See Attachment C**.

The link to the official HCD-maintained income limits for HOME- and CDBG-funded activities is: http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml (for HOME and CDBG, choose "State CDBG, HOME and NHTF – Income, Value and Rent Limits"; for CalHome-funded activities choose "Official State Income Limits").

Household: means one or more persons who will occupy a housing unit. Unborn children don't count in family size determination.

Annual Income: Generally, the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period.

2.1.1 OWNER-OCCUPIED REQUIREMENTS

Owner-Occupant - to be eligible, household income must be equal to or less than the applicable HCD income limits. Owner will be required to provide income documentation. Refer to Income Inclusions and Exclusions for further guidance to the types of incomes to be included or excluded when calculating gross annual income. **See Attachment A for HOME and CDBG. See Attachment A-1 for CalHome.** Refer to Asset Inclusions and Exclusions for further guidance to the types of assets to be included or excluded when calculating gross annual income. **See Attachment B.**

Owner-occupants housing and/or debt ratios are not considered, nor is a credit report required, as the funding provided creates no additional monthly financial obligation. If an owner-occupant has a mortgage, it is verified that all payments are current and that no late payments have been received in the past twelve months.

2.2. INCOME QUALIFICATION CRITERIA

Projected annual gross income of the applicant household will be used to determine whether they are above or below the published HCD income limits. Income qualification criteria for HOME and CDBG, as shown in the most recent HCD program-specific guidance at http://www.hcd.ca.gov/grants-funding/income-limits/income-calculation-and-determination-guide.shtml, will be followed to independently determine and certify the household's annual gross income. Income will be verified by reviewing and documenting tax returns, copies of wage receipts, subsidy checks, bank statements and third-party verification of employment forms sent to employers. All documentation shall be dated within six months prior to loan closing and kept in the applicant file and held in strict confidence.

A. HOUSEHOLD INCOME DEFINITION:

Household income is the annual gross income of all adult household members that is projected to be received during the coming 12-month period, and will be used to determine program eligibility. Refer to Income Inclusions and Exclusions for further guidance to the types of incomes to be included or excluded when calculating gross annual income. For those types of income counted, gross amounts (before any deductions have been taken) are used. Two types of income that are not considered would be income of minors and of live-in aides. Certain other household members living apart from the household also require special consideration. The household's projected ability to pay must be used, rather than past earnings, when calculating income.

See Attachment A: HOME and CDBG 24 CFR Part 5 Annual Income Inclusions and Exclusions

B. ASSETS:

There is no asset limitation for participation in the Program. Income from assets is, however, recognized as part of annual income under the Part 5 definition. An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. *(Note: it is the income earned – e.g. interest on a savings account – not the asset value, which is counted in annual income.)*

An asset's cash value is the market value less reasonable expenses required to convert the asset to cash, including: Penalties or fees for converting financial holdings and costs for selling real property. The cash value (rather than the market value) of an item is counted as an asset.

See Attachment B: Part 5 Annual Income Net Family Asset Inclusions and Exclusions

2.3. HOMEOWNER ELIGIBILITY AND RESIDENCY REQUIREMENTS

The Sponsor's Housing Rehabilitation Program allows for owner-occupied properties to participate in the Program. Owner-occupied units must be the owner's principal place of residence. A photocopy of a recent utility bill will verify proof of occupancy. No unit to be rehabilitated will receive financial assistance if it is currently occupied by an over-income household or does not meet the eligibility standards outlined in these guidelines.

2.3.1 OWNER-OCCUPIED

A. Continued residency is monitored annually per Attachment F for the term of the loan. Occupancy will be verified by the submission of the following:

1. Proof of occupancy in the form of a copy of a current utility bill; and

2. Statement of unit's continued use as primary residence of the owner.

B. In the event that an homeowner sells, transfers title, or discontinues residence in the rehabilitated property for any reason, the loan becomes due and payable, unless the following conditions are met:

The homeowner who received the loan dies and the heir to the property meets income requirements and intends to occupy the home as his/her principal residence. Upon approval of the Sponsor, the heir may be permitted to assume the loan at the rate and terms the heir qualifies for under current participation guidelines. If the heir does not meet applicable eligibility requirements, the loan is due and payable. **Note: Loans provided by CalHome are not assumable.**

C. If a homeowner converts the property to a rental unit, or any commercial or non-residential use, the loan is due and payable, unless the loan was funded with CDBG and tenant and homeowner meet eligibility requirements as described in Section 2.3.2. below.

3.0. PROPERTY ELIGIBILITY

3.1. CONDITIONS

A. No unit will be eligible if a household's income exceeds the prescribed income limits listed in Attachment C.

B. Units to be rehabilitated must be located within the incorporated areas of the Sponsor's jurisdiction.

C. Property must contain a legal residential structure intended for continued residential occupancy.

D. All repair work will meet Local Building Code standards. At a minimum, health and safety hazards must be eliminated. For CDBG the priority will be the elimination of health and safety hazards. Sponsor may also require elimination of code deficiencies. When HOME funds are used for housing rehabilitation, the property must meet all applicable current codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. However, if certain components of the house are sound and were built to code prescribed at the time of installation, no repair or alteration will be made to those components.

3.2. ANTI-DISPLACEMENT POLICY AND RELOCATION ASSISTANCE

Tenants will be informed of their eligibility for temporary relocation benefits if occupancy during rehabilitation constitutes a danger to health and safety of occupants or public danger or is otherwise undesirable because of the nature of the project. Relocated persons will receive increased housing costs, payment for moving and related expenses and appropriate advisory services, as detailed in the Sponsor's "Residential Anti-displacement and Relocation Assistance Plan" **(Attachment E).**

Owner-occupants are not eligible for temporary relocation benefits, unless health and safety threats are determined to exist by the Program Operator. In cases where relocation is determined to be necessary by the Sponsor/Program Operator, assistance may be provided for actual costs incurred from the applicant's loan proceeds or as a grant **(see Section 4.4. for allowable grants)**. HOME-funded projects will provide relocation assistance in the form of a grant, which shall be included in the maximum assistance amount.

Note: Relocation benefits are not a requirement under CalHome, but are acceptable and may be covered by loan proceeds.

3.3. NOTIFICATION AND DISCLOSURES - Not required by CalHome

A. Occupants of units constructed prior to 1978 will receive proper notification of Lead-Based Paint (LBP) hazards as follows:

The Lead Hazard Information Pamphlet published by the EPA/HUD/Consumer Product Safety Commission will be given to all owners regardless of the cost of rehabilitation or paint test findings. If lead-based paint is found through testing or if presumed, a Notice of Lead Hazard Evaluation or Presumption will also be supplied. When Lead hazards are present, a Notice of Lead Hazard Reduction Activity and a Lead Hazard Evaluation Report will also be provided **(Attachment I)**.

B. Tenants located in properties that will receive housing rehabilitation will be provided a notice outlining their relocation rights and benefits **(Attachment E)**.

4.0. THE PROGRAM LOAN

4.1. MAXIMUM AMOUNT OF PROGRAM ASSISTANCE

The maximum loan amount available under the program is:

$60,000 for stick built single family homes; or
$30,000 for manufactured homes

On a case-by-case basis, the City Manager may authorize the increase of up to $10,000 above the maximum loan amount for a manufactured home if he/she determines that such funding is necessary to mitigate significant health and safety issues.

An eligible homeowner may hold more than one program loan if the combined loan amount does not exceed the maximum loan amount provided above.

An eligible homeowner may qualify for the full cost of rehabilitation/reconstruction work needed to comply with State and local codes and ordinances. Maximum assistance shall not exceed the Sponsor's County maximum HOME Subsidy Limits Per Unit at http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml.

See Attachment C for current limits. For CDBG-funded programs, the maximum assistance for rehabilitation/reconstruction will not exceed $190,430.

4.2. AFFORDABILITY PARAMETERS FOR HOMEOWNERS

A. Total indebtedness against property shall not exceed 100 percent of after-rehabilitation value as determined by "Estimates of value" or an appraisal, for CDBG or HOME projects. An estimate of after-rehab value will be made prior to making a commitment of funds using the method outlined in Section 4.5. Note: This does not apply to CalHome projects.

B. HOME-funded units' after-rehabilitation values shall not exceed the HOME Program Maximum Purchase Price/After-Rehabilitation Value Limits for Sponsor's County as updated by HUD and published on the HCD Website at http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml. **See Attachment C for current limits.**

C. Total indebtedness against property shall not exceed 105 percent of the after-rehabilitation value as determined by an appraisal for CalHome projects. An estimate of After-Rehab Value will be made prior to making a commitment of funds using the method outlined in Section 4.5. Note: This does not apply to HOME or CDBG projects.

D. Costs may be supplemented with personal financing, or with other loan or grant programs, which are sources of leverage for the Sponsor.

E. Any bid within 10% of the Program Operator's estimate may be selected, otherwise an explanation must be provided to the file for a bid selected exceeding 10% of the estimate.

4.3. RATES AND TERMS

4.3.1. OWNER-OCCUPANTS

A. Homeowners are eligible for Deferred Payment Loans (DPL), at zero (0.0%) interest, evidenced by a Promissory Note and secured by a Deed of Trust, with no payback required for 30 years unless the borrower sells or transfers title or discontinues residence in the dwelling. Payments may be made voluntarily on a DPL. **Note: If it is determined by the Sponsor that repayment of a CDBG Program loan at the maturity date causes a hardship to the homeowner, the Sponsor may opt the following**:

1. Amend the note and deed of trust to defer repayment of the amount due at maturity, that is balance of the original principal plus the accrued interest, for up to an additional 30 years (at 0% additional interest). This may be offered one time;

2. Convert the debt at loan maturity; that is the balance of the original principal plus any accrued interest, to an amortized loan, repayable in 15 years at 0% additional interest.

B. If the homeowner dies, and if the heir(s) to the property live(s) in the house and is/are income eligible, the heir(s) may be permitted, upon approval of the Sponsor, to assume the loan at the rate and terms the heir(s) qualifies for under current participation guidelines.

C. If the homeowner dies and the heir(s) is/are not income eligible, the loan becomes all due and payable.

D. If a homeowner converts the rehabilitated property to any residential-rental, commercial or non-residential use, the loan becomes all due and payable, unless they meet requirements outlined in Section 2.3.2.

E. As specified in the Rehabilitation Loan Agreement, all applicants who participate in the Program must maintain the property at post-rehabilitation conditions for the term of the loan. Should the property not be maintained accordingly, the loan shall be considered in default and becomes all due and payable, and if necessary, foreclosure proceedings will be initiated. A method of inspection will be established by the Sponsor.

4.4. GRANTS

A. CDBG-funded programs may provide grants as follows:
A grant of up to $7,500 is available for any one of the following qualifying factors:

1. Senior Citizen **-** at least 62 years old**;** or

2. Handicapped – for only handicap modifications to a house with one or more physically handicapped occupants who would function more independently if such modifications were installed**;** or

3. Lowest Targeted Income Group – with gross annual income less than 50 percent of County median income**;** or

4. Equity maintenance – if financing rehabilitation entirely with a loan would cause indebtedness to exceed 100% of after-rehabilitation value.

B. HOME and CDBG provide grants for all actual costs of lead-based paint evaluation and reduction activities.

C. HOME and CDBG provide grants for relocation assistance. See Relocation Assistance Plan, **Attachment E**.

1. Owner-Occupant – Limit of $3,000.

4.5. APPRAISAL

A. The After-Rehab Value for rehabilitation projects is determined using the “Estimates of value” method. The Sponsor or Program Operator determines estimates of value based on the sale prices of at least three (3) comparable properties, sold within the last six months (within one year of the assistance date, which is the date the promissory note is signed), and located within one mile of the subject property. The participants' file will include the estimate of value and document the basis for the value estimates. The purpose of the "Estimates of value" is to determine that the After-Rehabilitation Value Limit of the housing unit will not exceed the permitted amount per HCD Program regulations **(See Attachment C)**. If three comparable properties cannot be found, or if there is any question regarding the After-Rehab Value, the ARV will be determined by a licensed appraiser, as described in Section 4.5.B. below.

B. A licensed appraiser determines the After-Rehab Value for rehabilitation projects, when the "Estimates of value" method cannot be used. For rehabilitation projects the appraiser determines the value of the unit with the rehabilitation building plans and specifications included. For HOME only, the cost of the appraisal will be paid by the Sponsor, not by the homeowner. The purpose of the appraisal is to determine that the after-rehabilitation value of the housing unit will not exceed the permitted amount per HCD Program regulations **(See Attachment C),** and that the combined loans will not exceed the maximum combined loan-to-value limit, as described in Section 4.2.A above.

C. The After-Rehab Value for reconstruction projects is determined by a licensed appraiser. The After-Rehab Value for reconstruction projects is determined by an appraisal completed off the building plans and specifications for the new home. For HOME only, the cost of the appraisal will be paid by the Sponsor, not by the homeowner. The purpose of the appraisal is to determine that the After-Rehabilitation Value Limit of the housing unit will not exceed the permitted amount per HCD Program regulations **(See Attachment C)**.

4.6. INSURANCE

4.6.1. FIRE INSURANCE

The homeowner shall maintain fire insurance on the property for the duration of the Program loan(s). This insurance must be an amount adequate to cover all encumbrances on the property. The insurer must identify the Sponsor as Loss Payee for the amount of the Program loan(s). Evidence of this shall be provided to the Sponsor.

In the event the applicant fails to make the fire insurance premium payments in a timely fashion, the Sponsor at its option, may make such payments for a period not to exceed 60 days. The Sponsor may, in its discretion and upon the showing of special circumstances, make such premium payments for a longer period of time. Should the Sponsor make any payments, it may, in its sole discretion, add such payments to the principal amount that the applicant is obligated to repay the Sponsor under this Program. The premium may be paid by the Program loan for one year. **Note: HOME and CDBG funds cannot be used to pay insurance cost beyond those identified as initial loan costs**.

4.6.2. FLOOD INSURANCE

For homes in a 100-year flood zone, the owner is required to maintain flood insurance in an amount adequate to secure the Program loan and all other encumbrances. This policy must designate the Sponsor as Loss Payee and a binder shall be provided to the Sponsor and maintained in the borrowers file. The premium may be paid by the Program loan for one year. **Note: HOME funds cannot be used to pay insurance cost beyond those identified as initial loan costs**.

4.7. LOAN SECURITY

A. Loan security for all owner-occupied rehabilitation stick-built homes will be secured by the real property and improvements, and will also include a Deed of Trust, Promissory Note and Loan Agreement in favor of the Sponsor.

B. A manufactured home in a mobile home park or on leased land that is not on a permanent foundation will be secured by an HCD 480.7 or an HCD 484 Statement of Lien, and will also include a Promissory Note and Loan Agreement.

C. Entering a subordinate lien is acceptable. However, the Sponsor will not subordinate a first lien position once established.

5.0. PROGRAM LOAN SERVICNG AND MAINTENANCE

5.1. PAYMENTS ARE VOLUNTARY

Borrowers may begin making voluntary payments at any time.

5.2. RECEIVING LOAN REPAYMENTS

A. Program loan payments will be made to:

City of St. Helena
1572 Railroad Avenue
St. Helena, CA 94515

B. The Sponsor will be the receiver of loan payments or recapture funds and will maintain a financial record-keeping system to record payments and file statements on payment status. Payments shall be deposited and accounted for in the Sponsor's appropriate Program Income Account, as required by all HCD programs. The Program Sponsor will accept loan payments from borrowers prepaying deferred loans, from borrowers making payments in full upon sale or transfer of the property, and homeowners of tenant-occupied units. All loan payments are payable to the Sponsor. The Sponsor may at its discretion, enter into an agreement with a third party to collect and distribute payments and/or complete all loan servicing aspects of the Program.

5.3. LOAN SERVICING POLICIES AND PROCEDURES

See **Attachment F** for local loan servicing policies and procedures. While the attached policy outlines a system that can accommodate a crisis that restricts borrower repayment ability, it should in no way be misunderstood: The loan must be repaid. All legal means to ensure the repayment of a delinquent loan as outlined in the Loan Servicing Policies and Procedures will be pursued.

5.4. LOAN MONITORING PROCEDURES

Homeowners will be required to submit each of the following to the Sponsor at the time of annual occupancy verification per Attachment F:

- Proof of occupancy in the form of a copy of a current utility bill;
- Statement of unit's continued use as a residence;
- Declaration that other title holders do not reside on the premises;
- Verification that Property Taxes are current; and
- Verification of current required insurance policies.

5.5. DEFAULT AND FORECLOSURE

If an owner defaults on a loan, and foreclosure procedures are instituted, they shall be carried out according to the Program Foreclosure Policy adopted by the Sponsor, and attached to these guidelines as **Attachment G**.

5.6. SUBORDINATIONS

The Sponsor may approve a request to subordinate a loan, in order for the owner to refinance the property, under the following conditions:

A. The lien position of the Sponsor loan will remain the same or be advanced.

B. The new primary loan is no greater than the balance of the loan being refinanced, except the costs of refinancing the loan may be added to the principal balance.

C. The purpose of the new primary loan is to reduce the interest rate being paid and/or reduce the owner's payment.

D. The refinanced loan must have an impound account for taxes and insurances.

E. The refinancing terms must be acceptable to the Sponsor.

F. CDBG allows refinancing with CDBG funds in conjunction with only rehabilitation of the unit.

6.0. CONSTRUCTION

6.1. STANDARDS

A. All repair work will meet Local Building Code standards. At a minimum, health and safety hazards must be eliminated. For CDBG the priority will be the elimination of health and safety hazards. Sponsor may also require elimination of code deficiencies. When HOME funds are used for housing rehabilitation, the property must meet all applicable current codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. However, if certain components of the house are sound and were built to code prescribed at the time of installation, no repair or alteration will be made to those components.

B. Contracting Process

1. Contracting will be done on a competitive basis.

2. The homeowner will be the responsible agent, but the Sponsor and/or its Program Operator will prepare the work write-up, prepare and advertise the bid package, and assist the owner in negotiating the construction contract.

3. The Sponsor does not warrant any construction work, or provide insurance coverage.

C. Approved Contractors

1. Contractors are required to be licensed with the State of California, and be active and in good standing with the Contractors' License Board.

2. Contractors will be checked against HUD's list of federally debarred contractors. No award will be granted to a contractor on this list.

3. Contractors must have public liability and property damage insurance, and worker's compensation, unemployment and disability insurance, to the extent required by State law.

4. Contractor must agree to comply with all federal and state regulations.

D. Occupants of units constructed prior to 1978 will receive proper notification of Lead-Based Paint (LBP) hazards as identified in Section 3.3.A.

E. Units constructed prior to 1978 will also be inspected according to the following HUD regulations. For CDBG funded programs please refer to Chapter 20, Lead-Based Paint Requirements for guidance in the CDBG Grant Management Manual.

1. If the total amount of Federal assistance or the total amount of rehabilitation hard cost is up to and including $5,000, the following is required:
   (a) Paint testing or presume LBP;
   (b) Clearance of disturbed work areas; and
   (c) Notifications listed in Section 3.3.A.

2. If the amount of Federal assistance or the total amount of rehabilitation hard cost is more than $5,000 up to and including $25,000, the following is required:
   (a) Paint testing or presume LBP;
   (b) Risk assessment; and
   (c) Clearance of unit.

   If LBP hazards are identified, interim controls will be implemented. This level will also require a notice of "Abatement of Lead Hazards Notification" at least five days prior to starting work.

3. If the amount of Federal assistance or the total amount of rehabilitation hard cost is

more that $25,000, the following is required:

(a) Items (a), (b), and (c) of 2. above;
(b) Abatement of all LBP hazards identified or produced;
(c) Use of interim controls on exterior surfaces not disrupted by rehab; and all notices listed above in Sections 3.3.A. and 6.1.F.2.

4. All paint tests that result in a negative finding of lead-based paint are exempt from any and all additional requirements. If defective paint surfaces are found, they will be properly treated or abated. A State-certified Inspector/Assessor will perform all paint testing, risk assessments, and clearances. A trained supervisor may oversee interim controls; however, a certified supervisor and workers will perform all abatement.

6.2. ELIGIBLE CONSTRUCTION COSTS

"Rehabilitation" means, in addition to the definition in Section 50096 of the Health and Safety Code, repairs and improvements to a manufactured home necessary to correct any condition causing the home to be substandard pursuant to Section 1704 of Title 25, California Code of Regulations. Rehabilitation also includes room additions to alleviate overcrowding. Rehabilitation also means repairs and improvements where necessary to meet any locally-adopted standards used in local rehabilitation programs. Rehabilitation does not include replacement of personal property.

Rehabilitation includes reconstruction. Federal law and policy allows the use of HOME funds to demolish and reconstruct owner-occupied residential structures. Reconstruction is defined as the demolition and construction of a structure. The Sponsor and/or Program Operator must document that the reconstruction costs are less than the cost to rehabilitate the existing substandard housing. This will be done using the State's CDBG Test for Reconstruction, for projects funded with CDBG funds; or, using the State's HOME Test for Reconstruction, for projects funded with HOME funds.

Additionally, the Sponsor must determine that the project's value after reconstruction (housing and land combined) is less that the Maximum After-Rehabilitation Value for the Sponsor (see Attachment C, One-Family).

The residential structure to be reconstructed must be a structure with cooking, eating, sleeping, and sanitation facilities which has been legally occupied as a residence within the preceding 12 months. Fifth wheels or recreational vehicles, for example, are not considered dwellings and therefore are not eligible under this Program.

Like for like requires that the structure being demolished must be replaced with a like structure (replace manufactured housing with manufactured housing, for example). However, additions may be approved by the HCD Program when required by Codes/Ordinances or to alleviate overcrowding. **(See Attachment C)**

Temporary relocation benefits must be planned for and budgeted into the total allowable subsidy for the project, but if required would be in the form of a grant.

Depending on the outcome of the Statutory Worksheet (Environmental test), a reconstructed project may require Authority from the State before funds are committed to the project.

Allowable rehabilitation\reconstruction costs include:

A. Cost of building permits and other related government fees.

B. Cost of architectural, engineering, and other consultant services which are directly related to the rehabilitation of the property.

C. Rehabilitation or Replacement of a manufactured home not on a permanent foundation. Rehabilitation of a manufactured home may include the replacement of the unit with a used manufactured home and the cost to repair it, as long as the unit has been occupied and not used as a demonstration model. Should the unit meet the criteria for reconstruction a new manufactured home can be used for replacement and all cost associated with the purchase and transportation can be added to the loan.

D. Owner-occupied rehabilitation activity delivery fees, pursuant to Section 7733(f), as reimbursement to the Sponsor for the actual costs of services rendered to the homeowner that are incidentally but directly related to the rehabilitation work (e.g. planning, engineering, construction management, including inspections and work write-ups).

E. Rehabilitation will address the following issues in the order listed. Eligible costs are included for each item.

1. Health and Safety Issues

   Eligible costs include, but are not limited to, energy-related improvements, lead-based paint hazard evaluation and reduction activities, improvements for handicapped accessibility, and repair or replacement of major housing systems.

   Per the federal HOME Regulations at 24 CFR Part 92.251(b), Major Systems are:
   - structural support
   - roofing
   - cladding and weatherproofing (e.g., windows, doors, siding, gutters)
   - plumbing
   - electrical
   - heating, ventilation, and air conditioning.

   Upon project completion, each of the major systems must have a remaining useful life for a minimum of five (5) years, so these systems must be rehabilitated or replaced as part of the rehabilitation work in order to achieve this requirement.

   A driveway may be considered part of rehabilitation if it is determined to be a health and safety issue.

2. Code and Regulation Compliance

Eligible costs include, but are not limited to, additional work required to rehabilitate and modernize a home to bring it into compliance with current building codes and regulations. Painting and weatherization are included.

3. Demolition

   Eligible costs include, but are not limited to, the tear down and disposal of dilapidated structures when they are a part of the reconstruction of an affordable housing unit. If a garage or carport is detached, it may not be rehabilitated but may be demolished, if it is determined to be a health and safety issue.

4. Upgrades

   Eligible costs include additional bedrooms and bathrooms if the need can be demonstrated per HUD's or Sponsor's overcrowding guidelines listed in **Attachment C**. The Program will not fund additions to a home for a den or family room, or for any luxury items.

5. General Property Improvements

   Eligible costs include, but are not limited to: addition or replacement of an oven, stove, dishwasher, or fixture; replacing floor coverings; painting; and repair or installation of fencing.

   All improvements must be physically attached to the property and permanent in nature. Non-code general property improvements (including fencing, landscaping, driveway, etc.) will be *limited to 15 percent* of the rehabilitation loan amount. Any cash contribution by the property owner will be considered a general property improvement and be included in this percentage. Luxury items are not permitted. Items such as stoves and dishwashers that are not built-in may be replaced due only to incipient failure or documented medical condition of the homeowner, and must be of moderate quality.

6. Rehabilitation Standards

   All repair work related to health and safety conditions will meet Local Building Code standards. The priority will be the elimination of all health and safety hazards and code compliance, which is required for HOME-funded projects.

6.3. ELIGIBLE PROJECT COSTS

Examples of eligible project costs for all administrative expenses related to the paperwork for processing and insuring a loan application are listed below. For HOME, these costs are considered activity delivery costs and may not be charged to the homeowner's loan.

- Appraisal
- Property Report/Title Insurance

- Building Plan
- Termite Report
- Land Survey
- Grading Plan
- Recording Fees
- Fire/Course of Construction Insurance
- Flood Insurance, as applicable (not allowed with CalHome or HOME funds)

Costs are based on charges currently incurred by the Sponsor, or its Program Operator, for these products and/or services. Except for HOME loans, any cost increases charged to the Sponsor/Program Operator for these products and/or services will be passed on to the homeowner and included in the loan. All fees are subject to change and are driven by the market.

6.4. REPAIR CALLBACKS

Contractors will comply with State law regarding all labor and material warranties. All labor and material shall meet FHA minimum specifications.

7.0. EXCEPTIONS AND SPECIAL CIRCUMSTANCES

7.1. AMENDMENTS

The Sponsor may make amendments to these Participant Guidelines. Any changes made shall be in accordance with federal and state regulations, shall be approved by the Sponsor's local governing body and submitted to HCD for approval.

7.2. EXCEPTIONS

Any case to which a standard policy or procedure, as stated in the guidelines, does not apply or an applicant treated differently from others of the same class would be an exception.

7.2.1 PROCEDURES FOR EXCEPTIONAL CIRCUMSTANCES

A. The Sponsor or its Program Operator may initiate consideration of an exception and prepare a report. This report shall contain a narrative, including the Sponsor's/Program Operator's recommended course of action and any written or verbal information supplied by the applicant.

B. The Sponsor shall make a determination of the exception based on the recommendation of the Program Operator. The request can be presented to the Sponsor's local governing body for decision.

8.0. DISPUTE RESOLUTION AND APPEALS PROCEDURES

8.1. PROGRAM COMPLAINT AND APPEAL PROCEDURE

Complaints concerning the Sponsor's Rehabilitation Program should be made to the Program Operator first. If unresolved in this manner, the complaint or appeal shall be made in writing and filed with the Sponsor. The Sponsor will then schedule a meeting with the Sponsor's City Manager or his/her designee. Their written response will be made within thirty (30) working days. If the applicant is not satisfied with the decision, a request for an appeal may be filed with the local governing body. Final appeal may be filed in writing with HCD within one year after denial or the filing of the Project Notice of Completion.

8.2. GRIEVANCES BETWEEN PARTICIPANTS AND CONSTRUCTION CONTRACTOR

Contracts signed by the contractor and the participant include the following clause, which provides a procedure for resolution of grievances:

> Any controversy arising out of or relating to this Contract, or the breach thereof, shall be submitted to binding arbitration in accordance with the provisions of the California Arbitration Law, Code of Civil Procedure 1280 et seq., and the Rules of the American Arbitration Association. The arbitrator shall have the final authority to order work performed, to order the payment from one party to another, and to order who shall bear the costs of arbitration. Costs to initiate arbitration shall be paid by the party seeking arbitration. Notwithstanding, the party prevailing in any arbitration proceeding shall be entitled to recover from the other all attorney's fees and costs of arbitration.

ATTACHMENT A

24 CFR Part 5 ANNUAL INCOME INCLUSIONS AND EXCLUSIONS

24 CFR Part 5 Annual Income Inclusions

§5.609 Annual income.

(a) *Annual income* means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) *Welfare assistance payments.*

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and any other required fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

24 CFR Part 5 Annual Income Exclusions

(c) Annual income does not include the following:

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

(4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(5) Income of a live-in aide, as defined in §5.403;

(6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;

(7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(8) (i) Amounts received under training programs funded by HUD;

(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of $480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the FEDERAL REGISTER and distributed to PHAs and housing owners identifying

the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See https://www.federalregister.gov/documents/2014/05/20/2014-11688/federally-mandated-exclusions-from-income-updated-listing for most recent notice]

(d) *Annualization of income.* If it is not feasible to anticipate a level of income over a 12-month period (*e.g.,* seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

ATTACHMENT B

PART 5 ANNUAL INCOME NET FAMILY ASSET INCLUSIONS AND EXCLUSIONS

This table presents the Part 5 asset inclusions and exclusions as stated in the HUD Technical Guide for Determining Income and Allowances for HOME Program (Third Edition; January 2005).

Statements from 24 CFR Part 5 – Last Modified: January 2005

Inclusions

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.
2. Cash value of revocable trusts available to the applicant.
3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.
4. Cash value of stocks, bonds, Treasury bills, certificates of deposit and money market accounts.
5. Individual retirement, 401(K), and Keogh accounts (even though withdrawal would result in a penalty).
6. Retirement and pension funds.
7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).
8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.
10. Mortgages or deeds of trust held by an applicant.

Exclusions

1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars and vehicles specially equipped for persons with disabilities.
2. Interest in Indian trust lands.
3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.
4. Equity in cooperatives in which the family lives.
5. Assets not accessible to and that provide no income for the applicant.
6. Term life insurance policies (i.e., where there is no cash value).
7. Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.

ATTACHMENT C

MAXIMUM PURCHASE PRICE/AFTER-REHAB VALUE LIMIT FOR NAPA COUNTY (HOME Value Limits as of 3/28/2019 – 06/30/2020

COUNTY NAME	One-Family
NAPA	$1,037,400

HOME SUBSIDY LIMITS PER UNIT FOR NAPA COUNTY (Limits are effective 5-9-2019)

O-BDR	1-BDR	2-BDR	3-BDR	4-BDR
$149,868	$171,802	$208,913	$270,266	$296,666

HOUSEHOLD INCOME LIMITS FOR NAPA COUNTY* (Limits are effective 06/28/2019)

Number of Persons in Household								
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
80% of AMI	$55,650	$63,600	$71,550	$79,500	$85,900	$92,250	$98,600	$104,950

Sponsor will insert the limits for the county in which the Program is located, and will update the income limits annually as HCD provides new information. The link to the official, HCD-maintained Value, Subsidy, and Income limits is: http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml for HOME and CDBG limits, choose "State CDBG and HOME Income, Value and Rent Limits"

SPONSOR STANDARDS FOR BEDROOM AND BATHROOM ADDITIONS TO ALLEVIATE OVERCROWDING

Maximum No. of Persons in the Household	Number of Bedrooms	Number of Bathrooms
1	SRO	1
1	0-BR	1
2	1-BR	1
4	2-BR	2
6	3-BR	2
8	4-BR	3
10	5-BR	3
12	6-BR	4

- Opposite sex children under 6 years of age may share a bedroom, up to 2 children per bedroom.
- Opposite-sex children 6 years of age and older may have their own bedroom.
- Children shall be permitted a separate bedroom from their parents.

- Same-sex children of any age may share a bedroom, up to 2 children per bedroom.
- Adults not in a partner relationship may have their own bedroom.
- **4** or more people – a second bathroom may be added.
- **8** or more people – a third bathroom may be added.
- Same rules apply to mobile home units.

The chart above is used as a guide to overcrowding.

ATTACHMENT D

HOUSING REHABILITATION MARKETING PLAN

SUMMARY

The Sponsor will continue its efforts to market the Housing Rehabilitation Program in a manner that will reach all community members.

All marketing related to the Housing Rehabilitation Program is publicized in both English and Spanish. All marketing materials include information identifying the Sponsor's commitment to fair housing laws and affirmative marketing policy, and are widely distributed. Equal opportunity is emphasized in written materials and oral presentations. A record is maintained by the Sponsor identifying what marketing materials are used, and when and where they are distributed.

Forms of marketing may include fliers, brochures, newspaper ads, articles and public service announcements. Fliers and brochures are distributed at local government buildings, other public buildings and through the mail, as well as to businesses that assist those not likely to apply without special outreach. Advertisements and articles are published in newspapers that are widely circulated within the community.

Established working relationships with local lending agencies also aid in informing the public by facilitating the distribution of informational fliers to households seeking financial assistance for repairs that are unable to obtain conventional financing.

Informational meetings are offered to potential participants to explain Program requirements. Often, minimal formal outreach efforts are required as the need for assistance generally exceeds funds available. However, marketing measures are actively performed in order to maintain a healthy interest list.

Characteristics on all applicants and participants are collected and compared with the Sponsor's demographics. Should the Sponsor find that there are underserved segments of the population, a plan to better serve them will be developed and implemented.

MARKETING FORMS

Fliers
Brochures
Newspaper Ads and Articles
Public Service Announcements
Public Informational Meetings

MARKETING VENUES

Local Government Buildings
Local Public Services Buildings
Private Businesses
Real Estate Offices
Newspaper
Radio
Mail
City Webpage

ATTACHMENT E

RESIDENTIAL ANTI-DISPLACEMENT AND TEMPORARY RELOCATION PLAN
Version 2

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require all grantees of Community Development Block Grant (CDBG) funds or Home Investment Partnership (HOME) funds to follow a written Residential Anti-displacement and Relocation Assistance Plan (Plan) for any activities which could lead to displacement of occupants whose property is receiving funds from these or other federal funding source. Having been developed in response to both aforesaid federal legislations, this Plan is intended to inform the public of the compliance of the City of St. Helena(Sponsor) with the requirements of federal regulations 24 CFR 570.606 under state recipient requirements and Section 104(d) of the Housing and Community Development Act of 1974 and 24 CFR 92 of the HOME federal regulations. The Plan will outline reasonable steps, which the Sponsor will take to minimize displacement and ensure compliance with all applicable federal and state relocation requirements. The Sponsor's governing body has adopted this plan via a formal resolution.

This Plan will affect rehabilitation activities funded by the U.S. Department of Housing and Urban Development (HUD) under the following program titles: HOME, CDBG, Urban Development Action Grant (UDAG), Special Purpose Grants, Section 108 Loan Guarantee Program, and such other grants as HUD may designate as applicable, which take place with in the Sponsor's jurisdiction limits.

The Sponsor will provide permanent relocation benefits to all eligible "displaced" households who are permanently displaced by the housing rehabilitation program **(See Section E below.)**. In addition, the Sponsor will replace all eligible occupied and vacant occupiable low-income group dwelling units demolished or converted to a use other than low income group housing as a direct result of rehabilitation activities. This applies to all units assisted with funds provided under the Housing and Community Development Act of 1974, as amended, and as described in the Federal Regulations 24 CFR 570.496(a), <u>Relocation, Displacement and Acquisition: Final Rule</u> dated July 18, 1990 (Section 104(d)) and 49 CFR Part 24, <u>Uniform Relocation Assistance (URA) and Real Property Acquisition Regulations Final Rule and Notice</u> (URA) dated March 2, 1989.

All Sponsor programs/projects will be implemented in ways consistent with the Sponsor's commitment to Fair Housing. Participants will not be discriminated against on the basis of race, color, religion, age, ancestry, national origin, sex, familial status, or handicap. The Sponsor will provide equal relocation assistance available 1) to each targeted income group household displaced by the demolition or rehabilitation of housing or by the conversion of a targeted income group dwelling to another use as a direct result of assisted activities; and 2) to each separate class of targeted income group persons temporarily relocated as a direct result of activities funded by HUD programs.

A. <u>Minimizing Permanent Displacement and Temporary Relocation Resulting from Housing Rehabilitation or Reconstruction Activities</u>
   Consistent with the goals and objectives of activities assisted under the Act, the Sponsor will take the following steps to minimize the displacement of persons from their homes during housing rehabilitation or reconstruction funded by HUD programs:

   1. Provide proper notices with counseling and referral services to all occupants so that they

understand their relocation rights and receive the proper benefits. When necessary assist permanently displaced persons to find alternate housing in the neighborhood.

2. Stage rehabilitation of assisted households to allow owner occupants and/or tenants to remain during minor rehabilitation.

3. Work with area landlords, real estate brokers, and/or hotel/motel managements to locate vacancies for households facing temporary relocation.

4. When necessary, use public funds, such as CDBG funds, to pay moving costs and provide relocation/displacement payments to households permanently displaced by assisted activities.

B. <u>Lead Based Paint Mitigation Which Causes Temporary Relocation:</u>
On September 15, 2000, the Final Rule for Lead Based Paint Hazard Control went into effect. Among other things, it requires that federally-funded rehabilitation must use safe work practices so that occupants and workers can be protected from lead hazards. **At no time should the tenant-occupant(s) be present in work areas or designated adjacent areas while LHC activities are taking place in any dwelling unit interior, common area, or exterior.** As such, occupants may not be allowed to remain in their units during the time that lead-based paint hazards are being created or treated. Once work that causes lead hazards has been completed, and the unit passes clearance, the occupants can return. **The occupants may not reoccupy a work area or adjacent area until post-lead hazard reduction clearance standards have been achieved and verified with laboratory results.** The final rule allows for certain exceptions: programs:

1. The work will not disturb lead-based paint, or create dust-lead or soil-lead hazard; or

2. The work is on exterior only and openings are sealed to prevent dust from entering the home, the work area is cleaned after the work is completed, and the residents have alternative lead free entry; or

3. The interior work will be completed in one period of less than 8-daytime hours and the work site is contained to prevent the release of dust into other areas of the home; or

4. The interior work will be completed within five (5) calendar days, the work site is contained to prevent the release of dust, the worksite and areas within 10 feet of the worksite are cleaned at the end of each day to remove any visible dust and debris, and the residents have safe access to kitchen and bath and bedrooms.

If temporary relocation benefits are not provided because the Sponsor believes that the project meets one of the above criteria, then proper documentation must be provided in the rehabilitation project file to show compliance. It is up to the Sponsor to ensure that the owner occupant in the project does not get impacted by lead paint mitigation efforts. In most cases where lead paint mitigation is taking place, occupants will be strongly encouraged to relocate even for just a few days until a final lead clearance can be issued by a certified lead based paint assessor. Occupants who are temporarily relocated because of lead based paint mitigation are entitled to the same relocation benefits as those who are relocated because of substantial rehabilitation or reconstruction activities.

C. Temporary Relocation of Owner Occupants:
Owner occupants are not allowed to stay in units which are hazardous environments during lead based paint mitigation. When their home is having lead based paint mitigation work done which will not make it safe to live in, then they are eligible for temporary relocation benefits up to $3,000, which will be provided as a grant. In the same way, a unit requiring substantial rehabilitation (with or without lead based paint mitigation) which will not allow the family to access a bath or kitchen facility, or if the unit is being demolished and reconstructed, then the family will be eligible for temporary relocation benefits up to $3,000, which will be provided as a grant. In no case shall the grant for temporary relocation exceed $3,000 for any one owner occupant.

Owner occupants will be encouraged to move in with family or friends during the course of rehabilitation, since they are voluntarily participating in the Program. The housing rehabilitation loan specialist and/or the rehabilitation construction specialist will complete a temporary relocation benefits form **(See Appendix C)** to document that the owner occupant understands that they must relocate during the course of construction and what benefits they wish to be reimbursed for as part of their relocation.

D. Temporary Relocation of Residential Tenants:
If continued occupancy during rehabilitation is judged to constitute a substantial danger to health and safety of the tenant or the public, or is otherwise undesirable because of the nature of the project, the tenant may be required to relocate temporarily. The contract administrator or rehabilitation specialist will make determination of the need for temporary relocation. The temporary relocation period will not exceed 180 days. All conditions of temporary relocation will be reasonable. Any tenant required to relocate temporarily will be helped to find another place to live which is safe, sanitary and of comparable value and they have the first right to move back into the original unit being rehabilitated at the same rent or lower. He or she may move in with family and friends and still receive full or partial temporary assistance based on eligible cost incurred. The housing rehabilitation loan specialist and/or the rehabilitation specialist will ensure that each tenant-occupied unit under the Program will receive a General Information Notice (GIN) (as soon as possible after a loan application is received) and the tenant will receive a Notice of Non-displacement (after loan approval), and each tenant-occupied unit will have a temporary relocation benefits form completed for them. **(See Appendix C).** These notices will document that each tenant understands what their relocation rights are, and if they must relocate during the course of construction, that they receive the proper counseling and temporary relocation benefits.

A tenant receiving temporary relocation shall receive the following:

1. Increased housing costs (e.g. rent increase, security deposits) and

2. Payment for moving and related expenses, as follows:

    a. Transportation of the displaced persons and personal property within 50 miles, unless the grantee determines that farther relocation is justified;

    b. Packing, crating, unpacking, and uncrating of personal property;

    c. Storage of personal property, not to exceed 12 months, unless the grantee determines that a longer period is necessary;

d. Disconnection, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property;

e. Insurance for the replacement value of personal property in connection with the move and necessary storage;

f. The replacement value of property lost, stolen or damaged in the process of moving (not through the fault of the displaced person, his or her agent, or employee) where insurance covering such loss, theft or damage is not reasonably available;

g. Reasonable and necessary costs of security deposits required to rent the replacement dwelling;

h. Any costs of credit checks required to rent the replacement dwelling;

i. Other moving related expenses as the grantee determines to be reasonable and necessary, except the following ineligible expenses:
   1) Interest on a loan to cover moving expenses; or
   2) Personal injury; or
   3) Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the Grantee; or
   4) Costs for storage of personal property on real property already owned or leased by the displaced person before the initiation of negotiations.

E. Rehabilitation Activities Requiring Permanent Displacement

The Sponsor's rehabilitation program will not typically trigger permanent displacement and permanent displacement activities fall outside of the scope of this plan. If a case of permanent displacement is encountered, then the staff responsible for the rehabilitation program will consult with Sponsor's legal counsel to decide if they have the capacity to conduct the permanent displacement activity. If local staff does not have the capacity, then a professional relocation consultant will be hired to do the counseling and benefit determination and implementation. If local staff does wish to do the permanent displacement activity then they will consult and follow the HUD Relocation Handbook 1378.

F. Rehabilitation Which Triggers Replacement Housing

If the Sponsor's rehabilitation program assists a property where one or more units are eliminated then under Section 104 (d) of the Housing and Community Act of 1974, as amended applies and the Sponsor is required to replace those lost units. An example of this would be a duplex unit which is converted into a single family unit. In all cases where rehabilitation activities will reduce the number of housing units in the jurisdiction, then the Sponsor must document that any lost units are replaced and any occupants of reduced units are given permanent relocation benefits. (This does not apply to reconstruction or replacement housing done under a rehabilitation program where the existing unit(s) is demolished and replaced with a structure equal in size without in loss number of units or bedrooms.)

Replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a contract committing the Sponsor to provide funds for an activity that will directly result in such demolition or conversion, the Sponsor will make this activity public (through a noticed public hearing and/or publication in a newspaper of general circulation) and submit to the California Department of Housing and Community Development or the appropriate federal authority the following information in writing:

1. A description of the proposed assisted activity;

2. The location on a map and the approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as targeted income group dwelling units as a direct result of the assisted activity;

3. A time schedule for the commencement and completion of the demolition or conversion;

4. The location on a map and the approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;

5. The source of funding and a time schedule for the provision of the replacement dwelling units;

6. The basis for concluding that each replacement dwelling unit will remain a targeted income group dwelling unit for at least 10 years from the date of initial occupancy; and,

7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units) is consistent with the housing needs of targeted income group households in the jurisdiction.

The Program Operator for the Sponsor is responsible for tracking the replacement of housing and ensuring that it is provided within the required period. The Sponsor is responsible for ensuring requirements are met for notification and provision of relocation assistance, as described in Section 570.606, to any targeted income group displaced by the demolition of any dwelling unit or the conversion of a targeted income group dwelling unit to another use in connection with an assisted activity.

G. Record Keeping and Relocation Disclosures/Notifications

The Sponsor will maintain records of occupants of federally funded rehabilitated, reconstructed or demolished property from the start to completion of the project to demonstrate compliance with section 104(d), URA and applicable program regulations. Each rehabilitation project, which dictates temporary or permanent or replacement activities, will have a project description and documentation of assistance provided. (See sample forms in HUD Relocation Handbook 1378, Chapter 1, Appendix 11, form HUD-40054)

Appropriate advisory services will include reasonable advance written notice of (a) the date and approximate duration of the temporary relocation; (b) the address of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period; (c) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling.

Notices shall be written in plain, understandable primary language of the persons involved. Persons who are unable to read and understand the notice (e.g. illiterate, foreign language, or impaired vision or other disability) will be provided with appropriate translation/communication. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. The notices and process below is for only temporary relocation. If permanent relocation is involved then other sets of notice and noticing process and relocation benefits must be applied (See HUD relocation handbook 1378 for those forms and procedures) The Temporary Relocation Advisory Notices to be provided are as follows:

1. General Information Notice: As soon as feasible when an owner investor is applying for Federal financing for rehabilitation, reconstruction, or demolition, the tenant of a housing unit will be mailed or hand delivered a General Information Notice that the project has been proposed and that the tenant will be able to occupy his or her present house upon completion of rehabilitation. The tenant will be informed that the rent after rehabilitation will not exceed current rent or 30 percent of his or her average monthly gross household income. The tenant will be informed that if he or she is required to move temporarily so that the rehabilitation can be completed, suitable housing will be made available and he or she will be reimbursed for all reasonable extra expenses. The tenant will be cautioned that he or she will not be provided relocation assistance if he or she decides to move for personal reasons. **See Appendix A for sample notice to be delivered personally or by certified mail.**

2. Notice of Non Displacement: As soon as feasible when the rehabilitation application has been approved, the tenant will be informed that they will not be permanently displaced and that they are eligible for temporary relocation benefits because of lead based paint mitigation or substantial rehabilitation, or reconstruction of their unit. The tenant will also again be cautioned not to move for personal reasons during rehabilitation, or risk losing relocation assistance. **See Appendix B for sample notice to be delivered personally or by certified mail.**

3. Disclosure to Occupants of Temporary Relocation Benefits: This form is completed to document that the Sponsor is following it's adopted temporary relocation plan for owner occupants and tenants. **See Appendix C for a copy of the disclosure form.**

4. Other Relocation/Displacement Notices: The above three notices are required for temporary relocation. If the Sponsor is attempting to provide permanent displacement benefits then there are a number of other forms which are required. Staff will consult HUD's Relocation Handbook 1378 and ensure that all the proper notices are provided for persons who are permanently displaced as a result of housing rehabilitation activities funded by CDBG or other federal programs.

APPENDIX A

Dear ___________,

On __(date)__, _(property owner)_ submitted an application to the ____________________ for financial assistance to rehabilitate the building which you occupy at __(address)__.

This notice is to inform you that, if the assistance is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. (If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)

If the application is approved and Federal assistance is provided for the rehabilitation, you will be able to lease and occupy your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) upon completion of the rehabilitation. Of course, you must comply with standard lease terms and conditions.

After the rehabilitation, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30 percent of your gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. Because Federal assistance would be involved, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

This letter is important and should be retained. You will be contacted soon. In the meantime, if you have any questions about our plans, please contact __(name)__, __(title)__, at __(telephone number)__, (address)_______________.

Sincerely,

(name)
(title)

APPENDIX B

(date)

Dear ________:

On __(date)____, we notified you that the owner of your building had applied for assistance to make extensive repairs to the building. On __(date)__, the owner's request was approved, and the repairs will begin soon.

This is a notice of non-displacement. You will not be required to move permanently as a result of the rehabilitation. This notice guarantees you the following:

1. You will be able to lease and occupy your present apartment [or another suitable, decent, safe and sanitary apartment in the same building/complex] upon completion of the rehabilitation. Your monthly rent will remain until after construction is completed. If increased after construction is done, your new rent and estimated average utility costs will not exceed local fair market rents for your community. Of course, you must comply with all the other reasonable terms and conditions of your lease.

2. If you must move temporarily so that the repairs can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because Federal assistance is involved, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

If you have any questions, please contact __(name)___, __(title), at __(phone #)__, ______(address). Remember; do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

(name and title)

APPENDIX C

DISCLOSURE TO OCCUPANT OF TEMPORARY RELOCATION BENEFITS

Top to be completed at time of loan application submittal or Home Visit

Property Address: ____

__ Rental Unit __Owner-Occupied Unit

The rehabilitation loan specialist working on behalf of the City/County of ____________________________ has explained the temporary relocation services and benefits available under the current rehabilitation program relocation plan.

I/we have been advised that the City/County of ________________ rehabilitation construction specialist will inform me if I need to be temporarily relocated and will to assist me with scheduling any necessary moves and answer any questions about assistance as needed.

Acknowledged:

______________________ ______ ______________________________ _______

Occupant Signature Date Occupant Signature Date

Complete this at time of acceptance of Work Write Up with initials by occupant

The rehabilitation construction specialist for the City/County of ____________________
has explained the Rehabilitation Scope of Work for our house and I/we agree that it will:
____ Not require I/we to be relocated. **(If initialed then STOP here and sign bottom.)**
____ Yes, I/we need to be temporarily relocated. **(Complete rest of form if initialed.)**

Start date and duration of relocation:
____ Starting on or about _______we will move for all or part of the rehabilitation project.
____ Approximate length of temporary relocation: ________Number of days.

For temporary relocation, I/We elect to (check all that apply):
____ Relocate with friends and family.
____ Relocate into a suitable temporary housing unit identified by rehab specialist.
____ Relocate furnishings only into a temporary storage unit.

____ I/We have been told what our relocation benefits are and elect **Not** to be reimbursed for any eligible relocation expenses.

____ I/We have been told what our relocation benefits are and want to be reimbursed for: ______________________
____

By signing, occupant(s) acknowledge receipt of copy of this form:

______________________ __________ ______________________________ _______

Occupant Signature Date Occupant Signature Date

ATTACHMENT F

LOAN SERVICING POLICIES AND PROCEDURES FOR THE CITY OF ST. HELENA

TheCity of St. Helena, hereafter called "Sponsor," has adopted these policies and procedures in order to preserve its financial interest in properties, whose "Borrowers" have been assisted with public funds. The Sponsor will to the greatest extent possible follow these policies and procedures, but each loan will be evaluated and handled on a case-by-case basis. The Sponsor has formulated this document to comply with state and federal regulations regarding the use of these public funds and any property restrictions, which are associated with them.

The policies and procedures are broken down into the follow areas: 1) making required monthly payments or voluntary payments on a loan's principal and interest; 2) required payment of property taxes and insurance; 3) required Request for Notice of Default on all second mortgages; 4) loans with annual occupancy restrictions and certifications 5) required noticing and limitations on any changes in title or use of property; 6) required noticing and process for requesting a subordination during a refinance; 7) processing of foreclosure in case of default on the loan.

1. Loan Repayments:

The Sponsor will collect monthly payments from those borrowers who are obligated to do so under Notes which are amortized promissory notes. Late fees will be charged for payments received after the assigned monthly date.

For Notes which are deferred payment loans, the Sponsor must accept voluntary payments on the loan. Loan payments will be credited to principal. The Borrower may repay the loan balance at any time with no penalty.

2. Payment of Property Taxes and Insurance:

As part of keeping the loan from going into default, Borrower must maintain property insurance coverage naming the Sponsor as loss payee. Except for HOME-funded loans, if Borrower fails to maintain the necessary insurance, the Sponsor may take out force placed insurance to cover the property while the Borrower puts a new insurance policy in place. All costs for installing the necessary insurance will be added to the loan balance at time of installation of Borrower's new insurance.

When a property is located in a 100-year floodplain, the Borrower will be required to carry the necessary flood insurance. A certificate of insurance for flood and for standard property insurance naming the City of St. Helena as a lender loss payee will be required at close of escrow. The Sponsor will verify the insurance on an annual basis.

Property taxes must be kept current during the term of the loan. If the Borrower fails to maintain payment of property taxes then the Sponsor may pay the taxes current and add the balance of the tax payment plus any penalties to the balance of the loan (not permissible when funded with HOME). Wherever possible, the Sponsor encourages Borrower to have impound accounts set up with their first mortgagee wherein they pay their taxes and insurance as part of their monthly mortgage payment.

3. <u>Required Request for Notice of Default:</u>

When the Borrower's loan is in second position behind an existing first mortgage, it is the Sponsor's policy to prepare and record a "Request for Notice of Default" for each senior lien in front of Sponsor's loan. This document requires any senior lienholder listed in the notice to notify the Sponsor of initiation of a foreclosure action. The Sponsor will then have time to contact the Borrower and assist them in bringing the first loan current. The Sponsor can also monitor the foreclosure process and go through the necessary analysis to determine if the loan can be made whole or preserved. When the Sponsor is in a third position and receives notification of foreclosure from only one senior lienholder, it is in their best interest to contact any other senior lienholders regarding the status of their loans.

4. <u>Annual Occupancy Restrictions and Certifications:</u>

On owner-occupant loans the Sponsor may require that Borrowers submit utility bills and/or other documentation annually to prove occupancy during the term of the loan. Annual occupancy verification will occur between March 1st to March 15th of each year until for the term of the loan.

5. <u>Required Noticing and Restrictions on Any Changes of Title or Occupancy:</u>

In all cases where there is a change in title or occupancy or use, the Borrower must notify the Sponsor in writing of any change. Sponsor and Borrower will work together to ensure the property is kept in compliance with the original Program terms and conditions such that it remains available as an affordable home for low income families. These types of changes are typical when Borrowers do estate planning (adding a relative to title) or if a Borrower dies and property is transferred to heirs or when the property is sold or transferred as part of a business transaction. In some cases the Borrower may move and turn the property into a rental unit without notifying the Sponsor. Changes in title or occupancy must be in keeping with the objective of benefit to low-income households (below 80 percent of AMI).

Change from owner-occupant to owner-occupant occurs at a sale. When a new owner-occupant is not low-income, the loan is not assumable and the loan balance is immediately due and payable. If the new owner-occupant qualifies as low-income, the purchaser may either pay the loan in full or assume all loan repayment obligations of the original owner-occupant, subject to the approval of the City Manager or his/her designee. (depends on the HCD program).

If a transfer of the property occurs through inheritance, the heir (as owner-occupant) may be provided the opportunity to assume the loan at an interest rate based on household size and household income, provided the heir is income eligible. If the heir intends to occupy the property and is not low-income, the balance of the loan is due and payable. If the heir intends to act as an owner-investor, the balance of the loan is due and payable. All such changes are subject to the review and approval of the Sponsor's City Manager or his/her designee.

Change from owner-occupant to owner-investor occurs when an owner-occupant decides to move out and rent the assisted property, or if the property is sold to an investor. If the owner converts any assisted unit from owner-occupied to rental, the loan is due in full.

Conversion to use other than residential use is not allowable where the full use of the property is changed from residential to commercial or other. In some cases, Borrowers may request that the Sponsor allow for a partial conversion where some of the residence is used for a business but the household still resides in the property. Partial conversions can be allowed if it is reviewed and approved by any and all agencies required by local statute. If the use of the property is converted to a fully non-residential use, the loan balance is due and payable.

6. Requests for Subordinations:

When a Borrower wishes to refinance the property, they must request a subordination request to the Sponsor. The Sponsor will subordinate their loan only when there is no "cash out" as part of the refinance. Cash out means there are no additional charges on the transaction above loan and escrow closing fees. There can be no third-party debt payoffs or additional encumbrance on the property above traditional refinance transaction costs. Furthermore, the refinance should lower the housing cost of the household with a lower interest rate and the total indebtedness on the property should not exceed the current market value.

Upon receiving the proper documentation from the refinance lender, the request will be considered by the City Manager or his/her designee for review and approval. Upon approval, the escrow company will provide the proper subordination document for execution and recordation by the Sponsor.

7. Process for Loan Foreclosure:

Upon any condition of loan default: 1) non-payment; 2) lack of insurance or property tax payment; 3) change in title or use without approval; or 4) default on senior loans, the Sponsor will send out a letter to the Borrower notifying them of the default situation. If the default situation continues, the Sponsor may start a formal process of foreclosure.

When a senior lienholder starts a foreclosure process and the Sponsor is notified via a Request for Notice of Default, the Sponsor, who is the junior lienholder, may cancel the foreclosure proceedings by "reinstating" the senior lienholder. The reinstatement amount or payoff amount must be obtained by contacting the senior lienholder. This amount will include all delinquent payments, late charges and fees to date. Sponsor must confer with Borrower to determine if, upon paying the senior lienholder current, the Borrower can provide future payments. If this is the case, then the Sponsor may cure the foreclosure and add the costs to the balance of the loan with a Notice of Additional Advance on the existing note.

If the Sponsor determines, based on information on the reinstatement amount and status of Borrower, that bringing the loan current will not preserve the loan, then staff must determine if it is cost effective to protect their position by paying off the senior lienholder in total and restructure the debt such that the unit is made affordable to the Borrower. If the Sponsor does not have sufficient funds to pay the senior lienholder in full, then they may choose to cure the senior lienholder and foreclose on the property themselves. As long as there is sufficient value in the property, the Sponsor can afford to pay for the foreclosure process and pay off the senior lienholder and retain some or all of their investment.

If the Sponsor decides to reinstate, the senior lienholder will accept the amount to reinstate the loan up until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Sponsor fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder would then require a full pay off of the balance, plus costs, to cancel foreclosure. If the Sponsor determines the reinstatement and maintenance of the property not to be cost effective and allows the senior lienholder to complete foreclosure, the Sponsor's lien may be eliminated due to insufficient sales proceeds.

<u>Sponsor as Senior Lienholder</u>

When the Sponsor is first position as a senior lienholder, active collection efforts will begin on any loan that is 31 or more days in arrears. Attempts will be made to assist the homeowner in bringing and keeping the loan current. These attempts will be conveyed in an increasingly urgent manner until loan payments have reached 90 days in arrears, at which time the Sponsor may consider foreclosure. Sponsor’s staff will consider the following factors before initiating foreclosure:

1) Can the loan be cured and can the rates and terms be adjusted to allow for affordable payments such that foreclosure is not necessary?

2) Can the Borrower refinance with a private lender and pay off the Sponsor?

3) Can the Borrower sell the property and pay off the Sponsor?

4) Does the balance warrant foreclosure? (If the balance is under $5,000, the expense to foreclose may not be worth pursuing.)

5) Will the sales price of home "as is" cover the principal balance owing, necessary advances, (maintain fire insurance, maintain or bring current delinquent property taxes, monthly yard maintenance, periodic inspections of property to prevent vandalism, etc.) foreclosure, and marketing costs?

If the balance is substantial and all of the above factors have been considered, the Sponsor may opt to initiate foreclosure. The Borrower must receive, by certified mail, a thirty-day notification of foreclosure initiation. This notification must include the exact amount of funds to be remitted to the Sponsor to prevent foreclosure (such as, funds to bring a delinquent BMIR current or pay off a DPL).

At the end of thirty days, the Sponsor should contact a reputable foreclosure service or local title company to prepare and record foreclosure documents and make all necessary notifications to the owner and junior lienholders. The service will advise the Sponsor of all required documentation to initiate foreclosure (Note and Deed of Trust usually) and funds required from the owner to cancel foreclosure proceedings. The service will keep the Sponsor informed of the progress of the foreclosure proceedings.

When the process is completed, and the property has "reverted to the beneficiary" at the foreclosure sale, the Sponsor could sell the home themselves under a homebuyer program or use it for an affordable rental property managed by a local housing authority or use it for transitional housing facility or other eligible use. The Sponsor could contract with a local real estate broker to list and sell the home and use those funds for Program income-eligible uses.

ATTACHMENT G

CITY OF ST. HELENA FORECLOSURE POLICY

Sponsor As Junior Lienholder

It is the City of St. Helena's (Sponsor's) policy to prepare and record a "Request for Notice" on all junior liens (any lien after the first position) placed on properties financed by a loan.

This document requires any senior lienholder to notify the Sponsor of initiation (recordation of a "Notice of Default") of a foreclosure only. This is to alert the junior lienholder that they are to monitor the foreclosure with the senior lienholder. When the Sponsor is in a third position and receives notification of foreclosure from only one senior lienholder, it would be in their best interest to contact both senior lienholders regarding the status of their loans.

The junior lienholder may cancel the foreclosure proceedings by "reinstating" the senior lienholder. The reinstatement amount must be obtained by contacting the senior lienholder. This amount will include all delinquent payments, late charges, advances (fire insurance premiums, property taxes, property protection costs, etc.), and foreclosure costs (fees for legal counsel, recordings, certified mail, etc.)

Once the Sponsor has the information on the reinstatement amount, staff must then determine if it is cost effective to protect their position by reinstating the senior lienholder, keeping them current by submitting a monthly payment thereafter, foreclosing on the property possibly resulting in owning the property at the end of foreclosure, protecting the property against vandalism, and paying marketing costs (readying the home for marketing, paying for yard maintenance, paying a real estate broker a sales commission).

If the Sponsor decides to reinstate, the senior lienholder will accept the amount to reinstate the loan up until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Sponsor fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder would then require a full pay off of the balance, plus costs, to cancel foreclosure. If the Sponsor determines the reinstatement and maintenance of the property not to be cost effective and allows the senior lienholder to complete foreclosure, the Sponsor's lien may be eliminated due to insufficient sales proceeds.

Sponsor As Senior Lienholder

When the Sponsor is in a first position, or the senior lienholder, active collection efforts will begin on any loan that is 31 or more days in arrears. Attempts will be made to assist the homeowner in bringing and keeping the loan current. These attempts will be conveyed in an increasingly urgent manner until loan payments have reached 90 days in arrears, at which time the Sponsor may consider foreclosure. Sponsor staff will consider the following factors before initiating foreclosure:

- Can the loan be cured (brought current or paid off) by the owner without foreclosure?

- Can the owner refinance with a commercial lender and pay off the Sponsor?

- Can the owner sell the property and pay off the Sponsor?

- Does the balance warrant foreclosure? (If the balance is under $5,000, the expense to foreclose may not be worth pursuing.)

- Will the sales price of home "as is" cover the principal balance owing, necessary advances, (maintain fire insurance, maintain or bring current delinquent property taxes, monthly yard maintenance, periodic inspections of property to prevent vandalism, etc.) foreclosure, and marketing costs?

If the balance is substantial and all of the above factors have been considered, the Sponsor may opt to initiate foreclosure. The owner must receive, by certified mail, a thirty-day notification of foreclosure initiation. This notification must include the exact amount of funds to be remitted to the Sponsor to prevent foreclosure (such as, funds to bring a delinquent BMIR current or pay off a DPL).

At the end of thirty days, the Sponsor should contact a reputable foreclosure service or local title company to prepare and record foreclosure documents and make all necessary notifications to the owner and junior lienholders. The service will advise the Sponsor of all required documentation to initiate foreclosure (Note and Deed of Trust usually) and funds required from the owner to cancel foreclosure proceedings. The service will keep the Sponsor informed of the progress of the foreclosure proceedings. When the process is completed, and the property has "reverted to the beneficiary" at the foreclosure sale, the Sponsor would then contact a real estate broker to market the home.

ATTACHMENT H

CERTIFICATION OF OCCUPANCY

CITY OF ST. HELENA

I/we____declare as follows:
(Please Print Occupant's Name(s))

That I/we am/are currently occupying as my/our principal place of residence the real property commonly known as:

____
(Address)

____
(City, State, Zip code)

Daytime Phone Number: ___________________________________

Executed on_______________________, 20____, at ____________________, CA
(Date) (City)

I/we declare under penalty of perjury that the foregoing is true and correct.

Signature(s) of all occupants:

Occupant: ____

Occupant: ____

Occupant: ____

Occupant: ____

Occupant: ____

ATTACHMENT I

LEAD-BASED PAINT
VISUAL ASSESSMENT, NOTICE OF PRESUMPTION, AND HAZARD REDUCTION FORM

Section 1: Background Information			
Property Address:			No LBP found or LBP exempt ☐
Select one:	Visual Assessment ☐	Presumption ☐	Hazard Reduction ☐
Section 2: Visual Assessment. Fill out Sections 1, 2, and 6. If paint stabilization is performed, also fill out Sections 4 and 5 after the work is completed.			
Visual Assessment Date:		Report Date:	
Check if no deteriorated paint found ☐			
Attachment A: Summary where deteriorated paint was found. For multi-family housing, list at least the housing unit numbers and common areas and building components (including type of room or space, and the material underneath the paint).			
Section 3: Notice of Presumption. Fill out Sections 1, 3, 5, and 6. Provide to occupant w/in 15 days of presumption.			
Date of Presumption Notice:			
Lead-based paint is presumed to be present ☐ and/or Lead-based paint ***hazards*** are presumed to be present ☐			
Attachment B: Summary of Presumption: For multi-family housing, list at least the housing unit numbers and common areas, bare soil locations, dust-lead location, and or building components (including type of room or space, and the materials underneath the paint) of lead-based paint and/or hazards presumed to be present.			
Section 4: Notice of Lead-Based Paint Hazard Reduction Activity. Fill out Sections 1, 4, 5, and 6. Provide to occupant w/in 15 days of after work completed.			
Date of Hazard Reduction Notice:			
Initial Hazard Reduction Notice? Yes ☐ No ☐		Start & Completion Dates:	
If "No", dates of previous Hazard Reduction Activity Notices:			
Attachment C: Activity locations and types. For multi-family housing, list at least the housing unit numbers and common areas (for multifamily housing), bare soil locations, dust–lead locations, and/or building components (including type of room or space, and the material underneath the paint), and the types of lead-based paint hazard reduction activities performed at the location listed.			
Attachment D: Location of building components with <u>lead-based paint remaining</u> in the rooms, spaces or areas where activities were conducted.			
Attachment E: Attach clearance report(s), using DHS form 8552 (and 8551 for abatement activities)			
Section 5: Resident Receipt of Notice for Presumption or Lead-Based Paint Hazard Reduction Activity and Acknowledgement of Receipt of pamphlet *Protection Your Family from Lead in Your Home.*			
Printed Name:	Signature:		Date:
Section 6: Contact Information	Organization:		
Contact Name:		Contact Signature:	
Date:	Address:		Phone:

Attachment 1

CITY OF ST. HELENA

RESOLUTION NO. 2020-

A Resolution Approving an Application for Funding and the Execution of a Grant Agreement and any Amendments thereto from the 2019-2020 Funding Year of the State Community Development Block Grant (CDBG) Program.

RECITALS

A. The California Department of Housing and Community Development (the "Department") is authorized to allocate Community Development Block Grant (CDBG) Program funds made available from the U.S. Department of Housing and Urban Development ("HUD"); and

B. On January 21, 2020 the Department issued a Notice of Funding Availability announcing the availability of 2019 and 2020 funds under the CDBG program (the "NOFA"); and

C. The City Council conducted a public hearing on April 28, 2020 to allow for public comments on the proposed CDBG application; and

D. In response to the 2019-2020 NOFA, the City of St. Helena (the "Applicant"), wishes to apply to the Department for, and receive an allocation of, CDBG funds; and

E. The City of St. Helena will apply for CDBG-Non-Housing-OTC funds to expand and improve parking for Hunt's Grove Apartments. The Hunt's Grove Apartments is located at 548 Hunt Avenue, St. Helena. The apartment complex was built on City property and has been in existence since 1991. The property provides affordable housing units.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena (Applicant) hereby resolves as follows:

1. The City Council of St. Helena has reviewed and hereby approves one or more application(s) in the aggregate amount not to exceed $3,500,000 for the following CDBG activities, pursuant to the January 2020 CDBG NOFA:

CDBG-Non-Housing-OTC – Hunt's Grove Parking Lot	$ 200,000

2. The City acknowledges compliance with state and federal public participation requirements in the development of this application.
3. The City hereby authorizes and directs the City Manager to sign this application and act on the City's behalf in all matters pertaining to this application.
4. If the application is approved, the City Manager is authorized to enter into and sign the grant agreement and any subsequent amendments thereto with the State of California for the purposes of this grant.
5. If the application is approved, the City Manager is authorized to sign Funds Requests and other required reporting forms.
6. Approve the Housing Rehabilitation Assistance Program Guidelines attached as Exhibit "A", which the City will operate the Housing Rehabilitation under.

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

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

APPROVED:	ATTEST:
_________________________	_________________________
Geoff Ellsworth, Mayor	Cindy Tzafopoulos, City Clerk


Proposed New Additional Parking Spaces
Hunt's Grove Apartments
Paseo Grand Dr
San Juan Ct
Hunt Ave
Starr Ave
Meadowcreek Cir
© 2020 Google

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **OLD BUSINESS**

Subject: **Discussion and consideration of the City of St. Helena Water Supply and possible direction of establishing a Water Shortage Emergency condition requiring the implementation of Phase I Water Regulations**

CEQA Determination: **Not a CEQA project**

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

St. Helena Municipal Code Section 13.04.220 establishes that at any time that the City Council finds and determines a water shortage emergency condition exists within the criteria of Sections 13.04.230 through 13.04.250, and that it is necessary to limit usage by the customers of the municipal water department, the City Council shall adopt a resolution setting forth the applicable phase.

The criteria for establishing Phase I Water Regulations shall be any or all of the following:

1. The supply/usage balance, as calculated at the beginning of the fiscal year, is in deficit;
2. The volume of water to be delivered by the City of Napa in any fiscal year will not exceed four hundred (400) AF;
3. The volume of water anticipated to be available prior to the next November 1st, as determined by the director of public works, is not sufficient to meet projected demand through November 1st without demand reduction measures being implemented; or
4. Conditions requiring the establishment of a Phase II water emergency, as determined by the director of public works, appear to be imminent.

St. Helena Municipal Code Section 13.04.010 establishes that the City shall calculate the water supply/usage balance as soon as practicable after the end of each fiscal year. The supply/usage balance is the difference between the safe annual yield of the City's water supply and the total current usage with total current usage being the average usage over the last five fiscal years. The balance is positive, or in surplus, when the safe annual yield exceeds total current usage. The balance is negative, or in deficit, when the safe annual yield is less than total current usage.

The annual Water Shortage Emergency (WSE) is determined pursuant to the analytical methodology created by the Safe Yield Committee as identified in its report dated March 17, 2011. This calculation requires compilation and evaluation of multiple data sources including: annual production volumes for Louis Stralla Water Treatment Plant, Stonebridge Wells & Napa Water; monthly Bell Canyon water levels; monthly groundwater use; production water at the treatment plant; operational water in the distribution system; water loss; and delivery to the water enterprise customers. The result of this analysis is the annual water supply/usage balance which then dictates if a water shortage emergency exists.

DISCUSSION

The City's water supply/usage balance based on the WSE calculation for the beginning of fiscal year 2019/2020 was 1634 acre-feet which is below the safe yield of the St. Helena water supply system of 1950 acre-feet. Therefore, the City's water supply/usage balance for the beginning of fiscal year was considered to be in surplus and a Phase I Emergency not warranted. However, in light of extremely low rainfall (18.48"), a forecast for a potential multi-year drought, and Bell Canyon Reservoir currently at 65%, the City may be looking at Bell Canyon Reservoir's percentage of available water dropping to the low 30's by November depending on actual usage.

Current supply:

The projected water demand through the end of June is approximately 308 acre-feet and the projected water supply as of April 28, 2020, from all three sources is as follows:

Water Source	Volume in Acre-Feet
Bell Canyon Reservoir	1,573
*Stonebridge Well Production	141
**City of Napa	137
Total Supply	1,851

*Based on maximum pumping rate both wells.
** Based on maximum pumping rate with higher (Hennessey) supply PSI.

The City of St. Helena has a water agreement with the City of Napa for an annual 600 acre-foot water allocation that renews on July 1, 2020.

At a minimum, the Public Works Director is recommending that City staff continue to limit use of Bell Canyon's water and increase the Stonebridge Wells use to 30% maximum as necessary to meet user demand as well as continue to closely monitor and report to City Council monthly. In addition, it is recommended the City Council consider and provide direction on implementing Phase I Water restrictions now as the City could potentially be facing a Phase II Water Emergency by November.

FISCAL IMPACT

The 2017 adopted water rate structure includes a drought period surcharge that begins once the City implements Phase 1 Water Regulations. Drought rates are only applied to use charges (does not affect service (or base) charges). Drought rates are 6% higher than non-drought rates because during drought years the cost of water per 1,000 gallons is 6% higher than during non-drought years.

RECOMMENDED ACTION

Discussion and consideration of the City of St. Helena Water Supply and possible direction of establishing a Water Shortage Emergency condition requiring the implementation of Phase I Water Regulations

ATTACHMENTS

Attachment 1: 2016 Municipal Code
Attachment 2: 2011 Safe Yield Committee Report
Attachment 3: 2020 Phase I Resolution

Article 2

Water Shortage Emergencies, Drought and Water Conservation

13.04.220 Procedure for establishing water emergency phases.

At any time that the city council finds and determines that a water shortage emergency condition exists within the criteria of Sections 13.04.230 through 13.04.250, and that it is necessary to limit usage by the customers of the municipal water department, the city council shall adopt a resolution setting forth the applicable phase. As soon as is practicable after adoption of such resolution, the city clerk shall cause to be published at least once, in a newspaper of general circulation published and circulated in the city, a notice declaring the establishment of such regulatory phase. Such notice shall set forth the limitations of water use applicable to the particular phase being established and shall further declare that violations of such limitations are punishable in accordance with the provisions of Sections 13.04.230 and 13.04.310. The establishment of a particular phase shall be completed and effective as described in the resolution adopting the water shortage phase.

Whenever the cumulative rainfall for the current water year (beginning November 1st) is less than the median amount for the same time period, the director of public works or designee shall report at least monthly to the city council and recommend whether the city should enter into a water shortage phase, and if so, which phase is recommended.

At any time, the state of California may require the city to conform with emergency drought regulations. Notwithstanding any other provisions of this article, the city council may, at the recommendation of the director of public works, activate a water shortage phase as a means of compliance with emergency drought regulations adopted by the state. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 11-7 (part): Ord. 02-7A § 1 (part): prior code § 18.23)

13.04.221 Water conservation.

St. Helena has limited water resources and has adopted both required and encouraged conservation measures. All customers shall comply with all mandatory water use efficiency requirements within this chapter for water conservation. Any customer who fails to comply with the mandatory water conservation measures shall immediately stop the water waste by installing the appropriate water-saving devices in their plumbing, appliances, or improvements, or take other such actions as directed by the city to bring about full compliance.

A. All persons are encouraged to use the following water use efficiency guidelines to minimize water waste:

1. Establish procedures in the home and business to recycle water;

2. Install water-saving devices in existing facilities including low flow showerheads, faucet aerators, ULF (ultra-low flush) toilets, and WaterSense certified (or successor certification) appliances;

3. Refrain from additional irrigation and unnecessary use of water, such as car washing, when the temperature exceeds ninety (90) degrees Fahrenheit;

4. Limit the expansion or installation of new water-using appliances, plumbing or improvements, such as lawns, landscaping, pools, sprinkler irrigation systems, wash-down equipment, larger washing machines or garbage disposal units. In the event that a new water-using appliance is necessary, installation of water efficient devices are encouraged;

5. All schools, social and professional groups, churches, etc., should discuss water conservation as a regular agenda item and forward worthwhile suggestions to the department for consideration and implementation;

6. Limit irrigation of potable water to landscaping between the hours of eight a.m. and eight p.m.; and

7. All sites with irrigated landscapes or gardens are encouraged to establish the following irrigation practices:

a. Turn off irrigation systems during the off-peak season (November through April) as defined in Section 13.04.080;

b. Reduce the amount of time for all outdoor irrigation.

B. Mandatory Conservation Measures. The following water conservation prohibitions and limitations are required by all persons:

1. The application of potable water to any driveway or sidewalk is prohibited, unless the person proposing such application of potable water documents to the director of public works' satisfaction that application is necessary to abate a condition constituting a public health hazard.

2. Using a hose that dispenses potable water to wash a motor vehicle is prohibited unless the hose is fitted with a shut-off nozzle.

3. Customers shall install new landscaping in existing or new development that is water efficient within the meaning of the state's water efficient landscape ordinance.

4. Using potable water to water outdoor landscapes in a manner that causes runoff to adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots or structures is prohibited.

5. Using potable water in a fountain or decorative water feature is prohibited unless the water is part of a recirculating system.

6. Withdrawing water from fire hydrants, except for firefighting, firefighting training, and water system maintenance purposes, is prohibited.

7. Use of potable water for grading, dust control, street, pipeline or similar construction is prohibited.

8. The application of potable water to outdoor landscapes during and up to forty-eight (48) hours after measurable rainfall is prohibited.

9. No person shall use potable water to irrigate ornamental turf on public street medians.

10. Restaurants, hotels, cafes, cafeterias, bars or other public places where food or drink is served and/or purchased shall supply water to patrons only upon request.

11. Operators of hotels and motels shall provide guests with the option of choosing not to have towels and

linens laundered daily. The hotel or motel shall prominently display notice of this option in each bathroom using clear and easily understood language.

12. All projects for which the planning department requires approved landscape plans must adhere to the city's xeriscape standards or the state's Model Water Efficient Landscape Ordinance, whichever is stricter, in order to obtain plan approval.

13. Any new water connection for new development must offset new demand by an amount of water equal to the new demand on the city water system using the methodology defined in Section 13.12.030. The offset must be clearly demonstrated, to the satisfaction of the director of public works. (Ord. 16-13 § 5 (Att. 6 (part)))

13.04.230 Phase I water regulations.

A. The criteria for establishing Phase I shall be any or all of the following:

1. The supply/usage balance, as calculated at the beginning of the fiscal year, is in deficit;

2. The volume of water to be delivered by the city of Napa in any fiscal year will not exceed four hundred (400) AF;

3. The volume of water anticipated to be available prior to the next November 1st, as determined by the director of public works, is not sufficient to meet projected demand through November 1st without demand reduction measures being implemented; or

4. Conditions requiring the establishment of a Phase II water emergency, as determined by the director of public works, appear to be imminent.

B. During the Phase I water emergency, the following mandatory conservation measures by customers of the department shall be enforced by the department and publicized by the city:

1. All customers must be in compliance with all water conservation requirements of Section 13.04.221(B) (Water Conservation). If a customer is found to be out of compliance with any part of Section 13.04.221 or provisions of these water shortage emergency requirements, the customer must immediately stop the water waste by installing the appropriate water-saving devices in their plumbing, appliances, or improvements, or take other such actions to bring about full compliance.

2. All customers are prohibited from expanding or installing landscaping or appliances that will increase the overall water use of the property. Replacement of existing appliances, landscaping, plumbing, or improvements shall be allowed only if the change can be documented to the satisfaction of the director of public works to result in more efficient water-using fixtures or systems.

3. Customers shall cease the operation of air-cooling outdoor misting systems using treated water supplied by the city, unless on a timer.

4. Outdoor irrigation of ornamental landscapes or turf with potable water is limited to no more than two days a week. The director of public works shall specify the two days per week in accordance with the needs of any geographical area within the city.

5. No person shall use potable water to irrigate landscaping between the hours of eight a.m. and eight p.m.

6. Irrigation with potable water of landscapes outside of newly constructed homes and buildings shall be in a manner consistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development. If irrigation systems are installed as a part of new development, they shall be drip or microspray irrigation systems or a system determined by the director of public works or designee to be more efficient.

7. Draining and refilling of swimming pools shall be permitted only as needed for the purpose of pool repair or to correct a severe chemical imbalance. Draining and refilling of decorative ponds and lakes shall be permitted only as needed for the purpose of lining the bottom to prevent absorption.

8. All new or replacement industrial and commercial clothes washers shall be high efficiency as defined by the U.S. Environmental Protection Agency. All new or expanded car washing facilities shall include water-saving methods.

9. In accordance with Section 864 of Title 23 of the California Code of Regulations or any successor regulation, the taking of any action prohibited in this subsection B, in addition to any other applicable civil or criminal penalties (including the penalties set forth in Sections 13.04.230 and 13.04.310), is an infraction, punishable by a fine of up to five hundred dollars ($500.00) for each day in which the violation occurs.

C. During the Phase I water emergency, the following actions shall be carried out by the city:

1. The city shall notify customers that one or more of the criteria for Phase I has been met, and shall identify and explain in sufficient detail each criterion that forms a basis for establishing a Phase I water emergency.

2. The city shall notify customers of the water usage allocation for each account that would be allowed under a Phase II water emergency if a Phase II water emergency appears to be imminent.

3. The city shall advise customers of the Phase I water shortage and of restrictions and opportunities for exception permits that are available under Section 13.04.280 if a Phase II water emergency appears to be imminent.

4. Any applicant for, or holder of, a building permit for construction that may be affected by the existence of this or future water emergency phases shall be informed of the impact of such phases, but lack of such notice shall not permit a new water connection that is otherwise prohibited.

5. The city shall not issue permits for construction of any new swimming pool unless the pool is to be supplied with water other than treated water supplied by the city. Customers are encouraged to fill existing pools from water other than treated water.

6. If a Phase II water emergency appears to be imminent, the city shall make plans for implementation of a water shortage disaster plan, which shall include provisions for:

a. Emergency water stations;

b. Acquisition of private property under the right of eminent domain, with immediate possession to alleviate the emergency; and

c. Application for relief assistance from county, state, and federal sources.

7. The city council shall give notice to any customer that has a terminable contract with the department (whereby the department is the supplier) that such contract will be terminated upon implementation of Phase III by the city council.

8. If the declaration of a Phase II emergency appears reasonably imminent, the city council shall cause a water advisory board to be formed consisting of one city council member, one planning commissioner, one winery customer, and two public members, one of whom shall be solely a residential customer. The director of public works shall be an ex officio member of this board. Unless the city council otherwise directs, the board will disband when the water emergency is no longer in effect. The water advisory board shall have access to all records in the possession of the water enterprise necessary in its judgment to perform its duties, including customer records. The board shall maintain the confidentiality of individual customer records unless the board determines by resolution that release of such information is necessary in the pursuit of its duties.

D. In addition to the mandatory measures defined in subsection B of this section, customers of the department and members of the community are encouraged to do the following:

1. Reduce all indoor water use to not more than an average of seventy-five (75) gallons per person per day within the residence, including single-family residences, apartments, condominiums, townhomes, mobile homes and manufactured homes.

2. Reduce indoor water use in the work place and commercial establishments by a minimum of ten percent (10%) from customary consumption.

3. Eliminate or defer all nonessential water use such as topping off swimming pools.

4. All schools, social and professional groups, churches, etc., are encouraged to discuss water conservation as a regular agenda item and to forward worthwhile suggestions to the department for consideration. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 14-11 § 3 (Exh. A): Ord. 14-9 § 5 (Exh. A): Ord. 11-7 (part): Ord. 02-7A § 1 (part): prior code § 18.23.1)

13.04.240 Phase II water regulations.

A. The criteria for establishing Phase II shall be:

1. The volume of water anticipated to be available prior to the next November 1st from all potable water sources is not sufficient to meet the projected demands through November 1st without demand reduction measures beyond the Phase I reductions being implemented; or

2. Conditions requiring the establishment of a Phase III water emergency appear imminent.

3. In assessing the need to impose Phase II restrictions, due weight shall be accorded to the trigger system

developed by the safe yield committee for use by the director of public works. The trigger system is based on water levels in Bell Canyon Reservoir, with the level necessary to trigger a water emergency being adjusted each month to reflect the supply capacity of groundwater and water to be delivered by the city of Napa at that time. Details of the system can be obtained from the director of public works.

B. All mandatory and voluntary measures established by Section 13.04.221, Water Conservation, and Phase I, Section 13.04.230(B), (C) and (D) shall be included in Phase II and publicized by the city except insofar as they are inconsistent with subsections C and D of this section.

C. The following mandatory conservation measures by customers of the department shall be enforced by the department:

1. Commercial, industrial, and institutional users other than dedicated irrigation accounts will receive an allocation per billing period which will be ten percent (10%) less than the average use during the four winter months of the preceding non-shortage year; provided, that no commercial, industrial, or institutional user will be required to reduce usage to less than sixty (60) gallons per day. Users with no prior record of use shall be governed by comparable facilities' usage records as determined by the department. Commercial, industrial, and institutional customers with irrigation and domestic use provided by the same water meter may receive an additional landscape allocation of up to seventy (70) gallons per day per thousand (1,000) square feet of landscaped area during April through October by documenting the landscaped square footage served by city water to the satisfaction of the director of public works. For purposes of landscape allocation, the April allocation period will begin on the date the water meter is read in April, and the October allocation period will end on the date the water meter is read in November.

2. Residential users in the single-family residential, multifamily residential, mobile home and manufactured homes customer classes will receive an allocation per billing period which will be limited to sixty-five (65) gallons per person per day. Single-family residences will receive an additional twenty-five hundred (2,500) gallons per month from April through October for landscape irrigation. Multifamily residential, mobile home and manufactured homes customers may receive a landscape allocation of up to seventy (70) gallons per day per thousand (1,000) square feet of landscaped area during April through October by documenting the landscaped square footage served by city water to the satisfaction of the director of public works. For purposes of landscape allocation, the April allocation period will begin on the date the water meter is read in April, and the October allocation period will end on the date the water meter is read in November.

3. For a lawn, landscaping, vineyard or field watered or irrigated through a meter dedicated to that use, usage shall be limited to sixty percent (60%) of current reference evapotranspiration as established in the California Model Water Efficient Landscape Ordinance (MWELO) or successor regulations.

4. No new water connections shall be permitted during a Phase II water emergency.

D. During the Phase II water emergency, the following actions shall be carried out by the city:

1. The city shall notify customers of the water usage allocation for each account that would be allowed under a Phase III water emergency.

2. The department of public works shall make available, or arrange to have delivered, nonpotable water from

either lower reservoir or, if permitted and available, tertiary treated wastewater to city-owned properties for irrigation purposes.

3. Nothing herein shall restrict the authority of the director of public works from imposing more severe usage restrictions on each class of water customer if circumstances so warrant. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 11-7 (part): Ord. 02-7A § 1 (part))

13.04.250 Phase III water regulations.

A. The criteria for establishing Phase III shall be:

1. The volume of water anticipated to be available prior to the next November 1st from all potable water sources is not sufficient to meet the projected demands through November 1st without demand reduction measures beyond the Phase II reductions being implemented.

2. In assessing the need to impose Phase III restrictions, due weight shall be accorded the trigger system developed and defined by the safe yield committee for use by the director of public works. The trigger system is based on water levels in Bell Canyon Reservoir, with the level necessary to trigger a water emergency being adjusted each month to reflect the supply capacity of groundwater and water to be delivered by the city of Napa at that time. Details of the system can be obtained from the director of public works.

B. All mandatory and voluntary measures established by Section 13.04.221, Water Conservation, and Phases I and II, Sections 13.04.230(B), (C) and (D) and 13.04.240(B), (C) and (D), shall be included in Phase III and publicized by the city, except insofar as they are inconsistent with subsections C and D of this section.

C. The following mandatory conservation measures by customers of the department shall be enforced by the department:

1. Commercial, industrial, and institutional users other than dedicated irrigation accounts will receive an allocation per billing period which will be twenty percent (20%) less than the average use during the four winter months of the preceding non-shortage year; provided, that no commercial, industrial, or institutional user will be required to reduce usage to less than fifty (50) gallons per day. Users with no prior record of use shall be governed by comparable facilities' usage records as determined by the department. The allocation for landscape irrigation will be fifty percent (50%) of the allocation in Phase II and will be based on the same meter reading period as for Phase II. Landscape allocations are provided for established non-turf plants only.

2. Residential users in single-family residential, multifamily residential, mobile home and manufactured homes customer classes will receive an allocation per billing period which will be limited to sixty (60) gallons per person per day. The allocation for landscape irrigation will be fifty percent (50%) of the allocation in Phase II and will be based on the same meter reading period as for Phase II. Landscape allocations are provided for established non-turf plants only.

3. For a vineyard or approved field (as approved by the water advisory board) watered or irrigated through a meter dedicated to that use, the allocation shall be limited to thirty percent (30%) of current reference evapotranspiration as established in the California Model Water Efficient Landscape Ordinance (MWELO) or successor regulations, and irrigation will be allowed for established non-turf plants only.

4. All nonessential uses of water shall be prohibited. Nonessential uses shall include, but not be limited to, the following:

a. The use of water for irrigation of turf, lawns, or landscaping;

b. The refilling of swimming pools, hot tubs and spas, except as required by the fire chief for use as standby neighborhood fire protection. The fire chief shall maintain a list of such pools to be on file at the fire department.

5. No new water connections for new development shall be permitted.

D. During the Phase III water emergency, the following actions shall be carried out by the city:

1. The department shall terminate all nonessential contracts which are terminable. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 11-7 (part): Ord. 02-7A § 1 (part): prior code § 18.25)

13.04.270 Termination of water emergency phases.
Water emergency phases shall be terminated or changed to a less critical phase in the same manner as they are established in accordance with criteria set forth in the preceding sections and at the discretion of the city council. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 11-7 (part): Ord. 02-7A § 1 (part): prior code § 18.28)

13.04.280 Exception permits.
A. Under a Phase II or Phase III water emergency, the director of public works shall, with such conditions as seem to him or her to be reasonable, grant exception permits in addition to any basic allocation, on application of a water customer submitted under penalty of perjury, based on the conditions defined in this section. The city may provide a process for certification of efficiency, lot size, medical condition, or efficient and essential use prior to declaration of a water shortage emergency condition which could result in a customer being prequalified for exception.

1. For any customer with an allocation based on previous water use, if it can be demonstrated to the satisfaction of the director of public works that water conservation measures beyond those required in Chapter 13.12 were in place prior to the preceding non-shortage year, an additional quantity of water may be allocated to recognize the higher efficiency in place prior to the water emergency condition.

2. For single-family residential parcels exceeding seven thousand (7,000) square feet in area, the quantity of up to twenty (20) gallons per day for each one thousand (1,000) square feet that the property area exceeds seven thousand (7,000) square feet for the purpose of maintaining mature landscape or orchard plants. For purposes of this subsection, multiple parcels maintained and fully landscaped as one property may be computed as being one parcel. An exception granted based on this subsection shall allow the use of no more than an additional two hundred fifty (250) gallons per day for this purpose.

3. For medical conditions of a resident, a quantity as required to maintain health standards.

4. For any customer with an allocation based on previous winter water use, if it can be demonstrated to the satisfaction of the director of public works that efficient and essential water uses are not represented in average winter water use, an additional quantity of water may be allocated to provide for these efficient and essential needs.

B. The water advisory board shall meet at least monthly and may grant permits for uses of water or for exceptions to water conservation measures or for water connections otherwise prohibited by Sections 13.04.230, 13.04.240, and 13.04.250 if it finds and determines that such regulations would:

1. Cause an unnecessary and undue hardship to the applicant or to the public;

2. Cause an emergency condition affecting the health, sanitation, fire protection, or safety of the applicant or public; or

3. Promote water conservation by providing for the establishment of water efficient landscaping meeting the standards of Section 17.112.140 and such policies and regulations as have been adopted to implement the provisions of that chapter, replacing more water-intensive landscaping.

C. The water advisory board of the city shall prescribe necessary procedures for application for and use of exception permits.

D. Any decision of the director of public works in granting or denying exceptions may be appealed by the applicant or any other person to the water advisory board by filing a written appeal with the city clerk within ten (10) calendar days after the date of mailing of written notice to the applicant of the decision rendered. The water advisory board shall use its best efforts to hear and determine such appeal within twenty (20) days, and shall affirm, reverse, or modify the decision.

E. Any decision of the water advisory board may be appealed by the applicant to the city council according to the provisions of Chapter 1.16. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 11-7 (part): Ord. 02-7A § 1 (part): prior code § 18.28.1)

13.04.310 Violation—Misdemeanor.

Notwithstanding any provision of this code to the contrary, the provisions of Section 377 of the California Water Code shall be applicable to any violation of this article. Any person violating any of the provisions of this article shall be guilty of a misdemeanor. Upon conviction thereof, such person shall be punished by imprisonment in the county jail and/or fined in accordance with the penalties as set forth in the provisions of Section 377 of the California Water Code. (Ord. 16-13 § 5 (Att. 6 (part)): Ord. 15-5 § 1 (part): Ord. 11-7 (part): Ord. 02-7A § 1 (part): prior code § 18.30)

Thursday, March 17, 2011

Report of the Safe Yield Committee

I. INTRODUCTION

In accordance with a policy directive (PF1.1) in the General Plan Update 2030 (revised draft, October 2010), which brought forward a similar but unfulfilled directive from the 1993 General Plan, the City Council on December 14, 2010 appointed the Safe Yield Committee ("the Committee") to ascertain the annual safe yield of the St. Helena potable water system at the present time. The ultimate goal of the Committee was to determine whether, at the present time, potable water usage was below, above, or equal to the safe yield of the potable water supply system.

The Committee consisted of Alan Galbraith, Tim Nieman, and John Sales. The Committee met a total of seven times. The Committee was supported by the Public Works Director, John Ferons. The Committee reviewed its work with Jim Connell of West Yost Associates, the City's outside consulting firm on water supply. This report states the findings, conclusion, and immediate recommendations of the Committee.

The Committee is pleased to report that Mr. Ferons and Mr. Connell are in concurrence with the Committee's calculations of water supply from each water supply source, given the definition of "safe yield" immediately below. They also agree with the Committee's recommendations in Section VII. They take no position on the definition of "safe yield' itself as it is a policy-level issue.

II. DEFINITION OF SAFE YIELD

The meaning of "safe yield" was not defined in the 1993 General Plan. In connection with the general plan update process, the Planning Commission undertook to define the meaning of "safe yield." The City Council approved the definition recommended by the Planning Commission.

The definition of "safe yield" is as follows: **"The safe annual yield of the St. Helena water supply system is that quantity of water which can be reliably delivered on an annual basis through most rainfall years, including a Dry Year (rainfall at 22" to 25.9") without undue hardship on water customers through water shortage restrictions. It is recognized that the safe annual yield, as so defined, could place significant hardship on water customers in a Critically Dry Year (rainfall at 21.9" or less) or in periods of two or more consecutive Dry Years."**

The initial task of the Safe Yield Committee was to quantify the "safe yield" of the City's potable water supply system *under current operating conditions.*

III. THE SAFE YIELD OF THE ST. HELENA WATER SUPPLY SYSTEM

Based on current operating conditions, the annual safe yield of the St. Helena potable water supply system is estimated to be 1950 AF.

The Committee's modeling shows that if the City experiences a dry year (22 inches of rainfall) following a series of normal rainfall years, the City can make it through this single dry year with, potentially, the necessity for Phase III restrictions during at least some months in the dry year. This is not deemed an "undue hardship," even though the imposition of Phase III restrictions would require mandatory rationing and is clearly a significant hardship. The Committee considers "undue hardship" to be Phase IV or V restrictions, or three or more consecutive months of Phase III restrictions.

The basic supply assumptions behind the Committee's modeling are as follows: (1) the City purchases all Napa water available to it, including the option water (200 AF over 600 AF) in years when it can be purchased; (2) the City limits groundwater production to a long-term average not to exceed 450 AF/yr; (3) the City manages Bell Canyon reservoir as it is currently being managed. The Committee's model assumes that the City at all times meets its bypass obligations as set forth in Permits 9157 and 14810 from the State Water Resources Control Board.

Detailed computer modeling provides the factual basis for the safe yield finding of the Committee. The models used are extensions of models constructed and used by West Yost Associates. All inputs are based on the best data available; where the data are incomplete, the uncertainties are captured as probabilities and/or examined via sensitivity analysis to gain additional confidence in the stability of the results.

IV. THE NET SAFE YIELD OF THE ST. HELENA WATER SYSTEM

In order to assess total potable water supply of the City's Water Enterprise that is actually available for sale to customers, it is necessary to subtract from the total supply that amount of water that is not actually available for delivery ("unavailable water"). The safe yield of the St. Helena Water System less unavailable water equals the *net* safe yield of the system.

"Unavailable water" consists of "unaccounted for water," which is metered water that enters the water supply distribution system but cannot be sold to customers due to loss in the distribution system, metered water necessarily lost in connection with the filtration process at the Water Treatment Plant at Bell Canyon, and metered water lost in well backwashing at the Stonebridge Well Complex.

The quantity of unavailable water was determined through careful analysis of potable water production and potable water sales in calendar year 2010 (ending December 31, 2010). This data was deemed more reliable than prior year data on account of completion of the meter replacement program prior to 2010. Unavailable water is best expressed as a percentage of production.

Based on calendar year 2010 data, total unavailable water, expressed as a percentage of production, was determined to be 14.96% (15.0% rounded). Of this amount, 14.47% was unaccounted for water loss. The remainder (0.49%) was water lost in production at Bell Canyon and at the Stonebridge complex.

Accordingly, at the current annual safe yield of the potable water supply system at 1950 AF, the *net* safe yield of the potable water supply system is 1658 AF (1950AF – (1950 AF x 15.0%)).

V. CURRENT SYSTEM POTABLE WATER USAGE

Due to the numerous factors that can impact water usage in any single year (total rainfall, seasonality of rainfall, state of economic activity, water restrictions, *etc.*), the Committee, the Public Works Director, and West Yost Associates determined that the most accurate picture of water usage is presented by using a *five-year*, rolling average. Use of any shorter time period carries the serious risk of presenting a skewed picture of "current" usage.

The Committee uses "rainfall year" usage data (July 1 through June 30). A rainfall year coincides with the City's fiscal year. The City summarizes usage data on a fiscal year basis.

Total potable (metered) water usage was 1853 AF in FY 2006, 2026 AF in FY 2007, 1894 AF in FY 2008, 1807 AF in FY 2009, and 1581 AF in FY 2010.

The current five-year average of metered usage is therefore 1833 AF. Adding in the estimates of unavailable water gives an estimate of total average water usage of 2156 AF (1833 x .85).

VI. THE CURRENT SUPPLY/USAGE BALANCE

Current total usage, 2156 AF, is above the safe yield of the St. Helena water supply system of 1950 AF. The difference is 206 AF.

VII. CONCLUSIONS AND RECOMMENDATIONS

The Committee concludes that the St. Helena potable water supply system, under current conditions, is *not* currently in balance under the definition of safe yield adopted by the City Council. In future years, estimates of total usage should be updated on an annual (fiscal year) basis using the most recent five-year rolling average to re-evaluate the supply/usage balance.

Apart from contracting for new sources of water, the Committee recommends that the City consider two immediate steps to augment potable water supply.

First, the City should seek an amendment to the Napa contract. The current contract with Napa uses a trigger date of April 15 for determining the delivery quantities available to the City, and is based on the allocation of water from the State Water Project ("SWP") to Napa on that date. The SWP allocation to Napa is often updated after April 15, usually as an increase. The new amendment will seek to change the effective trigger date to June 30. It should provide that if the SWP increases it allocation to Napa in the period between April 15 and June 30, and the increase would have triggered the City's obligation to purchase 200 AF over the base 400, then Napa will deliver and St. Helena will pay for the additional 200 AF. Similarly, if the SWP increases its allocation to Napa in the period between April 15 and June 30, and the increase would have triggered the City's option to purchase 200 AF over 600 AF, then Napa will provide St. Helena with the option to purchase 200 AF over 600 AF. The Committee estimates that this change in the Napa contract will increase the annual safe yield of the water supply system by approximately 75 AF.

Second, the safe yield of the system can be increased by giving the Public Works Department more opportunity to attempt to optimize its operations. Specifically, if the pumping capacity of groundwater wells were increased, Bell Canyon could be drawn down more during normal years (less carryover water) but with the ability to produce more groundwater in drought years. The overall anticipated effect would be to increase the total yield of the system and, at the same time, reduce over the long run the City's average groundwater production from the Stonebridge Wells. Although further study is needed, initial modeling estimates that such a change in operations would increase the annual safe yield of the water supply system.

The Committee has the following **two additional recommendations**:

Third, City should retain West Yost Associates to develop a new system for triggering water emergencies. The current system, developed at a time when Bell Canyon was the City's primary source of water and at a time when the yields from Bell Canyon were materially greater than they are today, is out-of-date, and a poor indicator of actual conditions. A new system would take into account that the City has three sources of water, and would give the Public

Works Director authority to recommend to City Council an appropriate level of emergency water restrictions in the context of the total supply situation as it exists or is reasonably forecasted to exist. The Committee remains willing to work with West Yost Associates and the Public Works Director on this difficult assignment if deemed appropriate.

Fourth, the City should re-determine the usage/supply balance at the end of each fiscal year in the ordinary course of business of the Water Enterprise. This will require recalculation each year of the forward-rolling, five-year average total potable water usage. It should also take into account any change in supply conditions.

Respectfully submitted,

Alan Galbraith
Tim Nieman
John Sales

CITY OF ST. HELENA

RESOLUTION NO. 2020-

Establishing a Water Shortage Emergency Condition requiring the implementation of Phase I Water Regulations

RECITALS

A. St. Helena Municipal Code Section 13.04.220 establishes that at any time that the City Council finds and determines a water shortage emergency condition exists within the criteria of Sections 13.04.230 through 13.04.250, and that it is necessary to limit usage by the customers of the municipal water department, the City Council shall adopt a resolution setting forth the applicable phase; and

B. St. Helena Municipal Code Section 13.04.230 requires implementation of Phase I Emergency Water Regulations where conditions requiring the establishment of a Phase II water emergency, as determined by the Director of Public Works, appear to be imminent; and

A. The analysis shows that the City is facing potential Phase II triggers in November.

RESOLUTION

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

1. To establish Phase I Water Emergency Regulations.
2. That the City Clerk shall cause to be published at least once, in a newspaper of general circulation published and circulated in the city, a notice declaring the establishment of such regulatory phase. Such notice shall set forth the limitations of water use applicable to the particular phase being established and shall further declare that violations of such limitations are punishable in accordance with the provisions of Sections 13.04.290 and 13.04.310 of St. Helena Municipal Code. The establishment of a particular phase shall be completed and effective at midnight of the day on which the newspaper containing such notice is distributed.

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

Mayor Ellsworth: ___________

Vice Mayor Dohring: ___________

Councilmember Koberstein: ___________

Councilmember Chouteau: ___________

Councilmember Knudsen: ___________

APPROVED:

Geoff Ellsworth, Mayor

ATTEST:

Cindy Tzafopoulos, City Clerk

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **OLD BUSINESS**

Subject: **Approval of a Resolution: (1) Authorizing Phase 1 Business Recovery Marketing Partnership with City of Calistoga and Town of Yountville and the Respective Chambers of Commerce; and (2) Authorizing the City Manager to execute a Professional Services Agreement with the St. Helena Chamber of Commerce in an amount not-to-exceed $25,000 for Business Recovery Marketing Services.**

CEQA Determination: **Not a CEQA project**

Prepared By: Preya Nixon, Asst. to the City Manager

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

During the FY 2019-20 budget process, the City Council established an "Add-Back" list to account for items set aside during the budget discussions, with the expectation they would be reconsidered mid-year for funding if General Fund revenues were tracking higher than projected or if one-time money became available for use.

At the December 10, 2019 City Council meeting, the Council was provided a summary of available one-time resources and discussed possible Add-Back options including allocating $25,000 to initiate branding/marketing efforts consistent with the Council's 2019 Workplan (Goal 4.F) and Downtown Economic Strategy. As initially conceived, funding was anticipated to augment existing St. Helena Chamber of Commerce efforts to support a branding refresh led by the Chamber's "content creation" marketing firm The Abbi Agency. Direction was provided to continue the policy discussion to a later Council meeting so additional information could be provided about how other cities invest in branding and marketing services.

On March 19, 2020, to preserve public health and safety associated with the international spread of the COVID-19 coronavirus, Governor Newsom Shelter issued an Order to follow State public health directives which resulted in a Stay at Home directive for Californians. This led to the closure or modification of numerous St. Helena businesses and a pronounced change in consumer sentiment regarding travel.

DISCUSSION

On April 28, 2020, Governor Newsom outlined a four-phased reopening plan for retail businesses due to forecasted stabilization of both the number of confirmed cases and deaths due to COVID-19. Stage 2 is expected to launch on Friday, May 8, 2020.

Stage 1 - Safety and Preparedness (where we are now)
Stage 2 - Lower Risk Workplaces reopen (e.g. retail, manufacturing, offices, more public spaces)
Stage 3 - Higher Risk Workplaces (e.g. personal care, movie theaters, sports without live audiences, in-person religious services)
Stage 4 - End of Stay-At-Home Order (e.g. concerts, convention centers, live audience sports)

Visit Napa Valley (VNV) market research indicates consumer sentiment has changed substantially in the past two months. For example, the airline industry has experienced a dramatic drop-off in travel. TSA reports a 95% reduction in travel in early April 2020 vs. April 2019. VNV is transitioning to a California-focused marketing effort, with primary focus on the Bay Area and Sacramento drive markets.

Consumers are now reporting more interest in visiting safe, rural destinations than urban locales, which presents a competitive advantage for St. Helena businesses as they emerge from the Shelter-At-Home Order. Championing Napa Valley's high customer service standards, brand reputation, and hospitality are anticipated to be distinguishing characteristics in the coming year.

To this end, the City/Town Managers of Calistoga, Yountville, and St. Helena, have discussed opportunities to leverage their collective resources in partnership with their individual Chambers of Commerce. Like St. Helena, Calistoga and Yountville are small rural destinations that have the opportunity to capitalize on changing consumer sentiment.

As a result of substantial business and City revenue losses, development of a targeted marketing strategy is recommended at this time to stimulate business recovery. By pooling resources with Calistoga and Yountville, we anticipate developing joint messaging intended to compliment VNV marketing. The campaign will profile the three upvalley cities as attractive road trip destinations to drive up business and tax revenues. This collaborative approach will allow more resources to be directed to specific marketing investments because of the economies of scale associated with content creation.

The Phase 1 campaign will focus on the return to normal daily routines and travel plans. The pooled $75,000 is anticipated to fund a three to four month joint creative campaign (approximately June through September) managed by the Chambers of Commerce. In addition to development of creative content, it is anticipated funding will be directed to the following highly efficient and cost effective reach strategies:

- Creative advertisement development (graphics, design work, and possibly photography)
- Google Search and Google Display Network ads (highly targeted ads to focus on drive markets/mid-to-low funnel approach)
- Pandora ads (to explore the effectiveness of this approach for drive markets)
- Social media advertising (Instagram and Facebook)

Data analytics and sales data from local retailers will be used to evaluate the effectiveness of the campaign that will inform a potential Phase 2 campaign.

It is recommended the Council's previous discussion of a future branding effort be postponed at this time.

FISCAL IMPACT

If approved, the total fiscal impact would be $25,000 in the General Fund. Due to immediate cost containment measures put into place at the inception of COVID-19, funds can be reallocated from FY 2019-20 travel and training budgets to the proposed $25,000 Business Recovery Marketing Partnership.

RECOMMENDED ACTION

Approval of a Resolution: (1) Authorizing Phase 1 Business Recovery Marketing Partnership with City of Calistoga and Town of Yountville and the Respective Chambers of Commerce; and (2) Authorizing the City Manager to execute a Professional Services Agreement with the St. Helena Chamber of Commerce in an amount not-to-exceed $25,000 for Business Recovery Marketing Services.

ATTACHMENTS

Attachment 1: PSA Chamber of Commerce Business Recovery Marketing
Amendment 2: Resolution - Joint Marketing Strategy

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, made and entered into on ____________, 2020, by and between the City of St. Helena, located in the County of Napa, State of California (City), and St. Helena Chamber of Commerce (Consultant).

RECITALS:

A. City desires to employ Consultant to furnish professional services in connection with the project described as Business Recovery Marketing Services.

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

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

SECTION 1 – BASIC SERVICES

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

SECTION 2 – ADDITIONAL SERVICES

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

SECTION 3 – TIME FOR COMPLETION

The time for completion of Services shall be as identified in **Exhibit A, "Scope of Services"**. The parties expressly agree that time is of the essence in the performance of this Agreement.

SECTION 4 – COMPENSATION AND METHOD OF PAYMENT

A. Subject to any limitations set forth in this Agreement, City agrees to pay consultant the amount specified in Exhibit A, "Compensation" attached hereto and made a part hereof. Total compensation shall not exceed $25,000 unless additional compensation is approved in accordance with Section 2.

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

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

SECTION 5 – STANDARD OF PERFORMANCE

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 6 – INSPECTION AND FINAL ACCEPTANCE

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

SECTION 7 – INSURANCE REQUIRED

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

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

B. Minimum Limits of Insurance. Consultant shall maintain limits no less than:
1. General Liability: $1,000,000 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: $1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: $1,000,000 per accident for bodily injury or disease.

C. Professional Liability Insurance. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, environmental engineer or other professional engineer, or land surveyor ("design professional"), Consultant shall maintain at least $2,000,000 of professional liability insurance. 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 advise 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 $25,000 or greater must be declared to and approved by the City.

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

1. The City, its agent, officers, officials, employees, and volunteers are to be covered as additional insured as respects: liability arising out of work or operations performed by the Consultant or Consultant's subconsultants; or automobile owned, leased, hired or borrowed by the Consultant.
2. For any claims related to Consultant's conduct while performing the work of this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its agents, officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its agents, officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subsection (b) of Section 2782 of the Civil Code.

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

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

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

SECTION 8 – INDEMNIFICATION

A. 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"), 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 is 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 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.

SECTION 9 – INDEPENDENT CONTRACTOR STATUS

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

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

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

SECTION 10 – CONFLICTS OF INTEREST 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, 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 11 – OWNERSHIP OF DOCUMENTS

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

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

SECTION 12 – CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

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

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

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

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

SECTION 13 – SUSPENSION OF WORK

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

SECTION 14 – COMPLIANCE WITH LAW

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

SECTION 15 – COMPLIANCE WITH CIVIL RIGHTS

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

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

B. Nondiscrimination Civil Rights Act of l964. Consultant will comply with all federal regulations relative to nondiscrimination to federally-assisted programs.

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

SECTION 16 – AUDIT AND INSPECTION OF RECORDS

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

B. Consultant 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 17 – LIMITATION OF LIABILITY

A. Consultant agrees that any liability of City arising in connection with this Agreement shall be limited exclusively to the City-entity identified as the “City” under this Contract. Under no circumstance shall any other City-entity be liable to Consultant under any theory, whether in contract, tort, or otherwise, and Consultant waives unconditionally any such claims. Consultant hereby waives and release other City-entites from any liability under this Agreement.

B. Notwithstanding any other provision of this Agreement, in no event shall City 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 18 – COOPERATION BY CITY

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

SECTION 19 – 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: CEO/President
St. Helena Chamber of Commerce
1320A Main Street
St. Helena, CA 94574

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

SECTION 20 – TERMINATION

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

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

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

SECTION 21 – ATTORNEYS' 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 22 – 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 23 – SUCCESSORS AND ASSIGNS

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

SECTION 24 – 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 25 – DEFAULT

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

SECTION 26 – 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, or 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 27 – 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 28 – 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 29 – 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 operate to confer such or similar rights or benefits on persons or entities not party to this Agreement.

SECTION 30 – 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 on the date of City's issuance of the final Certificate for Payment, or termination of this Agreement, whichever is earlier, except for latent defects and/or deficiencies, for which the applicable statute of limitation shall begin to run upon discovery of the defect and/or deficiency and its cause.

SECTION 31 – 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:

By: ________________________________
Name: ______________________________
Title:________________________________

City:

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

Approved as to Form:

By: __________________________________
Name: Kara K. Ueda
Title: City Attorney

Exhibit A – Scope of Services and Compensation

Scope of Services

Phase 1 – Business Recovery Marketing Partnership with the City of Calistoga and the Town of Yountville and the Respective Chambers of Commerce. The focus of Phase 1 will be on the return to normal daily routines and travel plans. This phase will pool a total of $75,000 from the City of St. Helena, City of Calistoga, and the Town of Yountville to fund a three- to four-month joint creative campaign (approximately June through September 2020) with marketing strategies developed by the three Chambers of Commerce.

In addition to development of creative content, it is anticipated funding will be directed to the following highly efficient and cost-effective reach strategies:

1. Creative advertisement development (graphics, design work, and possibly photography)
2. Google Search and Google Display Network ads (highly targeted ads to focus on drive markets/mid-to-low funnel approach)
3. Pandora ads (to explore the effectiveness of this approach for drive markets)
4. Social media advertising (Instagram and Facebook)

Data analytics and sales data from local retailers will be used to evaluate the effectiveness of the campaign that will inform a potential Phase 2 campaign.

Compensation

$25,000

RESOLUTION NO. ______

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ST. HELENA (1) AUTHORIZING PHASE 1 BUSINESS RECOVERY MARKETING PARTNERSHIP WITH CITY OF CALISTOGA AND TOWN OF YOUNTVILLE AND THE RESPECTIVE CHAMBERS OF COMMERCE; AND (2) AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE ST. HELENA CHAMBER OF COMMERCE IN AN AMOUNT NOT-TO-EXCEED $25,000 FOR BUSINESS RECOVERY MARKETING SERVICES.

WHEREAS, the government at all levels is taking action to protect public health and limit the spread of COVID-19 in the United States; and

WHEREAS, the County of Napa has declared a local and a public health emergency, the Governor of the State of California has declared a state of emergency, and the President of the United States has declared a national emergency; and

WHEREAS¸ the City Council on March 23, 2020 ratified the proclamation of the City Manager of a local emergency in the City of St. Helena; and

WHEREAS, the County of Napa's Health Officer issued a shelter at home order on March 18, 2020, and the Governor issued a stay at home order on March 19, 2020; and

WHEREAS, On April 28, 2020, Governor Newsom outlined a four-phased reopening plan for retail businesses due to forecasted stabilization of both the number of confirmed cases and deaths due to COVID-19 with Stage 2 launched on May 8, 2020; and

WHEREAS, Visit Napa Valley (VNV) market research indicates consumer sentiment has changed substantially in the past two months and is transitioning to a California-focused marketing effort, with primary focus on the Bay Area and Sacramento drive markets; and

WHEREAS, Consumers are now reporting more interest in visiting safe, rural destinations than urban locales, which presents a competitive advantage for St. Helena businesses as they emerge from the Shelter-at-Home Order; and

WHEREAS, To this end, the City/Town Managers of Calistoga, Yountville, and St. Helena, have discussed opportunities to leverage their collective resources in partnership with their individual Chambers of Commerce to develop a targeted business marketing strategy to stimulate business recovery; and

WHEREAS, By pooling resources with Calistoga and Yountville, the City anticipates developing joint messaging and economies of scale to profile the three upvalley cities as attractive road trip destinations to drive up business and tax revenues; and

WHEREAS, This collaborative approach will allow more resources to be directed to specific marketing investments rather than planning efforts; and

WHEREAS, The marketing strategies will be developed by the three Chambers of Commerce.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of St. Helena as follows:

1. Authorize Phase 1 Business Recovery Marketing Partnership with City of Calistoga and Town of Yountville and the Respective Chambers of Commerce; and

2. Authorize the City Manager to execute a Professional Services Agreement with the St. Helena Chamber of Commerce in an amount of $25,000 for Business Recovery Marketing Services.

APPROVED at a regular meeting of the St. Helena City Council on May 12, 2020, by the following votes:

Mayor Ellsworth:

Vice Mayor Dohring:

Council Member Chouteau:

Council Member Knudsen:

Council Member Koberstein:

APPROVED:	ATTEST:
________________________	________________________
Geoff Ellsworth, Mayor	Cindy Tzafopoulos, City Clerk

YOUNTVILLE CHAMBER of COMMERCE ST. HELENA CHAMBER OF COMMERCE Calistoga Chamber of Commerce

Business Recovery Destination Marketing Campaign

May 12, 2020

Mayor Ellsworth and Councilmembers:

The Yountville, St. Helena and Calistoga Chambers of Commerce in collaboration with each of our respective Cities/Towns come before you, seeking your support of a Business Recovery Destination Marketing Campaign.

Background

The COVID-19 Pandemic has devastated our tourism economy in Napa Valley. Across the Valley, our cities/towns are anticipating as much as a 30% reduction in TOT and Sales Tax Revenue for FY 20/21. Leaving us with limited resources for essential and supportive services. This includes limited resources for destination marketing. Even during these difficult times, it is critical to continue marketing our destination to support the recovery efforts of our local economy.

We understand the difficult financial position our cities/towns are in, which is why we are proposing a collaborative business recovery destination marketing campaign to stretch our dollars further. The Yountville, St. Helena and Calistoga Chambers are prepared to work collaboratively to create a marketing campaign that distinguishes our experiences, while compliment the efforts of Visit Napa Valley.

Proposal

Each City/Town would contribute $25,000 dollars to the Business Recovery Destination Marketing Campaign.

The total, $75,000 dollars, would be utilized for a five (5) month campaign. The start time of the campaign will align with Visit Napa Valley's "Phase 2" strategy, roughly late May/early June. Our messaging will be based on a phased approach to ensure we are responsible with our content and targeting, to help our community bounce back as quickly as possible. I.e. the content of our campaign will evolve as the reopening situation evolves.

The target audience would be Lodging Guests (when appropriate) and Daytrippers; adults between the ages of 25-54 with an average household income of $150,000 dollars or more. This demographic aligns with the Visit Napa Valley Visitor Profile study.

We believe visitors within driving distance will return to Napa Valley first, therefore our geography will focus on San Francisco Bay Area, Silicon Valley with secondary consideration of the Greater Sacramento area.

How will we measure the campaign? The campaign will be measured by engagement. Via click through rates, number of webpage sessions, time spent with content on site and number of webpage views.

Conclusion

This Business Recovery Destination Marketing Campaign will be hard working, tactical and targeted. As leaders within our respective communities, we have an opportunity to unite strategically to support the recovery efforts of our local economy. This is unique. We are fortunate to come together in this way, to maximize the limited dollars we have, to distinguish our communities and amplify our message.

The Yountville, St. Helena and Calistoga Chambers of Commerce look forward to working together to promote our exceptional unique experiences.

We thank you for your consideration and support of this effort.

In Partnership,

Whitney Diver McEvoy	Amy Carabba-Salazar	Bruce Kyse
President & CEO	President & CEO	Executive Director
Yountville Chamber of Commerce	St. Helena Chamber of Commerce	Calistoga Chamber of Commerce

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **OLD BUSINESS**

Subject: **City Manager Update on COVID-19 Emergency; Discussion and Direction Regarding Anticipated Reopening of City Amenities and Associated Protocols (Oral Report)**

CEQA Determination: **Not a CEQA project**

Prepared By: Mark T. Prestwich, City Manager

Reviewed By: Mark T. Prestwich, City Manager

Approved By: Mark T. Prestwich, City Manager

RECOMMENDED ACTION
Discussion and direction to the City Manager.

St Helena Parks & Recreation:
Recommendations for Reopening City Parks and Recreation Programming

In an effort to help reduce the spread of COVID-19, the City of St Helena suspended the business operations for the Parks & Recreation department and closed City parks. In doing so the City was exercising social responsibility as part of its efforts to help keep its residents safe during this pandemic. By encouraging residents to stay-at-home as much as possible, to follow physical distancing guidelines and avoid social gatherings, and continually reminding the public to use increased hygiene practices in public, the City believes it has been demonstrating support of the recommendations of health and medical experts.

Parks, trails, skate park, bocce courts, baseball and soccer fields, play structures, and the dog park are all facilities the community values and uses often. Recreation programming provides opportunities for play, exercise, skill learning and development, and positive social interaction. There is ample research that demonstrates that outdoor recreation and exercise is necessary for good mental health, that it promotes physical fitness, and plays a key role in cognitive development. Thus, the City of St. Helena believes these are spaces and programs that will cautiously be phased back into community use. We should use a cautious and deliberate approach so residents can once again access park, use facilities, and engage in recreation programs knowing staff have implemented protocols that can greatly limit any potential spread of the novel coronavirus. Guidance for this can be found in the Governor's Resiliency Roadmap. In that document it includes the following:

NOT in Stage 1 or 2: Higher-risk workplaces

- Personal services such as nail salons, tattoo parlors, gyms and fitness studios
- Hospitality services, such as bars and lounges
- Entertainment venues, such as movie theaters, gaming facilities, and pro sports
- Indoor museums, kids' museums and gallery spaces, zoos, and **libraries**
- Community centers, including public pools, **playgrounds, and picnic areas**
- Religious services and cultural ceremonies
- Nightclubs
- Concert venues
- Festivals
- Theme parks
- Hotels/lodging for leisure and tourism

In addition, on Friday, May 8th, the Health Officer for Napa County disseminated a Shelter at Home FAQ memo that included the following information:

Can I leave home to work out or engage in recreational activities?

> If you will be outdoors and not in close contact with other people or using shared equipment that other people outside your household have not touched, yes. Otherwise, no. Fitness centers, gyms,

recreational centers, fitness equipment at parks, basketball courts, playgrounds and other recreational activities with shared surfaces are not allowed. Bocce ball, corn hole and other like activities are permitted as long as physical distancing is maintained and equipment is not shared with those outside your household.

Can I take my kids to the playground?

No. Recreational areas with equipment that is shared or areas where people gather close together, like playgrounds, picnic areas, and dog parks, must be closed and you cannot use them while the Order is in effect. You can take your kids to the park or other areas to run around in open spaces, or bring your own sports equipment to an open space as long as it is used only by members of your own household and not shared with other people.

The Centers for Disease Control and Prevention recommends daily physical activity for both children (60 minutes a day) and adults (30 minutes a day). **How can people exercise and return to play in a manner that minimizes the prospect of contracting or transmitting the virus?** The CDC, in its Guidance for Administrators in Parks and Recreational Facilities, currently recommends no organized sports or activities, given the many challenges of containing the virus in group settings. So, priority consideration should be given to lower-risk forms of participation, most of which involve free play or individual training. As COVID-19 restrictions lift the City can choose to modify its restrictions on facility use and plan for a resumption of recreation programs that can be offered while still maintaining the appropriate safety protocols.

GENERAL PARK USE - ALL ACTIVITIES

On Thursday, May 7th, 2020, the **County of Napa** issued a revised Shelter at Home order aligned with the State of California which allows for additional recreational activities and non-contact sports in public parks. **Beginning ____________________ the City of St. Helena will re-open its tennis courts, skate park, bocce courts, volleyball court and all trails located within City parks. Playgrounds/play equipment and picnic pads will remain closed until further notice.** Park hours: dawn to dusk. All visitors are encouraged to use non-motorized transportation to parks i.e.: biking, walking, running. Public restrooms will be available during regular park hours

To protect our community and reduce transmission of COVID-19 in St. Helena, the following protocols should be followed while using City parks and participating in recreational activities and self-policing of these guidelines should be exercised:

All Activities:

- If you feel sick or experiencing any COVID symptoms, do not visit public parks or partake in recreational activities at parks
- It is recommended that recreation activities are enjoyed with people within your household.
- If meeting someone or recreating with someone not within your household, keep 6 feet apart and avoid contact.
- No gathering of groups or "team" activities allowed.
- It is encouraged to wear a face covering when possible.
- Wash or disinfect your hands before and after visiting park and park amenities.
- Wash your hands often with soap and water for at least 20 seconds especially after you have been in a public place, or after blowing your nose, coughing, or sneezing.
- If soap and water are not readily available, **use a hand sanitizer that contains at least 60% alcohol**. Cover all surfaces of your hands and rub them together until they feel dry.
- **Avoid touching your eyes, nose, and mouth** with unwashed hands.
- If you have been in contact with someone who has COVID-19 symptoms, do not visit public parks.
- If you need to cough or sneeze, do so into a handkerchief, tissue or your elbow.
- Use care when touching multi touch surfaces like gates, picnic tables and benches.
- Use restroom before visiting parks, only use public park restrooms if absolutely needed.

Questions, comments, concerns?

Any additional questions or concerns about park use or recreation programming can be emailed to: **recreation@cityofsthelena.org or residents can call 707-968-9222.**

For park maintenance concerns click here to be directed to our Parks Reporting Page to use the Report a Problem or Make a Suggestion about one of our parks.

TENNIS AND SAND VOLLEYBALL COURT USE

On Thursday, May 7th, 2020, the **County of Napa** issued a revised Shelter at Home order aligned with the State of California which allows for additional recreational activities and non-contact sports in public parks. **Beginning ________________ the City of St. Helena will re-open its tennis courts and sand volleyball court in Crane Park. Playgrounds/play equipment and picnic pads will remain closed until further notice.** Park hours: dawn to dusk. All visitors are encouraged to use non-motorized transportation to Crane Park, i.e.: biking, walking, running. Public restrooms will be available during regular park hours

To protect our community and reduce transmission of COVID-19 in St. Helena, the following protocols should be followed while using City parks and participating in recreational activities and self-policing of these guidelines should be exercised:

Tennis & Volleyball:

- Singles Play recommended. For doubles play it is recommended that you only pair with someone in your household OR wear a face covering.
- Refrain from using the shared bench/picnic tables at courts.
- Wash or disinfect your hands prior to entering and exiting courts.
- A handwashing station will be located near the tennis courts (this is in addition to the restroom facility located over by the bocce courts).
- For volleyball, the restroom located near the skate park main entrance will be available for public use).
- Bring your own equipment, do not use equipment leftover from other players.
- Clean and/or wipe down your equipment.
- Keep 6 feet apart from others. No physical contact.
- Avoid touching your face.
- Avoid sharing food, drinks, or towels.
- Bring hand sanitizer and to use before entering and after play.
- Use your own equipment/foot to pick up balls and hit them to your opponent. Avoid using hands.
- Stay on your side of the court. Avoid switching ends.
- If a ball from another court or hole comes to you, send it back with a kick or with your equipment.
- Players should continue practicing physical distancing during any post-match gatherings

Questions, comments, concerns?

Any additional questions or concerns about park use or recreation programming can be emailed to: recreation@cityofsthelena.org **or residents can call 707-968-9222.**

For park maintenance concerns click here to be directed to our Parks Reporting Page to use the Report a Problem or Make a Suggestion about one of our parks.

BOCCE BALL COURT USE

On Thursday, May 7th, 2020, the **County of Napa** issued a revised Shelter at Home order aligned with the State of California which allows for additional recreational activities and non-contact sports in public parks. **Beginning ___________________________ the City of St. Helena will re-open its bocce ball courts in Crane Park. Playgrounds/play equipment and picnic pads will remain closed until further notice.** Park hours: dawn to dusk. All visitors are encouraged to use non-motorized transportation to Crane Park, i.e.: biking, walking, running. Public restrooms will be available during regular park hours

To protect our community and reduce transmission of COVID-19 in St. Helena, the following protocols should be followed while using City parks and participating in recreational activities and self-policing of these guidelines should be exercised:

Bocce Ball:

Self-directed play will be permitted under the following conditions:

- Singles bocce is recommended. For doubles (2 players per team) it is recommended that you only pair with someone in your household OR use one set of bocce balls per side of court, 2 sets total.
- Stay on your side of the bocce court. Avoid switching ends.
- Players should use their foot to kick the balls back to the other end after balls are rolled.
- Wash or disinfect your hands prior to playing and after playing.
- A handwashing station will be located near the tennis courts (this is in addition to the restroom facility located by the bocce courts.
- No use of picnic tables or leaning on court back boards allowed.
- Avoid sharing food or drinks. No group meals.
- Use of City scoreboards or umbrellas is not allowed.
- Keep 6 feet apart from others. No physical contact.
- Bring hand sanitizer to use before entering and after play.
- To ensure proper sanitization, players can "check-out" bocce ball sets from the St. Helena Parks & Recreation Department Monday through Friday, 10am – 5pm. Bocce ball set "check-out" is based upon availability, interested players should email stephaniei@cityofsthelena.org or call 707-339-9810. The Parks & Recreation Department will sanitize equipment between uses.

Questions, comments, concerns?

Any additional questions or concerns about park use or recreation programming can be emailed to: **recreation@cityofsthelena.org or residents can call 707-968-9222.**

For park maintenance concerns click here to be directed to our Parks Reporting Page to use the Report a Problem or Make a Suggestion about one of our parks.

SKATE PARK USE

On Thursday, May 7th, 2020, the **County of Napa** issued a revised Shelter at Home order aligned with the State of California which allows for additional recreational activities and non-contact sports in public parks. **Beginning ______________________ the City of St. Helena will re-open its skate park in Crane Park. Playgrounds/play equipment and picnic pads will remain closed until further notice.** Park hours: dawn to dusk. All visitors are encouraged to use non-motorized transportation to Crane Park, i.e.: biking, walking, running. Public restrooms will be available during regular park hours

To protect our community and reduce transmission of COVID-19 in St. Helena, the following protocols should be followed while using City parks and participating in recreational activities and self-policing of these guidelines should be exercised:

Skate Park:

- Wash or disinfect hands before entering and leaving the skatepark.
- The restrooms located near the skate park main entrance will be available for public use.
- Do not share skate equipment.
- Refrain from using the shared bench/picnic tables.
- Avoid sharing food or drinks.
- Keep 6 feet apart from those not in your household and avoid physical contact.
- Avoid using public drinking fountain.
- Avoid skatepark if there are more than 10 skaters present to be able to accommodate 6-foot distancing.

Questions, comments, concerns?

Any additional questions or concerns about park use or recreation programming can be emailed to: **recreation@cityofsthelena.org or residents can call 707-968-9222.**

For park maintenance concerns click here to be directed to our Parks Reporting Page to use the Report a Problem or Make a Suggestion about one of our parks.

Below are sections of the guidelines taken from the CDC's Guidance for Administrators in Parks and Recreational Facilities that relate directly to allowing public access to parks during the COVID-19 pandemic:

Post information to promote everyday preventive actions.
Park administrators should consider displaying posters and signs throughout the park to frequently remind visitors to take steps to prevent the spread of COVID-19. These messages may include information about:

- Staying home if you are sick or do not feel well, and what to do if you're sick or feel ill.
- Using social distancing and maintaining at least six feet between individuals in all areas of the park.
- Covering coughs and sneezes with a tissue, then throwing the tissue in the trash.
- Washing hands often with soap and water for at least 20 seconds, especially after going to the bathroom, before eating, and after blowing your nose, coughing, or sneezing.
- Using hand sanitizer that contains at least 60% alcohol if soap and water are not available.
- Avoiding touching eyes, nose, and mouth with unwashed hands.

Maintain restrooms that remain open. Ensure they have functional toilets, clean and disinfected surfaces, and handwashing supplies.
If possible, restrooms should remain open if a park remains open for public visitation. If restrooms will be closed, notify visitors ahead of time so they can prepare appropriately. Ensure that open restrooms are:

- **Operational with functional toilets.**
- **Cleaned and disinfected regularly,** particularly high-touch surfaces such as faucets, toilets, doorknobs, and light switches. Clean and disinfect restrooms daily or more often if possible. The EPA-registered household disinfectants listed here are recommended. Ensure safe and correct application of disinfectants and keep products away from children.
- **Regularly stocked with supplies for handwashing**, including soap and materials for drying hands or hand sanitizer with at least 60% alcohol.

Oftentimes restroom facilities without running water, such as portable toilets and vault toilets, are not stocked with hand hygiene products. Encourage visitors to be prepared to bring their own hand sanitizer with at least 60% alcohol for use in these facilities.

Be prepared to cancel or postpone large events and gatherings.

- Monitor and adhere to guidelines issued at the national, state, and local levels related to limiting the size of gatherings.
- Continually assess current conditions and engage with the National Park Service, state, and local public health officials when deciding whether to postpone, cancel, or significantly reduce the number of attendees (if possible) for mass gatherings.
- Consider CDC guidance and White House guidance as you make decisions about whether to proceed with, postpone, or cancel an event.

Make sure people are social distancing in popular areas of the park.
During periods of sustained community transmission, park administrators should:

- Monitor areas where people are likely to gather and consider temporary closure to support social distancing practices. These areas might include sports fields, playgrounds, skateparks, basketball courts, tennis courts, and picnic areas. In the event of facility closures, park administrators might want to place physical barriers in these areas and post signs communicating that the area is closed.
- Post signs discouraging groups from gathering in larger numbers than are currently recommended or allowed.

If organized sports activity has been suspended within the park, communicate with sports team coaches that unofficial sports practices are also prohibited within the park.

Postpone or cancel organized activities and sports.
In general, most organized activities and sports such as basketball, baseball, soccer, and football that are held on park fields, open areas, and courts are not recommended during times in which individuals are encouraged or required to practice social distancing. These activities and sports typically require coaches and athletes who are not from the same household or living unit to be in close proximity, which increases their potential for exposure to COVID-19.

Park administrators should monitor directives issued at the national, state, and local levels related to limiting the size of gatherings. These directives can inform decisions about limiting participation for those sports and activities that exceed the maximum number allowed. Until local public health officials have coordinated with organizers to determine if/when it is safe to participate in such activities, all should be postponed or canceled.

What Other Northern California Agencies are doing with the reopening of parks, and resumption of programs and events

City of San Rafael - All visitors to any Park Facility shall continue to comply with all Social Distancing Requirements, and all individuals are expected to remain local when enjoying the outdoors to the greatest extent practicable.

Regarding activities such as tennis, the City of San Rafael requires:

- Singles play ONLY. No tennis doubles at this time.
- Stay at least six feet apart from other people.
- Please be considerate and wear a face masks when possible.
- Non-motorized access only. Walk, run, or bike ONLY.
- Wash or disinfect your hands prior to entering and exiting facilities/park amenities.
- Bring your own tennis balls.
- Clean and/or wipe down your equipment.
- Avoid touching your face.
- Avoid sharing food, drinks, or towels.
- Use your own equipment/foot to pick up balls and hit them to your opponent. Avoid using hands.
- Stay on your side of the tennis court. Avoid switching ends.
- If a ball from another court or hole comes to you, send it back with a kick or with your equipment.

Please continue to avoid traveling by car, and instead walk, bike or use other non-motorized means to get to your local outdoor recreation area. Continue to practice social distancing and wear required face coverings in public settings.

City of Folsom – Sacramento County loosened certain restrictions on non-contact recreational activities, such as tennis, archery, disc golf, and boating. Contact sports or activities, including basketball, football, and soccer, are still prohibited outside of residences.

The City will be reopening recreational amenities that provide the community with non-contact, healthy recreational opportunities that allow for safe social distancing. Beginning Saturday, May 2, 2020, the following City of Folsom recreational amenities will reopen to the public, provided that the six-foot social distancing requirements are adhered to:

- Playgrounds and play equipment
- Dog Park
- Tennis, bocce ball, pickleball, and volleyball courts (two-on-two volleyball games only)
- Sports Complex – Only non-contact sports or recreational activities are authorized, such as pickleball, table tennis, and batting cages. (Open 10 a.m. to 5 p.m. Monday – Friday, until further notice. Masks or cloth face coverings required to enter. Visitors must use personal equipment and are strongly encouraged to disinfect the equipment prior to use).
- Ball walls
- Skate park (open 1 p.m. to 7 p.m. daily, until further notice)
- Athletic fields. Only non-contact sports or recreational activities are authorized. No structured or organized practices, games, trainings, coaching, or team/league sports groups are permitted.

Parks and equipment users are asked to take personal responsibility for sanitizing sports and recreation equipment before and after use. Masks or cloth face coverings are strongly advised when six-foot social distancing cannot be maintained. Masks or face cloth coverings must be worn at all times at the Sports Complex.

Signage will be prominently posted around parks to remind the public to comply with social distancing practices. City parks, trails, pavilions, and barbeques remain open if the public adheres to social distancing requirements.

County of Marin - use of outdoor recreational areas and facilities with high-touch equipment or that encourage gathering, including, but not limited to, playgrounds, gym equipment, climbing walls, picnic areas, dog parks, pools, spas, and barbecue areas, **is prohibited** outside of residences, and all such areas shall be closed to public access including by signage and, as appropriate, by physical barriers.

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **OLD BUSINESS**

Subject: **Consideration and adoption of a Resolution: (1) Awarding the Rehabilitate Crane Park Tennis Courts Project, Capital Improvement Project C19-02 to Vintage Contractors, Inc. in the amount of either (a) $162,400 for the base bid or (b) $217,975 for the base bid and the additive alternative bid; (2) Authorizing the City Manager to execute the Construction Contract with Vintage Contractors, Inc.; (3) Authorizing the Director of Public Works to approve Change Orders not to exceed 15% of the contract amount; (4) Authorizing a budget increase to CIP C19-02 of (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671 (dependent of bid selected); and (5) Authorizing use of Park Impact Fee Funds for an additional (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671.**

CEQA Determination: **Class I Categorical Exemption under Section 15301 of CEQA**

Prepared By: Edrees Argand, Assistant Engineer

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

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

On February 12, 2018, the Parks and Recreation Commission developed a prioritization list for potential Capital Improvement Projects (CIP). The top priority of the Commission was the resurfacing of the Crane Park tennis courts. This project was established in the FY 2018-19 CIP budget as C19-02 Rehabilitate Crane Park Tennis Courts with a budget of $25,000. The proposed project originally included the resurfacing of the center four courts, which have visible cracks in the playing surface and, if not addressed, will continue to deteriorate and could pose a safety risk for tennis players.

The Parks and Recreation Department held two open meetings at Crane Park next to the tennis courts for members of the tennis community and Crane Park neighbors. Invitations were sent out via email, the City's Active Registration database, social media, signage at the tennis courts, and word-of-mouth. The first meeting was held on Wednesday evening, September 26, 2018 and the second on Monday morning, October 1, 2018. Both dates and times were selected based on input from members of the tennis community, as well as some of the tennis pros who teach out at Crane Park.

Each meeting was attended by approximately a dozen members of the tennis community in addition to City staff, a Parks and Recreation Commissioner, and a City Council member. Staff invited a tennis court construction consultant to each of the meetings to describe options for court replacement or resurfacing. During each meeting community members were able to share their thoughts and concerns for court resurfacing, court amenities, and aesthetics. This discussion, along with the attendee's opportunity to discuss their ideas and concerns with the consultants was very productive. Each meeting lasted about one hour. Between both meetings, there was enthusiastic support to proceed with installing a slip-sheet on the center four courts and resurfacing for the two single courts.

On October 29, 2018, the Parks and Recreation Commission discussed and endorsed the use of additional Park Impact Fees for CIP Project C19-02, Rehabilitate Crane Park Tennis Courts for a total not-to-exceed amount of $170,000. On November 27, 2018, City Council approved the recommended increase via Resolution No.2018-167.

The project will include the installation of a slip-sheet system for the center tennis courts and resurfacing of the two single courts, along with an additive alternate bid item for upgrading of tennis court amenities, such as the lowering of the side fencing for the courts and installation of new chain-link fencing material.

The estimated project time is 10 weeks (six weeks for tennis courts, two weeks for the fence, two weeks for contingency). Based on feedback from the tennis community and Parks and Recreation Commission, it is recommended the courts be painted blue with a green border area. All six courts will be painted in the same color scheme.

DISCUSSION

On March 23, 2020, City Council approved the plans and specifications and authorized staff to advertise for bids.

The Notice to Contractors was also published in the St. Helena Star and Napa Valley Register.

On Wednesday, May 6, 2020, at 1:15 PM, 1 bid was uploaded electronically to the BPXpress planroom which was read aloud via an online Zoom meeting. The bid was as follows

Company	Total Base Bid	Bid Alternate	Total Base Bid Plus Bid Alternate
Vintage Contractors, Inc. of San Francisco	$162,400	$55,575	$217,975

A detailed bid tabulation is included as Attachment 2. Vintage Contractors, Inc. is the lowest responsible, responsive bid total base bid, and holds a valid Class A General Contractor's License No. 416130 in the State of California, with no enforcement actions listed. Their license expires on 12/31/2021. Because Vintage Contractors, Inc.'s total base bid plus alternate is above the engineer's estimate of $204,500, City staff is seeking City Council direction on which option to choose.

1. Base bid - $162,400
2. Base bid plus the additive alternate bid of $217,975

Additional funding will be necessary from the Park Impact Fee Fund for Option 2 which is the base bid plus the additive alternate bid. Additional funding will only be necessary for Option 1 (base bid) if construction contingencies are necessary. Two Resolutions have been provided dependent on City Council direction.

The Project Plans and Manual remain available for review at the Public Works Department at 1572 Railroad Avenue and at www.blueprintexpress.com/sthelena, but will be removed from the site once the project is awarded.

FISCAL IMPACT

The Rehabilitate Crane Park Tennis Courts Project, CIP Project No. C19-02 is included in the May 2019 adopted Capital Improvement Program budget (Attachment 3) with 100% of the funding for this project coming from the Park Impact Fee Fund with a total budget of $170,000. A summary of anticipated expenditures for this project are presented below.

C19-02 Rehabilitate Crane Park Tennis Courts Estimated Project Costs		
	Total Base Bid	Total Base Bid Plus Bid Alternate
Estimated Construction Costs	$162,400	$217,975
Construction Contingency (15%)	$24,360	$32,696
Estimated Total Project Cost	**$186,760**	**$250,671**

The fiscal impact is dependent on City Council direction.

The following is a summary of the available balance in the Park Impact Fee Fund:

Balance as of 5/7/2020	1,304,199
Encumbered for CIP Projects*	(465,800)
Available Fund Balance	838,399

*Encumbered funds account for funds approved by City Council and not yet transferred to the CIP Fund. Transfers are made at the close of the project.

RECOMMENDED ACTION

Adopt a Resolution (1) Awarding the Rehabilitate Crane Park Tennis Courts Project, Capital Improvement Project C19-02 to Vintage Contractors, Inc. in the amount of either (a) $162,400 for the base bid or (b) $217,975 for the base bid and the additive alternative bid; (2) Authorizing the City Manager to execute the Construction Contract with Vintage Contractors, Inc.; (3) Authorizing the Director of Public Works to approve Change Orders not to exceed 15% of the contract amount; (4) Authorizing a budget increase to CIP C19-02 of (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671 (dependent of bid selected) ; and (5) Authorizing use of Park Impact Fee Funds for an additional (a) $16,760 for a not-to-exceed amount of $186,760 or (b) $80,671 for a not-to-exceed amount of $250,671.

ATTACHMENTS

Attachment 1a: C19-02 Resolution Base Bid
Attachment 1b: C19-02 Resolution Base Bid and Alternate Bid
Attachment 2: C19-02 Bid Tabulations
Attachment 3: CIP C19-02 Budget FY 2019-20

CITY OF ST. HELENA

RESOLUTION NO. 2020-

Resolution (1) Awarding the Rehabilitate Crane Park Tennis Courts Project, Capital Improvement Project C19-02 to Vintage Contractors, Inc. in the amount of $162,400; (2) authorizing the City Manager to execute the Construction Contract with Vintage Contractors, Inc.; (3) authorizing the Director of Public Works to approve Change Orders not to exceed 15% of the contract amount; (4) authorizing a budget increase to CIP C19-02 of $16,760 for a not-to-exceed amount of $186,760; and (5) authorizing use Park Impact Fee Funds for an additional $16,760 for a not-to-exceed amount of $186,760.

RECITALS

A. The Rehabilitate Crane Park Tennis Courts, Project C19-02, includes the installation of a slip-sheet system for the center tennis courts and resurfacing of the two single courts, along with an additive alternative bid item for upgrading tennis court amenities, such as the lowering of the side fencing for the courts and installation of new chain-link fencing material; and

B. The plans have been completed to City standards and approved by the Director of Public Works/City Engineer; and

C. The Rehabilitate Crane Park Tennis Courts Project is a minor alteration to an existing facility. The project site is not located in an environmentally sensitive area and there are no cumulative impacts, unusual circumstances or other factors that would make the exemption inapplicable; and

D. The adopted Fiscal Year 2019-2020 CIP budget includes Project funding from 734 - Park Impact Fees.

E. On May 6, 2020, one (1) bid was received by the Public Works Director and opened in accordance with applicable law; and

F. The lowest responsive and responsible bidder for the Project was Vintage Contractors, Inc. of San Francisco, CA in the amount of $162,400; and

G. City staff has determined that Vintage Contractors, Inc. bid satisfies the bidding requirements for the project; and

H. City staff has verified that Vintage Contractors, Inc. possesses a valid Contractor's License, Class A, number 416130 that qualifies Vintage Contractors, Inc. to complete the project.

RESOLUTION

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

1. The Rehabilitate Crane Park Tennis Courts, Project C19-02 is categorically exempt from the California Environmental Quality Act, pursuant to CEQA guidelines section 15301, Existing Facilities Class I which exempts the operation, repair, maintenance, and permitting of existing facilities involving negligible or no expansion of use; and
2. Awarding the C19-02 Rehabilitate Crane Park Tennis Courts Project to Vintage Contractors, Inc. in the amount of $162,400; and
3. Authorizing the City Manager to execute a construction contract in the amount of $162,400 with Vintage Contractors, Inc. for C19-02 Rehabilitate Crane Park Tennis Courts Project; and
4. Authorizing the Director of Public Works to approve change orders not to exceed 15% of the contract amount; and
5. Authorizing a budget increase to CIP C19-02 of $16,760 for a not-to-exceed amount of $186,760; and
6. Authorizing use of Park Impact Fee Funds for an additional $16,760 for a not-to-exceed amount of $186,760.

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

Mayor Ellsworth: ___________

Vice Mayor Dohring: ___________

Councilmember Koberstein: ___________

Councilmember Chouteau: ___________

Councilmember Knudsen: ___________

APPROVED: ATTEST:

____
Geoff Ellsworth, Mayor

____
Cindy Tzafopoulos, City Clerk

CITY OF ST. HELENA

RESOLUTION NO. 2020-

Resolution (1) Awarding the Rehabilitate Crane Park Tennis Courts Project, Capital Improvement Project C19-02 to Vintage Contractors, Inc. in the amount of $217,975 for bid base and additive alternate bid; (2) authorizing the City Manager to execute the Construction Contract with Vintage Contractors, Inc.; (3) authorizing the Director of Public Works to approve Change Orders not to exceed 15% of the contract amount; (4) authorizing a budget increase to CIP C19-02 of $80,671 for a not-to-exceed amount of $250,671; and (5) authorizing use Park Impact Fee Funds for an additional $80,671 for a not-to-exceed amount of $250,671.

RECITALS

A. The Rehabilitate Crane Park Tennis Courts, Project C19-02, includes the installation of a slip-sheet system for the center tennis courts and resurfacing of the two single courts, along with an additive alternative bid item for upgrading tennis court amenities, such as the lowering of the side fencing for the courts and installation of new chain-link fencing material; and

B. The plans have been completed to City standards and approved by the Director of Public Works/City Engineer; and

C. The Rehabilitate Crane Park Tennis Courts Project is a minor alteration to an existing facility. The project site is not located in an environmentally sensitive area and there are no cumulative impacts, unusual circumstances or other factors that would make the exemption inapplicable; and

D. The adopted Fiscal Year 2019-2020 CIP budget includes Project funding from 734 - Park Impact Fees.

E. On May 6, 2020, one (1) bid was received by the Public Works Director and opened in accordance with applicable law; and

F. The lowest responsive and responsible bidder for the Project was Vintage Contractors, Inc. of San Francisco, CA in the amount of $162,400 for the bid base and an additional $55,575 for the bid alternate; and

G. City staff has determined that Vintage Contractors, Inc. bid satisfies the bidding requirements for the project; and

H. City staff has verified that Vintage Contractors, Inc. possesses a valid Contractor's License, Class A, number 416130 that qualifies Vintage Contractors, Inc. to complete the project.

RESOLUTION

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

1. The Rehabilitate Crane Park Tennis Courts, Project C19-02 is categorically exempt from the California Environmental Quality Act, pursuant to CEQA guidelines section 15301, Existing Facilities Class I which exempts the operation, repair, maintenance, and permitting of existing facilities involving negligible or no expansion of use; and
2. Awarding the C19-02 Rehabilitate Crane Park Tennis Courts Project to Vintage Contractors, Inc. in the amount of $217,975 for the bid base and bid alternate; and
3. Authorizing the City Manager to execute a construction contract in the amount of $217,975 with Vintage Contractors, Inc. for C19-02 Rehabilitate Crane Park Tennis Courts Project; and
4. Authorizing the Director of Public Works to approve change orders not to exceed 15% of the contract amount; and
5. Authorizing a budget increase to CIP C19-02 of $80,671 for a not-to-exceed amount of $250,671; and
6. Authorizing use of Park Impact Fee Funds for an additional $80,671 for a not-to-exceed amount of $250,671.

Approved at a Regular Meeting of the St. Helena City Council on May 12, 2020, by the following vote:

Mayor Ellsworth: ___________

Vice Mayor Dohring: ___________

Councilmember Koberstein: ___________

Councilmember Chouteau: ___________

Councilmember Knudsen: ___________

APPROVED: ATTEST:

Geoff Ellsworth, Mayor	Cindy Tzafopoulos, City Clerk

C19-02 Rehabilitate Crane Park Tennis Courts Bid Opening May 6, 2020 at 1:15 PM

Item No.	Bid Item	Quantity	Units	Engineer's Estimate		Vintage Contractors, Inc.	
				Unit Cost	Total Cost	Unit Cost	Total Cost
1	Mobilization	1	LS	$2,000.00	$2,000.00	$1,500.00	$1,500.00
2	Tennis Court Repair (Slip Sheet Overlay)	4	EA	$34,500.00	$138,000.00	$38,225.00	$152,900.00
3	Tennis Court Resurfacing	2	EA	$4,750.00	$9,500.00	$4,000.00	$8,000.00
				Total Base Bid Amount	**$149,500.00**		**$162,400.00**

Additive Alternate Bid Schedule

Item No.	Bid Item	Quantity	Units	Engineer's Estimate		Vintage Contractors, Inc.	
				Unit Cost	Total Cost	Unit Cost	Total Cost
4	Fence Refurbishment - 12' High	740	LF	$36.49	$27,000.00	$37.50	$27,750.00
5	Fence Refurbishment - 4' High	795	LF	$35.22	$28,000.00	$35.00	$27,825.00
			Total Additive Alternate Bid		**$55,000.00**		**$55,575.00**

Crane Tennis Courts

Project No:	**0103-C19-02**
Category:	**Civic**
Project Location:	**360 Crane Avenue**

PROJECT PURPOSE & DESCRIPTION: This project will rehabilitate the existing tennis courts at Crane Park.

FISCAL IMPACT: The estimated cost is $170,000.

EXPENDITURE ACCOUNTS:
Fund: 733 **Dept**: 5010

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	Five Year
3110 - Design	25,000					25,000
3160 - Construction Contract	145,000					145,000
EXPENDITURE TOTALS	170,000					170,000
FUNDING SOURCES						
734-Park Impact Fees	170,000	0				170,000
FUNDING TOTALS	170,000	0				170,000

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **NEW BUSINESS**

Subject: **Fiscal Year 2019-20 Finance Report through April 30, 2020 and Discussion and Direction Regarding Water Fund City Attorney Budget**

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

Municipal Code Title 2, §2.24.030 states the Director of Finance shall deliver to the City Manager and to the Council at a regularly scheduled Council Meeting a budget report showing the budget status at the end of the preceding quarter.

Due to the uncertainty of COVID-19 and its effect on City finances, this report includes information for all transactions through April 30, 2020 (typically this report would only contain information through March 31, 2020). After conducting a review of the status of the City's budget as of April 30, 2020, this report is presented to provide an overview of revenues and expenses as they relate to various funds. The City has traditionally amended its budget during the year as new and updated information becomes available, or at various times during the year to appropriate funds for expenses that were not anticipated at the time the budget was adopted.

Staff has prepared the following for Council for the time period of July 1, 2019 through April 30, 2020:

1. Summary of transactions.
2. Summary of St. Helena CARES Low Income Subsidy and Water Leak Adjustments.
3. List of Checks over $50,000 (Attachment 1).

4. Balance of all Funds (Attachment 2).
5. Revenue and Expense Summaries - General, Water, and Wastewater Funds (Attachments 3-8).

DISCUSSION

Information presented below reflects transactions posted through April 30, 2020. Additional details for the General Fund, Water Fund, and Wastewater Fund are provided as Attachments 3-8. It is important to note that the financial effects of the the COVID-19 pandemic with regards to revenues is not fully known at this time, as presented at the April 14, 2020, City Council meeting. Sales tax revenues for March will not be known until late May and Transient Occupancy Tax (TOT) had a dramatic decline starting mid-March.

GENERAL FUND

General Fund Revenues - 4/30/2020

General Fund revenue received from July 1, 2019 through April 30, 2020 for Fiscal Year (FY) 2019-20 is $11,727,624 or 75% of the adjusted budget. The adjusted budget is what has been approved through the mid-year budget review presented on February 25, 2020, pre-COVID-19. The revised estimated revenues for the General Fund, based on COVID-19 impacts presented on April 12, 2020, as well as additional refining of the remaining non-major General Fund revenues is $13,062,528.

General Fund revenue is divided into the following categories:

1. Property Tax
2. Sales Tax
3. Transient Occupancy Tax (TOT)
4. Other Taxes
5. Charges for Service
6. Fines and Forfeits
7. Licenses and Permits
8. Development Fees
9. Intergovernmental
10. Interest and Rents
11. Miscellaneous

The primary General Fund contributors are Property Tax, Sales Tax, and TOT, accounting for 89% of its revenues. As stated above, the effects the COVID-19 pandemic and shelter at home order, will not be fully known until a later time. Sales tax collected accounts for transactions through February 2020. March 2020 sales tax revenues will not be known until the end of May. Attachment 3 provides details for all General Fund revenues and Table 1 provides a summary of the FY 2019-20 Adopted Budget (July 1, 2019), Adjusted Budget (February 25, 2020), and Estimated Budget (COVID-19 impacts).

Table 1 - General Fund Revenue Summary

Revenue Category	Adopted July 1, 2019	Adjusted February 25, 2020	Estimated COVID-19 Impacts
Property Tax	4,982,011	5,341,869	5,341,869
Sales Tax	5,098,455	5,098,455	3,678,455
TOT	3,350,823	3,380,887	2,280,887
Other Revenues	1,594,763	1,802,212	1,761,317
TOTAL	**15,026,052**	**15,623,423**	**13,062,528**

General Fund Expenses - 4/30/2020

General Fund expenses through April 30, 2020 are $11,634,572. Spending is at 76% of the adopted amount for the year with 24% available. Attachment 4 provides a summary of expenditures by Department through April 30, 2020 FY 2019-20.

As mentioned at the April 14, 2020 City Council meeting, immediate cost containment measures were put into place effective March 20, 2020 when the shelter-at-home orders were issued. Following the immediate cost containment measures, staff reviewed the current budget and identified several other cost saving measures for the remainder of FY 2019-20. Combined, it is estimated overall expenses for FY 2019-20 will decrease by $1,263,000. These estimated savings reduces the overall expenses for FY 2019-20 from $16,189,026 to $14,926,026 (which includes Rollover Purchase Orders from FY 2018-19 that are expenses budgeted and encumbered in FY 2018-19, but not expended by June 30, 2019). Attachment 4 provides a summary of expenses through April 30, 2020 by department.

Table 2 - General Fund Estimated Net Position 6/30/2020

Estimated Ending Fund Balance @ 6/30/2019		$7,921,589	Net Position %
Estimated Revenue @ 6/30/2020	$13,062,058		
Estimated Expenses @ 6/30/2020**	($14,461,781)		
Purchase Orders (including rollovers)***	($464,245)		
Estimated Unassigned Net Position		$6,057,621	41%

**Total expenses include previously approved budget adjustment

***Rollover Purchase Orders from FY 2018-19 are expenses that were budgeted and encumbered in FY 2018-19, but were not expended by June 30, 2019.

WATER FUND - 4/30/20

Water Enterprise revenue received is $4,423,582, or 67% of the estimated total revenues for FY 2019-20 through April 30, 2020. Due to the timing of the bi-monthly billing cycle, these revenues do not account for water usage for March and April 2020. At the time this report was written, only data regarding water consumption was available (not actual amounts billed). Preliminary information indicates there was an increase in water usage in March 2020 compared to March 2019 and a decrease in water usage in April 2020 compared to April 2019. Table 3 provides a summary of the preliminary revenue estimates through the April 2020 billing cycle.

Table 3 - Preliminary Water Use Information March and April 2020

Actual through February 2020	March Estimated	April Estimated	Total Estimated
4,423,582	266,258	235,391	4,925,231

Taking these estimates into consideration, the estimated total revenues collected is 75%. This is comparative to what was collected in FY 2018-19 for the same time period. However, since the full effects of COVID-19 are unknown, staff will continue to monitor these revenues. Attachment 5 provides details of Water Fund revenues.

Water expenses through April 30, 2020 are $4,589,877. Overall Water Fund spending is at 70% of the adjusted amount (including prior year encumbrances) for the year with 30% available. The high amount for the Attorney is due to litigation expenses. During the mid-year budget presentation on February 25, 2020, there was interest by one Council Member to shift the water associated litigation costs from the Water Fund to the General Fund. Staff is seeking Council direction to see if there is an interest in revising the current policy to charge Water Fund litigation expenses to the General Fund.

Attachment 6 provides a summary of spending by department for FY 2019-20 through April 30, 2020 for the Water Fund.

Table 4 - Water Fund Estimated Fund Balance 6/30/2020

Ending Fund Balance @ 6/30/2019		$3,628,848	Net Position %
Estimated Revenue @ 6/30/2020	$6,557,537		
Estimated Expenses @ 6/30/2020**	($6,594,454)		
Purchase Orders (including rollovers)***	($134,515)		
Estimated Net Position		$3,457,416	51%

**Total expenses include previously approved budget adjustments.

***Rollover Purchase Orders from FY 2018-19 are expenses that were budgeted and encumbered in FY 2018-19, but were not expended by June 30, 2019.

<u>WASTEWATER FUND - 04/30/20</u>

Wastewater Fund revenue received is $2,114,235 or 63% of the estimated total revenues for FY 2019-20 through December 31, 2019. Due to the timing of the bi-monthly billing cycle, these revenues do not account for wastewater usage for March and April 2020. At the time this report was written, only data regarding water consumption was available (not actual amounts billed). As stated in the Water Fund portion of this report, preliminary information indicates there was an increase in water usage in March 2020 compared to March 2019 and a decrease in water usage in April 2020 compared to April 2019. This will directly affect the wastewater consumption charges for non-residential accounts but will not affect consumption charges for residential categories because these charges are fixed and based on winter average. Taking this into consideration, below is the estimated revenues based on the current consumption data.

Table 5 - Preliminary Wastewater Use Information March and April 2020

Actual through February 2020	March Estimated	April Estimated	Total Estimated
2,114,235	196,585	144,136	2,454,956

Taking these estimates into consideration, the estimated total revenues collected is 73%. This lower than what was collected in FY 2018-19 for the same time period. As mentioned in the November 2019 finance update, the lower then average revenues is due to a decline in water consumption for non-residential customers. This, coupled with the unknown effects of COVID-19, staff will continue to monitor these revenues.

Attachment 7 provides details for Wastewater Fund revenues. The negative amount recorded in 571-3870-0000 CARES Subsidy is due to the 3rd Quarter subsidy amount yet to be transferred from the General Fund.

Wastewater expenses through April 30, 2020 are $2,541,238. Overall Wastewater spending is at 77% for the fiscal year. The high amount for Non-Departmental is attributed to the PERS Unfunded Liability payments made in Q1 and the high amount of spending for Public Works is attributed to Purchase Orders issued in FY 2019-20. Attachment 8 provides a summary of spending by Department for FY 2019-20 through April 30, 2020 for the Wastewater Fund.

Table 6 - Wastewater Fund Estimated Net Position

Ending Fund Balance @ 6/30/2019		$2,760,563*	Net Position %
Estimated Revenue @ 6/30/2020	$3,356,602		
Estimated Expenses @ 6/30/2020**	($3,356,601)		
Purchase Orders (including rollovers)***	($236,282)		
Estimated Net Position		$2,524,282*	70%

*Balance includes $1.15 million settlement not yet transferred to the CIP fund. Once transfer is complete the estimated net position is 38%

**Total expenses include previously approved budget adjustments.

***Rollover Purchase Orders from FY 2018-19 are expenses that were budgeted and encumbered in FY 2018-19, but were not expended by June 30, 2019.

St. Helena CARES Low Income Subsidy

The St. Helena CARES subsidy program currently has 98 participants. The subsidy for FY 2019-20 from January 1 - April 30, 2020, is $15,551.14. Funds for the St. Helena CARES Low Income Subsidy program are included in the Adopted FY 2019-20 budget. Since the COVID-19, there have been no new participates in the CARES program.

Leak Adjustments

Leak subsidies for FY 2019-20 from January 1 - April 30, 2020 totals $3,773.08 for a combined excess of 230 units of water and 50 units of sewer charges. There were a total of six leak adjustments for the following: one toilet leak and five broken pipes. Of the six leaks, three were residential and three were non-residential. Funds for the Leak Adjustment Subsidy program are included in the Adopted FY 2019-20 budget.

FISCAL IMPACT

There is no fiscal impact to receive and file the report. Fiscal impact for the General Fund and Water Fund will be dependent on direction given by City Council regarding Water Fund litigation charges.

RECOMMENDED ACTION

Receive and file the FY 2019-20 Finance Report through April 30, 2020 and provide discussion and direction in an interest in revising the current policy to charge Water Fund litigation expenses to the General Fund.

ATTACHMENTS

Attachment 1 - Checks over $50,000
Attachment 2 - Fund Balance Estimates at 043020
Attachment 3 - General Fund Revenues through 043020
Attachment 4 - GF Expenses through 043020
Attachment 5 - Water Revenues
Attachment 6 - Water Expenses through 043020
Attachment 7 - Wastewater Revenues
Attachment 8 - Wastewater Expenses through 043020

Accounts Payable

Checks by Date - Summary by Check Date

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Check No	Vendor No	Vendor Name	Check Date	Check Amount
107578	BURKEWIL	Burke, Williams & Sorensen LLP	01/02/2020	60,975.53
107603	REMIF	REMIF	01/02/2020	64,690.48
107610	SUTTER	Sutter Home Winery	01/02/2020	61,961.45
			Total for 1/2/2020:	187,627.46
107636	EWKI	EKI Environment & Water Inc.	01/08/2020	69,184.69
107658	NAP06	NAPA, CITY OF	01/08/2020	142,317.50
107682	SUTTER	Sutter Home Winery	01/08/2020	61,961.45
			Total for 1/8/2020:	273,463.64
107768	PUB01	Public Emp Retirement System	01/14/2020	51,923.39
107773	NAP05	Westamerica Bank	01/14/2020	88,313.02
			Total for 1/14/2020:	140,236.41
107809	NOLLTAM	Noll & Tam Architects	01/16/2020	59,100.87
107816	REMIF	REMIF	01/16/2020	87,637.25
			Total for 1/16/2020:	146,738.12
107844	CCCINC	Coastside Concrete & Construction, Inc.	01/17/2020	92,826.11
			Total for 1/17/2020:	92,826.11
107859	REMIF	REMIF	01/22/2020	64,383.16
			Total for 1/22/2020:	64,383.16
107868	NAP05	Westamerica Bank	01/23/2020	70,159.09
			Total for 1/23/2020:	70,159.09
107887	NAP05	Westamerica Bank	02/04/2020	70,733.53
107893	NAP05	Westamerica Bank	02/04/2020	73,710.91
			Total for 2/4/2020:	144,444.44
108087	NAP06	NAPA, CITY OF	02/14/2020	101,827.70
			Total for 2/14/2020:	101,827.70
108120	NAP05	Westamerica Bank	02/20/2020	71,483.24
			Total for 2/20/2020:	71,483.24

Check No	Vendor No	Vendor Name	Check Date	Check Amount
108238	EWKI	EKI Environment & Water Inc.	02/27/2020	102,149.82
			Total for 2/27/2020:	102,149.82
108320	NAP06	NAPA, CITY OF	03/05/2020	91,784.42
			Total for 3/5/2020:	91,784.42
108342	NAP05	Westamerica Bank	03/10/2020	72,308.75
			Total for 3/10/2020:	72,308.75
108446	EWKI	EKI Environment & Water Inc.	03/12/2020	141,786.08
108472	REMIF	REMIF	03/12/2020	66,153.64
			Total for 3/12/2020:	207,939.72
108497	KAISER	Kaiser Foundation Health Plan, Inc.	03/16/2020	56,387.32
			Total for 3/16/2020:	56,387.32
108540	NAP05	Westamerica Bank	03/18/2020	73,512.73
			Total for 3/18/2020:	73,512.73
108593	NAP06	NAPA, CITY OF	03/19/2020	96,202.86
			Total for 3/19/2020:	96,202.86
108629	CENTRALR	Central Roofing Inc.	03/26/2020	174,173.95
108634	REMIF	REMIF	03/26/2020	65,873.52
			Total for 3/26/2020:	240,047.47
108648	EWKI	EKI Environment & Water Inc.	03/27/2020	56,115.27
108649	EXELOO	Exeloo Corporation	03/27/2020	124,237.51
			Total for 3/27/2020:	180,352.78
108672	NAP05	Westamerica Bank	04/01/2020	74,591.01
			Total for 4/1/2020:	74,591.01
108829	WESTAMER	Westamerica Bank	04/16/2020	71,191.77
			Total for 4/16/2020:	71,191.77
108912	NAP05	Westamerica Bank	04/29/2020	77,807.49
108915	NAP05	Westamerica Bank	04/29/2020	84,404.26
			Total for 4/29/2020:	162,211.75
108922	KAISER	Kaiser Foundation Health Plan, Inc.	04/30/2020	53,186.74
108926	REMIF	REMIF	04/30/2020	65,562.04

Check No	Vendor No	Vendor Name	Check Date	Check Amount
			Total for 4/30/2020:	118,748.78
			Report Total (35 checks):	2,840,618.55

Fund	Description	Estimated Balance at 04/30/2020	Estimated Balance Without Long-term Receivables at 04/30/2020
101	General Fund	7,643,185	7,190,649
209	HOME Grant	407,800	21,454
211	EPA Grant	-	-
212	Dept. of Homeland Security	327	327
213	GVS Grant	23,538	23,538
216	Public Safety Impact	488,676	427,343
218	Public Library Foundation	1,288	1,288
219	CLSA State Library	2,075	2,075
222	Park Bond Act	222	222
223	Skate Park Lighting	1,200	1,200
224	Public Safety (COPS)	161,075	161,075
225	Gas Tax 215	25,374	25,374
226	Gas Tax 216	15,614	15,614
227	Gas Tax 2107	66,500	66,500
228	Gas Tax 21075	11,976	11,976
229	Gas Tax 2103	54,422	54,422
230	RMRA	76,907	76,907
235	Measure A	119,438	119,438
237	Emergency Flood Relief	171,292	171,292
238	Police Training Development	24,208	24,208
240	Measure T	1,618,515	1,618,515
241	Measure T - Class I Trails	166,546	166,546
277	Prop 56	21,748	-
278	BSCC Grant	2,544	2,544
279	Asset Forfeiture	57,344	57,344
283	Tree City	250,235	250,235
286	Bocce	59,018	59,018
287	Harvest Festival	1,873	1,873
288	Fourth of July	(476)	(476)
289	Recreation Program	159,049	159,049
291	SB-1186 State Fees	14,699	14,699
295	NOAA	2,663	2,663
329	Stabo Land Conservation	36,674	36,674
375	Murray Public Safety	14,187	14,187
380	Friends and Foundation	29,577	29,577
381	Ryan Trust	(3,907)	(3,907)
382	Martin Trust	4,761	4,761
384	Tweed Library	721,471	721,471
420	1996 GO Bonds	12,361	12,361
443	South St. Helena Drainage	29,595	29,595
561	Water Enterprise	7,157,015	7,157,015
562	1977 Water Bond	60,230	60,230
571	Wastewater Enterprise	2,813,917	2,813,917

Fund	Description	Estimated Balance at 04/30/2020	Estimated Balance Without Long-term Receivables at 04/30/2020
572	Wastewater Bond	25,418	25,418
581	IS Retiree Health	145,000	145,000
582	IS Garage	4,399	4,399
592	Equipment Replacement	225,965	225,965
593	Fire Dept. Capital Equipment	225,211	225,211
700	Flood Control Capital	165,615	165,615
713	Civic Improvement Impact	674,629	674,629
733	City-wide Capital Project	1,163,369	1,163,369
734	Park Impact	1,304,199	1,304,199
740	Traffic Mitigation Impact	2,603,474	2,603,474
741	Street Capital Improvement	(182,988)	(182,988)
742	Drainage Impact	752,444	752,444
743	TDA Grant	-	-
745	Parking In-Lieu	573,978	573,978
751	Affordable Housing	1,315,295	407,485
752	Measure E	143,989	143,989
763	Water Capital Project	3,131,681	3,131,681
764	Water Impact	1,123,778	316,054
773	Wastewater Capital Project	1,787,651	1,787,651
774	Wastewater Impact	796,886	637,511

Nonspendable = Resources that cannot be spent either because the underlying resources are not in spendable form or because the government is legally or contractually required to maintain the resource intact.

Restricted = Resources subject to externally enforceable constraints.

Assigned = Resources that are set aside by the government for a particular purpose.

Unassigned = Resources that are not categorized as nonspendable, restricted, committed or assigned.

Unrestricted Net Position = Difference between total net position and net investment in capital assets and restricted net position.

GF Revenue Update

Account	Description	Actual 2019	Adopted 2020	Adjusted 2020	COVID-19 Revised Estimated 2020	Collected Through 4/30/2020 2020	Based on Adjusted % Collected 4/30/2020
Property Taxes							
101-30-10-00-00	Property Tax-Secured	3,940,490	4,020,903	4,070,903	4,070,903	3,721,192	
101-30-11-00-00	ERAF Shift to State	342,386	-	309,857	309,857	309,857	
101-30-20-00-00	Property Tax-Unsecured	125,292	131,237	131,237	131,237	127,429	
101-30-30-00-00	Prior Year Property Tax	1,035	600	600	600	964	
101-30-90-00-00	Real Property Transfer Tax	83,805	120,611	120,611	120,611	51,396	
101-32-05-00-00	In Lieu VLF	726,626	691,604	691,604	691,604	776,392	
101-32-20-00-00	Homeowner Property Tax	15,555	17,057	17,057	17,057	6,778	
Property Taxes		**5,235,189**	**4,982,011**	**5,341,869**	**5,341,869**	**4,994,009**	**93%**
Sales Tax							
101-30-40-00-00	Retail Sales/Use Tax	3,159,579	3,220,900	3,220,900	2,307,185	1,970,685	
101-30-42-00-00	Public Safety Sales Tax	61,687	59,655	59,655	59,655	48,289	
101-30-43-00-00	Sales Tax In Lieu	-	-				
101-30-44-00-00	Measure D	1,743,519	1,817,900	1,817,900	1,311,615	1,183,565	
Sales Tax		**4,964,784**	**5,098,455**	**5,098,455**	**3,678,455**	**3,202,539**	**63%**
Transient Occupancy Taxes							
101-30-41-00-00	Sales Tax Increment Res 91-18	0	-				
101-30-50-00-00	Transient Occupancy Tax	3,296,741	3,341,964	3,362,928	2,269,857	2,180,322	
101-30-51-00-00	Transient Tax Penalty	64,084	8,859	17,959	11,030	11,046	
Transient Occupancy Taxes		**3,360,825**	**3,350,823**	**3,380,887**	**2,280,887**	**2,191,368**	**65%**
Other Taxes							
101-30-60-00-00	Franchise Tax	209,872	208,755	208,755	208,755	159,433	
Other Taxes		**209,872**	**208,755**	**208,755**	**208,755**	**159,433**	**76%**
Charges for Service							
101-30-61-00-00	Comcast PEG Access Fees	22,698	35,000	35,000	35,000	11,290	
101-30-75-00-00	Fire Inspection Fees	1,100	1,300	1,300	-	-	
101-31-21-00-00	Building Inspection Fees	-	-				
101-31-22-00-00	Building Admin Fees	-	-				
101-31-23-00-00	Other Fire Revenues	2,850	-				
101-33-10-00-00	Planning Fees	-	-				
101-33-30-00-00	Sales Of Maps/Publications	210	165	165	165	59	
101-33-50-00-00	Police Services	33,439	35,500	35,500	35,500	18,646	
101-33-51-00-00	Animal Control Services	-	-				
101-33-60-00-00	Administrative Fees	-	7,725	7,725	-		
101-33-70-00-00	Planning Fees	(53,936)	13,638	13,638	-		
101-33-80-00-00	Engineering Fees	1,800	2,500	2,500	2,500	450	
101-33-90-00-00	Street/Sidewalk/Curb Repair	-	-				
Charges for Service		**8,161**	**95,828**	**95,828**	**73,165**	**30,445**	**32%**
Fines and Forfeits							
101-31-40-00-00	Vehicle Code Fines	28,136	27,583	27,583	27,583	16,749	
101-31-50-00-00	Other Police Fines	36,260	28,280	28,279	28,279	23,723	
101-31-55-00-00	A/R Late Penalty	3,959	4,725	4,725	200	187	
101-33-63-00-00	Civil Penalties	149,264	30,000	45,450	92,700	92,700	
101-34-20-00-00	Library Fines & Fees	4,087	-	-	86	86	
Fines and Forfeits		**221,705**	**90,588**	**106,037**	**148,848**	**133,445**	**126%**
Licenses and Permits							
101-30-70-00-00	Application & Permit Fees	5,475	8,240	8,240	8,240	4,100	
101-30-80-00-00	Business License	156,715	154,896	154,896	154,896	150,620	
101-30-81-00-00	Business License Penalty	1,555	1,332	1,332	1,332	776	
101-31-20-00-00	Building Permits	482,404	486,160	486,160	486,160	441,639	
101-33-15-00-00	Short Term Rental Permit	15,750	27,500	27,500	27,500	22,500	
101-33-74-00-00	Planning App & Permit Fees	180,329	213,483	213,483	88,000	78,979	

Account	Description	2019	2020	2020	2020	2020	4/30/2020
101-33-84-00-00	Public Works App & Permit Fees	39,300	37,132	37,132	37,132	36,775	
101-33-86-00-00	Well Permit Fee	2,600	1,300	1,300	2,600	2,600	
Licenses and Permits		**884,127**	**930,043**	**930,043**	**805,860**	**737,989**	**79%**
Development Fees							
101-33-81-00-00	Public Works Land & Dev Fees	25,600	28,000	28,000	16,160	16,160	
Development Fees		**25,600**	**28,000**	**28,000**	**16,160**	**16,160**	**58%**
Intergovernmental							
101-32-10-00-00	Motor Vehicle In-Lieu	2,937	3,039	3,039	3,039		
101-32-40-00-00	Highway Maintenance	0	-				
101-32-70-00-00	County Fire Contract	48,855	48,855	48,855	48,855	48,855	
101-32-80-00-00	Emergency Relief	269,490	-	27,000	120,930	120,930	
101-34-61-49-00	Contrib from Gov - Police	9,221	-				
101-34-71-00-00	Reimb State Mandated Costs	4,538	2,040	2,040	2,040		
101-34-73-00-00	Other State Revenue	18	-				
101-34-75-00-00	Restitution	181,227	-	-	200	200	
101-36-80-00-00	Library Abatement	3,877	3,672	3,672	2,500	3,302	
101-38-00-80-00	Restitution Revenue	0	-				
101-38-70-00-00	Allocation from Other Agency	1,948	-				
Intergovernmental		**522,112**	**57,606**	**84,606**	**177,564**	**173,287**	**205%**
Interest and Rents							
101-31-70-00-00	Investment Earnings	262,296	28,000	28,000	28,000	(46,115)	
101-34-76-00-00	Cash Overage/Shortage	22	-	-	61	61	
101-31-75-00-00	Interest Income	(93)	-				
101-36-10-00-00	Rental Income	153,805	67,000	67,000	71,843	79,271	
101-36-12-00-00	Rec Programs Facility Rental	865					
101-36-11-00-00	Tennis Court Rentals	1,225	1,425	1,425	750	750	
Interest and Rents		**418,120**	**96,425**	**96,425**	**100,654**	**33,967**	**35%**
Miscellaneous							
101-33-20-00-00	Legal Cost Recovery	32,726	25,000	25,000	-	-	
101-33-21-00-00	Storm Drain Cost Recovery	-	-				
101-33-40-00-00	Other Filing/Certification Fee	-	165	165	165	200	
101-33-85-00-00	Public Wks Violation/Repair Fe	20	-				
101-34-21-00-00	TRB Library Revenue	5,475	-				
101-34-22-00-00	Library Copies	2,946	3,030	3,030	1,585	1,585	
101-34-23-00-00	Library Lost Material	617	404	404	500	500	
101-34-24-00-00	Library Room Rental	305	354	354	150	150	
101-34-31-00-00	Donations	0	-		300	300	
101-34-51-00-00	Sale of Capital Assets	1,155	-				
101-34-60-00-00	Contributions from non-govt	0	-				
101-34-61-00-00	Contributions from Government	0	-	160,000	160,000		
101-34-61-46-00	Contributions from Gov - Library	0	-		1,000	1,000	
101-34-68-00-00	TID Admin Fee	0	-				
101-34-70-00-00	Other Revenue	123,934	55,000	55,000	55,000	40,248	
101-34-70-22-47	Other Revenue - Jingle		-	5,000	5,000	4,389	
101-34-74-00-00	Insurance Refund	0	-	-	1,244	1,244	
101-39-98-00-00	Operating Transfers In	15,319	3,565	3,565	5,367	5,367	
Miscellaneous		**182,495**	**87,518**	**252,518**	**230,310**	**54,982**	**22%**
TOTALS		**16,032,990**	**15,026,052**	**15,623,423**	**13,062,528**	**11,727,624**	**75%**

General Ledger
Quarterly Budget Report
GF Expenses

User: AprilM
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Period 01 - 10
Fiscal Year 2020

Description	Adopted Budget	Encumbered	Adjusted Budget	YTD Spent	Available Budget	% of Budget Available
Non Departmental	1,843,105.00	151,241.11	2,482,172.25	1,806,409.47	524,521.67	21.13
Council	351,577.00	13,789.02	363,178.96	132,683.46	216,706.48	59.67
Administration	1,086,780.00	52,946.62	1,108,752.18	855,553.89	200,251.67	18.06
Finance	504,030.00	62,696.79	579,998.00	385,803.73	131,497.48	22.67
Attorney	441,000.00	0.00	441,000.00	129,501.23	311,498.77	70.63
PlanningBuilding	1,454,557.00	285,054.32	1,630,567.52	741,472.62	604,040.58	37.04
Library	1,031,603.00	5,296.08	1,031,603.00	799,398.75	226,908.17	22.00
Parks & Recreation	273,814.00	0.00	278,814.00	234,533.04	44,280.96	15.88
Fire	1,412,085.00	34,701.40	1,455,978.14	1,263,154.49	158,122.25	10.86
Police	3,379,393.00	0.00	3,374,978.58	2,517,558.74	857,419.84	25.41
Public Works	3,248,108.00	105,248.87	3,441,982.94	2,768,502.24	568,231.83	16.51
Grand Total	**15,026,052.00**	**710,974.21**	**16,189,025.57**	**11,634,571.66**	**3,843,479.70**	**0.2374**

General Ledger

Quarterly Budget Report Water Revenues

Actual Through February 2020

Account Number	Description	Adopted Budget	Adjusted Budget	YTD Received	Uncollected
561	Water Enterprise				
561-38-10-00-00	Water Revenue	1,500	1,500	459	1,041
561-38-10-00-01	Residential-Inside CL	2,799,396	2,799,396	1,914,938	884,458
561-38-10-00-50	Residential-Outside CL	543,177	543,177	375,873	167,304
561-38-10-01-00	Multi-Dwelling-Inside CL	679,385	679,385	427,492	251,893
561-38-10-01-50	Multi Dwelling-Outside CL	13,262	13,262	14,740	(1,478)
561-38-10-10-00	General Commercial-Inside CL	2,231,057	2,231,057	1,417,826	813,231
561-38-10-17-00	Landscape Meter	82,172	82,172	151,463	(69,291)
561-38-10-99-10	Fire Service-Inside CL	26,010	26,010	15,150	10,860
561-38-10-99-20	Fire Service-Outside CL	31,981	31,981	7,857	24,124
561-38-10-99-50	Finance Charges	52,347	52,347	38,193	14,154
561-38-40-00-00	Property Rentals	8,400	8,400	6,300	2,100
561-38-60-00-00	Water Meter Install Fee	5,500	5,500	4,339	1,161
561-31-70-00-00	Investment Earnings	50,000	50,000	53,503	(3,503)
561-34-70-00-00	Other Revenue	8,500	8,500	5,455	3,045
561-38-70-00-00	CARE Subsidy	22,700	22,700	(10,907)	33,607
561-33-80-00-00	Engineering Fees	1,000	1,000	-	1,000
561-33-83-00-00	Raw Water Permit Fees	1,000	1,000	900	100
561-33-87-00-00	Backflow Testing & Insp Fees	150	150	-	150
Grand Total		**6,557,537**	**6,557,537**	**4,423,582**	**2,133,955**

General Ledger
Quarterly Budget Report
Water Expenditures

User: AprilM
Printed: 05/02/20 16:10:11
Period 01 - 10
Fiscal Year 2020

Description	Adopted Budget	Encumbered	Adjusted Budget	YTD Spent	Available Budget	% of Budget Available
Non Departmental	1,199,950.00	66,437.03	1,244,399.50	976,606.72	201,355.75	16.18
Council	18,488.00	0.00	18,488.00	13,239.44	5,248.56	28.39
Administration	253,230.00	10,032.20	252,040.97	187,591.32	54,417.45	21.59
Finance	356,295.00	11,594.20	376,659.39	284,755.25	80,309.94	21.32
Attorney	135,000.00	0.00	140,000.00	163,468.92	-23,468.92	-16.76
Public Works	4,594,574.00	39,762.21	4,691,525.10	2,964,215.36	1,687,547.53	35.97
Grand Total	**6,557,537.00**	**127,825.64**	**6,723,112.96**	**4,589,877.01**	**2,005,410.31**	**0.2983**

General Ledger

Quarterly Budget Report WW Revenues

Transactions Through February 2020

Account Number	Description	Adopted Budget	Adjusted Budget	YTD Received	Uncollected
571-31-70-00-00	Investment Earnings	$ 18,000.00	$ 18,000.00	$ 25,132.66	$ (7,132.66)
571-32-80-00-00	Emergency Relief	$ -	$ -	$ 23,558.14	$ (23,558.14)
571-34-70-00-00	Other Revenue	$ 9,600.00	$ 9,600.00	$ 12,650.01	$ (3,050.01)
571-34-80-00-00	Annexation Fees	$ 2,600.00	$ 2,600.00	$ 3,300.00	$ (700.00)
571-35-00-00-00	Residential	$ 1,511,200.00	$ 1,511,200.00	$ 902,026.53	$ 609,173.47
571-35-00-01-00	Multiple Dwelling	$ 271,049.00	$ 271,049.00	$ 145,297.98	$ 125,751.02
571-35-00-03-00	Laundromat	$ 12,698.00	$ 12,698.00	$ 8,652.82	$ 4,045.18
571-35-00-10-00	General Commercial	$ 1,148,641.00	$ 1,148,641.00	$ 757,349.21	$ 391,291.79
571-35-00-11-00	Restaurants	$ 115,161.00	$ 115,161.00	$ 79,449.62	$ 35,711.38
571-35-00-12-00	Service Station	$ 1,877.00	$ 1,877.00	$ 2,177.69	$ (300.69)
571-35-00-14-00	Motels-No Food Service	$ 123,353.00	$ 123,353.00	$ 86,256.27	$ 37,096.73
571-35-00-15-00	Supermarkets	$ 14,452.00	$ 14,452.00	$ 10,284.46	$ 4,167.54
571-35-00-18-00	Mixed Retial-Plus Food Service	$ 24,975.00	$ 24,975.00	$ 11,354.32	$ 13,620.68
571-35-00-20-00	Industrial	$ 25,738.00	$ 25,738.00	$ 14,410.99	$ 11,327.01
571-35-00-30-00	Libraries & Schools	$ 32,453.00	$ 32,453.00	$ 23,983.34	$ 8,469.66
571-35-00-60-60	Car Wash	$ 1,650.00	$ 1,650.00	$ 1,386.96	$ 263.04
571-38-10-99-50	Finance Charges	$ 21,754.00	$ 21,754.00	$ 13,453.70	$ 8,300.30
571-38-65-00-00	Sewer Connection Fee	$ 1,300.00	$ 1,300.00	$ 1,300.00	$ -
571-38-70-00-00	CARE Subsidy	$ 20,100.00	$ 20,100.00	$ (7,789.94)	$ 27,889.94
Grand Total		**$ 3,356,601.00**	**$ 3,356,601.00**	**$ 2,114,234.76**	**$ 1,242,366.24**

General Ledger
Quarterly Budget Report
Wastewater Expenditures

User: AprilM
Printed: 05/08/20 13:15:38
Period 01 - 10
Fiscal Year 2020

Description	Adopted Budget	Encumbered	Adjusted	YTD Spent	Available Budget	% of Budget Available
Non Departmental	488,048.00	54,718.51	531,797.50	407,201.03	69,877.96	13.14
Council	18,488.00	0.00	18,488.00	13,239.44	5,248.56	28.39
Administration	193,507.00	7,643.62	193,165.33	140,124.81	45,396.90	23.50
Finance	267,511.00	11,415.42	285,258.62	209,495.63	64,347.57	22.56
Attorney	35,000.00	0.00	35,000.00	11,370.24	23,629.76	67.51
Public Works	2,354,047.00	162,504.78	2,565,313.30	1,759,806.53	643,001.99	25.07
Grand Total	**3,356,601.00**	**236,282.33**	**3,629,022.75**	**2,541,237.68**	**851,502.74**	**0.2346**

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **NEW BUSINESS**

Subject: **Consideration and Approval of Resolution authorizing the City Manager to negotiate and execute up to four voluntary retirement incentive agreements to create cost-saving vacancies.**

CEQA Determination: **Exempt**

Prepared By: Kathy Robinson, Human Resources & IT Director

Reviewed By: April Mitts, Finance Director

Approved By: Mark T. Prestwich, City Manager

BACKGROUND

Staff continues the processes of determining the full financial impacts of the COVID-19 pandemic on St. Helena's revenues into the next fiscal year and beyond. In addition to revenue losses, various cost containment measures are being taken into consideration. One strategy for cost containment is the adoption of an early retirement incentive program for qualified employees. An early retirement incentive potentially accelerates attrition, offering long-term savings. Staff is asking that the City Council grant the City Manager authority to negotiate and execute up to four voluntary retirement incentive agreements to create cost-saving vacancies.

DISCUSSION

Voluntary separations under the program are intended to achieve specific institutional objectives: 1) reduction in salary/wage and benefit costs, and 2) redirecting positions to focus in other areas to maintain service levels where most needed. Voluntary separations under the program may also assist in avoiding or minimizing future involuntary terminations due to reductions in personnel.

The early retirement incentive is a one-time opportunity for eligible employees to apply for separation and enter retirement at an earlier date than might otherwise have been planned. Participants will be required to sign a Separation Agreement (Attachment 1) that contains a release of all employment rights and claims, described in Exhibit A of Attachment 1. Following voluntary separation from the City of St. Helena, participants will receive the benefits provided by this plan, including a lump sum payment of $15,000.

Participation in the program is completely voluntary. Applicants may revoke their application at any time up to seven calendar days after signing the Separation Agreement. Eligible employees who decline to participate or who revoke an application to participate will not be treated any differently than any other similarly situated employee.

Applications for the program will be accepted starting May 13, 2020 and will be accepted through June 30, 2020. Separations under the early retirement program are to be effective on or before July 15, 2020, except as allowed by circumstances described in the agreement.

FISCAL IMPACT

The fiscal effects of the early retirement program will depend on the participation in the plan. If there are four eligible employees who opt to retire, the City will spend up to $60,000 from the General Fund Reserves to realize an estimated $450,000 in annual General Fund savings. The actual amount of savings will determine what other cost containment strategies will need to be implemented. The positions of the staff who participate in the plan will inform staff's organizational analysis of what positions can be reallocated, combined, or shared with other departments.

RECOMMENDED ACTION

Approve Resolution authorizing the City Manager to negotiate and execute up to four voluntary retirement incentive agreements to create cost-saving vacancies.

ATTACHMENTS

Attachment 1 - Retirement Incentive Agreement (template)
Attachment 2 - Resolution - Retirement Incentive

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

1472 Railroad Avenue
St. Helena, CA 94574
Phone: (707) 967-2792
Fax: (707) 963-7748

www.cityofsthelena.org

May 13,2020

Employee name
Address
Address

Re: Voluntary Retirement Incentive

Dear ___________:

Due to the changing needs of the City of St. Helena ("City"), the City has offered, and you have accepted, a voluntary separation from employment.

The terms of this letter, should you accept them as provided below, will constitute the agreement ("Agreement") between you and the City concerning the terms of your voluntary separation from employment. The terms offered to you in this Agreement can be accepted any time after 12:00 p.m. on Wednesday, May 13, 2020, and shall remain open for your consideration and acceptance until 5:00 p.m. on June 30, 2020. At that time, the offer will automatically expire. You are not required to sign this Agreement; however, to receive the benefit an executed copy of the agreement must be received in accordance with Section 3.

1. Separation Date. The effective date of your irrevocable voluntary resignation from employment is on __________, 2020 (or before July 31, 2020), at close of business. This date is referred to as the "Separation Date."

2. Wages/PTO Payment. On or before the Separation Date, the City will pay you (a) all wages earned through the Separation Date, and (b) all accrued but unused discretionary leave (e.g. vacation, CTO). These amounts will be paid in a lump sum, less applicable deductions and withholdings. If you feel these amounts do not accurately represent all wages owed to you as of the Separation Date, please advise Finance Department immediately at (707) 968-2751.

3. Severance Payment. If you execute this Agreement, and do not revoke it, then, subject to the conditions in this Agreement, the City shall pay you a lump sum in the gross amount of fifteen thousand dollars ($15,000) ("the Severance Payment"), subject to applicable taxes and withholdings. As express conditions precedent to eligibility for the severance benefits above, you must (a) remain productively employed, satisfactorily performing, and compliant with all City policies and directives through close of business on the Separation Date; (b) after

12:00 p.m. on Wednesday, May 13, 2020, be one of the first four employees to accept this package by delivering (and not revoking) an executed copy of this letter agreement to City Manager Mark Prestwich (with "delivery" measured based on the earlier of either the City email time stamp on the transmittal or the time of actual in-person receipt of the executed agreement) ; and (c) execute (and not revoke) a supplemental release of claims provided by the City in substantially the form described in Exhibit B on or within two (2) business days of the Separation Date. Failure to meet these express conditions precedent will result in your being ineligible for the Severance Payment. The Severance Payment shall be made within ten (10) business days of the effective date of the releases described above in subsection 3.(c).

4. **<u>Health and Benefits Coverage</u>.** Under separate cover, you will receive information regarding your rights to benefit continuation (i.e., "COBRA" rights). You will be responsible for paying the monthly COBRA premium for COBRA-eligible benefits, if you elect to continue coverage after your employment ends. Your participation in other City benefits will end on the Separation Date as provided in the various plan documents for each benefit.

5. **<u>No Pending Claims/Covenant Not to Sue</u>.** By signing this Agreement, you warrant and represent that, other than potential claims for workers' compensation benefits, you have not filed any complaint, grievance, claim, or action against the City or any of its Councilmembers, officers, agents, directors, employees, representatives, successors, or assigns with any state, federal, or local agency, board, arbitrator, or court (and that you will not do so at any time thereafter, excluding unemployment insurance claims) based on any matters arising from or related to your employment and/or termination of your employment. If you file any such claim against the City, then it will be considered a breach of this Agreement.

You further agree, to the fullest extent permitted by law (and expressly excluding claims for workers' compensation or unemployment insurance benefits), that you will not prosecute or allow to be prosecuted on your behalf, in any administrative agency, tribunal or court, whether state or federal, any complaint, grievance, claim or action against the City or any of its officers, agents, partners, directors, shareholders, employees, or representatives pertaining to or arising out of your City employment or separation from it. You further agree that you will not participate in any action against the City pertaining to or arising out of your City employment or separation from it, except as required by law. If any such action is brought, this Agreement will constitute an affirmative defense. Should you legally have the right to participate in any action against the City in the future pertaining to or arising out of your City employment or separation from it, you expressly agree that you shall have no right to recover damages, costs, or other compensatory relief.

6. **<u>No Admission of Liability</u>.** This Agreement shall not operate or be construed as an admission by the City of any liability, misconduct, or wrongdoing whatsoever against you. Rather, the City expressly denies any liability to you.

7. **<u>General Release of Claims</u>.** In exchange for the Severance Payment, you waive, release, and promise, on behalf of yourself, your heirs, spouse, and assigns, never to assert any claim that you have or might have against the City, its officers, agents, partners, directors, employees, representatives, successors, or assigns (collectively, "the Released Parties"), arising from or related to your employment and/or your separation from employment. These claims include, but are not limited to, claims arising under federal, state, and local statutory or common law, such as:

(a) The Age Discrimination in Employment Act;

(b) Title VII of the Civil Rights Act of 1964;

(c) The California Fair Employment and Housing Act;

(d) The Americans with Disabilities Act;

(e) The Employee Retirement and Income Security Act;

(f) The Federal Family and Medical Leave Act;

(g) The California Family Rights Act;

(h) The Worker Adjustment and Retraining Notification Act ("WARN");

(i) The California WARN Act; and

(j) Any and all contract or tort claims, such as wrongful termination, constructive discharge, breach of contract, breach of the covenant of good faith and fair dealing, fraud, defamation, libel, invasion of privacy, wages and intentional or negligent infliction of emotional distress.

You also agree that by signing this Agreement and accepting a Severance Payment described above, you give up any and all rights you may have to obtain any monetary award against all Released Parties through any administrative agency, court, or other forum. You further represent that you have not been discriminated against by the City or its officers, partners, employees or agents on any basis protected by federal, state or local law (including but not limited to age, gender, religion, disability, sexual orientation, national origin, pregnancy, marital status, ancestry, familial status, medical condition, or race/color) or treated unequally in pay or compensation on any such basis. You further represent that you have not been a victim of sexual harassment by the City or its officers, partners, employees or agents.

The parties' intent is for the Released Claims to be construed broadly and to the full extent legally permissible. However, nothing in this Agreement is intended to release claims for workers' compensation benefits or unemployment insurance benefits. Similarly, nothing in this Agreement shall be construed to limit you from pursuing claims or other enforcement activities for the sole purpose of enforcing your rights under this Agreement.

8. Release of Age Discrimination Claims. In consideration of the payment provided in this Agreement, you specifically waive any and all existing rights and claims you may have against the City under the Age Discrimination in Employment Act ("ADEA"), as amended and supplemented by the Older Workers Benefit Protection Act ("OWBPA"), and you acknowledge that the payment provided in this Agreement constitutes independent consideration for your waiver. By signing this Agreement, you acknowledge you were advised to, and had the opportunity to, consult with an attorney of your choice before executing this Agreement. You further acknowledge that under the OWBPA, you have 45 days from receipt of this Agreement within which to consider it before signing, although you may decide to sign it sooner, thereby voluntarily waiving the 45-day period.

9. **Waiver of California Civil Code Section 1542.** The release addressed in Paragraph 7, above, is intended to be complete and final and to cover not only claims, demands, liabilities, damages, actions and causes of action which are known, but also claims, demands, liabilities, damages, actions and causes of action which are unknown or which you do not suspect to exist in your favor which, if known at the time of executing this Agreement might have affected your actions, and therefore, you expressly waive the benefit of the provisions of Section 1542 of the California Civil Code, which states:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

10. **Acknowledgement of Accurate Reporting and Receipt of Wages.** By signing this Agreement, you expressly represent and warrant that, other than the final paycheck described in Section 2 above, as of the date of executing this Agreement, you have accurately reported all your hours worked (both straight time and overtime), that you have not worked any time "off the clock" (whether straight time or overtime) that you have not reported on your timecards, and that you do not dispute as inaccurate any wages previously paid to you.

11. **Voluntary Separation Information.** The City has advised you that four (4) employees (including you, if you are one of the first three to execute and deliver the agreement as described in Paragraph 3) may be leaving employment pursuant to the City's voluntary separation program. The positions and ages of those employees to whom the program was offered are listed on Exhibit A to this Agreement. All employees leaving employment under the voluntary separation program have been offered an "employment termination program benefit" (i.e., severance benefit).

12. **Cooperation.** In exchange for the Severance Payment, you agree not to voluntarily participate, directly or indirectly, alone or in concert with others, in any threatened or actual suit, claim, proceeding, demand, or any other action of any type (collectively "Actions") against either the City or any of its officers, Councilmembers, agents, consultants, clients, or employees, unless your participation is required pursuant to court order or lawfully issued subpoena. You also agree to immediately notify the City's Human Resources Director if you are contacted by any person soliciting your participation in any such Actions.

13. **Reference Inquiries.** You agree to direct potential future employers or others seeking background check or reference information to Human Resources Director, Kathy Robinson, or successor. In the event of reference checks from third parties, the City will abide by its existing policy to divulge only neutral information regarding your title and dates of employment. Additional information about your employment and separation will be disclosed only: (a) with your written consent, (b) to refute or defend any claim initiated by you or on your behalf, or (c) as otherwise required by law.

14. Return of City Property. As a condition precedent to receiving the severance benefits specified above, on or before the Separation Date you shall surrender and/or return any and all property in your possession or control belonging to the City, including but not limited to office keys, desk keys, access cards, credit cards, computer equipment, and all documents of any type whether in hard-copy or electronic form.

15. Breach of Agreement. If either you or the City breaches any of its respective obligations set forth in this Agreement, the non-breaching party shall be excused from further performance. In addition, the City will be entitled to recover the consideration paid to you under this Agreement and to obtain all other relief provided by law or equity.

16. Entire Agreement. You agree that no promise, inducement, or other agreement has been made to you except what is expressly contained in this Agreement, and that this Agreement contains the entire agreement between you and the City with respect to your separation of employment. All prior agreements, understandings, representations, oral agreements or writings, if any, are expressly superseded by this Agreement and are of no further force and effect.

17. Governing Law. This Agreement is entered into and governed by the laws of the State of California.

18. Time to Sign Agreement – Up To 45 Days. You have until Tuesday, June 30, 2020, to sign and date the Agreement and return the signed original via first class U.S. Mail or overnight delivery (with delivery confirmation), or via hand-delivery, to City Manager Mark Prestwich, 1572 Railroad Avenue, St. Helena, CA 94574. You are advised to consult an attorney about the Agreement. You have the option of signing and returning this Agreement at any time within this period. You acknowledge and agree that any changes made to this Agreement after it is sent to you, whether material or immaterial, as a result of the parties' negotiations do not restart the running of the required 45-day review period.

19. Right to Revoke Agreement – 7 Days; Effective Date of Agreement. Once you return the signed and dated Agreement, you will have an additional seven calendar days in which to revoke your acceptance of the Agreement. To revoke the Agreement, you must deliver to City Manager Mark Prestwich, a written statement of revocation, either by mail or by hand-delivery. To be effective, your statement of revocation must be received by the City within the seven-day revocation period. If you accept the Agreement and do not revoke your acceptance, then the eighth day after the date of your acceptance will be the "Effective Date" of the Agreement.

20. Partial Invalidity. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given full force and effect without the invalid provision shall continue in full force and effect, and shall in no way be impaired or invalidated.

21. Attorney Fees. Each party to this Agreement agrees to bear its own attorney fees and costs, if any, incurred in reaching this Agreement.

22. **Prevailing Party.** You understand and agree that if any suit, affirmative defense or counterclaim is brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to its costs, expenses, and attorneys' fees, as well as any and all other remedies specifically authorized under law.

23. **Advisements and Further Representations.** You are advised to consult with an attorney or independent legal representative before signing this Agreement. You represent that you have had reasonable and sufficient time and opportunity to have this Agreement explained to you by an attorney or legal representative of your choice, and have either discussed this Agreement with an attorney or voluntarily chosen to sign it without consulting an attorney. You further represent that you have carefully read this Agreement, understand its terms, and have executed it voluntarily with full knowledge of its legal significance. Finally, you represent that you have the legal capacity to enter into this Agreement.

24. **Counterparts**. This Agreement may be executed in two or more counterparts, including via facsimile or electronically-transmitted signature, each of which shall be deemed an original, but all of which together shall constitute one-in-the-same document. The Agreement shall be binding on each party upon that party's signing of such a counterpart.

Sincerely,

Mark Prestwich, City Manager
City of St. Helena

By signing this letter, I acknowledge that I have had the opportunity to review this Agreement with an attorney of my choice, and that I have read the Agreement, understand its terms, and voluntarily agree to them.

Date: ________________, 2020 ____

Employee Name
Employee Signature

EXHIBIT A

The City is offering a voluntary retirement incentive as a cost-saving measure to address the City's changing needs. Below is a listing of the ages and positions of the employees who were offered participation in the voluntary retirement incentive program, which includes all City employees eligible to retire on or before July 15, 2020 under the guidelines and requirements of the California Public Employees' Retirement Law as administered by CalPERS. Except for these retirement-eligible employees to whom the incentive was offered, no other City employee is or was eligible for, nor was offered, consideration in exchange for signing a voluntary separation agreement and release of claims associated with the City's voluntary retirement incentive program.

Position Description	Age
Parks & Recreation Director	60
Finance Director	50
Front Desk Supervisor	55
Police Chief	59
Buildings & Grounds Supervisor	54
Fire Chief	51
HR & IT Director	50
Community Service Officer	58
Senior Librarian	66
Wastewater Treatment Operator	59
Senior Library Assistant	61
City Manager	50
Planning & Building Director	54
Building Official	53
Police Officer	50

Exhibit B- SUPPLEMENTAL RELEASE AND WAIVER OF CLAIMS

WHEREAS, __________ ("Employee") and the City of St. Helena, a Public Entity (the "Employer") entered into a voluntary separation agreement providing for certain separation benefits to be paid to Employee if various conditions were met, one of which required Employee's execution of a supplemental release releasing all claims at or immediately following Employee's separation date;

WHEREAS, this Supplemental Release and Waiver ("Supplemental Release") has been prepared for that purpose;

NOW, THEREFORE, in consideration of the releases, covenants and agreements contained and the consideration described in this agreement and the voluntary separation agreement, and in order to be eligible for the consideration in the voluntary separation agreement, Employee does hereby agree as follows:

RELEASE AND WAIVER OF CLAIMS

1. Waiver of Discrimination Claims.

Employee understands and acknowledges that Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, the Americans with Disabilities Act of 1990, the Federal Family and Medical Leave Act of 1993, the California Family Rights Act of 1991, the California Fair Employment and Housing Act, and other statutes provide Employee with the right to bring an action against the Employer if Employee believes Employee has been discriminated against based on race, ancestry, creed, color, religion, sex, marital status, national origin, age, status as an individual who has filed a claim for workers' compensation benefits or who has sustained an industrial injury, status as a veteran of the Vietnam era, physical or mental handicap, and/or disability. Employee understands the rights afforded to her under these Acts and agrees that Employee will not bring any action against the Employer based on any alleged violation(s) of these Acts. Employee hereby waives any right to assert a claim for any relief under these or similar Acts, including but not limited to back pay, attorney fees, damages, reinstatement, and/or injunctive relief, arising out of her employment with Employer or the separation from such employment.

2. General Release of All Claims.

Excepting as expressly set forth in this Supplemental Release, Employee shall and hereby does release and forever discharge the Employer, its predecessors, successors, heirs, executors, administrators, other present or former employees, Board members, officers, agents, attorneys, directors, successors and assigns (collectively, "Released Parties"), from all claims related in any way to the transactions or occurrences between Employee and the Employer to date, to the fullest extent permitted by law. This release is intended to be interpreted broadly to apply to all transactions and occurrences between Employee and the Employer, including but not limited to any and all claims related to Employee's employment and employment conditions with the Employer and all other losses, liabilities, claims, charges, demands and causes of action, known or unknown, suspected or unsuspected, arising directly or indirectly out of or in any way connected to Employee's employment with the Employer or the separation from such employment (collectively, "Released Claims"). Released Claims include, but are not limited to, any claim based in common law, the state or federal Constitution, state or federal statutes, all contract or tort claims (such as wrongful termination, constructive discharge, breach of contract, breach of the covenant of good faith and fair dealing, fraud, defamation, libel, invasion of privacy, and intentional or negligent infliction of emotional distress), and all related claims for physical injuries, illness or damage, and all claims for attorneys' fees, costs and expenses, grievances, claims and/or appeals under federal or state law or due process.

However, nothing in this Supplemental Release shall be interpreted to waive Employee's statutory rights under the California Labor Code (e.g. workers compensation), the California Unemployment Insurance Code, or the California Government Claims Act regarding defense of, and/or indemnity for, claims relating to acts committed within the course and scope of her employment.

3. Waiver of Civil Code Section 1542.

It is understood and agreed that the releases as referred to herein are full and final releases by each party of the other, and that such full and final releases include, without limitation, all unknown and unanticipated claims, injuries, debts, or damages, as well as those now known or disclosed. With respect to all claims, each party expressly waives the provisions of California Civil Code section 1542, which provides as follows:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

In that connection, Employee realizes and acknowledges that one or more of the Released Claims may include losses sustained by that party on account of the other that are presently unknown or unsuspected, and that such losses as were sustained may give rise to additional losses and expenses in the future which are not now anticipated. Nevertheless, Employee acknowledges that this release has been negotiated and agreed upon and that in consideration for the rights and benefits under this Supplemental Release, Employee intends and hereby does release, acquit and forever discharge the Released Parties from any and all claims, including those that are unknown, unsuspected or unforeseen or that are presently unknown and unanticipated.

4. ADEA Release and Time to Sign and Revoke Supplemental Release.

Employee represents that Employee is over the age of 40. Further, Employee acknowledges Employee's waiver and release hereunder of any rights Employee may have under the Age Discrimination Employment Act (ADEA) is knowing and voluntary and that the consideration given for Employee's waiver and release in this Supplemental Release is in addition to anything of value to which Employee was already entitled. Employee further acknowledges that Employee has been advised by this writing as required by the Older Workers Benefit Protection Act, that: (a) her waiver and release of rights in this Supplemental Release does not apply to any rights or claims that may arise after this Supplemental Release is executed; (b) Employee should consult with an attorney prior to executing this Supplemental Release; (c) Employee has had at least forty-five (45) calendar days from the date Employee first receives this Supplemental Release to obtain the advice of counsel from the legal representative of Employee's choice and to decide whether to sign it (although Employee may, by choice, execute this Supplemental Release earlier), and any negotiated revisions to the document after that date do not re-start this period; (d) Employee understands that for seven (7) calendar days after Employee signs this Supplemental Release, Employee has the right to revoke it; and (e) the Supplemental Release shall not become effective and enforceable until the date upon which the revocation period has expired, which shall be the eighth day after the Supplemental Release is executed by Employee (the "Effective Date"). ***If Employee chooses to revoke, notice must be sent to <u>and received by</u> the City Manager no later than the time frame referenced above. (Seven (7) calendar days after Employee signs this Supplemental Release.)***

5. <u>Warranty of No Filed Claims/Covenant Not to Sue</u>.

A. Employee represents that Employee has not filed any complaint, grievance, claim, or action against the Employer or any of its Employer Board members, officers, agents, directors, employees, or representatives with any state, federal, or local agency, board, arbitrator, or court based on any matters arising out of Employee's employment with the Employer and/or the separation from City employment, and that Employee will not do so at any time hereafter.

B. Employee further covenants not to sue or file any complaint, grievance, claim or action at any time hereafter based on any matters arising out of or in any way relating to Employee's City employment, or separation from City employment, that could have been filed as of the Effective Date of this Supplemental Release.

6. <u>Neutral Interpretation, Mutual Drafting and Governing Law</u>.

This Supplemental Release shall be deemed to have been jointly drafted by the Parties and shall be governed by and construed in accordance with the laws of the State of California. Any uncertainty or ambiguity may not be interpreted for or against any one Party. The headings contained in this Supplemental Release are for reference purposes only and shall not affect in any way the meaning or interpretation of this Supplemental Release.

7. <u>No Assignment of Claims</u>: Employee expressly warrants that Employee has not transferred to any other person or entity any of the rights or causes of action released in this Supplemental Release.

8. <u>Severability and Waiver</u>.

A. If any provision of this Supplemental Release is adjudicated by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Supplemental Release which can be given full force and effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

B. Any of the terms or conditions of this Supplemental Release may be waived at any time by the party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition hereof.

9. Choice of Law.

This Supplemental Release shall be interpreted according to the laws of the State of California.

10. Voluntary Execution of Supplemental Release.

Employee represents that Employee has carefully read this entire Supplemental Release and that Employee knows and understands its contents. Employee has had the opportunity to receive independent legal advice from attorneys of Employee's choice with respect to the preparation, review, and advisability of executing this Supplemental Release. Employee further represents and acknowledges that Employee has freely and voluntarily executed this Supplemental Release after independent investigation and without fraud, duress, or undue influence, with a full understanding of the legal and binding effect of this Supplemental Release and with the approval of legal counsel, if any.

Date _______________, 2020

By: ______________________________________
Employee

RESOLUTION NO. ______

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ST. HELENA AUTHORIZING THE CITY MANAGER TO NEGOTATE AND EXECUTE UP TO FOUR VOLUNTARY RETIREMENT INCENTIVE AGREEMENTS

WHEREAS, the government at all levels is taking action to protect public health and limit the spread of COVID-19 in the United States; and

WHEREAS, the County of Napa has declared a local and a public health emergency, the Governor of the State of California has declared a state of emergency, and the President of the United States has declared a national emergency; and

WHEREAS¸ the City Council on March 23, 2020 ratified the proclamation of the City Manager of a local emergency in the City of St. Helena; and

WHEREAS, the County of Napa's Health Officer issued a shelter at home order on March 18, 2020, and the Governor issued a stay at home order on March 19, 2020; and

WHEREAS, The City continues the process of determining the full financial impacts of the COVID-19 pandemic on St. Helena's revenues into the next fiscal year and beyond; and

WHEREAS, The City is looking at multiple responses to these challenges while minimizing impacts to service levels; and

WHEREAS, One response is to implement an early retirement incentive program for up to four qualified employees which includes a lump sum payment of $15,000; and

WHEREAS, Voluntary separations under the program are intended to achieve specific institutional objectives including avoiding and/or minimizing future involuntary terminations due to reductions in personnel; and

WHEREAS, Participation in the program is completely voluntary and applicants may revoke their application up to seven calendar days after signing the Separation Agreement; and

WHEREAS, Applications for the program will be accepted starting May 13, 2020 and will be accepted through June 30, 2020.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of St. Helena as follows:

1. Authorize the City Manager to negotiate and execute up to four voluntary retirement incentive agreements with a lump sum payment of $15,000 per applicant.

APPROVED at a regular meeting of the St. Helena City Council on May 12, 2020, by the following votes:

Mayor Ellsworth:

Vice Mayor Dohring:

Council Member Chouteau:

Council Member Knudsen:

Council Member Koberstein:

APPROVED:	ATTEST:
______________________	______________________
Geoff Ellsworth, Mayor	Cindy Tzafopoulos, City Clerk

Report to the City Council
Regular City Council - 12 May 2020

Agenda Section: **NEW BUSINESS**

Subject: **Appointment to Groundwater Sustainability Plan Advisory Committee**

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

The Napa County Groundwater Sustainability Agency has announced the formation of a Groundwater Sustainability Plan Advisory Committee (NCGAC) to provide recommendations to the Agency. The Committee's purpose will be to advise the NCGSA Board of Directors on the preparation of a Groundwater Sustainability Plan (GSP), with policies and recommendations to manage the groundwater within the Napa Valley Sub-Basin to ensure its long-term protection and availability.

Working with staff, consultants, and a facilitator in a public forum, the Committee will submit a recommended GSP to the Board of Directors for consideration no later than November 1, 2021. The Committee shall meet monthly with dates and times to be determined at the first meeting, and may conduct special meetings on an on-call basis as needed, usually at the County of Napa Board of Supervisors Chambers at 1195 Third Street Street in Napa.

The 25 member committee will be comprised of the following:

- Four members representing the four cities/town located within the sub-basin (Calistoga, St. Helena, Yountville, Napa)
- One member from the Napa Sanitation District

- Two members representing legal owners of surface water rights along the Napa River within the sub-basin
- Two members representing owners or operators of legally entitled groundwater dependent public water systems within the sub-basin
- Two members representing holders of overlying groundwater rights within the sub-basin
- Five members representing agricultural interests within the sub-basin
- Five members representing environmental users of groundwater within the sub-basin
- Two members representing disadvantaged communities located within the sub-basin
- Two members representing the public at large

Terms will expire January 31, 2022.

FISCAL IMPACT
Not applicable.

RECOMMENDED ACTION
Pass a Motion appointing an elected official or staff member to the Groundwater Sustainability Plan Advisory Committee.

Cindy Tzafopoulos

From: Donald Williams <dwcc@sonic.net>
Sent: Tuesday, May 12, 2020 12:58 PM
To: Cindy Tzafopoulos
Cc: Geoff Ellsworth
Subject: Fwd: [External] GSA advisory committee

Dear St. Helena City Council, and GSA Nominating Committee,

I have known Geoffrey Ellsworth for many years. His efforts to defend our environment are focused and consistent with his concern for the well-being of Napa County residents. You will not find a more conscientious or energetic advocate for the environment sensitive to both crucial details and the big picture as well.

Sincerely,

Donald Williams

City of Calistoga Council Member

--
Donald Williams
P.O. Box 273
Calistoga, CA 94515
www.donaldcalistoga.com
707-479-8660

Joelle Gallagher
2130 Pine Street
Napa, CA 94559
707.738.7108
joelle@first5napa.org

May 12, 2020

Ms. Cindy Tzafopoulos
City Clerk
City of St. Helena
1572 Railroad Avenue
St. Helena, CA 94574

Dear Ms. Tzafopoulos:

I am writing to you today to support the appointment of Mayor Geoff Ellsworth to the Napa County Groundwater Sustainability Agency Advisory Committee. As the Mayor of St. Helena, Mr. Ellsworth has a both an interest and responsibility in assuring the health, safety and sustainability of the water supply. He will provide an essential voice to the Advisory Committee.

Sincerely,

Joelle Gallagher

Joelle Gallagher
Napa, CA

Cc: Mayor Geoff Ellsworth

Cindy Tzafopoulos

From: warren@wminapa.com
Sent: Tuesday, May 12, 2020 9:33 AM
To: Cindy Tzafopoulos
Cc: 'Geoff Ellsworth'
Subject: [External] Geoff Ellsworth - Napa County Groundwater Sustainability Agency (GSA) advisory committee

To: St Helena City Council

I hope the City Council will add its support to those who already support Geoff, as I do, to be on the advisory committee fo the Napa Co. GSA. Ground water use and its sustainability for the future is the artery of life for this Valley, our National Treasure. Nothing lives without a sustainable ground water supply: Geoff knows this, has studied this, and is deeply committed to continue this sustainability.

I hope you will help him help us all.

Warren Winiarski

Cindy Tzafopoulos

From: A Cottrell <anne.l.cottrell@gmail.com>
Sent: Tuesday, May 12, 2020 3:23 PM
To: Cindy Tzafopoulos
Subject: [External] Public Comment on Agenda Item #11.3

Dear Mayor Ellsworth and Councilmembers Chouteau, Dohring, Knudsen, and Koberstein:

I am writing to you today to support the appointment of Mayor Geoff Ellsworth to the Napa County Groundwater Sustainability Agency Advisory Committee. It's important that the City of St. Helena have a representative on the committee to advocate for our collective interest in a safe and sustainable water supply.

Thank you,
Anne Cottrell