CITY OF NAPA

955 School Street
Napa, CA 94559
www.cityofnapa.org

MEETING MINUTES - Draft

CITY COUNCIL OF THE CITY OF NAPA

Mayor Scott Sedgley
Vice Mayor Beth Painter
Councilmember Liz Alessio
Councilmember Mary Luros
Councilmember Bernie Narvaez

Tuesday, April 18, 2023 | **3:30 PM** | **City Hall Council Chambers**

3:30 PM Afternoon Session
6:30 PM Evening Session

3:30 P.M. AFTERNOON SESSION

1. CALL TO ORDER: 3:30 P.M.

1.A. Roll Call:

Present: 5 - Councilmember Alessio, Councilmember Luros, Councilmember Narvaez, Vice Mayor Painter, and Mayor Sedgley

2. AGENDA REVIEW AND SUPPLEMENTAL REPORTS:

City Clerk Carranza announced the following supplemental items:

Item 5.A.: PowerPoint Presentation from City Staff.

Item 5.B.: PowerPoint Presentation from City Staff.

Item 6.A.:
 - PowerPoint Presentation from City Staff.
 - Emails from Lori Stelling and Jeri Hansen, Napa Chamber of Commerce.

(Copies of all supplemental documents are included in Attachment 1)

3. PUBLIC COMMENT:

(See supplemental document in Attachment 1)

Alison Christianson - shared their Leadership Napa Valley Class 35 group practicum project which focused on promoting cleaner burn practices and promoted the Cleaner Burn Resources Page hosted by Firewise Napa and asked the City to promote the site on their webpage.

4. CONSENT CALENDAR:

Approval of the Consent Agenda

A motion was made by Vice Mayor Painter, seconded by Councilmember Alessio, to approve the Consent Agenda. The motion carried by the following vote:

Aye: 5 - Alessio, Luros, Narvaez, Painter, and Sedgley

4.A. 142-2023 City Council Meeting Minutes

Approved the minutes from the March 30, 2023 Special Meeting, and the April 4, 2023 Regular Meeting of the City Council.

4.B. 136-2023 Napa County Mosquito Abatement District Board Membership

Appointed Patrick C. Gorman to the Napa County Mosquito Abatement District Board for a two-year term beginning immediately and ending December 31, 2024.

4.C. 079-2023 Fleet Equipment Replacement and Upgrade Reserve Fund Allocation

Approved a budget adjustment in the Fleet Fund increasing the expenditure budget by $100,000 as documented in Council Budget Amendment No. 23P10.

4.D. 102-2023 Terminate Moderate Water Shortage Emergency

Adopted Resolution R2023-036 declaring that a moderate water shortage emergency no longer exists, terminating the requirements of the City's water shortage regulations set forth in Napa Municipal Code Chapter 13.10, and determining that the actions authorized by this resolution are exempt from CEQA.

Enactment No: R2023-036

4.E. 111-2023 On-Call Repair and Construction Service Agreements for Water Utility Infrastructure

Authorized the Utilities Director to execute agreements with Atlas Peak Construction, Inc., Garney Pacific, Inc., and G.D. Nielson Construction, Inc., for amounts not to exceed $300,000 each with a three-year term, for emergency and on-call repair and construction services for water utility infrastructure, and determine this action is exempt from CEQA.

4.F. 118-2023 Environmental Laboratory Analyses Services for Water Quality Monitoring

Authorized the Utilities Director to approve a Services Agreement with Caltest Analytical Laboratory in an amount not to exceed $275,000 for environmental laboratory analyses services, and determine this action is exempt from CEQA.

4.G. 120-2023 Application for the 2022/23 CalRecycle Organics Grant Program

Adopted Resolution R2023-037 authorizing the Utilities Director to submit an application for, and execute all necessary documents to implement, a CalRecycle organics grant in the amount not-to-exceed $10 million for a THOR model food waste de-packager equipped with a materials polisher, a trommel screen, two glass crushers, a 6,000 gallon tank and an anaerobic digestion facility with a capacity of 32,000 tons per year and grant eligible labor at the City’s Materials Diversion Facility and determining that the actions authorized by this resolution were adequately analyzed by a previous CEQA action.

Enactment No: R2023-037

5. ADMINISTRATIVE REPORTS:

5.A. 031-2023 Council Spotlight - Public Works Operations Division

(see supplemental document in Attachment 1)

Peter Brestak, Operations Manager, Public Works Department, provided the staff report.

Discussion was turned over to Council; individual comments and questions ensued.

Mayor Sedgley called for public comment.

Maureen Trippe, Slow Down Napa - thanked the public works department for their work, provided comments regarding traffic calming measures, and asked for the following: (1) a line item in budget calling out traffic calming implementation, (2) to begin to integrate the work of traffic calming into routine paving projects, and (3) to reinstate the Traffic Advisory Committee.

In between reports, Assistant City Manager Liz Habkirk shared that Rajneil Prasad, previous Deputy Finance Director, had been appointed Finance Director. Mr. Prasad provided brief remarks.

5.B. 034-2023 Napa Recycling & Waste Services SB 1383 Contract Amendment

(See supplemental document in Attachment 1)

Kevin Miller, Materials Diversion Administrator, provided the staff report.

Discussion was turned over to Council; brief individual comments and questions ensued.

Mayor Sedgley called for public comment.

Chris Benz, Napa Climate NOW! - spoke in strong support of the item.

A motion was made by Councilmember Alessio, seconded by Councilmember Luros, to adopt Resolution R2023-038 authorizing the Utilities Director to execute the SB 1383 Contract Amendment to City Agreement No. 8687 with Napa Recycling & Waste Services, LLC ("NRWS") for a term through December 31, 2031, for the collection and transportation of Municipal Solid Waste, Recyclable Materials, and Compostables, and operation of the Napa Materials Diversion Facility, and determining that the actions authorized by this resolution are exempt from CEQA. The motion carried by the following vote:

Aye: 5 - Alessio, Luros, Narvaez, Painter, and Sedgley

Enactment No: R2023-038

6. PUBLIC HEARINGS:

6.A. 133-2023 Interim Zoning Ordinance and Temporary Moratorium

(See supplemental document in Attachment 1)

Michael Walker, Senior Planner, provided the staff report.

Councilmembers Alessio and Luros posed questions regarding applicability of the ordinance to the Napa Pipe development. Vice Mayor Painter asked for clarification regarding the applicability to existing businesses, and also posed questions regarding the ordinance effective date.

Mayor Sedgley called for disclosures; Councilmembers provided them.

Mayor Sedley called for public comment.

Chris Benz, Napa Climate NOW! - spoke in support of the ordinance.

Jim Wilson - spoke in support of the ordinance and thanked Council for their climate leadership.

A motion was made by Councilmember Narvaez, seconded by Councilmember Alessio, to close public testimony. The motion carried unanimously.

Discussion was turned over to Council.

Individual Councilmember questions and comments ensued.

A motion was made by Councilmember Luros, seconded by Councilmember Narvaez, to approve staff's recommendation to adopt an Urgency Interim Ordinance, with the removal from the ordinance of all references to a moratorium for drive throughs and direct city staff to make corresponding amendments to the ordinance prior to execution by the Mayor, to implement the City's October 2022 General Plan Update, commonly known as the City of Napa 2040 General Plan, by amending Title 17 of the Napa Municipal Code to (1) add interim zoning districts and associated interim zoning regulations, (2) amend the zoning map to rezone certain properties to the new interim zoning districts, (3) establish interim procedures for review of permit applications, pending the adoption of a comprehensive update to the zoning code, and (4) impose a moratorium on new or expanded service stations, and determining the actions authorized by this Ordinance are either exempt from CEQA or have been adequately analyzed and addressed by a previous CEQA action. The motion carried by the following vote:

Aye: 5 - Alessio, Luros, Narvaez, Painter, and Sedgley

Enactment No: O2023-004

7. COMMENTS BY COUNCIL OR CITY MANAGER: None.

8. CLOSED SESSION:

City Attorney Barrett announced the closed session item.

8.A. 143-2023 CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code Section 54956.8): Property: 3 parcels totaling approximately 1.1 acres located at 725 Coombs Street (APN 003-213-010), 720 Randolph Street (APN 003-213-008) and 730 Randolph Street (003-213-009). Authority Negotiators: Steve Potter, Liz Habkirk, Michael Barrett, Vin Smith, Bill Zenoni, and Julie Lucido. Negotiating Parties: City of Napa, and Napa County. Under Negotiation: price and terms of payment.

CITY COUNCIL RECESS: 5:22 P.M.

6:30 P.M. EVENING SESSION

9. CALL TO ORDER: 6:30 P.M.

9.A. Roll Call:

Present: 5 - Councilmember Alessio, Councilmember Luros, Councilmember Narvaez, Vice Mayor Painter, and Mayor Sedgley

10. PLEDGE OF ALLEGIANCE:

11. AGENDA REVIEW AND SUPPLEMENTAL REPORTS:

City Clerk Carranza announced the following supplemental item:

Item 13.A. - PowerPoint Presentation from City staff.

12. PUBLIC COMMENT: None.

13. PUBLIC HEARINGS:

13.A. 132-2023 City of Napa Operating Budget Workshop for FY 2023/24 and FY 2024/25

(See supplemental document in Attachment 2)

City Manager Potter opened the item. Budget Officer Jessie Gooch provided the report.

Discussion was brought to Council. Staff responded to individual questions from Councilmembers.

Mayor Sedgley asked for disclosures; Councilmembers provided them.

Discussion was brought back to Council; individual Council comments and questions ensued.

Mayor Sedgley opened Public Testimony.

Joe Russo, Napa City Firefighter's Association (NCFA) Treasurer - provided comments and history regarding Fire Engine 1; shared concerns that downtown was without a Type 1 Fire Engine; would like to see that engine staffed again; would like to see this funded in the budget.

Pat Burrows, President NCFA - provided comments supporting the return of Engine 1; shared staffing concerns; and sought additional budget to accommodate additions in the Fire Department.

Erik Mortimore, Captain, Napa City Fire Department and NCFA Steward - provided comments regarding firefighter staffing issues; requested the addition of Fire Engine 1; would like to see three firefighters to staff the engine in the new budget.

Jack Durham, NCFA - requested dedication from Council to commit funds for additional Fire Department staffing.

Kara Vernor, Executive Director Napa County Bicycle Coalition - requested that funding be included in the Public Works Department for a street sweeper that can sweep protected bike lanes.

A motion was made by Councilmember Alessio, seconded by Councilmember Narvaez to close the public testimony. The motion carried unanimously.

Discussion was brought back to Council. Additional individual Council comments and questions ensued regarding individual budget items and comments received from members of the public.

A motion was made by Vice Mayor Painter, seconded by Councilmember Alessio, to provide direction to staff to schedule public hearings on June 6, 2023 and June 20, 2023 to receive public comment on the Fiscal Year 2023/24 and 2024/25 Proposed Budget. The motion carried by the following vote:

Aye: 5 - Alessio, Luros, Narvaez, Painter, and Sedgley

14. REPORT ACTION TAKEN IN CLOSED SESSION:

City Attorney Barrett stated that there was no reportable action from the April 21, 2023 Closed Session; however, there was reportable action from a previous closed session meeting:

During the City Council meeting on December 6, 2022, the City Council met in closed session and unanimously provided settlement authority on existing litigation in Napa Superior Court Case No. 20CV00412; and there had now been a final reportable action taken to implement Council's authority. Namely, the City received a fully executed Settlement Agreement and Full and Final Release on April 10, 2023.

A copy of the agreement was available upon request to the City Clerk's Office.

15. COMMENTS BY COUNCIL OR CITY MANAGER:

City Manager Potter brought back a previous request for a potential future item to discuss Council meeting start times. There was not majority support to pursue a future agenda item.

Vice Mayor Painted reminded folks that, in celebration of Earth Day, Napa RCD was offering Community Cleanup events at various sites on Sunday, April 23, 2022, followed by a public event at the Oxbow Commons, and encouraged participation.

16. ADJOURNMENT: 8:29 P.M.

Submitted by:

____

Tiffany Carranza, City Clerk

ATTACHMENT 1

SUPPLEMENTAL REPORTS & COMMUNICATIONS Office of the City Clerk

City Council of the City of Napa
Regular Meeting

April 18, 2023

FOR THE CITY COUNCIL OF THE CITY OF NAPA

AFTERNOON SESSION:

SUBMITTED PRIOR TO THE CITY COUNCIL MEETING

5. ADMINISTRATIVE REPORTS:

5.A. Council Spotlight – Public Works Operations Division
- PowerPoint Presentation from City Staff.

5.B. Napa Recycling & Waste Services SB 1383 Contract Amendment
- PowerPoint Presentation from City Staff.

6. PUBLIC HEARINGS:

6.A. Interim Zoning Ordinance and Temporary Moratorium
- PowerPoint Presentation from City Staff.

1) Email from Lori Stelling received on April 17, 2023.
2) Email from Jeri Hansen, Napa Chamber of Commerce, received on April 18, 2023.

SUBMITTED DURING THE CITY COUNCIL MEETING

3. Public Comment

1) Handout from Alison Christianson.

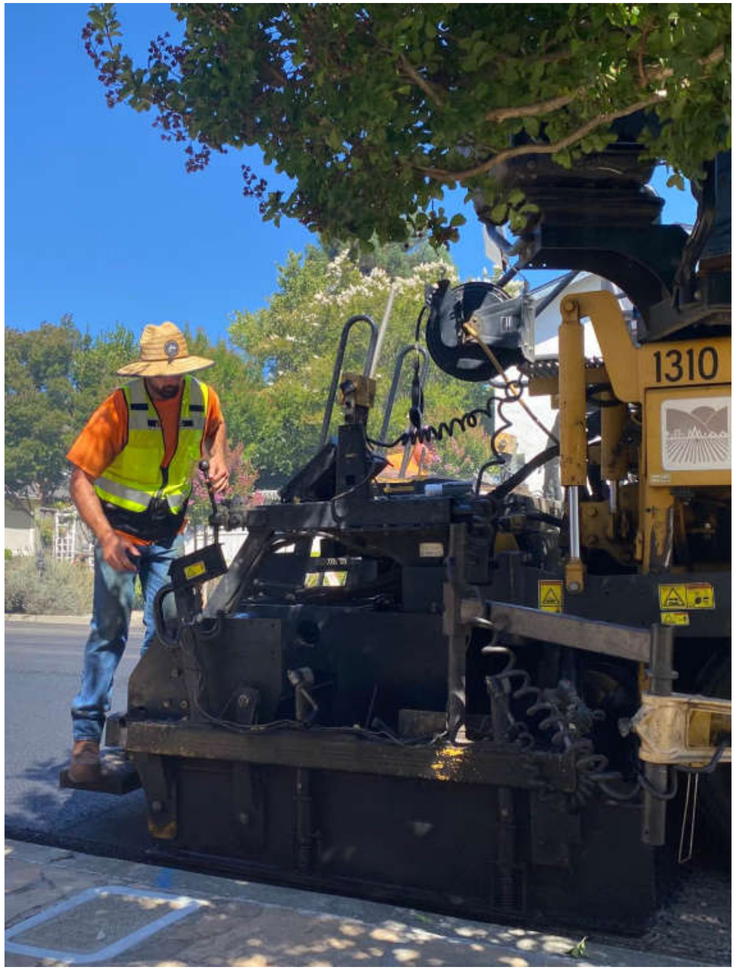
ATTACHMENT 1

Public Works Operations

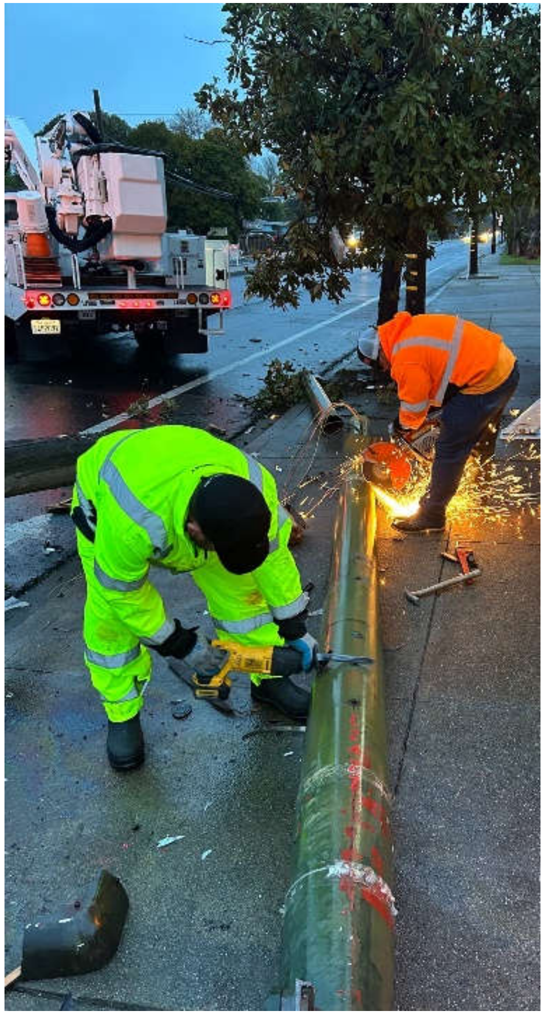
Overview, Update, Recent Successes

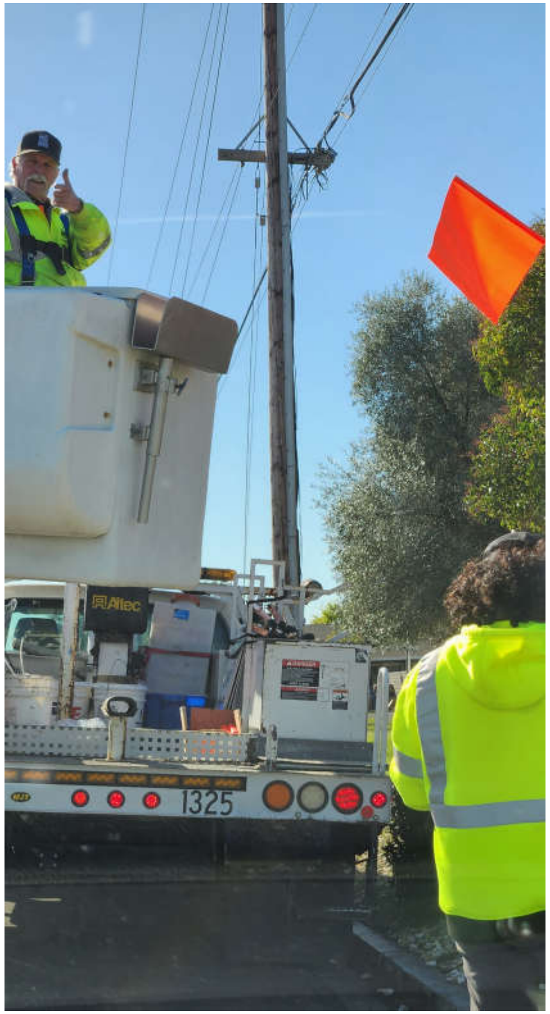
Paving, Concrete, and Signs Overview

- Paving Crew
  - Pave neighborhoods through NNSSP (spring/summer)
  - Repair potholes (all year, highest workload in winter)
  - Clean, clear, and repair storm drains (fall/winter)
- Concrete crew
  - Replace, repair and upgrade sidewalks, ADA ramps, curb, and gutter in neighborhoods
  - Priority repairs
- Signs and Striping
  - Complete maintenance & upgrades to degraded stripes and signs (seasonal)
  - Implement Traffic Change Orders (TCO) as directed by City Engineer
  - Routine cleaning of downtown streetscape and garages
  - Address Illegal dumping and graffiti at City facilities/infrastructure
- Each of these crews additionally performs standby and on-call duties to assist with service needs, emergencies, and support for other departments



Work in the Field

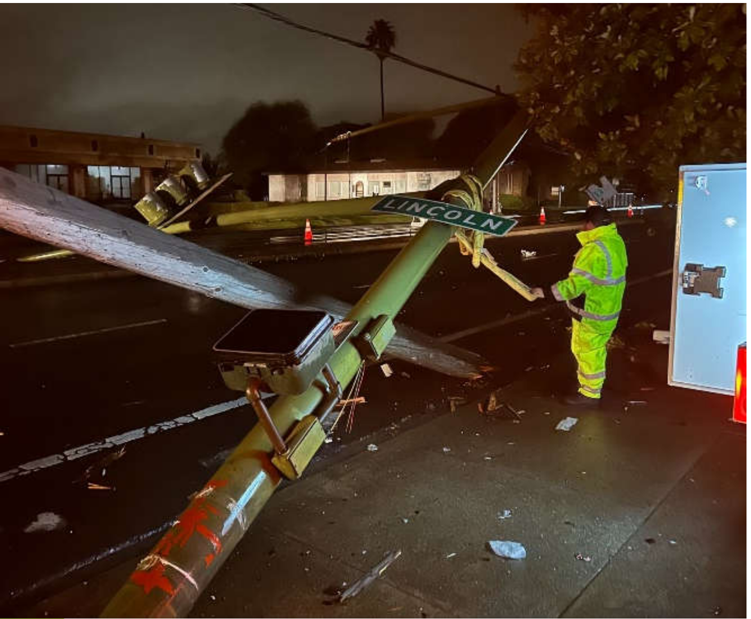




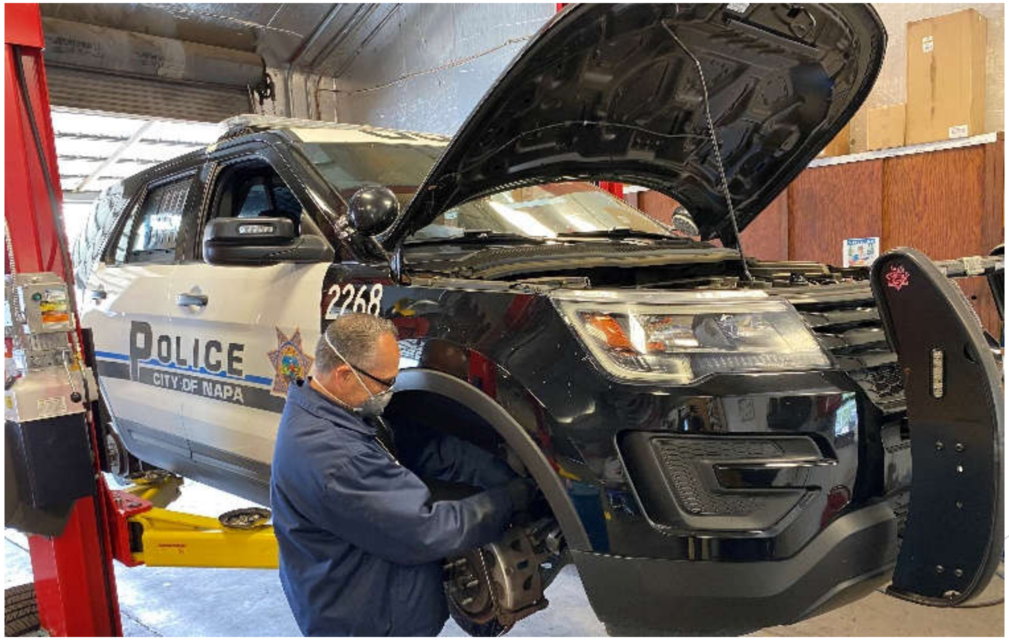
Work in the Field

Fleet, Electrical, and Facilities Overview

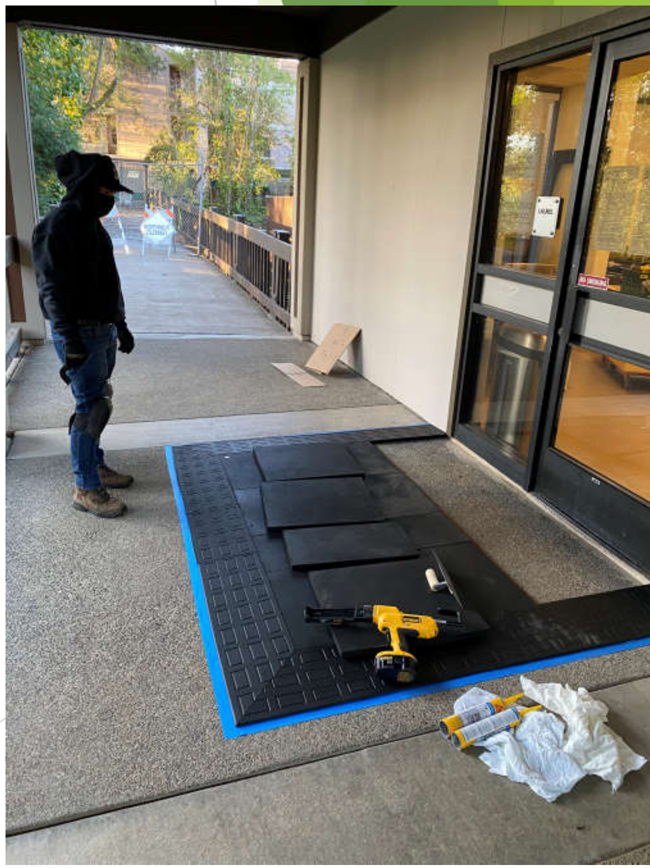
- Fleet
  - Maintain 415 diverse vehicles, equipment, components valued at $31M
  - Work on anything from lawn equipment, paving machines, patrol vehicles, fire apparatus, etc.
  - Small team consisting of 4 mechanics and 1 supervisor (currently 1 vacancy)
- Electrical
  - Maintain $88M in electrical infrastructure such as 50+ traffic signals, 6,5000+ streetlights
  - Team consists of 4 electricians with expertise in maintaining City infrastructure varying from emergency backup generators, alert sites, facility electrical, traffic signals, Streetlights, etc.
  - Supports many City events including the Lighted Arts Festival, Christmas parade and other various events
- Facilities
  - Maintain 23 city-owned buildings supporting the operations of 11 departments
  - Provide custodial services to City facilities
  - Maintains and repairs infrastructure inside facilities such as HVAC, plumbing, windows/doors, access control systems, roofs, flooring, etc. utilizing City staff or contracted services



Work in the Field



Work in the Field



Successes

- Storm season
  - Potholes, sandbags, storm drains
- Collaboration
  - Waverly Street
    - Complex project includes Parks and Utilities departments, PG&E, and Napa Sanitation
  - PW Engineering
    - Utility investigations-documenting underground utility locations
    - Installing pedestrian beacons, much more cost effective with our team when possible
- Community Service Requests: Increased focus on sweeping bike lanes/recent kudos
- Installation of Flashing Yellow Arrows in support of traffic improvements
- Permanent connection point for alternate dispatch trailer at Fire Station 3
- Streamlined facility maintenance priorities with Lucity (1000+ completed work orders)
- Advanced education and certifications on fire apparatus maintenance
- Recent addition of 3 part-time staff to perform preventive vehicle maintenance & teach vital skills/future mechanics
- Implemented advanced & new telematics to ensure top vehicle performance/maintenance

Focus on Team

- Training
- Corp Yard cleanup day
- Career Conversations
- Professional Development Courses
- 8th Grade Career Expo Booth
- Team Building

Improving Operations

- Lucity/New Customer Service Center
- Infrastructure Upgrades
- Cross-training rotations/job shadowing
- Increasing number of contracts to do more

ATTACHMENT 1

SB 1383 NRWS Contract Amendment

Prepared by Kevin Miller, Materials Diversion Administrator

April 18, 2023

BACKGROUND

- Original (current) City-NRWS contract
  - Base 10 years (CY2005 to CY2015)
  - Extended 3 years (City had 4 one-year options) from CY2016 to CY2018
  - 2018 Contract Amendment extended City-NRWS agreement 14 years (through end of CY2031)
  - 2022 Contract Amendment addressed CASP and Stormwater Upgrades as well as growth metrics and compensation to NRWS for growth

HIGHLIGHTS OF SB 1383 CONTRACT AMENDMENT:

1. New Collection Truck & Driver:

- New commercial compost collection vehicle ($523k less $113k SB 1383 grant = $410k)
- New Thursday through Monday route
- 1600 new wheeled carts for organics (200 lockable)
- Quarterly cleaning of organics equipment

ATTACHMENT 1

HIGHLIGHTS OF
SB 1383 CONTRACT AMENDMENT:



2. <u>New NRWS Staff:</u>

- Two NRWS Recycling Outreach Specialists
- 1.5 new NRWS CSRs (0.5 NCRWS/County)
- Two NRWS Compost Equipment Operators
- New staff to educate, support, monitor, conduct route reviews/audits & report on SB 1383 progress; operate new organics processing equipment

CITY OF NAPA

State-of-the-art (& award winning!)
Covered Aerated Static Pile (CASP)
composting system (operational January 2020)

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Current Optical Sorter at MDF

ATTACHMENT 1

HIGHLIGHTS OF SB 1383 CONTRACT AMENDMENT:

3. New Processing Equipment :

- $1.45M optical sorter (85% City/15% NRWS)
- SB 1383-required quarterly facility audits
- $2.6M in new organics processing equipment ($1.5M grant-funded)
- In FY24/25, projected to add $216k new material sales revenue; avoid $460k in disposal costs & reduce transportation costs by $154k ($830k total)

CITY OF NAPA

ATTACHMENT 1

Slow-Speed Shredder ($920k – Grant Funded)

ATTACHMENT 1

Density Separator ($392k Grant Funded)

RECOMMENDED ACTION

- Adopt a resolution authorizing the Utilities Director to execute the SB 1383 Contract Amendment to City Agreement No. 8687 with NRWS for a term through December 31, 2031, for the collection and transportation of Municipal Solid Waste, Recyclable Materials, and Compostables, and operation of the Napa Materials Diversion Facility, and determining that the actions authorized by this resolution are exempt from CEQA

CITY OF NAPA

ATTACHMENT 1

NAPA 2040
GENERAL PLAN

CITY OF
NAPA

Interim Zoning Ordinance

April 18, 2023

Interim Zoning Ordinance

- Background
- Zoning Districts Established
- Zoning Map Revisions
- Consistency Determinations
- Temporary Moratorium
- Urgency Ordinance Procedures

CITY OF NAPA

Background

- General Plan Implementation
  - Interim Zoning Ordinance (IZO)
  - Additional Zoning Ordinance Amendments
  - Comprehensive Municipal Code Update

- Interim Zoning Ordinance
  - Add Interim Zoning Districts & Regulations
  - Amend Zoning Map
  - Establish Interim Review Procedures

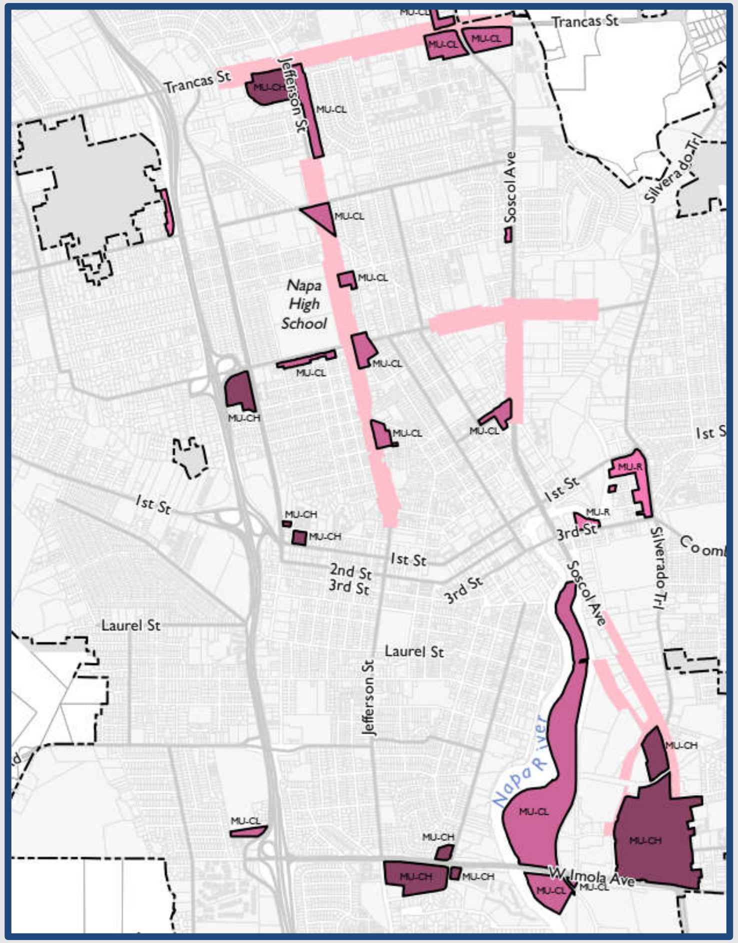
New Zoning Districts

- Establish New Zoning Districts
  - MU-R Residential Mixed-Use
  - MU-CL Corridor Mixed-Use Low
  - MU-CH Corridor Mixed-Use High
  - AF Active Frontage Overlay

CITY OF NAPA

Zoning Map Revisions

- Mixed-Use Districts
- Active Frontage Overlay
- Former Vintage Farm Property



Consistency Determinations

- Framework for Reviewing Projects & Permit Applications
  - Address Conflicts Between General Plan & Zoning
  - Applicable Zoning ("Best Fit")
  - Action & Decision-Making Body
  - Appeals

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Temporary Moratorium

- General Plan Goals & Policies on Fossil Fuel Stations, Drive-Throughs
  - Limit Construction of New & Expanded Facilities
  - Encourage Alternative Fuels & Modes of Transportation
  - Encourage Alternatives to Traditional Drive-Through Facilities
- Establish Temporary Moratorium

Urgency Ordinance Procedures

- Takes Effect Immediately
- In Effect for 45 Days
- Council May Extend Within the 45 Days (May 16, 2023)
- IZO Null & Void Upon Completion of Zoning Ordinance Update

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Action

Final action by the City Council:

- Adopt an Urgency Interim Ordinance implementing the City of Napa 2040 General Plan by amending Title 17 of the Napa Municipal Code to (1) add interim zoning districts and associated interim zoning regulations, (2) amend the zoning map to rezone certain properties to the new interim zoning districts (3) establish interim procedures for review of permit applications pending the adoption of a corresponding update to the Napa Municipal Code, (4) impose a moratorium on new or expanded service stations and drive through uses, and determining the actions authorized by this Ordinance are exempt or have been adequately analyzed and addressed by a previous California Environmental Quality Act (CEQA) action

CITY OF NAPA

From: [redacted]
To: Scott Sedgley; Liz Alessio; Mary Luros; Beth Painter; Bernie Narvaez; Steve Potter
Cc: Clerk
Subject: Public Comment: Agenda Item 6A
Date: Monday, April 17, 2023 11:25:58 PM

[EXTERNAL]

Dear Mayor Sedgley and Napa City Council Members,

As the parent of a teen committed to doing all I can to help ensure that our children have the chance at a livable future, I strongly support the proposed urgent ordinance establishing a moratorium on new or expanded Service Stations and Drive-Through Uses.

From my view, the City of Napa is getting it right: a ban on future gas stations and a ban on future drive-throughs go hand in hand. In addition to the crucial reduction of carbon emissions for our climate and the improvement of air quality for the health of our community, this moratorium does something else that feels essential— it sets the stage for the type of lifestyle changes that we can, and must, take part in before we reach irreversible climate tipping points.

I encourage you to take this urgent ordinance to the finish line and send the message to our youth that we will do everything we can to protect their future. Your approval of this ordinance will encourage other jurisdictions to follow your lead, supporting our entire valley in striving steadily toward the collective goal of net zero climate pollutants by 2030.

If every city, town and county do their part, step-by-step, I do believe we can create the kind of active and engaged hope that has the power to become mainstream and make a real difference.

Thank you for your commitment to the health and well-being of the planet, our youth, and your community.

Sincerely,
Lori Stelling
25 year Napa Resident

Napa Chamber of Commerce Comment: Item 6A (4)

Jeri Hansen <jeri@napachamber.com>
Tue 4/18/2023 12:03 PM
To: Scott Sedgley <ssedgley@cityofnapa.org>;Beth Painter <bpainter@cityofnapa.org>;Bernie Narvaez <bnarvaez@cityofnapa.org>;Liz Alessio <Lalessio@cityofnapa.org>;Mary Luros <mluros@cityofnapa.org>
Cc: Steve Potter <spotter@cityofnapa.org>;Vincent Smith <vsmith@cityofnapa.org>;Tiffany Carranza <tcarranza@cityofnapa.org>

[EXTERNAL]

April 18, 2023

Re: Item 6A (4) – Drive-through uses

Dear Mayor Sedgley and members of the Napa City Council,

The Napa Chamber of Commerce asks that you please reconsider imposing a moratorium on new or expanded service stations and drive-through uses.

The General Plan section CCS 2-1 does not suggest a moratorium but rather exploring alternatives to traditional drive-throughs. To our knowledge, there are no current project applications planned or in process, or under consideration by a project applicant, that include a drive-through feature. While we realize that a moratorium is a tool that the City Council can use, this action may not be proportional to the situation as there does not appear to be a proliferation of drive-throughs being proposed.

We support a thoughtful discussion about a potential future policy around this issue that takes into consideration use of technology, the transition to electric vehicles (thereby reducing fossil fuel emissions), expansion of EV networks and EV adoption rates, and smaller parking footprints resulting from an innovative and climate-friendly drive-through plan. The discussion should also include equity impacts, especially for families and individuals with food security issues and income constraints. Could this process move forward with a moratorium in place? Yes. Is a moratorium necessary for this process to move forward? No.

In a recent Sustainability and Climate Action presentation by City staff to City Council it was identified that On-Road Transportation contributed 54% of the City's Greenhouse Gas (GHG) emissions. Is there detailed data on what part of this 54% is represented by drive-through uses specifically; and to vehicle idling more broadly? Should the City impose a moratorium on drive-through uses, addressing the issue behind the moratorium elevates that issue to a higher priority so that the moratorium does not need to be extended indefinitely. Knowing the other key priorities outlined by the City to address sustainability and climate action planning, is this particular issue something that City Council wishes to direct staff time and resources to address in the immediate?

We are committed to being a part of discussions around sustainability and climate planning, and to convening our business community around these conversations so that input and ideas are integrated into policies that our entire community can support.

Additionally, as financial pressures increase on local government to provide more and more services the need for new City revenue also increases, revenue which we believe should primarily come from economic diversity and growth. The Napa Chamber welcomes the chance to work with the City and other groups to examine ways the City can facilitate and strengthen good private investment into the City that generates jobs and revenue rather than focus scarce City resources on moratoria that may be better addressed through the normal, and thoughtful, course of policymaking.

Thank you for your consideration.

Best regards,

Jeri Hansen
Napa Chamber of Commerce

Jeri Hansen
President/CEO
Napa Chamber of Commerce | 1556 First Street | Napa, CA 94559|
jeri@napachamber.com
707.254.1146 (Direct)
707.226.7455 (Main)

NAPA CHAMBER of COMMERCE
ENGAGING • CONNECTING • COLLABORATING

Cleaner Burn Resource Page hosted by Firewise Napa

WWW.Napafirewise.org/category/cleaner-burns

Leadership Napa Valley Class 35 ~ Napa Kneads

Erica Ahmann-Smithies - valkerie3@aol.com
Bruce Barge - brucebarge@gmail.com
Jen Cantrell - jencantrell10@gmail.com
Alison Christianson - alison@levelupgroup.com
Ryan Stetins - rstetins@gmail.com
Stephanie Cavello Solberg - stephanie.solberg@gmail.com

ATTACHMENT 2

SUPPLEMENTAL REPORTS &
COMMUNICATIONS Office of the City Clerk

City Council of the City of Napa
Regular Meeting

April 18, 2023

FOR THE CITY COUNCIL OF THE CITY OF NAPA

EVENING SESSION:

SUBMITTED PRIOR TO THE CITY COUNCIL MEETING

13. PUBLIC HEARINGS:

13.A. City of Napa Operating Budget Workshop for FY 2023/24 and FY 2024-25

- PowerPoint Presentation from City Staff.

ATTACHMENT 1

CITY OF NAPA

FY 23/24 & FY 24/25 Operating Budget Workshop

April 18, 2023

Agenda

- Budget Process
- Council Priorities
- Budget Challenges
- Financial Overview
- General Fund by Department
- Enterprise Fund Budgets
- Other Fund Proposed Budget Packages
- Comments and Direction to Staff

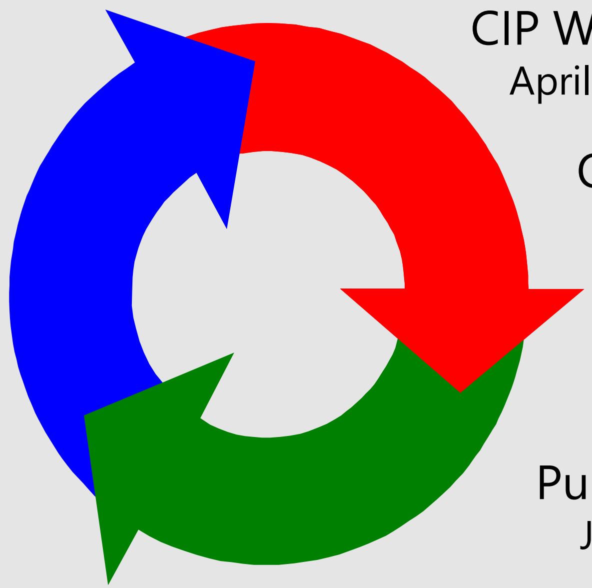
CITY OF NAPA

Budget Process

Council Priority Workshop
January 31, 2023

CIP Workshop
April 4, 2023

Operating Budget Workshop
April 18, 2023



Public Hearing
June 6, 2023

Budget Adoption
June 20, 2023

Implementation
July 1, 2023

Financial Monitoring and Reporting
Ongoing

CITY OF NAPA

Council Priority Areas

- General Plan Implementation
- Climate Action & Sustainability
- Housing & Homelessness
- Traffic Safety
- Public Infrastructure

CITY OF NAPA

Budget Challenges: Rising Needs, Rising Costs

- Since FY 19/20 have balanced the General Fund budget with Non-Operating Revenues
- Operating revenue continues to grow and is projected to match baseline expenditures by FY 24/25
- Inflation and economic pressures have increased City costs

CITY OF NAPA

Budget Challenges: Rising Needs, Rising Costs

- Departments need additional staffing and funding for both regular operating needs and special projects
- Challenge: how to meet department needs to continue to provide excellent service to the community
- Planned use of Excess ERAF revenue for FY 23/24 and FY 24/25 to support new budget packages

CITY OF NAPA

Organizational Update

- The FY 2023/24 and FY 2024/25 proposed budget includes the following:
  - Move IT division from the Finance Department to the City Manager's Office
  - Move Housing division from the Community Development Department to the City Manager's Office

Budget Presentation

- This Presentation Includes:
  - General Fund Proposed Budgets by Department
  - Enterprise Fund Proposed Budgets
  - Proposed Budget Packages
- Not Included:
  - Proposed Budgets for Other 70+ City Funds
  - CIP Budgets

General Fund

FINANCIAL OVERVIEW

Financial Status - Revenue

- Property Tax growth continues
- Sales Tax projected to grow by 1.6% in FY24 and 2.9% in FY25
- TOT projected to grow by 3.8% in FY24 and 5.0% in FY25
- Continued growth of other City revenues

Financial Status - Expenditures

- Budget as presented today includes COLA's based on current MOU's
- All FTE are budgeted at 100%
- Increasing Costs for Employee Benefits and Internal Services

Budget Overview
FY 2023/24 and 2024/25

- General Fund Operating Revenue Budget grows by 4.5% in FY 23/24 and 3.4% in FY 24/25
- General Fund Baseline Expenditure Budget grows by 2.8% in FY 23/24 and 2.9% in FY 24/25
- Held departments to tight operating budgets to balance baseline; contingency budget available for potential needs

CITY OF NAPA

ATTACHMENT 1

Budget Overview

Proposed Budget Packages

	FY 2023/24	FY 2024/25
General Fund – Ongoing		
Net Budget Packages	$1,348,770	$1,912,500
Additional FTE	4 FTE	1 FTE
Additional Contributions to Reserves	$351,960	$493,700
General Fund – Non-Recurring		
Net Budget Packages	$2,666,000	$500,000
Totals – General Funds		
Net Budget Packages	$4,366,730	$2,906,200
Additional FTE	4 FTE	1 FTE

Note: Budget packages have **not** been included in any of the baseline budgets that will be presented tonight.

CITY OF NAPA

Budget Overview

Proposed Budget Packages

	FY 2023/24	FY 2024/25
General Liability ISF		
Net Budget Packages	$0	$0
Additional FTE	1 FTE	0 FTE
Equipment Replacement Reserve		
Net Budget Packages	$320,000	$0
Additional FTE	0 FTE	0 FTE
Enterprise Funds		
Net Budget Packages	$426,980	$420,180
Additional FTE	3 FTE	0 FTE
Total Other Funds		
Net Budget Packages	$746,980	$586,230
Additional FTE	4 FTE	0 FTE

Note: Budget packages have **not** been included in any of the baseline budgets that will be presented tonight.

Proposed Staffing Adjustments

- General Fund
  - 5 new positions: City Attorney's Office, City Manager's Office (IT), Community Development, Police, Public Works
- General Liability ISF
  - 1 new position: City Manager's Office
- Utilities Funds
  - 3 new positions: Water

CITY OF NAPA

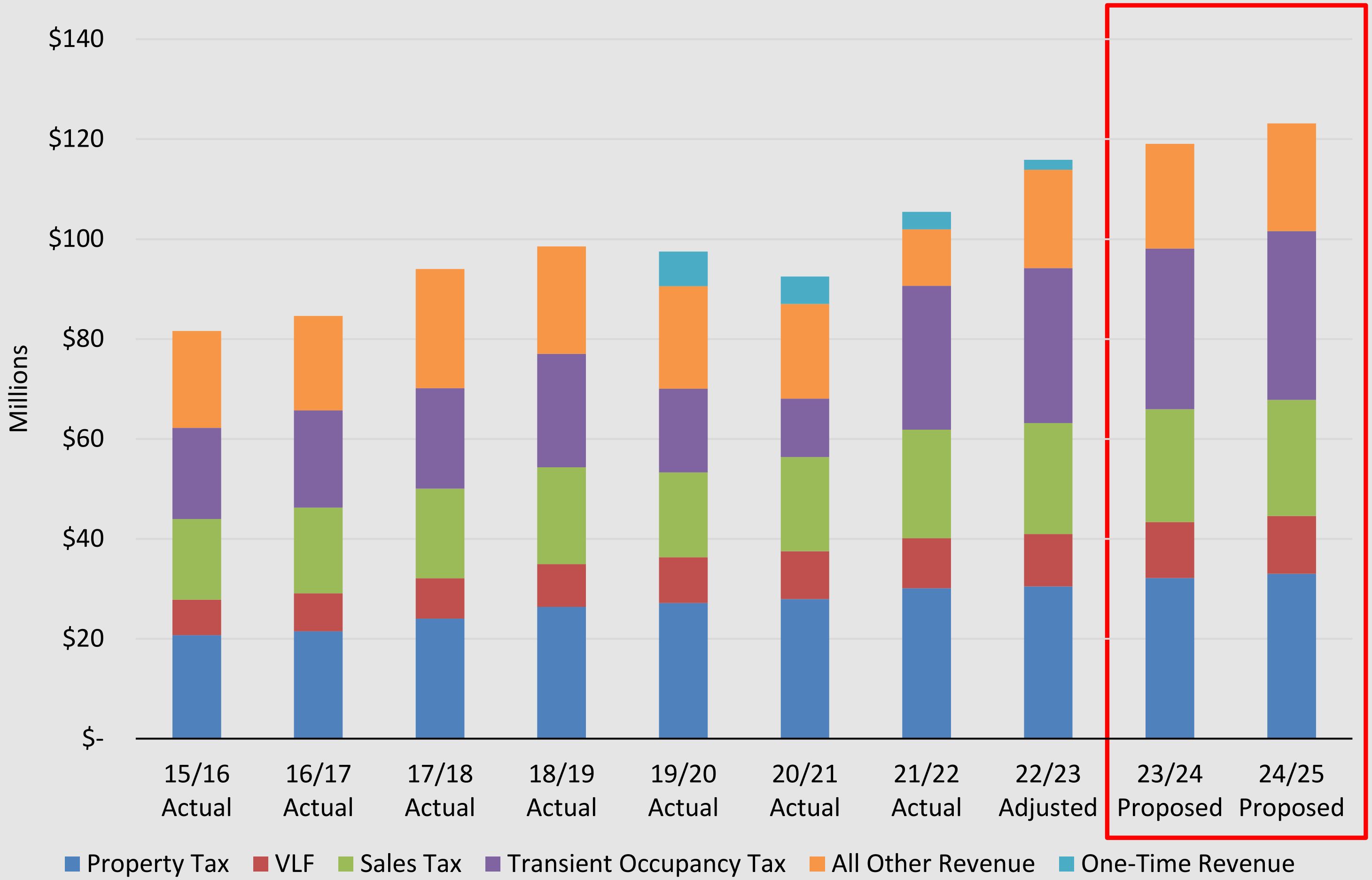
Proposed Staffing Adjustments

- Deletions/Additions
  - Fire: Delete 1 vacant Firefighter position / Add 1 Firefighter Paramedic position

ATTACHMENT 1

Revenue: FY 15/16 – 24/25

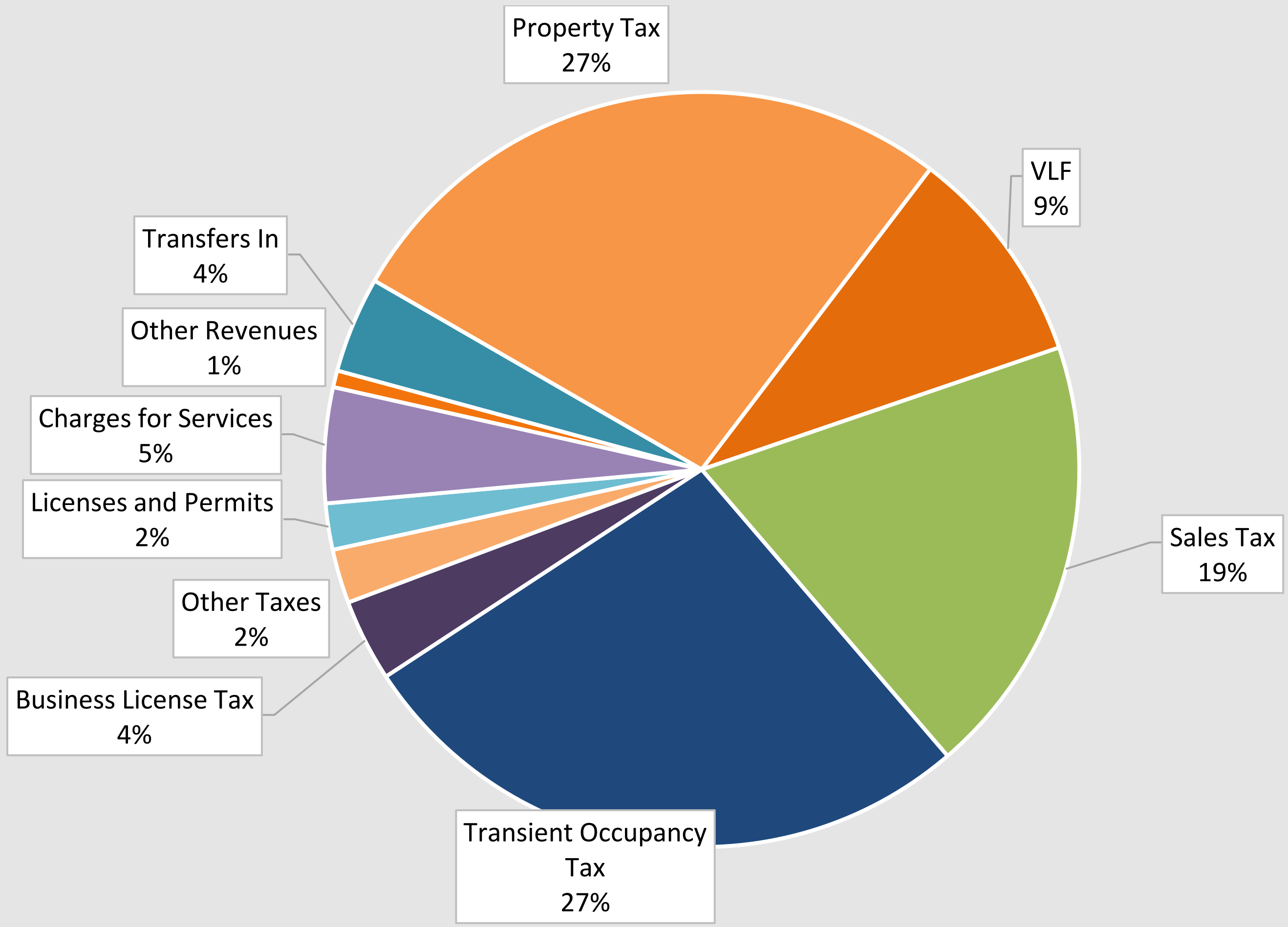
General Fund



ATTACHMENT 1

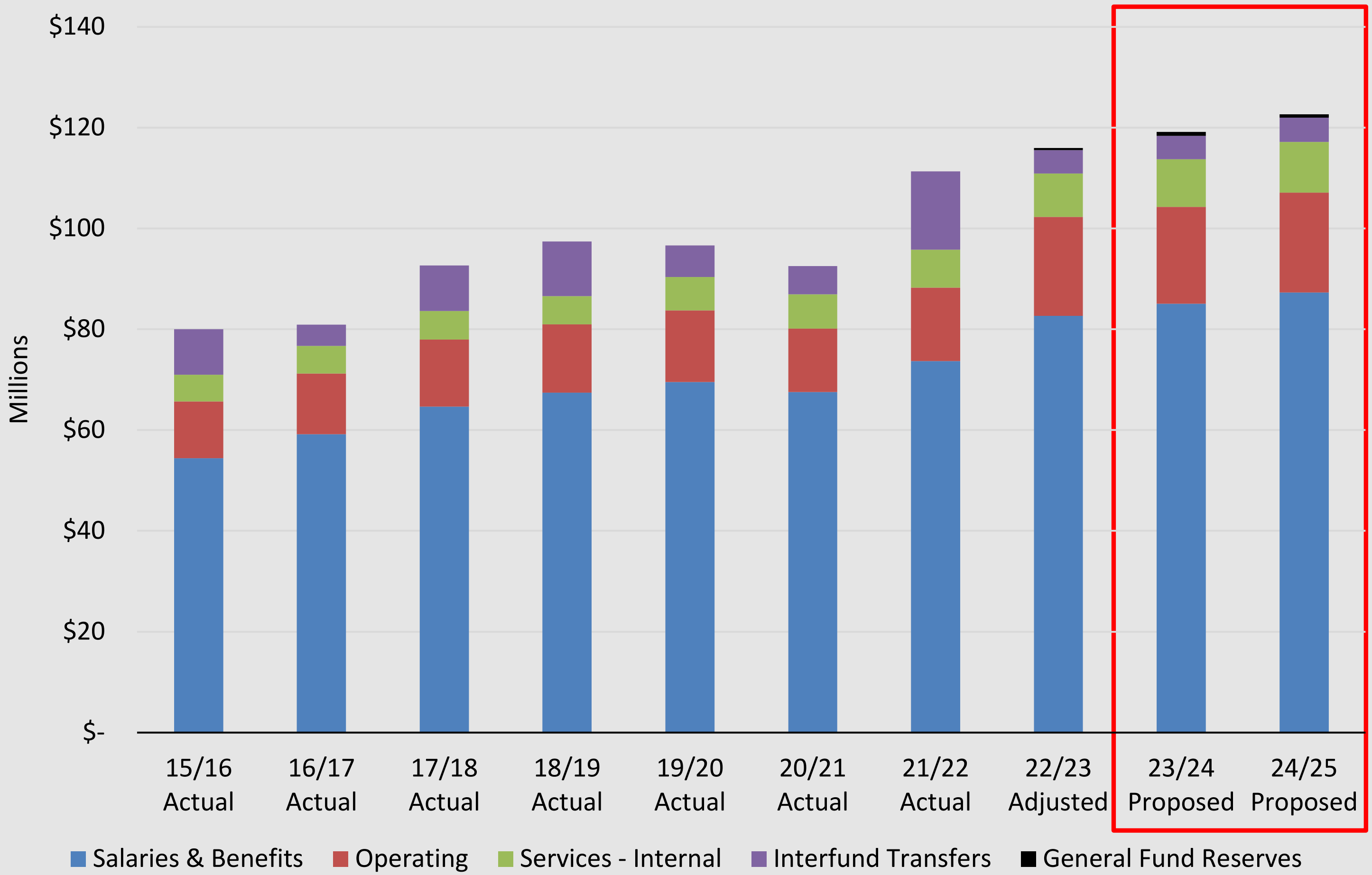
Revenues by Source

General Fund, FY 23/24 Proposed Budget



Expenditures: FY 15/16 – 24/25

General Fund



Overall General Fund Category Changes

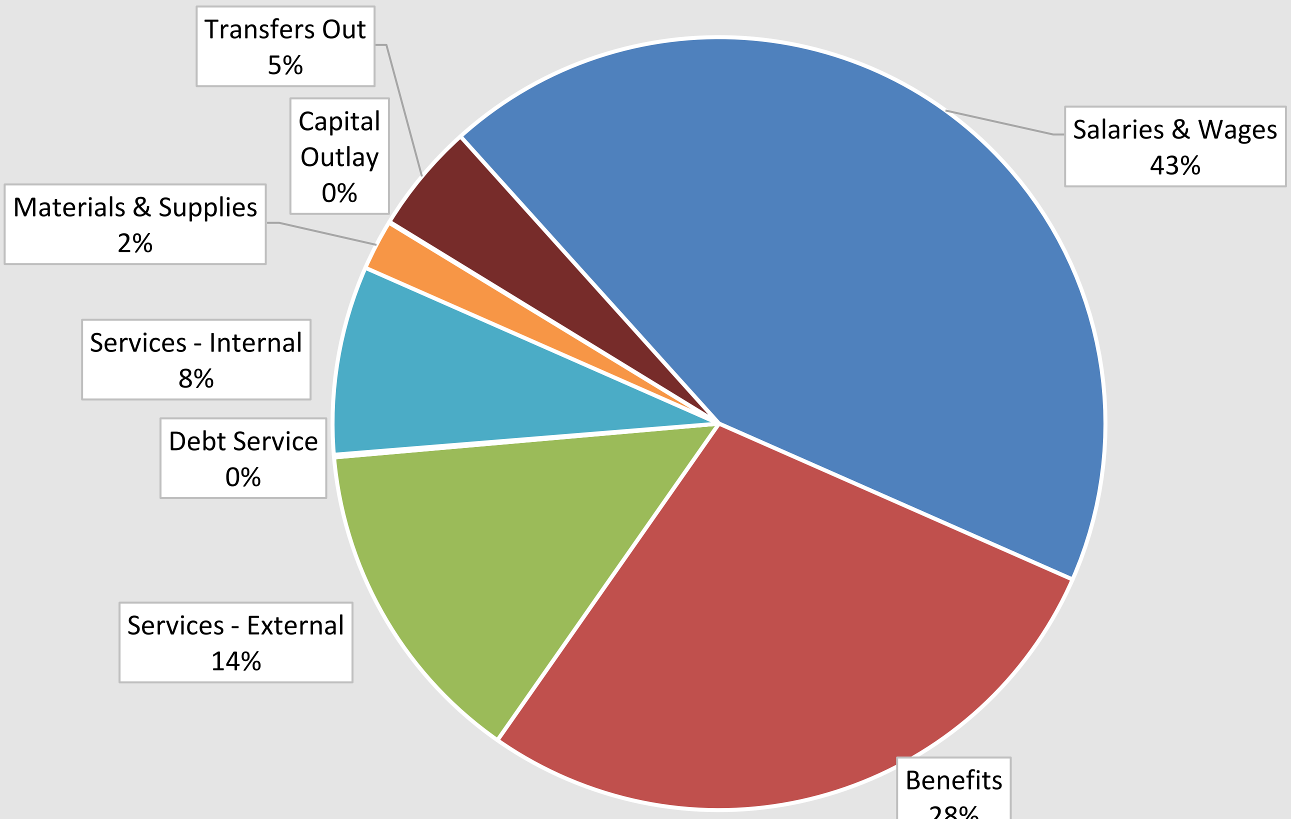
Category	FY 23/24 %	FY 23/24 $	FY 24/25 %	FY 24/25 $
Salaries & Benefits	+3.2%	+2.23M	+3.8%	+2.76M
CalPERS UAL	+7.5%	+0.93M	-4.1%	-0.54M
Operating	+6.6%	+1.19M	+3.1%	+0.59M
Internal Services	+9.2%	+0.79M	+7.2%	+0.68M
Transfers Out	+9.1%	+0.45M	+0.2%	+0.01M

CITY OF NAPA

ATTACHMENT 1

Expenditures by Category

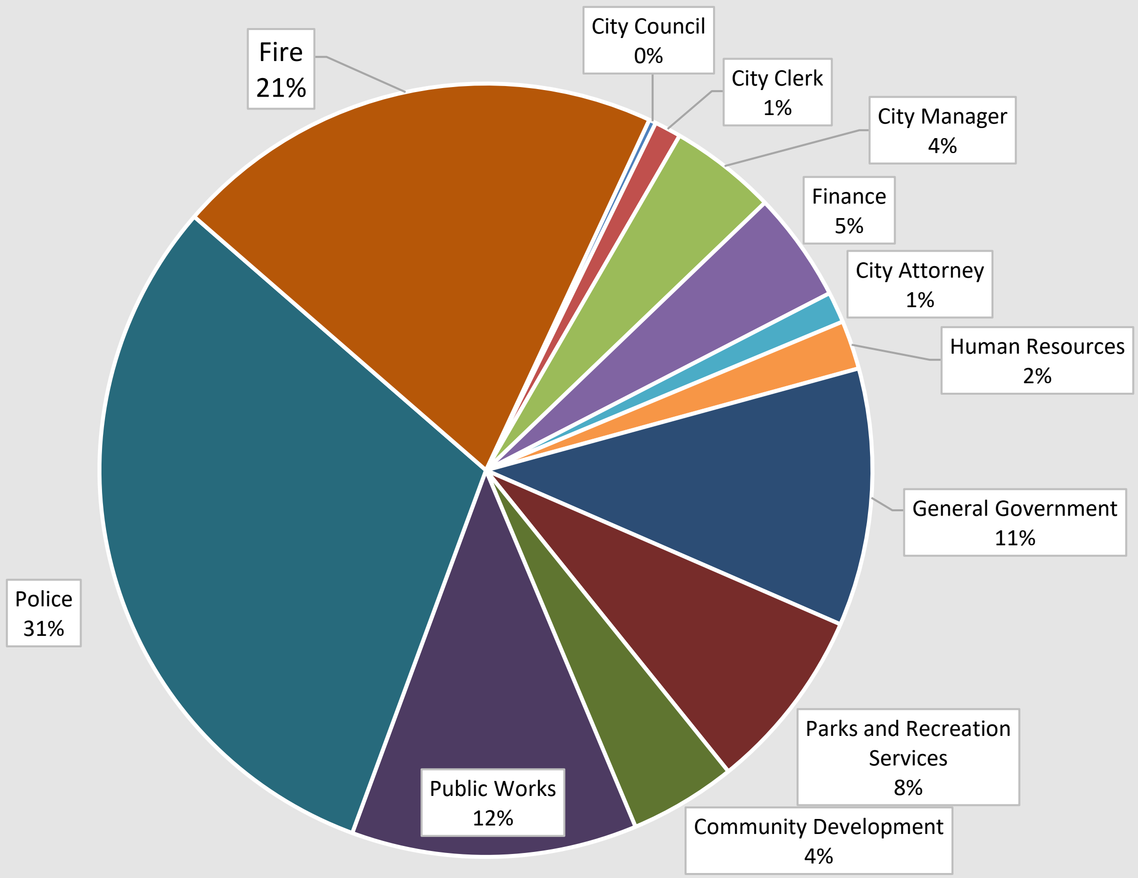
General Fund, FY 23/24 Proposed Budget



71.4% of General Fund expenditures = Salaries and Benefits

Expenditures by Department

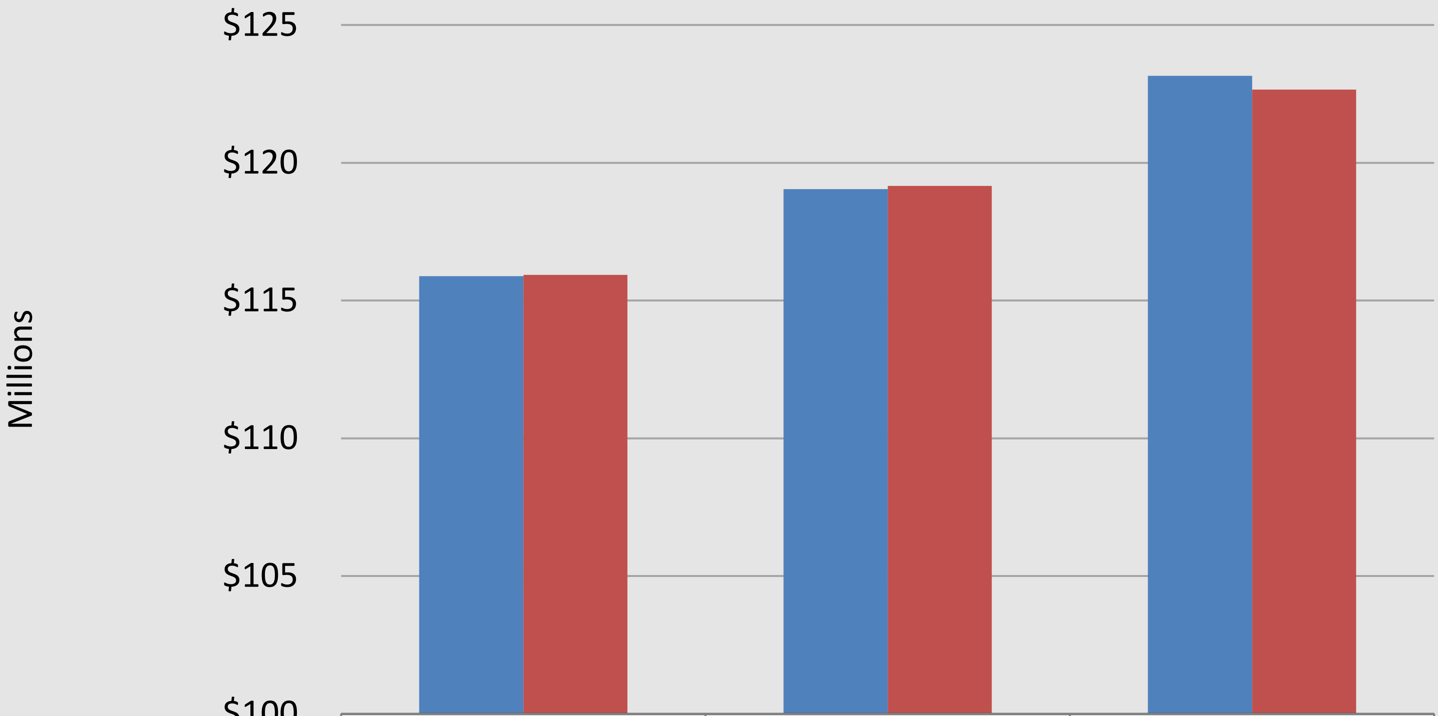
General Fund, FY 22/23 Proposed Budget



51.3% of General Fund expenditures = Public Safety

Revenues vs Expenditures

General Fund, Proposed Budgets



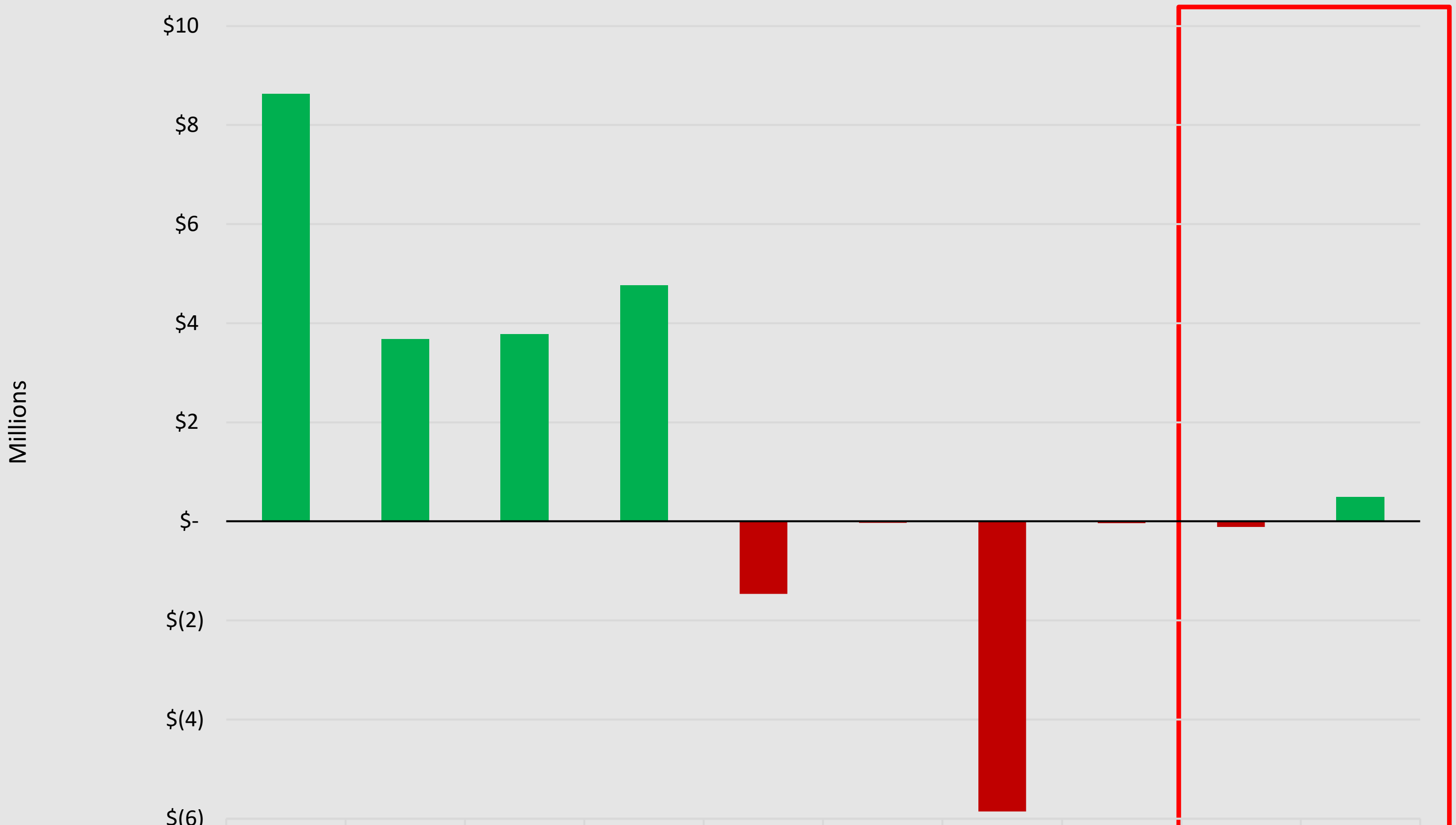
	FY 22/23 Adjusted Budget	FY 23/24 Proposed Budget	FY 24/25 Proposed Budget
Total Revenues	$115.89	$119.05	$123.15
Total Expenditures	$115.93	$119.17	$122.66

CITY OF NAPA

ATTACHMENT 1

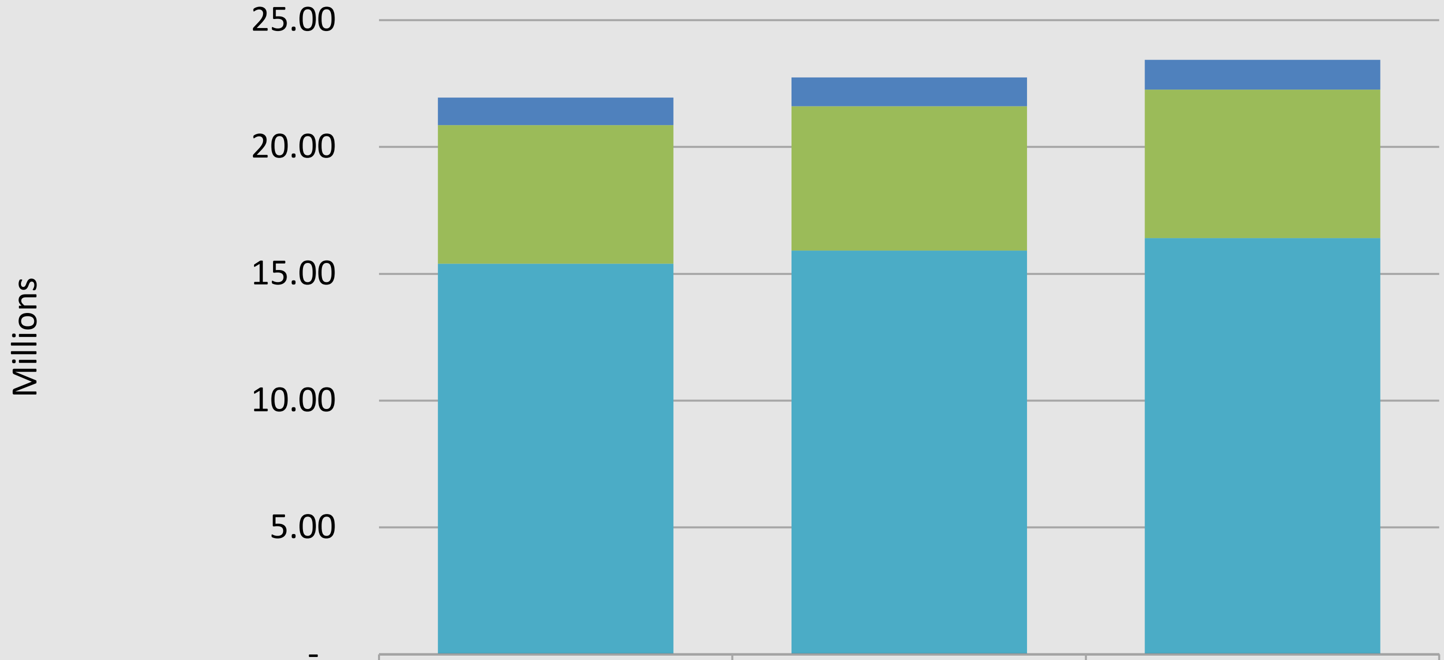
Operating Position

(Positive/Negative)



	15/16 Actual	16/17 Actual	17/18 Actual	18/19 Actual	19/20 Actual	20/21 Actual	21/22 Actual	22/23 Adjusted	23/24 Proposed	24/25 Proposed
Operating Position	8.63	3.68	3.78	4.77	(1.47)	(0.03)	(5.86)	(0.04)	(0.12)	0.49

General Fund Reserves



	22/23 Adjusted	23/24 Proposed	24/25 Proposed
Contingency Reserve	1.09	1.14	1.17
Operating Reserve	5.46	5.69	5.86
Emergency Reserve	15.40	15.92	16.41

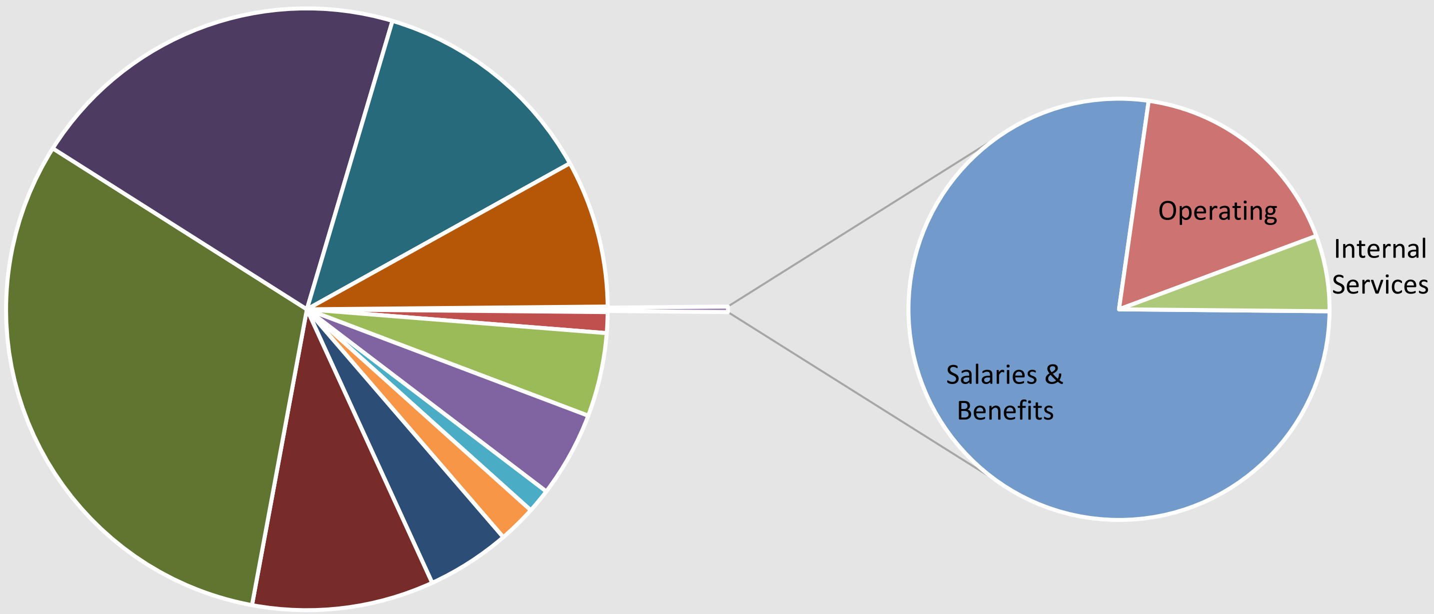
General Fund

BUDGET BY DEPARTMENT

City Council

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$329,850	$351,250	+6.5%	$356,910	+1.6%

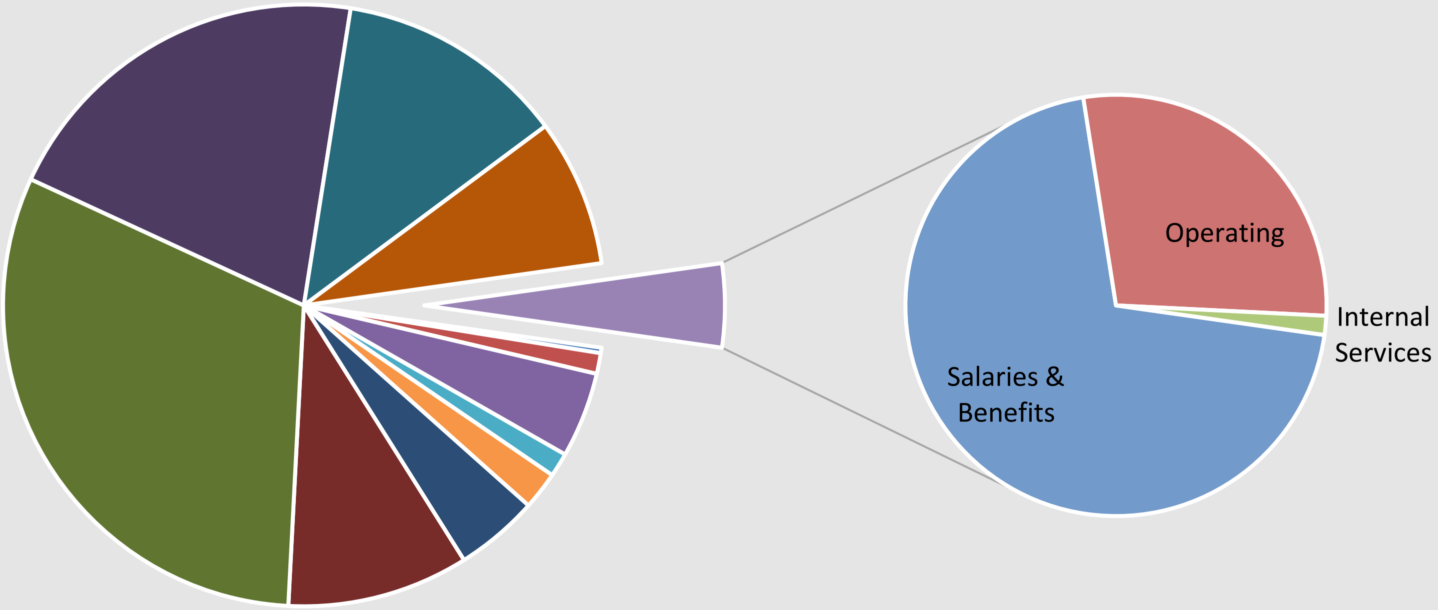
City Council expenditures are 0.3% of the FY 23/24 Proposed Budget



City Manager

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$1,854,190	$5,353,200	+188.7%	$5,496,590	+2.68%

City Manager expenditures are 4.5% of the FY 23/24 Proposed Budget



City Manager
Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	IT Systems Analyst (New FTE)	81,000	163,310
	Total General Fund	**81,000**	**163,310**
NR General Fund	Climate Action	240,000	0
NR General Fund	Homeless Abatement	500,000	0
NR General Fund	Intergraph Public Safety CAD Upgrade (IT)	0	500,000
NR General Fund	IT Cost Allocation Framework	60,000	0
	Total Non-Recurring General Fund	**800,000**	**500,000**

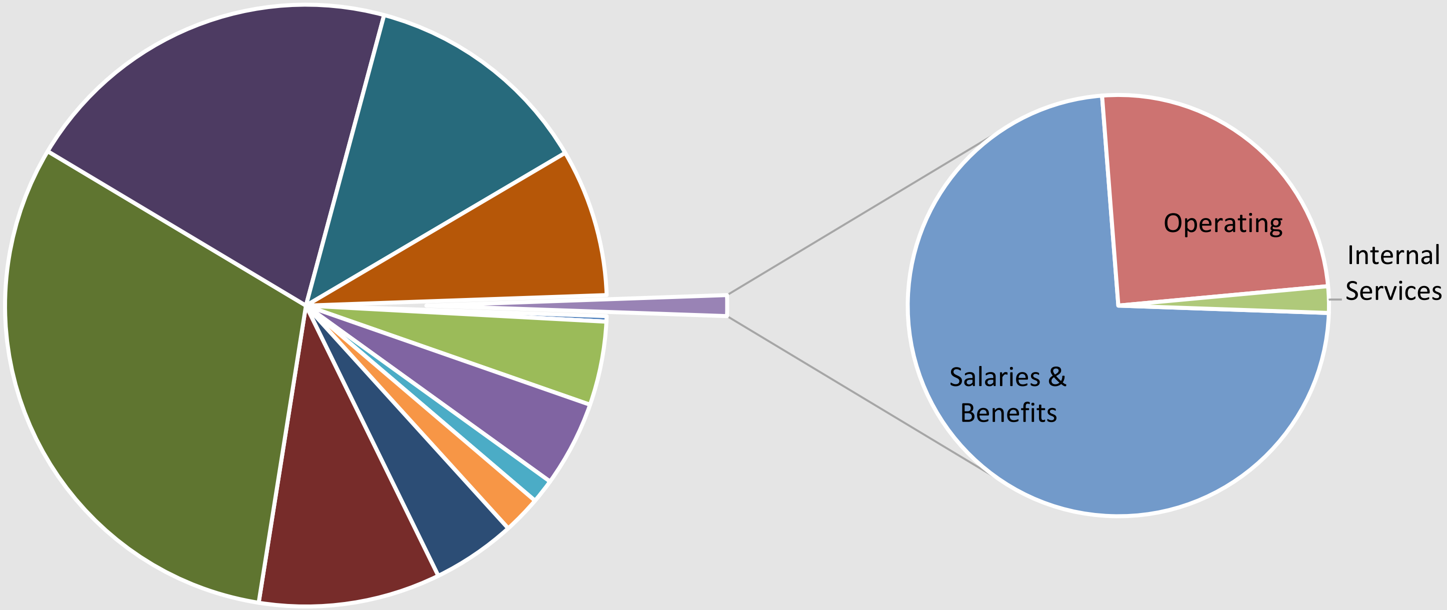
Relevant Priorities: Climate Action & Sustainability, Housing & Homelessness, Public Infrastructure

CITY OF NAPA

City Clerk

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$1,196,248	$1,327,000	+10.9%	$1,376,350	+3.7%

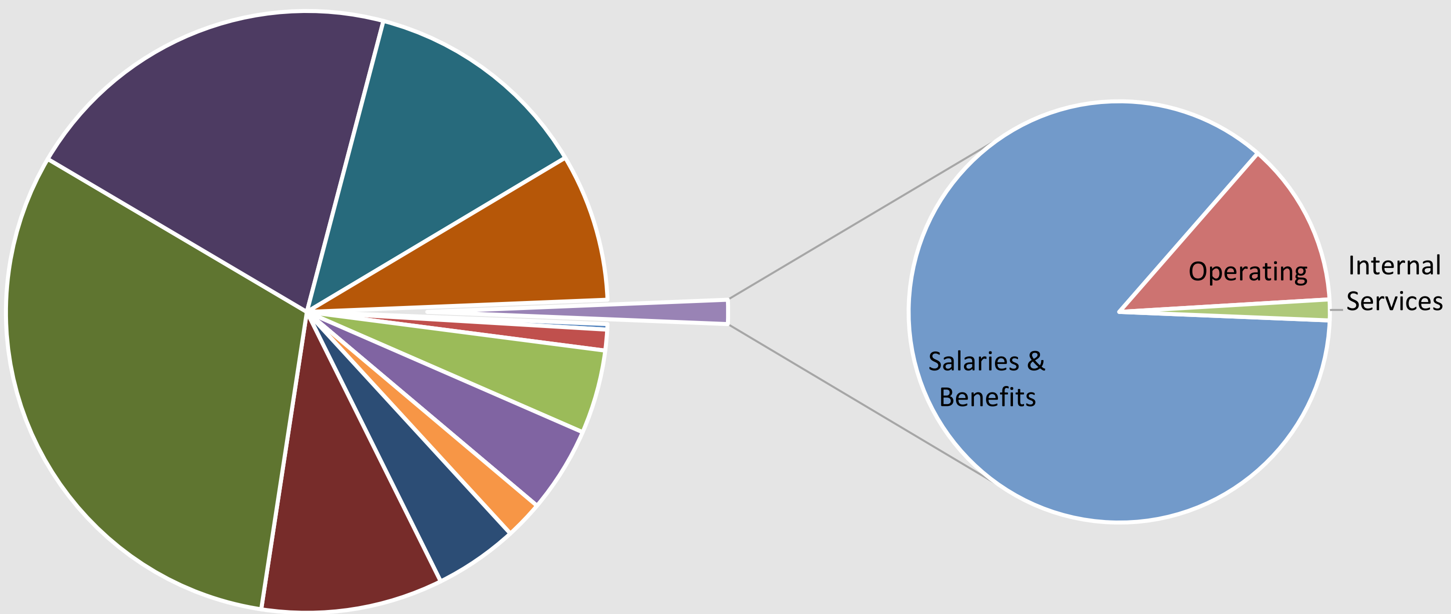
City Clerk expenditures are 1.1% of the FY 23/24 Proposed Budget



City Attorney

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$1,496,490	$1,536,310	+2.7%	$1,575,210	+2.5%

City Attorney expenditures are 1.3% of the FY 23/24 Proposed Budget



City Attorney
Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Deputy City Attorney (New FTE)	0	185,600
	Total General Fund	**0**	**185,600**

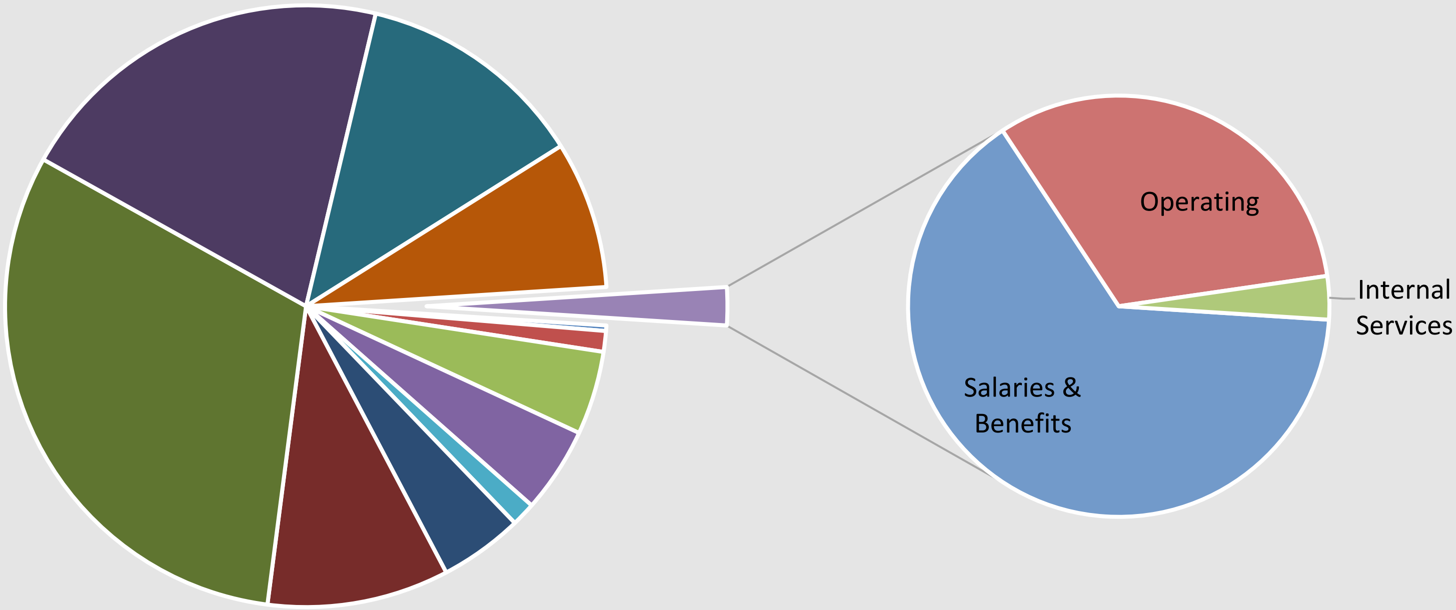
Relevant Priorities: General Plan Implementation

CITY OF NAPA

Human Resources

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$2,286,201	$2,428,700	+6.2%	$2,490,210	+2.5%

Human Resources expenditures are 2.0% of the FY 23/24 Proposed Budget



ATTACHMENT 1

Human Resources
Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Executive/Leadership Courses	25,000	25,000
General Fund	DEI Ongoing Training	60,000	60,000
	Total General Fund	**85,000**	**85,000**
NR General Fund	Class & Comp Studies / Investigations	100,000	0
NR General Fund	Labor Relations Legal Services	50,000	0
	Total Non-Recurring General Fund	**150,000**	**0**

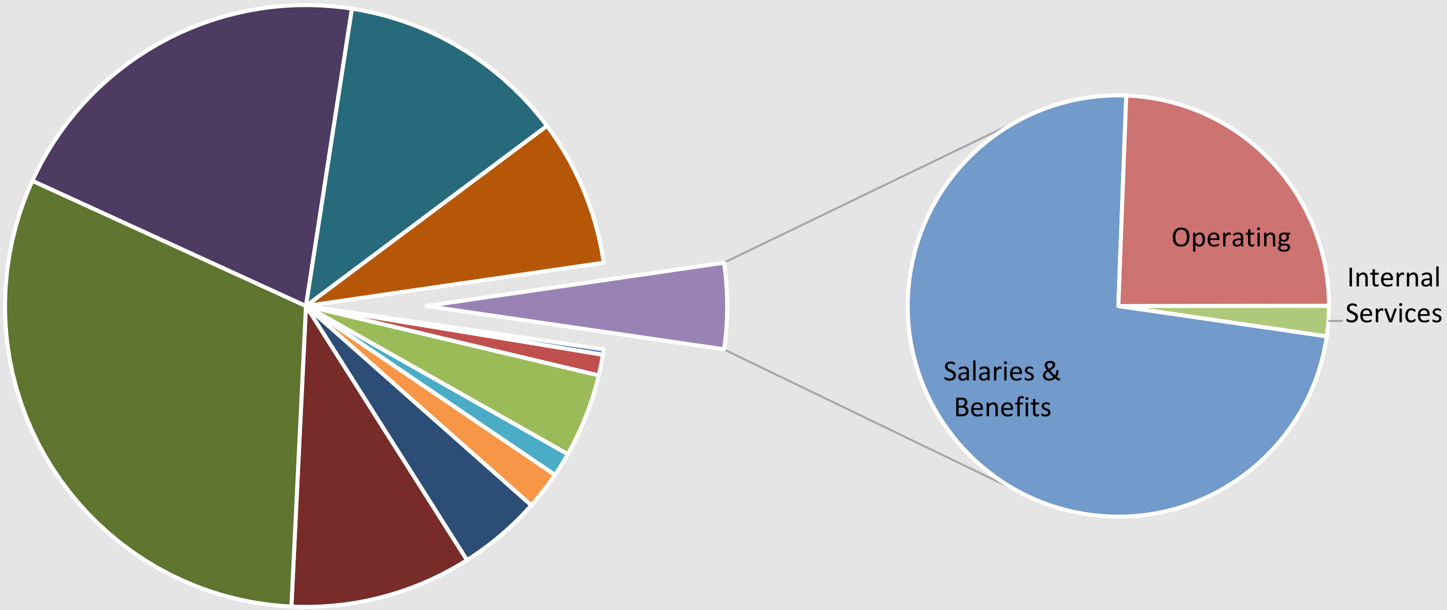
Relevant Priorities: n/a

CITY OF NAPA

Finance

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$8,659,836	$5,477,110	-36.8%	$5,616,440	+2.5%

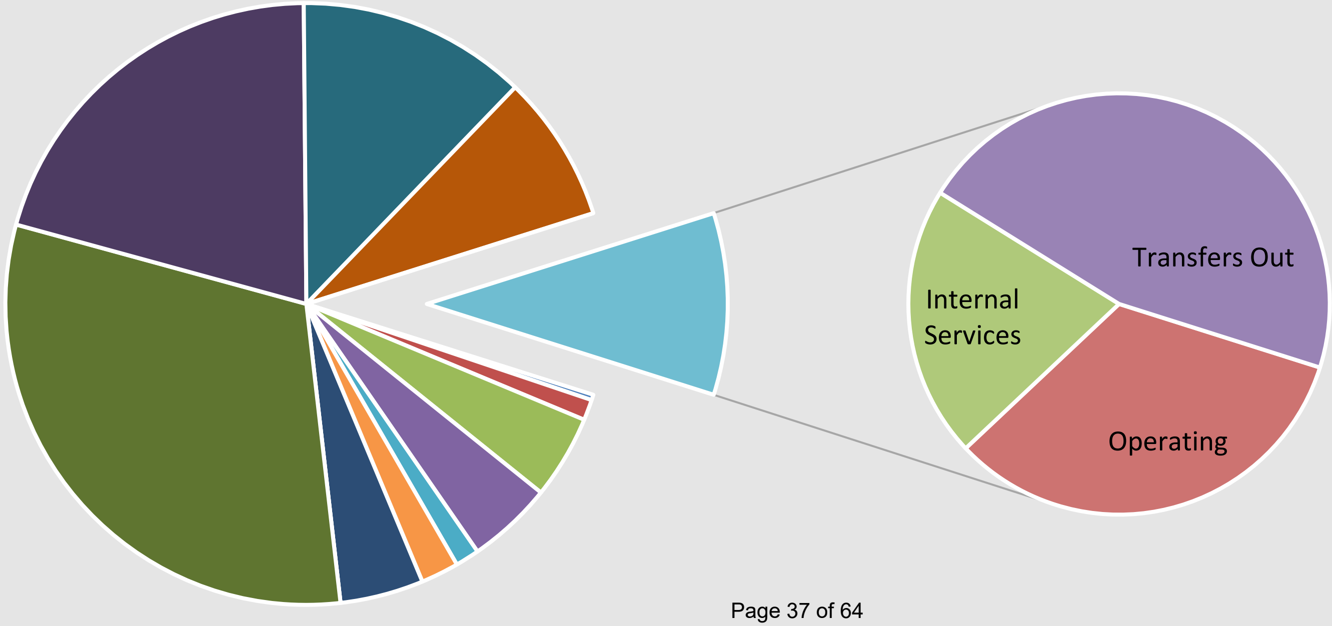
Finance expenditures are 4.6% of the FY 23/24 Proposed Budget



General Government

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$10,858,590	$11,629,850	+7.1%	$12,160,230	+4.6%

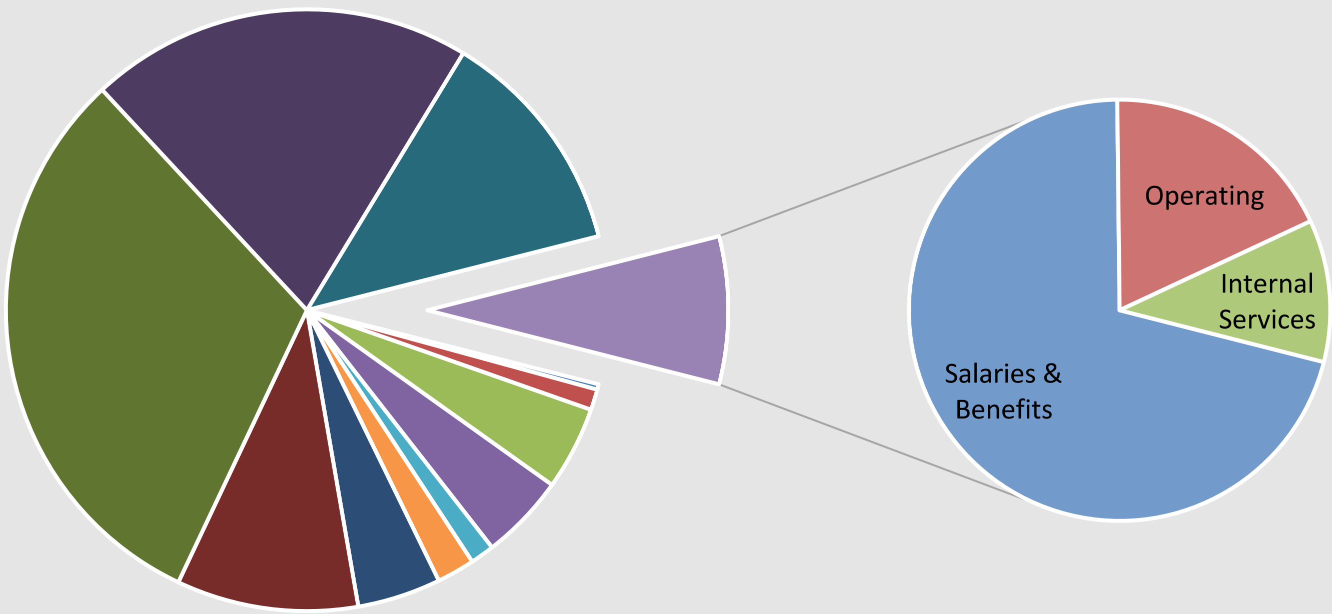
General Government expenditures are 9.8% of the FY 23/24 Proposed Budget, and includes City-wide items such as transfers to reserves, leave payouts, the City's vacancy factor, and payments for City-wide services.



Parks & Recreation Services

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$9,046,675	$9,433,050	+4.3%	$9,647,570	+2.3%

Parks & Rec expenditures are 7.9% of the FY 23/24 Proposed Budget



Parks & Recreation Services

Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Park Asset Management Program	250,000	250,000
General Fund	Recreation Division Restoration	43,000	83,000
General Fund	Vehicle Purchase: Bearcat, operating costs	2,300	2,300
General Fund	Vehicle Purchase: Mini-Excavator, operating costs	9,200	9,200
	Total General Fund	**304,500**	**344,500**

Relevant Priorities: Public Infrastructure

CITY OF NAPA

Parks & Recreation Services

Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
NR General Fund	Irrigation Controller Replacement	427,000	0
NR General Fund	Vehicle Purchase: Bearcat, purchase cost	6,000	0
NR General Fund	Vehicle Purchase: Bearcat, purchase cost	50,000	0
	Total Non-Recurring General Fund	**483,000**	**0**

Relevant Priorities: Public Infrastructure

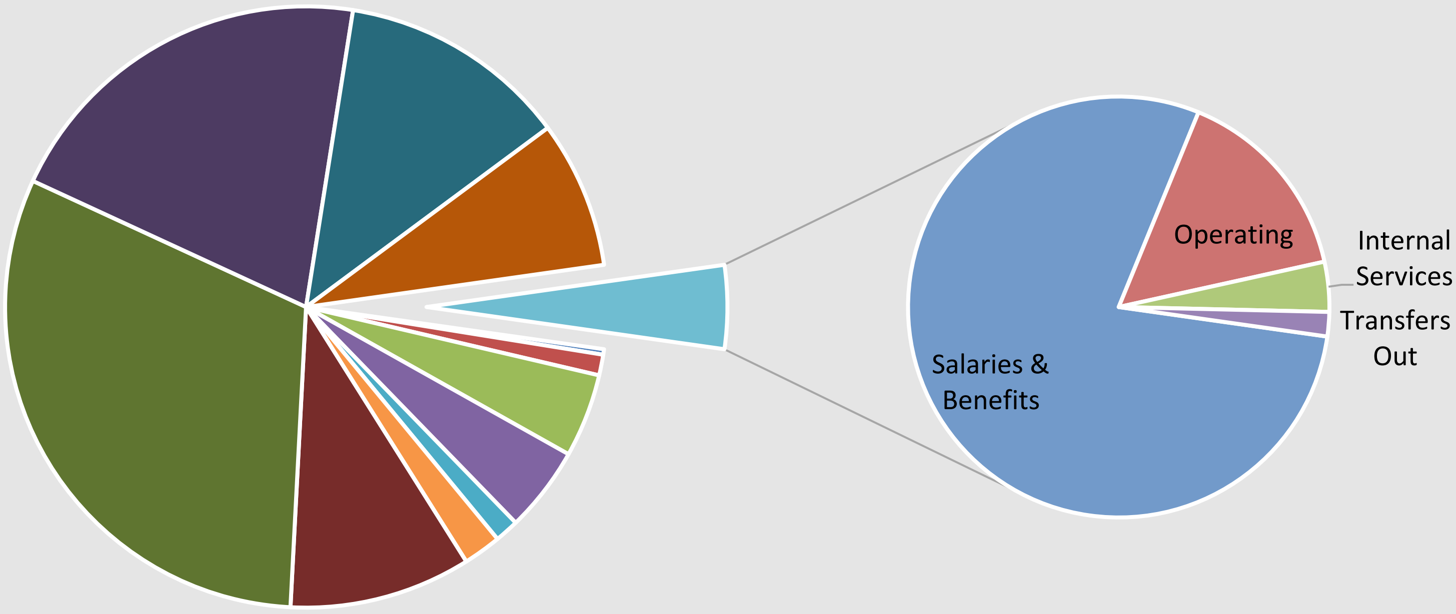
CITY OF NAPA

ATTACHMENT 1

Community Development

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$5,229,134	$5,344,770	+2.2%	$5,531,480	+3.5%

CDD expenditures are 4.5% of the FY 23/24 Proposed Budget



Community Development
Proposed Budget Packages

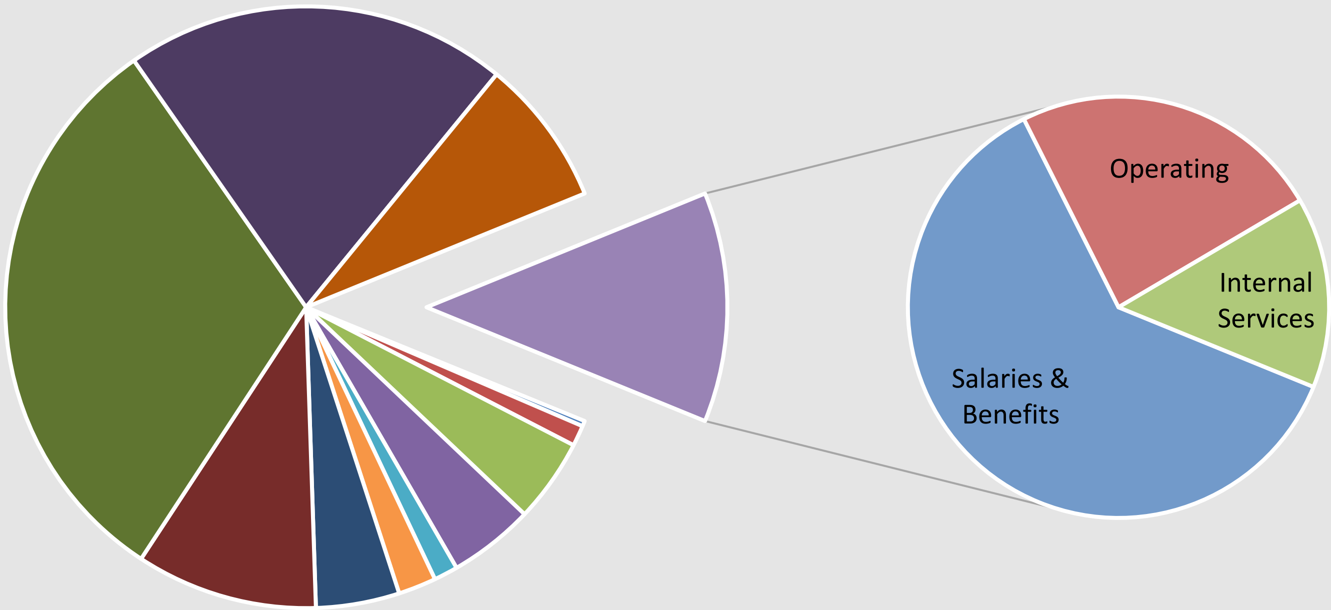
Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Management Analyst I/II (New FTE)	81,650	164,630
	Total General Fund	**81,650**	**164,630**
NR General Fund	Zoning Code Update	750,000	0
	Total Non-Recurring General Fund	**750,000**	**0**

Relevant Priorities: General Plan Implementation

Public Works

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$13,674,616	$14,710,550	+7.6%	$15,217,950	+3.4%

Public Works expenditures are 12.3% of the FY 23/24 Proposed Budget



Public Works
Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Senior Traffic Engineer (New FTE)	127,630	242,790
General Fund	Funding for Traffic Studies	100,000	100,000
General Fund	Operations Budget	300,000	300,000
General Fund	Traffic Signal System Service Subscription	9,850	33,530
	Total General Fund	**537,480**	**676,320**
NR General Fund	Development Impact Fee Nexus Study	235,000	0
NR General Fund	VMT Phase II Implementation	75,000	0
	Total Non-Recurring General Fund	**310,000**	**0**

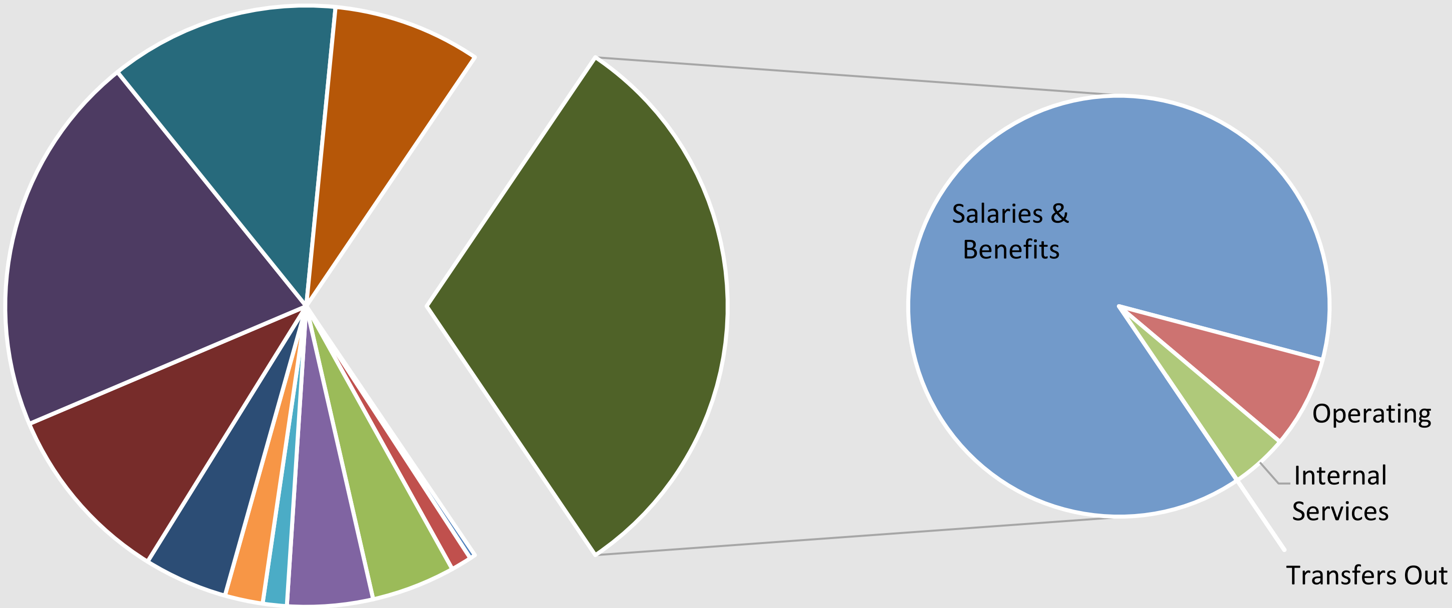
Relevant Priorities: Traffic Safety

CITY OF NAPA

Police Department

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$34,960,157	$37,015,480	+5.9%	$38,058,050	+2.8%

Police expenditures are 31.1% of the FY 23/24 Proposed Budget



Police Department
Proposed Budget Packages

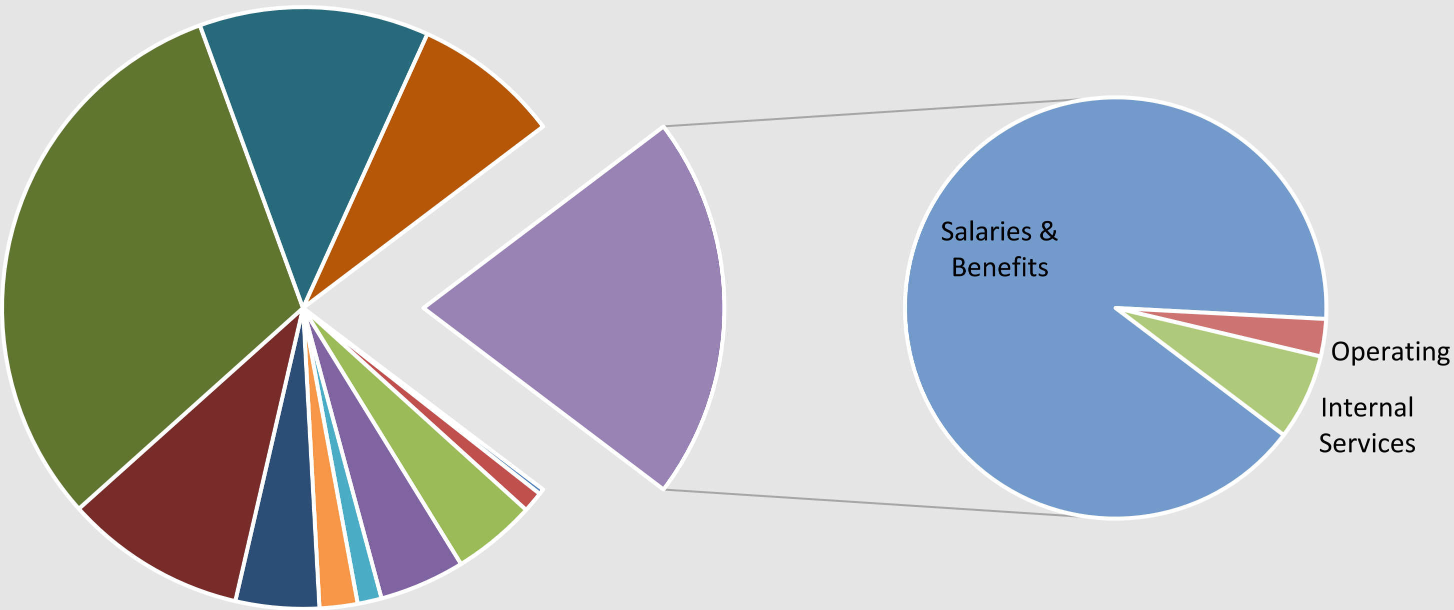
Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Community Service Officer (New FTE)	0	0
General Fund	Software Subscriptions	125,850	125,850
General Fund	Vehicle Purchase: YSB Detective vehicle, operating costs	11,000	11,000
	Total General Fund	**136,850**	**136,850**
NR General Fund	Vehicle Purchase: YSB Detective vehicle, purchase cost	60,000	0
	Total Non-Recurring General Fund	**60,000**	**0**

Relevant Priorities: Housing & Homelessness, Traffic Safety

Fire Department

2022/23 Adjusted Budget	2023/24 Proposed Budget	% Change	2024/25 Proposed Budget	% Change
$23,980,674	$24,557,960	+2.4%	$25,135,700	+2.4%

Fire expenditures are 20.6% of the FY 23/24 Proposed Budget



Fire Department
Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
General Fund	Delete 1 Firefighter position; Add 1 Firefighter Paramedic position	17,270	17,740
	Total General Fund	**17,270**	**17,740**
NR General Fund	Funds for Emergency Planning	75,000	0
NR General Fund	Tablet Command / Dell Replacement	38,000	0
	Total Non-Recurring General Fund	**113,000**	**0**

Relevant Priorities: General Plan Implementation, Climate Action & Sustainability

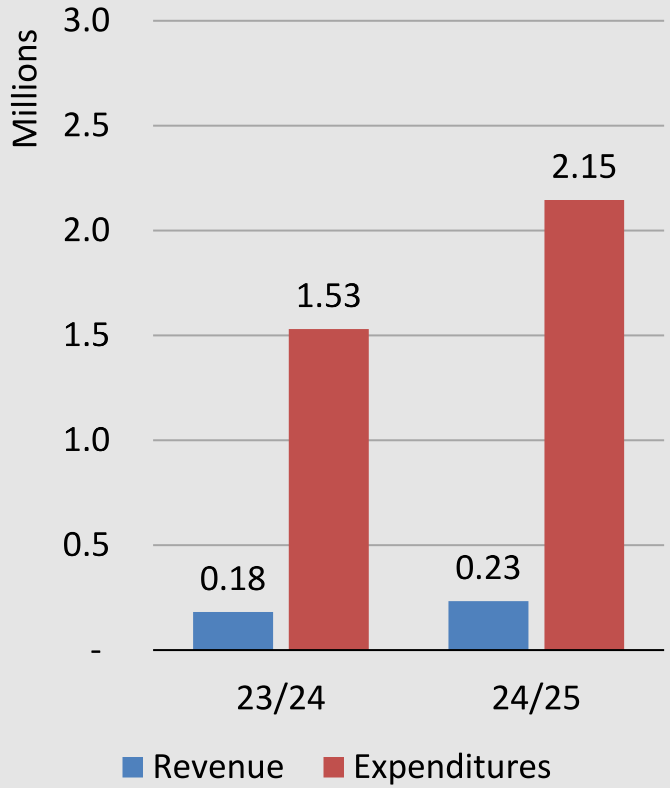
CITY OF NAPA

General Fund

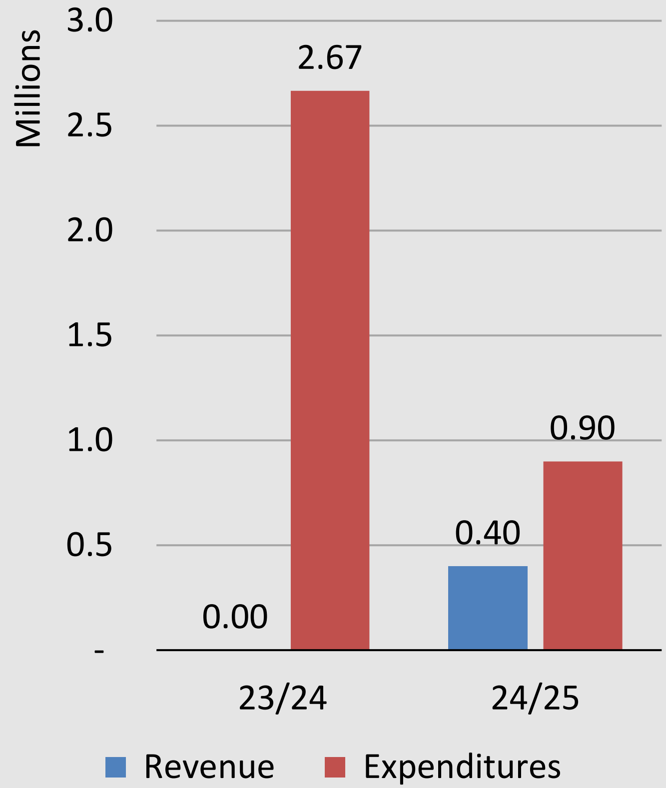
BUDGET PACKAGE TOTALS

Budget Package Totals

General Fund



NR General Fund



Potential for Funding in Current Fiscal Year

- Will be reviewing FY 2022/23 budget capacity; may be able to fund some one-time budget packages in the current year
- Recommendations for Early Funding:
  - Climate Action & Homeless Abatement (CM)
  - Zoning Code Update (CDD)
  - Irrigation Controller Replacement (PRS)
  - Development Impact Fee Nexus Study & VMT Phase II Implementation (PW)

CITY OF NAPA

Excess ERAF

- Excess ERAF is anticipated to be much lower in FY24 and FY25 as compared to FY23
  - FY23 Excess ERAF: $5.1 million
  - FY24 Excess ERAF: $2.7 million
  - FY25 Excess ERAF: $2.7 million
- FY24 and FY25 amounts based on early estimates from the County; actuals may differ

CITY OF NAPA

Balancing the General Fund

- Baseline budget is balanced
- Addition of budget packages of $1.53 M in FY 23/24 and $2.15 M in FY 24/25 means additional funding is needed
- Excess ERAF revenue will be recorded in the General Fund each year to balance the budget
  - $2.25 M in FY 23/24
  - $2.50 M in FY 24/25

CITY OF NAPA

General Fund Budget

	FY24 Baseline	FY24 with Budget Packages & Excess ERAF	FY25 Baseline	FY25 with Budget Packages & Excess ERAF
Revenues	$119,050,150	$121,481,650	$123,153,380	$125,887,380
Expenditures	$119,165,230	$121,047,460	$122,662,690	$125,302,890
Operating Position	**$(115,080)**	**$434,190**	**$490,690**	**$584,490**

Adjusted Expenditure Budgets also include increases for additional contributions to reserves.

CITY OF NAPA

Utilities Department

ENTERPRISE FUNDS

Utilities: Solid Waste & Recycling

Operating Fund	FY 2022/23 Adjusted	FY 2023/24 Proposed	FY 2024/25 Proposed
Revenues	43,786,000	44,000,000	44,151,500
Expenditures	47,514,167	45,654,050	47,676,020
Operating Position	**(3,728,167)**	**(1,654,050)**	**(3,524,520)**

CITY OF NAPA

Utilities: Water

Operating Fund	FY 2022/23 Adjusted	FY 2023/24 Proposed	FY 2024/25 Proposed
Revenues	35,798,400	36,677,700	37,352,940
Expenditures	42,051,896	43,371,500	43,218,860
Operating Position	**(6,253,496)**	**(6,693,800)**	**(5,865,920)**

CITY OF NAPA

Utilities Department
Proposed Budget Packages

Funding Source	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
Water Operating Fund	Management Analyst I/II (New FTE)	166,560	163,400
Water Operating Fund	Office Assistant I/II (New FTE)	103,550	98,680
Water Operating Fund	Plant Maintenance Mechanic I/II (New FTE)	156,870	158,100
	Total Water Operating Fund	**426,980**	**420,180**

Relevant Priorities: Climate Action & Sustainability, Public Infrastructure

CITY OF NAPA

OTHER FUNDS

General Liability ISF
Proposed Budget Packages

Department	Request	FY 2023/24 Cost	FY 2024/25 Cost
City Manager	Management Analyst I/II (New FTE)	122,800	166,050
	Total General Liability ISF	**122,800**	**166,050**

The costs in the General Liability Internal Service Fund (ISF) are allocated across City funds/departments. Estimated General Fund impact of this FTE is $93,550 in FY 2023/24 and $126,520 in FY 2024/25.

Relevant Priorities: Public Infrastructure

Equipment Replacement Reserve

Proposed Budget Packages

Department	Request	FY 2023/24 Net Cost	FY 2024/25 Net Cost
City Manager (IT)	Fire Multiband Radio Replacement	320,000	0
	Total General Liability ISF	**320,000**	**0**

Relevant Priorities: Public Infrastructure

CITY OF NAPA

Next Steps

- April 18th – Today's budget workshop
- June 6th – Public budget hearing 1
- June 20th – Public budget hearing 2
  - City Council & Housing Authority budget adoption
- July 1st – New fiscal year begins
- Early August – Adopted budget book published

CITY OF NAPA

Recommendations

- Provide input regarding any amendments to the Proposed Budget;
- Provide direction to staff to schedule public hearings on June 6, 2023 and June 20, 2023 to receive public comment on the Fiscal Year 2023/24 and 2024/25 Proposed Budget.

End of Presentation