

RESOLUTION R2022-\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NAPA, STATE OF CALIFORNIA, 1) AUTHORIZING THE UTILITIES DIRECTOR TO SUBMIT A REVISED APPLICATION TO THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES (CAL-OES) FOR FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) HAZARD MITIGATION GRANT PROGRAM FUNDING IN THE AMOUNT OF \$3,457,575, WITH A CITY MATCHING OBLIGATION OF UP TO \$1,152,525 FOR THE BURY MILLIKEN RAW WATER PIPELINE PROJECT DR4344-PJ0284; 2) APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$3,457,575 AND TRANSFER IN THE AMOUNT OF \$1,152,525 FROM WATER FUND CAPITAL RESERVE ACCOUNT TO WATER NONRECURRING CAPITAL EXPENDITURE BUDGET AS DOCUMENTED IN BUDGET ADJUSTMENT NO. BE2202501; AND 3) DETERMINING THAT THE ACTIONS AUTHORIZED BY THIS RESOLUTION ARE EXEMPT FROM CEQA

WHEREAS, the Atlas Fire started near Atlas Peak Road on October 8, 2017 and burned large portions of the Watershed that drains to the Milliken Reservoir, burned numerous water system facilities including two pump stations in the Silverado Area, several storage sheds and instrumentation near the Milliken Dam and Reservoir, and burned the steel pipeline, wood cradles and walkways necessary to convey raw water through the rocky canyon to the water treatment plant ("Milliken Pipeline"); and

WHEREAS, the Atlas Fire spared the Milliken Water Treatment Plant and the plant is capable of treating water as long as the Milliken Pipeline is able to convey water to the plant; and

WHEREAS, the City made repairs to the Milliken Pipeline in 2021 under a FEMA Public Assistance grant to restore the ability to convey raw water to the Milliken Water Treatment Plant; and

WHEREAS, after federally declared disasters, FEMA makes Hazard Mitigation Grant Program ("HGMP") funds available for improvements to mitigate damage in future disasters; and

WHEREAS, in 2018, the City applied for an HGMP grant in the amount of up to \$3M for the design (Phase 1) and construction (Phase 2) of a buried or hardened pipeline to replace the Milliken Pipeline based on an estimated total project budget of \$4,000,000; and

WHEREAS, in 2019, FEMA awarded the City \$161,250 in HMGP funding for Phase 1 of the Project based on an estimated Phase 1 cost of \$215,000; and

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WHEREAS, due to cost increases, the Project budget has increased from \$4M to \$4,610,100, with Phase 1 costs increasing from \$215,000 to \$825,100; and

WHEREAS, FEMA requires the City to submit a revised grant application for the Project and a Request for Budget Increase for Phase 1; and

WHEREAS, if the Request for Budget Increase for Phase 1 is approved by FEMA, HMGP funding for Phase 1 will be \$618,825, with the remaining \$206,275 to be paid for by the City; and

WHEREAS, if the City's request for total Project funding is approved by FEMA, the City anticipates that the revised total Project costs will be shared as follows: 75% FEMA (\$3,457,575) and 25% City Water Fund (\$1,152,525); and

WHEREAS, FEMA requires the City to verify the availability of the City's 25% proportionate share of \$1,152,525 for the Project; and

WHEREAS, Water fund Reserve Account 53000-25002 has funds in the amount of \$5,503,143 to make Capital Improvements to the water system; and

WHEREAS, the City Council has considered all information related to this matter, as presented at the public meetings of the City Council identified herein, including any supporting reports by City Staff, and any information provided during public meetings.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Napa, as follows:

1. The City Council hereby finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the City Council's adoption of this Resolution.

2. The City Council hereby determines that the actions authorized by this Resolution are exempt from CEQA pursuant to CEQA Guidelines Section 15301 (Categorical exemption Class 1 Existing Facilities), which exempts repair, maintenance, or minor alteration of existing facilities involving negligible or no expansion of use and Section 15302, which exempts replacement or reconstruction of existing structures; the Project will be subject to environmental review by FEMA in accordance with the National Environmental Policy Act at the earliest feasible time during the design phase and prior to approval of the construction phase.

3. The City Council hereby authorizes the Utilities Director to submit a revised application for HMGP funds to Cal-OES for the Project in the amount of up to \$3,457,575, with a City matching obligation of up to \$1,152,525, to submit a Request for Budget Increase for Phase 1 to Cal-OES in the amount of \$618,825 for HMGP funds, with the

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remaining \$206,275 to be paid for by the City; and subject to approval as to form by the City Attorney, to execute and submit to Cal-OES and/or FEMA all agreements and other documents necessary to secure HMGP funding for the Project.

4. The City Council hereby approves a budget adjustment increase in Grant funds revenue in the amount \$3,457,575 to nonrecurring disaster budget and transfer from the Water Fund Capital Reserves in the amount of \$1,152,525 to water nonrecurring capital expenditure budget as documented in Budget Adjustment No. BE2202501 attached hereto as Exhibit "A" and incorporated herein by reference.

5. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 15th day of February, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_

Tiffany Carranza  
City Clerk

Approved as to form:

\_\_\_\_\_  
Michael W. Barrett  
City Attorney