



Staff Reports

File #: 1373-2018, **Version:** 1

To: Honorable Mayor and Members of City Council

From: Jacques R. LaRoche, Public Works Director

Prepared By: Phil Brun, Deputy Public Works Director

TITLE:

Sale of Recycled Water Within City of Napa Water Service Area

RECOMMENDED ACTION:

Approve Amendment No. 1 to the Agreement with Napa Sanitation District for Recycled Water Within City of Napa Water Service Area (City Agreement No. 7247), authorize the Public Works Director to execute the Amendment on behalf of the City, and determine that the actions authorized by this item were adequately analyzed by a previous CEQA action.

DISCUSSION:

In 1998, the City and Napa Sanitation District (NapaSan) entered into an Agreement to allow NapaSan to deliver recycled water within portions of the City's water service area (City Agreement No. 7247). As described in the Agreement, the original ReUse area within which NapaSan was allowed to deliver recycled water was in the southern part of the City's water service area generally encompassing South Napa Marketplace, Napa State Hospital, Napa Valley College, Kennedy Park and Golf Course, Napa Valley Corporate Park including Napa Pipe area, and Stanley Ranch.

In 2015/2016, NapaSan constructed recycled water pipelines to serve areas outside of the City's water service area to the east of the City limits which are generally in the Milliken-Sarco-Tulocay (MST) groundwater deficient area. In 2017, NapaSan constructed additional pipelines along Coombsville Road. These pipelines have capacity to serve additional properties that are outside of the "original" ReUse area identified in the Agreement, but within the City's water service area. In particular, the properties of Silverado Middle School and Tulocay Cemetery, which are currently served by City water, are interested in converting to NapaSan recycled water for their irrigation uses. Therefore, Amendment No. 1 is necessary to establish an "additional" ReUse area which covers these properties.

No other changes to the Agreement are included in this Amendment. However, the current Agreement expires on August 4, 2018. Therefore, NapaSan and City staff are working together to develop a future amendment to extend the term of the Agreement and modify other provisions as needed.

FINANCIAL IMPACTS:

Silverado Middle School and Tulocay Cemetery are current water customers which use a total of approximately 40 acre-feet of potable water per year for irrigation purposes. With the conversion to

recycled water, the City's water revenue will be reduced by approximately \$81,000 per year. However, per the terms of the Agreement, the City will receive a one-time reimbursement for loss of revenue totaling approximately \$80,000.

CEQA:

City staff recommends that the City Council determine that the potential environmental effects of the Recommended Action described in this Staff report were adequately analyzed by NapaSan, as described below, pursuant to CEQA Guidelines Section 15162.

NapaSan and Napa County were member agencies of the North Bay Water Reuse Authority (NBWRA). The potential environmental effect of the Phase 1 Implementation Plan and the MST Recycled Water Project were analyzed in an EIR/EIS prepared by the Sonoma County Water Agency (SCWA), as CEQA Lead Agency. SCWA certified the EIR/EIS on December 8, 2009. NapaSan certified the Final EIR/EIS on December 16, 2009.

Based upon subsequent engineering and design efforts for the MST Project, NapaSan proposed minor changes to the proposed location and facilities of the Imola Avenue booster pump station and extension of the recycled water pipeline distribution system to serve Tulocay Cemetery and Silverado Middle School. NapaSan, Napa County, and the Bureau of Reclamation prepared an Addendum/Supplemental Information Document to the NBWRA EIR/EIS to include the alignment extension in Coombsville Road within the context of the previous analysis provided in the NBWRA EIR/EIS. The addendum was certified by NapaSan on November 6, 2013.

DOCUMENTS ATTACHED:

ATCH 1 - Agreement Between City of Napa and Napa Sanitation District for Sale of Recycled Water Within City of Napa Service Area (City Agreement No. 7247).

ATCH 2 - Amendment No. 1 to Agreement Between City of Napa and Napa Sanitation District for Sale of Recycled Water Within City of Napa Service Area.

NOTIFICATION:

Napa Sanitation District