



## REGULAR CITY COUNCIL MEETING AGENDA

City Hall - Council Chambers  
4381 Broadway St., Suite 201, American Canyon

**April 16, 2024**  
**6:30 PM**

**Mayor:** Leon Garcia  
**Vice Mayor:** David Oro  
**Councilmembers:** Mariam Aboudamous, Mark Joseph, Pierre Washington

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### AMENDED AGENDA

**This agenda has been amended by the following: Consent Item No. 11 - revisions were made to the staff report and attachments 1 & 2.**

Tonight's meeting is a limited public forum. American Canyon promotes respectful and responsible behavior among its meeting participants, whether they are present in person or remotely. Using offensive language or remarks that promote, foster, or perpetuate discrimination based on race, creed, color, age, religion, gender marital status, status regarding public assistance, national origin, physical or mental disability or sexual orientation/gender identification, as well as any other category protected by federal, state or local laws will not be tolerated. In the case of an occurrence, the speaker will be immediately disconnected from the microphone.

### PUBLIC PARTICIPATION

City Council and other public meetings will be conducted in person. This meeting is also available via Zoom, is broadcast live to residents on Napa Valley TV, on our [website](#) and on [YouTube](#).

**Zoom Link:** [Click here](#). **Webinar ID:** 849 9699 3806 **Passcode:** 12345. **Phone in to Zoom:** 408-638-0968

**Oral comments, during the meeting:** Oral comments can be made in person during Open and Closed Session or through Zoom in Open Session only. On Zoom use the "raise your hand" tool during any public comment period. To avoid confusion, hands raised outside of Public Comment periods will be lowered.

**Written comments:** Submit written comments by the [eComments link](#), located on the Meetings & Agendas page of our website. eComments are available to council members in real time. To allow for Council review of comments, eComments will close at 3:00 pm on the day of the meeting.

The above identified measures exceed all legal requirements for participation in public comment, including those imposed by the Ralph M. Brown Act. For more information, please call the Office of the City Clerk at (707) 647-4369 or email [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org).

**AGENDA MATERIALS:** City Council agenda materials are published 72 hours prior to the meeting and are available to the public via the City's website at [www.cityofamericancanyon.org](http://www.cityofamericancanyon.org).

**AMERICANS WITH DISABILITIES ACT:** The City Council will provide materials in appropriate alternative formats to comply with the Americans with Disabilities Act. Please send a written request to City Clerk at 4381 Broadway, Suite 201, American Canyon, CA 94503 or by email to [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org). Include your name, address, phone number and brief description of the requested materials, as well as your preferred alternative format or auxiliary aid, at least three calendar days before the meeting.

## **5:30 P.M. – CLOSED SESSION**

*The mayor will call the meeting to order and conduct roll call. Council will immediately convene into Closed Session after hearing any public comment on Closed Session items. At 6:30 p.m. the Council will reconvene into Open Session and then resume Closed Session at the end of the meeting to address outstanding items, if necessary.*

### CALL TO ORDER - CLOSED SESSION

### ROLL CALL - CLOSED SESSION

## **PUBLIC COMMENTS - CLOSED SESSION ITEMS**

*This time is reserved for members of the public to address the City Council on Closed Session Items only. Comments must be made in person and are limited to 3 minutes. Comments for items on the Open Session agenda will be taken when the item is called in Open Session. Comments for Items not on the Closed Session or Open Session agenda will be heard during the Open Session Public Comment period.*

### MEETING RECESS - COUNCIL TO CONVENE IN CLOSED SESSION

## **5:30 P.M. CLOSED SESSION ITEMS**

1. **Conference with Legal Counsel - Existing Litigation. Authorized pursuant to Government Code Section 54956.9(d)(1):**
  - a. ***City of American Canyon v. City of Vallejo, et al.*** (Sacramento Superior Court Case No. 34-2022-00327471).
  - b. ***City of American Canyon v. Leon Dale Schmidt*** (Napa County Superior Court Cases No. 22CV001041 and 23PR00161).
  - c. ***City of Vallejo v. City of American Canyon et al.*** (Napa County Superior Court Case No. 23CV000510) [Giovannoni Project]
  - d. ***City of Vallejo v. City of American Canyon et al.*** (Napa County Superior Court Case No. 23CV001600) [Paoli/Watson Lane Annexation]
  - e. ***City of Vallejo v. City of American Canyon et al.*** (Napa County Superior Court Case No. 24CV000544)[Measure K]
  
2. **Conference with Legal Counsel – Anticipated Litigation. Authorized pursuant to Government Code Section 54956.9 (d)(2). Three (3) Matters.**

## **6:30 P.M. OPEN SESSION - REGULAR MEETING**

### CALL TO ORDER - COUNCIL TO RECONVENE IN OPEN SESSION

### PLEDGE OF ALLEGIANCE

### ROLL CALL - OPEN SESSION

### REPORT ON CLOSED SESSION/CONFIRMATION OF REPORTABLE ACTION

## **PROCLAMATIONS AND PRESENTATIONS**

3. **Proclamation recognizing National Fair Housing Month**
4. **Proclamation recognizing April 22, 2024 as National Earth Day**
5. **Proclamation recognizing April 21-27, 2024 as National Volunteer Week.**
6. **Presentation - Rotary Club of Napa Spirit Horse Fundraiser**

## **PUBLIC COMMENTS - ITEMS NOT ON CLOSED SESSION OR OPEN SESSION AGENDA**

*This time is reserved for members of the public to address the City Council on items that are not on the Closed Session or Open Session agenda and are within the subject matter jurisdiction of the City Council. Comments are limited to 3 minutes. Comments for items on the Open Session agenda will be taken when the item is called in Open Session. The City Council is prohibited by law from taking any action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the City Council does not respond to public comment at this time.*

## **AGENDA CHANGES**

*The Mayor and Council may change the order of the Agenda or request discussion of a Consent Item. A member of the Public may request discussion of a Consent Item by making that request during Public Comment.*

## **CONSENT CALENDAR**

7. **Minutes of April 2, 2024**  
**Recommendation:** Approve the minutes of the Regular City Council meeting of April 2, 2024.
8. **Report Upon Return from Closed Session**  
**Recommendation:** Approve the Report Upon Return from Closed Session for the Regular City Council meeting of March 19, 2024.
9. **2024 Military Equipment Inventory and Equipment Use Policy**  
**Recommendation:** Adopt a Minute Order approving the 2024 Military Equipment Inventory and Equipment Use Policy.
10. **Utility Rate Municipal Code Updates**  
**Recommendation:** Waive final reading, read by title only, and adopt an Ordinance by the City Council of the City of American Canyon amending City of American Canyon Municipal Code (ACMC) Chapter 13.06: "Water Rates and Connection Fees", Chapter 13.14 "Water Conservation Plan", and Chapter 14.04: "Wastewater Rates and Charges" to establish new potable water, recycled water and wastewater property related fees and charges.
11. **Proposed Measure U**  
**Recommendation:** Adopt a Resolution approving the proposed Napa Valley Transportation Authority – Tax Agency’s Measure U – Napa Valley Transportation Improvement Act, for the purpose of improving local streets and roads and investing in regional capital projects.
12. **Amend Terms to Inter-Fund Loans made to the Recycled Water Enterprise from the Water and Sewer Enterprises**  
**Recommendation:** Adopt a Resolution amending the terms of the Inter-Fund Loans made to

the Recycled Water Enterprise Fund by the Water and Sewer Enterprise Funds, setting the interest rate for these Inter-Fund Loans at 1% and extending the total term to thirty years from date of origination.

## PUBLIC HEARINGS

### 13. **Watson Ranch Lot 8 Subdivision**

**Recommendation:** A Resolution of the City Council of the City of American Canyon approving a Vesting Tentative Subdivision Map for Watson Ranch Lot 8 to create 25 single family home lots on 2.3 acres within the Watson Ranch Specific Plan Medium Density Residential-16 zoning district located north of Cartier Street, Assessor's Parcel Numbers 059-430-012 and 059-430-037 (File No. PL22-0024)

## BUSINESS

### 14. **Proposed Staffing FY 24/25 and Beyond**

**Recommendation:** Receive a presentation on employee satisfaction surveys, organizational assessments and proposed staffing for Fiscal Year FY 24/25 and beyond.

### 15. **Law Enforcement Services Contract Amendment**

**Recommendation:** Adopt a Resolution approving Amendment 20 to the Agreement No. 200005B (previously known as Agreement No. 3220) with the Napa County Sheriff's Office for Law Enforcement Services for the period of July 1, 2024, through June 30, 2027.

## MANAGEMENT AND STAFF ORAL REPORTS

### MAYOR/COUNCIL COMMENTS AND COMMITTEE REPORTS

*The Mayor and Council may comment on matters of public concern and announce matters of public interest; no collective council action will be taken.*

1. *Napa County Local Agency Formation Commission (Aboudamous)*
2. *Napa Valley Transportation Authority (Garcia/Joseph)*
3. *Napa Countywide Climate Action Committee (Garcia/Joseph)*
4. *Napa Countywide City Select Committee (Garcia)*

## FUTURE AGENDA ITEMS

### 16. **Future Agenda Items of Note**

## ADJOURNMENT

## CERTIFICATION

I, Cherri Walton, Deputy City Clerk for the City of American Canyon, do hereby declare that the foregoing agenda of the City Council was posted in compliance with the Brown Act prior to the meeting date.

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Cherri Walton CMC, Deputy City Clerk

# CITY OF AMERICAN CANYON

## PROCLAMATION



### NATIONAL FAIR HOUSING MONTH

**WHEREAS**, on April 11, 1968, President Lyndon B. Johnson signed the Fair Housing Act into federal law to eliminate racial segregation and housing discrimination in the United States; and

**WHEREAS**, the Fair Housing Act prohibits housing discrimination based on race, color, religion, gender, familial status, national origin, and disability, and commits federal funding recipients to affirmatively further fair housing in their communities; and

**WHEREAS**, the City of American Canyon is committed to the mission and intent the Fair Housing Act to provide fair and equal housing opportunities for all; and

**WHEREAS**, our social fabric, economy, health, and environment are strengthened by our diverse and inclusive community; and

**WHEREAS**, more than fifty years after the passage of the Fair Housing Act, housing discrimination persists; and

**WHEREAS**, acts of housing discrimination and barriers to equal housing opportunities are repugnant to our common sense of decency and fairness; and

**WHEREAS**, the City of American Canyon supports and advocates Fair Housing in our community with General Plan Housing Element programs, and partnering with Fair Housing Napa Valley, the Housing Authority of the City of Napa, and the Napa County Continuum of Care.

**NOW, THEREFORE, BE IT PROCLAIMED** that the City of American Canyon joins the Nation in recognizing the Month of April 2024 as National Fair Housing Month.

Date: April 16, 2024

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Leon Garcia, Mayor

# CITY OF AMERICAN CANYON PROCLAMATION



## ***April 22, 2024 is National Earth Day***

**WHEREAS**, the global community now faces extraordinary challenges such as environmental and climate change, food and water shortages, and global health issues; and

**WHEREAS**, all people regardless of race, gender, income, or geography, have a right to a healthy, sustainable environment; and

**WHEREAS**, it is understood that the citizens of the global community must step forward and take action to create positive environmental changes to combat these global changes; and

**WHEREAS**, we are all caretakers of our planet and have an obligation to combat climate change and environmental degradation to preserve the earth's beauty and resources; and

**WHEREAS**, a sustainable environment can be achieved on the individual level through educational efforts, public policy, and consumer behavior changes; and

**WHEREAS**, it is necessary to broaden and diversify this global movement to achieve maximum success; and

**WHEREAS**, we encourage business owners, institutions, and individuals of American Canyon to celebrate the Earth and commit to being good stewards of our land and water resources to create a sustainable and healthy community; and

**WHEREAS**, on Earth Day and every day, the American Canyon community is encouraged to preserve our natural resources by participating in efforts to reduce consumption and waste, encourage to recycle, utilize renewable resources, eliminate pollution, and conserve water, land and energy; and

**NOW, THEREFORE, BE IT RESOLVED**, that I, Leon Garcia, Mayor of the City of American Canyon on behalf of the City Council, do proclaim April 22, 2024, as National Earth Day in American Canyon and call upon our community to celebrate and participate in Earth Day on April 21<sup>st</sup>, 2024, at Wetlands Edge Park from 10am-1pm.

Dated: April 16, 2024

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Mayor Leon Garcia

# CITY OF AMERICAN CANYON PROCLAMATION



## ***April 21-27, 2024 is National Volunteer Week***

**WHEREAS**, the City of American Canyon recognizes April 21<sup>st</sup> - 27<sup>th</sup>, 2024 as National Volunteer Week; and

**WHEREAS**, experience teaches us that government alone cannot solve all of our social problems and meet all of our opportunities, so we have focused on partnerships with businesses, faith-based organizations, nonprofit organizations, and community members; and

**WHEREAS**, our nonprofit organization and community partners are essential to helping build a stronger community through volunteer projects and special events that help enhance our community's quality of life; and

**WHEREAS**, we shine a light on the people who inspire us to serve, recognize and thank volunteers who lend their time, talent, and voice to make a difference within our community; and

**WHEREAS**, volunteers empower others to take action, realize their ability to make a difference and be a force that transforms the world; and

**WHEREAS**, we recognize and thank the following agencies for their continued support and dedication to our community: American Canyon Troop Support; AHI Swim Team; American Canyon Bocce Ball League; American Canyon Cancer Society; American Canyon 4H; American Canyon Arts Foundation; American Canyon Chamber of Commerce; American Canyon AYSO Soccer League, Region 1187; American Canyon Community Church; American Canyon Community & Parks Foundation; American Canyon Cycling; American Canyon Cub Scouts Troop 7178 and 7062; ACHS Key Club; American Canyon Lions Club; American Canyon Little League; American Canyon VFW Post #1123; American Canyon Youth Football and Cheer; the Boys and Girls Club of American Canyon; Canyon Oaks Elementary PTA; CERT; Kiwanis Club of American Canyon; Donaldson Way Elementary PTA; Family Resource Center; Filipino-American Association of American Canyon; Friends of the Napa River; Friends of the American Canyon Library; Helping Hands Indo American Inc.; LGBTQ+ Connection; Moms Club of American Canyon; Napa Junction Elementary PTA; Soroptimist International; and Spirit Horse.

**WHEREAS**, through their generosity of time, money, and in-kind services, many opportunities have been afforded to our community, including food and essential service distribution, community and fundraiser events, programs and services, community projects, and so much more; and

***NOW, THEREFORE, BE IT RESOLVED***, that I, Leon Garcia, Mayor of the City of American Canyon on behalf of the City Council, do proclaim April 21<sup>st</sup>-27<sup>th</sup>, 2024 as National Volunteer Week, and call upon American Canyon to celebrate the important work that these selfless volunteers do every day throughout our community.

Dated: April 16, 2024

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Mayor Leon Garcia

**CITY OF AMERICAN CANYON  
REGULAR CITY COUNCIL MEETING**

**ACTION MINUTES**

*April 2, 2024*

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**5:30 P.M. – CLOSED SESSION**

**CALL TO ORDER - CLOSED SESSION**

The City Council meeting was called to order at 5:30 p.m.

**ROLL CALL - CLOSED SESSION**

**Present:** Councilmember Mariam Aboudamous, Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

**Absent:** None

**PUBLIC COMMENTS - CLOSED SESSION ITEMS**

Mayor Garcia called for public comments. Written comments: none. Oral comments: none. The public comments period was closed.

**MEETING RECESS - COUNCIL TO CONVENE IN CLOSED SESSION**

**5:30 P.M. CLOSED SESSION ITEMS**

1. Conference with Legal Counsel - Existing Litigation. Authorized pursuant to Government Code Section 54956.9(d)(1):

- a) City of American Canyon v. City of Vallejo, et al. (Sacramento Superior Court Case No. 34-2022-00327471).
- b) City of American Canyon v. Leon Dale Schmidt (Napa County Superior Court Cases No. 22CV001041 and 23PR00161).
- c) Center for Biological Diversity v. City of American Canyon et al. (Napa County Superior Court Case No. 23CV000511).
- d) Golden State Environmental Justice Alliance v. City of American Canyon et al. (Napa Superior Court Case No. 23CV000510).
- e) City of Vallejo v. City of American Canyon et al. (Napa County Superior Court Case No. 23CV000517).
- f) City of Vallejo v. City of American Canyon et al. (Napa County Superior Court Case No. 23CV001600).

2. Conference with Legal Counsel – Anticipated Litigation. Authorized pursuant to Government Code Section 54956.9 (d)(2). Three (3) Matters.

## **6:30 P.M. OPEN SESSION - REGULAR MEETING**

### **CALL TO ORDER - COUNCIL TO RECONVENE IN OPEN SESSION**

The City Council meeting was called to order at 6:35 p.m.

### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

### **ROLL CALL - OPEN SESSION**

**Present:** Councilmember Mariam Aboudamous, Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

**Absent:** None

### **REPORT ON CLOSED SESSION/CONFIRMATION OF REPORTABLE ACTION**

A report on Closed Session and confirmation of reportable action was given by City Attorney William Ross.

## **PROCLAMATIONS AND PRESENTATIONS**

### **3. Proclamation - Sexual Assault Awareness Month**

Mayor Garcia announced the proclamation. It was received by Sexual Assault Victim Services Program Manager Christina Gomez, of Napa NEWS.

### **4. Proclamation - April 2024 as Arts Month**

Mayor Garcia announced the proclamation. It was received by American Canyon Arts Foundation President Clarence Mamaril, and on behalf of the American Canyon High School Visual and Performing Arts, ceramics teacher Adam Musto.

**Councilmember Mariam Aboudamous left the meeting at 7:00 p.m.**

### **PUBLIC COMMENTS - ITEMS NOT ON CLOSED SESSION OR OPEN SESSION AGENDA**

Mayor Garcia called for public comments. Written comments: none. Oral comments: Hugh Marquez was called to speak; Ken Leary was called to speak; Kap Prasad was called to speak; Karen Blandino was called to speak; Beth Marcus was called to speak; Karen Fritz was called to speak. The public comments period was closed.

### **AGENDA CHANGES**

There were no changes to the agenda.

## CONSENT CALENDAR

**Action:** Motion to adopt CONSENT CALENDAR made by Vice Mayor David Oro, seconded by Councilmember Mark Joseph, and CARRIED by roll call vote.

**Ayes:** Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

**Nays:** None

**Abstain:** None

**Absent:** Councilmember Mariam Aboudamous

**Excused:** None

### 5. Minutes of March 19, 2024

**Action:** Approved the minutes of the Regular City Council meeting of March 19, 2024.

### 6. Report Upon Return from Closed Session

**Action:** Approved the Report Upon Return from Closed Session for the Regular City Council meeting of March 19, 2024.

### 7. Amendment No. 1 of the Melvin Road Sidewalk and Drainage Project (TR24-0200)

**Action:** Adopted Resolution 2024-24 authorizing the City Manager to execute Amendment No. 1 (Agreement 2024-41) to Agreement No. 2023-10 with Coastland Civil Engineering, Inc., in the amount of \$19,390, for a total contract amount not to exceed \$156,832, for the Melvin Road Sidewalk and Drainage Project (TR24-0200).

### 8. Housing Element Municipal Code Updates

**Action:** Waived final reading, read by title only, and adopted Ordinance 2024-04 by the City Council of the City of American Canyon amending American Canyon Municipal Code (ACMC) Chapter 19.39 Accessory Dwelling Units, and additional ACMC amendments consistent with current State Law and Housing Element Implementation Program C.

### 9. CalOES Designation

**Action:** Adopted Resolution 2024-26 designating the Authorized Agents with California Governor's Office of Emergency Services (CalOES) for the purpose of obtaining federal and state financial assistance for emergencies.

## PUBLIC HEARINGS

### 10. Utility Rate Increases - Proposition 218 "Protest Hearing"

Council received a staff report from City Manager Jason Holley. Mayor Garcia opened the public hearing and called for public comments. Written comments: none. Oral comments: David Garcia-Arreola was called to speak; Davet Mohammed was called to speak; David Murphy was called to speak; Richard Schram was called to speak; Sharon Robinson was called to speak; Al Donaldson

was called to speak; Hugh Marquez was called to speak; Karen Fritz was called to speak; Kap Prasad was called to speak. Public comments and the public hearing were closed.

**Action:** Motion to adopt Waive first reading and adopt by title only an Ordinance amending City of American Canyon Municipal Code (ACMC) Chapter 13.06: "Water Rates and Connection Fees", Chapter 13.14 "Water Conservation Plan", and Chapter 14.04: "Wastewater Rates and Charges" to establish new potable water, recycled water and wastewater property related fees and charges made by Councilmember Mark Joseph, seconded by Councilmember Pierre Washington, and CARRIED by roll call vote.

**Ayes:** Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

**Nays:** None

**Abstain:** None

**Excused:** Councilmember Mariam Aboudamous

**Action:** Motion to request an annual review of utility fee information made by Councilmember Mark Joseph, seconded by Vice Mayor David Oro, and CARRIED by roll call vote.

**Ayes:** Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

**Nays:** None

**Abstain:** None

**Excused:** Councilmember Mariam Aboudamous

## **BUSINESS**

### **11. New 'Environmental Sustainability' Goal**

Council received a staff report from City Manager Jason Holley. Mayor Garcia called for public comments. Written comments: none. Oral comments: Ken Leary was called to speak; Clarence Mamaril was called to speak; Al Donaldson was called to speak. The public comments period was closed.

**Action:** Motion to adopt Resolution 2024-27 approving a new 'Environmental Sustainability' Goal and various strategies as amended by City Attorney William Ross, made by Councilmember Mark Joseph, seconded by Councilmember Pierre Washington, and CARRIED by roll call vote.

**Ayes:** Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

**Nays:** None

**Abstain:** None

**Excused:** Councilmember Mariam Aboudamous

## **MANAGEMENT AND STAFF ORAL REPORTS**

Council received an oral update from Parks & Recreation Director Alexandra Ikeda.

## **MAYOR/COUNCIL COMMENTS AND COMMITTEE REPORTS**

### **12. City Council Committee Report - Councilmember Mark Joseph**

Mayor and Councilmembers commented on items of interest.

## **FUTURE AGENDA ITEMS**

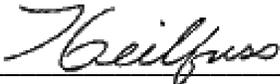
### **13. Future Agenda Items of Note**

## **ADJOURNMENT**

The meeting was adjourned at 9:25 p.m.

## **CERTIFICATION**

Respectfully Submitted,



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Taresa Geilfuss, City Clerk

William D. Ross  
David P. Schwarz  
Kypros G. Hostetter  
Christina M. Bellardo

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File No: 199/6

April 8, 2024

**VIA E-MAIL**

The Honorable Leon Garcia, Mayor  
and Members of the City Council  
City of American Canyon  
4381 Broadway, Suite 201  
American Canyon, CA 94503

Re: Report Upon Return from Closed Session; Regular City Council Closed Session Meeting of the American Canyon City Council of April 2, 2024

Dear Mayor Garcia and Members of the City Council:

This communication sets forth reportable action, if any, of the City Council (“Council”) of the City of American Canyon (“City”), consistent with provisions of the Ralph M. Brown Opening Meeting Act (Government Code Section 54950, *et seq.*) resulting from the Closed Session of the Regular City Council Closed Session Meeting of April 2, 2024, consistent with Government Code Section 54957.1.

At 5:30 p.m. Mayor Garcia convened the Council (including Vice Mayor Oro, Councilmembers Washington and Joseph) in Open Session to determine if there were any comments on the matters agendized for Closed Session, and after concluding that there were none, adjourned to Closed Session at 5:32 p.m. (Councilmember Aboudamous joined the Closed Session at 5:56 p.m.).

There were two matters agendized for City Closed Session consideration:

1. Conference with Legal Counsel – Existing Litigation  
Authorized Pursuant to Government Code Section 54956.9(d)(1):
  - a. *City of American Canyon v. City of Vallejo, et al.* (Sacramento Superior Court Case No. 34-2022-00327471);
  - b. *City of American Canyon v. Leon Dale Schmidt*, (Napa County Superior Court Case No. 22CV001041 and 23PR00161);

- c. *Center for Biological Diversity v. City of American Canyon et al.* (Napa County Superior Court Case No. 23CV000511);
  - d. *Golden State Environmental Justice Alliance v. City of American Canyon et al.* (Napa County Superior Court Case No. 23CV000510);
  - e. *City of Vallejo v. City of American Canyon et al.* (Napa County Superior Court Case No. 23CV000517); and,
  - f. *City of Vallejo v. City of American Canyon et al.* (Napa County Superior Court Case No. 23CV001600).
2. Conference with Legal Counsel – Anticipated Litigation  
Authorized Pursuant to Government Code Section No. 54956.9(d)(2)  
Three (3) Matters.

With respect to Closed Session Agenda Item No. 1.a., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 1.b., there was reportable action in the form of unanimous direction (4-0) to the City Attorney to direct a communication to the Public Guardian and the Counsel concerning the City’s potential foreclosing of its liens on the involved property as a nuisance still exists on the property and that Mr. Schmidt continues to reside in an automobile on the property without any sanitation facilities. Except as indicated, there was no other reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 1.c. through 1.e, there was reportable action again emphasizing the dismissal of the Center for Biological Diversity as of March 28, 2024, indicating that the City’s response to the Opening Brief of the City of Vallejo would be filed early next week. Except as indicated, there was no other reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 1.f., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to two of the three matters considered under Closed Session Agenda Item No. 2., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(2) with respect to two of the three matters considered.

The Honorable Leon Garcia, Mayor  
and Members of the City Council  
April 8, 2024  
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With respect to the third matter which was considered between 6:15 p.m. and 6:26 p.m., and in which neither the City Manager nor City Attorney was present, there also was no reportable action as confirmed by Special Counsel under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(2).

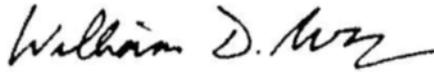
Your Council concluded the Closed Session at 6:28 p.m.

In Open Session, it was indicated that a written report upon return from Closed Session consistent with Government Code Section 54957.1, would be prepared concerning the matters agendaized for Closed Session.

This communication should be reviewed under the Consent portion of the Agenda of your next Regular or Special City Council Meeting.

Should you have questions concerning this Report, it may be taken off the Consent calendar when agendaized in the future, or our office may be contacted in the interim.

Very truly yours,



William D. Ross  
City Attorney

WDR:jf

cc: Jason B. Holley, City Manager  
Maria Ojeda, Assistant City Manager  
Taresa Geilfuss, City Clerk  
Cherri Walton, Deputy City Clerk



## **TITLE**

2024 Military Equipment Inventory and Equipment Use Policy

## **RECOMMENDATION**

Adopt a Minute Order approving the 2024 Military Equipment Inventory and Equipment Use Policy.

## **CONTACT**

Rick Greenberg, Chief of Police

## **BACKGROUND & ANALYSIS**

Assembly Bill Number 481 (AB 481), codified at Government Code sections 7070 through 7075, required the American Canyon Police Department (ACPD) to obtain approval from City Council of its military equipment use policy; it was adopted it on April 19, 2022. Approval from City Council on an annual basis, with any changes to the policy or the equipment inventory is also required.

The term “military equipment”, as used in AB 481, does not necessarily indicate equipment used by the military. Items deemed to be “military equipment” include, but are not limited to, unmanned aerial or ground vehicles, armored vehicles, command and control vehicles, pepper balls, less lethal shotguns, less lethal 40mm projectile launchers, long range acoustic devices, and flashbangs. The list of items considered “military equipment” by AB 481 are employed by many law enforcement agencies across the country as best practices to enhance citizen and officer safety.

Provided as an attachment is the 2024 inventory list of military equipment that the Napa County Sheriff Department (NSD) maintains. Also attached is the ACPD and NSD’s military Equipment use policy. The use of the military equipment identified on the inventory list is vital to ACPD’s mission and will continue to be strictly regulated through internal processes and oversight.

### **2024 General changes/updates:**

- Replaced policy numbers with names to reduce confusion for when the policy manual changes.
- Updates to quantities and costs.
- Reorganized to put similar items together for ease of reference.

**Additional Equipment for 2024:**

- Robotex Avitar Robot
- Electronic Noise / Flash Delivery Device
- Incident Command Vehicle

**COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Public Safety: "Ensure American Canyon remains a safe community."

**FISCAL IMPACT**

The cost of the current equipment is included in the existing contract with the Napa County Sheriff Department.

**ENVIRONMENTAL REVIEW**

None.

**ATTACHMENTS:**

1. [Military Equipment Policy](#)
2. [AB 481 Equipment 2024 Listing](#)

## Military Equipment

### 706.1 PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment (Government Code § 7070; Government Code § 7071; Government Code § 7072). While the Legislatures defines our equipment as military equipment, this Office defines this equipment as law enforcement equipment.

#### 706.1.1 DEFINITIONS

Definitions related to this policy include (Government Code § 7070):

**Governing body** – The elected or appointed body that oversees the Office.

**Military equipment** – Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This does not include a handheld, one-person ram.
- Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code § 30510 and Penal Code § 30515, with the exception of standard-issue firearms.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (LRADs).
- Kinetic energy weapons and munitions.
- Any other equipment as determined by a governing body or a state agency to require additional oversight.

# Napa County Sheriff's Office

Napa County SO Policy Manual

## *Military Equipment*

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### **706.2 POLICY**

It is the policy of the Napa County Sheriff's Office that members of this office comply with the provisions of Government Code § 7071 with respect to military equipment.

### **706.3 MILITARY EQUIPMENT COORDINATOR**

The Sheriff should designate a member of this office to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

- (a) Acting as liaison to the governing body for matters related to the requirements of this policy.
- (b) Identifying office equipment that qualifies as military equipment in the current possession of the Office, or the equipment the Office intends to acquire that requires approval by the governing body.
- (c) Conducting an inventory of all military equipment at least annually.
- (d) Collaborating with any allied agency that may use military equipment within the jurisdiction of Napa County Sheriff's Office (Government Code § 7071).
- (e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:
  1. Publicizing the details of the meeting.
  2. Preparing for public questions regarding the office's funding, acquisition, and use of equipment.
- (f) Preparing the annual military equipment report for submission to the Sheriff and ensuring that the report is made available on the office website (Government Code § 7072).
- (g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Office will respond in a timely manner.

### **706.4 MILITARY EQUIPMENT INVENTORY**

The following constitutes a list of qualifying equipment for the Office:

[Insert attachment here]

### **706.5 APPROVAL**

The Sheriff or the authorized designee shall obtain approval from the governing body by way of an ordinance adopting the military equipment policy. As part of the approval process, the Sheriff or the authorized designee shall ensure the proposed military equipment policy is submitted to the governing body and is available on the office website at least 30 days prior to any public hearing concerning the military equipment at issue (Government Code § 7071). The military equipment policy must be approved by the governing body prior to engaging in any of the following (Government Code § 7071):

## *Military Equipment*

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- (a) Requesting military equipment made available pursuant to 10 USC § 2576a.
- (b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- (c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
- (d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this office.
- (e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.
- (f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.
- (g) Acquiring military equipment through any means not provided above.

### **706.6 COORDINATION WITH OTHER JURISDICTIONS**

Military equipment used by any member of this jurisdiction shall be approved for use and in accordance with this Office's policy. Military equipment used by other jurisdictions that are providing mutual aid to this jurisdiction shall comply with their respective military equipment use policies in rendering mutual aid.

### **706.7 ANNUAL REPORT**

Upon approval of a military equipment policy, the Sheriff or the authorized designee should submit a military equipment report to the governing body for each type of military equipment approved within one year of approval, and annually thereafter for as long as the military equipment is available for use (Government Code § 7072).

The Sheriff or the authorized designee should also make each annual military equipment report publicly available on the office website for as long as the military equipment is available for use. The report shall include all information required by Government Code § 7072 for the preceding calendar year for each type of military equipment in office inventory.

### **706.8 COMMUNITY ENGAGEMENT**

Within 30 days of submitting and publicly releasing the annual report, the Office shall hold at least one well-publicized and conveniently located community engagement meeting, at which the Office should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.



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**NAPA COUNTY OFFICE OF SHERIFF-CORONER**

1535 AIRPORT BOULEVARD  
NAPA, CALIFORNIA 94558-6292  
(707) 253-4501

**OSCAR ORTIZ**  
Sheriff - Coroner

# **Napa County Sheriff**

## **AB 481 Equipment Report**

# **2024**



# NAPA COUNTY OFFICE OF SHERIFF-CORONER

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## Considerations:

The AB481-reportable equipment inventory sheets contained within this document were compiled during Q1 2024.

With respect to costs, funding, annual upkeep expenses and estimated effective lifespan, every effort has been made to be as accurate as possible while at the same time acknowledging that many factors directly affecting those aforementioned values are unpredictable.

Costs associated with the following items represent the best estimates at the time this document was prepared. Many of these items are not purchased from manufacturers, but from dealers, who adjust costs in accordance with market factors beyond the predictive abilities or control of Napa SO.

Due to the unpredictable nature of the law enforcement profession, many of the item estimated upkeep costs and effective lifespans are best estimates and may vary greatly on a year-to-year basis, due to the availability of training, type of operational incidents or other factors.

“Annual Allocation” refers to the quantity needed “on hand” over the course of a calendar year to meet all reasonably-anticipated operational and training needs. Some items may be carried over in inventory year to year depending on operational/training tempo.

With respect to terminology, “expendable equipment” items are items that typically have a one-time use and then cannot be used again, such as chemical agents or smoke grenades.

In an effort to be as efficient as possible, many items, both “expendable” and otherwise have operational applications across a diverse set of Napa SO missions. For example, “40mm launcher (single and multi-shot capability)” is an item that is utilized by Napa SO Patrol, SWAT, Mobile Field Force and other auxiliary assignments. The cost and unit allocation estimates that state “across all divisions” represents the best estimation of the requirements for those items to fill all needs for the Sheriff’s Office.

Additionally, there are costs for non-AB481 equipment that are intrinsically tied to the costs for the following items. For example, slings, carrying cases, magazines, sighting systems, flashlights, cleaning supplies, batteries and other non-AB481 reportable items are not included in the cost estimations, unit allocation or upkeep portions of this report.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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It should also be noted that the legislature has designated these items as “military equipment”. While the military may use some of the same equipment, the Sheriff’s Office (SO) deems all of this equipment as law enforcement equipment. Much the same as the military using handcuffs, there are items in common. The manner and reason they are used is significantly different.

For many years, this office has also displayed and offered education about our equipment and why we use it. The vast majority of equipment on this list was approved for funding through the County of Napa. From our Citizen’s Academy to National Night Out, we have always been open for discussion and education



# NAPA COUNTY OFFICE OF SHERIFF-CORONER

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## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **40 mm launcher (single and multi-shot capability)**

#### Description:

The 40 mm less lethal launcher is device that has the ability to deploy multiple types of 40 mm projectiles.

#### Purpose & Use:

A 40 mm launcher is used to deploy less lethal munitions and chemical agents for a variety of missions

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$800. Annual estimated training and operational allocation of approximately 30 units across all divisions. Estimated effective lifespan 10+ years.

#### NSO procedural rules that govern use:

The 40 mm launcher shall be used by NSO Deputies in accordance with all applicable laws and polices during legitimate law enforcement actions.

#### Training Requirements:

Must complete annual qualification and regularly required refresher training.

#### Compliance Protocols:

Use of the 40 mm launcher shall conform to all relevant NSO policies, including but not limited to NSO Use of Force, Control Devices and Techniques, SWAT and Crisis Negotiation Teams policies, as well as all local, state and federal use of force laws.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Spede-Heat 40mm Round**

#### Description:

The Spede-Heat 40mm Round incorporates an aluminum shell and utilizes black powder as the propellant. The Spede-Heat 40mm Round is designed to deliver one dual-ported chemical or smoke canister from a 40mm launcher at various ranges, product dependent. The Spede-Heat 40mm Round is available in OC (Oleoresin Capsicum) or CS (Chlorobenzylidenemalononitrile) and Saf-Smoke. Spede-Heat 40mm round is deployed from a 40mm launcher.

#### Purpose & Use:

The Spede-Heat 40mm Round can be used to conceal tactical movement. They can be used in crowd control management during unruly or riot behavior. The purpose of the Spede-Heat 40mm Round is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects. The different configurations allows for different distances and chemical agent or smoke deployments.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$25. Annual estimated training and operational allocation of approximately 4 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the Spede-Heat 40mm Round.

#### Compliance Protocols:

Use of Spede-Heat 40mm Round shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Ferret Round-40MM**

#### Description:

The Ferret 40mm Round is a frangible projectile filled with chemical agent. It is designed to deliver chemical agents in barricade situations from a 40mm launcher. It is available with either liquid or powder carrier for the agent. The payload can hold OC (Oleoresin Capsicum) or CS (Chlorobenzylidenemalonitrile). Spin stabilization from barrel rifling affords maximum stand-off distance and accuracy for safety.

#### Purpose & Use:

The Ferret 40mm Round is non-burning and suitable for indoor use. Used primarily by tactical teams, is designed to penetrate barriers, such as windows, hollow core doors, wallboard and thin plywood. Upon impacting the barrier, the nose cone ruptures and instantaneously delivers a small chemical payload inside of the structure or vehicle. Is primarily used to dislodge barricaded subjects from very small confined areas. Its purpose is to minimize the risks to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$27. Annual estimated training and operational allocation of approximately 20 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the Ferret 40mm Round.

#### Compliance Protocols:

Use of the Ferret 40mm Round shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **40MM Muzzle Blast Round**

#### Description:

The 40mm Muzzle Blast Rounds incorporate an aluminum shell and utilize smokeless powder as the propellant. The 40mm Muzzle Blast Rounds are designed to deliver chemical agents in the immediate area (30 feet) of the grenadier. The 40mm Muzzle Blast Round is available in OC (Oleoresin Capsicum) or CS (Chlorobenzylidenemalononitrile). 40mm Muzzle Blast is deployed from a 40mm launcher.

#### Purpose & Use:

The 40mm Muzzle Blast Rounds are widely used as a crowd management solution for the immediate and close deployment of chemical agent in crowd control management during unruly or riot behavior. However, it has proven successful during tactical operations. As a pain compliance round for crowd management, the 40mm Muzzle Blast Rounds are an excellent device for deploying chemical laden powder at close ranges for indoor or outdoor operations. The 40mm Muzzle Blast provides instantaneous emission of chemical agent directly at or on riotous, non-compliant subjects close to the police line or within confined spaces. As a tactical round, the Muzzle Blast Rounds have been used in operations such as barricaded subjects, room clearing, space denial, and a means of contaminating crawl spaces and attics. The purpose of the Muzzle Blast Round is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$50.00. Annual estimated training and operational allocation of approximately 10 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the 40mm Muzzle Blast Rounds.

#### Compliance Protocols:

Use of the 40mm Muzzle Blast Rounds shall conform to all relevant NSO policies, including but not limited to NSO SWAT and Crisis Negotiation Teams, Hostage and Barricade Incidents and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Smoke- handheld smoke grenade devices**

#### Description:

The handheld smoke grenade devices utilizes an M201A1 Fuze with enclosed canister that come in a variety of sizes, colors, configurations that uses HC (Hexachlorethane) and SAF-Smoke. Smoke is discharged through gas ports located on the canister.

#### Purpose & Use:

Handheld smoke grenade devices can be used to conceal tactical movement. They can be used in crowd control during unruly or riot behavior. It can be used to detect and/or dislodge a barricaded subject. It can also be used as an emergency signaling device. The different configurations allows for indoor or outdoor deployments.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$43.00. Annual estimated training and operational allocation of approximately 8 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use handheld smoke grenade devices.

#### Compliance Protocols:

Use of handheld smoke grenade devices shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **40 MM Warning/Signaling Round**

#### Description:

The 40mm Aerial Warning/Signaling Round series are designed to produce 170 dB of sound, and 5 million candelas of light. Each munition is manufactured to deflagrate at a set distance and altitude and has the option of marking or irritant payloads. These distances are 50,100,200 and 300 meters from the point of origin. The munition is deployed from a 40mm launcher.

#### Purpose & Use:

40mm Aerial Warning/Signaling Round are used to distract/disorientate individuals and provide less lethal response against potential threats. It is also effective in directing the movement of unruly or riot behavior crowds.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$40. Annual estimated training and operational allocation of approximately 5 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the 40mm Aerial Warning/Signaling Round.

#### Compliance Protocols:

Use of the 40mm Aerial Warning/Signaling Round shall conform to all relevant NSO policies, including but not limited to NSO Policy Control Devices and Techniques, SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Exact/Direct Impact 40MM Sponge Munitions**

#### Description:

The Exact Impact 40 MM Sponge Munition is a lightweight, high-speed projectile consisting of a plastic body and sponge nose. The round utilizes smokeless powder as the propellant, and, therefore, have velocities that are extremely consistent.

The Direct Impact 40 MM Foam Munition is a lightweight projectile that consists of a plastic body and a crushable foam nose that contains a powder payload. This payload area can hold inert, marking, OC (Oleoresin Capsicum) or CS (Chlorobenzylidenemalononitrile) powder. The crushable foam nose dissipates energy upon impact while releasing the powder payload. The munition is deployed from a 40mm launcher.

#### Purpose & Use:

The Exact Impact 40 MM Sponge Munition and the Direct Impact 40 MM Foam Round is a point-of-aim, point-of-impact, direct-fire munition that is most commonly used in situations where greater accuracy and deliverable energy is desired for the incapacitation of an aggressive, non-complaint subject at longer distances. These are considered Less Lethal Impact Munitions (LLIM).

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$25. Annual estimated training and operational allocation of approximately 40 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the Exact Impact 40 MM Sponge munition and the Direct Impact 40 MM Foam munition.

#### Compliance Protocols:

Use of the Exact Impact 40 MM Sponge munition and the Direct Impact 40 MM Foam munition shall conform to all relevant NSO policies, including but not limited to NSO Policy Control Devices and Techniques, SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force polices.

Must maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **Pepper Ball launcher and Munitions**

#### Description:

The Pepperball launchers are designed to give patrol officers an easy to operate non-lethal option. The launchers uses PepperBall .68 caliber round or VXR projectiles and is powered by either HPA or an 88, 12 or 8 gram single use CO2 cartridge.

Pepperball projectiles contain 2.5-5.0% PAVA. It is effective for direct impact and area saturation. .68 caliber and weigh 2.5 grams.

#### Purpose & Use:

Lawful application of force delivered with the intent to subdue or render non-threatening. The less lethal munitions may be used as an option to de-escalate a potentially dangerous/deadly situation, with a reduced potential for death or serious injury to all persons involved. It is accepted that the probability exists for bodily harm to occur. However, it must also be accepted that the application of such force may be the only alternative to using lethal force to stop the subject's actions.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Launcher Unit cost of \$300 per launcher. Annual estimated training and operations allocation of approximately 10 launchers across all divisions. Estimated effective lifespan for launchers are 10+ years.

Pepperball projectile unit cost is \$3.00/ea. Annual estimated training and operational allocation of approximately 400 units. All Pepperball projectiles have a life span of 3 years.

#### NSO procedural rules that govern use:

The Pepper Ball launcher shall be used by NSO Deputies in accordance with all applicable laws and polices during legitimate law enforcement actions.

#### Training Requirements:

Must complete annual qualification and regularly required refresher training.

#### Compliance Protocols:

Use of the Pepper Ball launcher shall conform to all relevant NSO policies, including but not limited to NSO Use of Force, Control Devices and Techniques, SWAT and Crisis Negotiation Teams policies, as well as all local, state and federal use of force laws.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Chemical Agents- handheld delivered grenade devices**

#### Description:

The Chemical Agents handheld grenade devices utilizes an M201A1 Fuze with enclosed canister that come in a variety of sizes, configurations and irritant payloads. In the OC (Oleoresin Capsicum) or CS (Chlorobenzylidenemalononitrile) configurations, pelletized chemical agent is discharged through a gas port(s) from the canister.

#### Purpose & Use:

Chemical Agents handheld grenade devices can be used to conceal tactical movement. They can be used in crowd control management during unruly or riot behavior as well as tactical deployment situations to detect and/or dislodge barricaded subjects. The purpose of Chemical Agents handheld grenade devices is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects. The different configurations allows for indoor or outdoor deployments.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$45. Annual estimated training and operational allocation of approximately 15 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use Chemical Agents handheld grenade devices.

#### Compliance Protocols:

Use of Chemical Agents handheld grenade devices shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### Stinger Grenade

#### Description:

The Stinger Grenade with Safety Clip is a combination Less Lethal Impact Munitions (LLIM) and Distraction Device that may incorporate optional CS (Chlorobenzylidenemalononitrile) or OC (Oleoresin Capsicum) laden powder, if desired. The Stinger Grenade is a maximum effect device as it delivers up to four stimuli for psychological and physiological effect: rubber pellets, light, sound, and optional chemical agent or OC.

#### Purpose & Use:

The Stinger Grenade is most widely used in crowd control management during unruly or riot behavior as well as tactical deployment situations to detect and/or dislodge barricaded subjects. Upon deployment, the blast is sufficient to project the rubber balls (32 cal. /60 cal. Option) and optional chemical agent in a 50 foot radius.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$50. Annual estimated training and operational allocation of approximately 8 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the Stinger Grenade.

#### Compliance Protocols:

Use of the Stinger Grenades shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **12-Gauge-Drag-Stabilized Munition**

#### Description:

The 12-Gauge Drag Stabilized Munition is comprised of a translucent 12-Gauge shell loaded with a 40 gram, tear shaped bag made from a cotton and ballistic material blend and filled with #9 shot. The rounds are also available as green marking powder.

#### Purpose & Use:

12-Gauge Drag Stabilized Munition is a point-of-aim, point-of-impact, direct-fire munition that is most commonly used in situations where greater accuracy and deliverable energy is desired for the incapacitation of an aggressive, non-complaint subject at longer distances. These are considered Less Lethal Impact Munitions (LLIM). The munition is deployed from a designated and clearly marked less lethal 12-gauge shotgun.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$8.00. Annual estimated training and operational allocation of approximately 250 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be able to use 12-Gauge Drag Stabilized Munitions.

#### Compliance Protocols:

Use of 12-Gauge Drag Stabilized Munitions shall conform to all relevant NSO policies, including but not limited to NSO Policy Control Devices and Techniques, SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **12-Gauge Muzzle Bang/Launching Cartridge (1370 Launching Cup)**

#### Description:

The 12-Gauge Muzzle Bang / Launching Cartridge incorporates an opaque shell and utilizes black powder as the propellant. It has the ability to be used alone as a Muzzle Bang for crowd management during unruly or riot behavior as well as tactical deployment situations against or for propelling grenades (Chemical Agent/Smoke) when using the 1370 Launching Cup.

#### Purpose & Use:

The 12-Gauge Muzzle Bang / Launching Cartridge used alone produces 170 dB of sound output. It is designed to be aimed at the floor or wall at a 45° angle. This round should not be direct fired at personnel. It is used as a crowd management tool in crowd control situations as a means of warning, intimidation or diversion. It may be deployed in the air over crowds or to the side for dissuading movement in a given direction. It may also be deployed to the far side of buildings to divert the attention away from an approach or entry.

Launching Cartridge application: The 12-Gauge Muzzle Bang / Launching Cartridge used in conjunction with the 1370 Launching Cup provides the operator with the ability of projecting the Pocket Tactical family of hand delivered grenades. The use of the Launching Cup will project the grenades further than can be hand delivered. This increases the distance between operators and crowds, reducing the chance for injuries to both parties

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$7/ea. Annual estimated training and operational allocation of approximately 100 units.

#### Training Requirements:

Deputies must successfully complete department-approved training to be authorized to use the 12-Gauge Muzzle Bang / Launching Cartridge.

#### Compliance Protocols:

Use of the 12-Gauge Muzzle Bang / Launching Cartridge shall conform to all relevant NSO policies, including but not limited to NSO Use of Force, SWAT and Crisis Negotiation Teams, Hostage and Barricade Incidents and Mobile Field Force policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations and all relevant local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **BP-2 Noise/Flash Diversionary Device (NFDD) Delivery Pole**

#### Description:

The BP-2 NFDD delivery pole enhances safety and performance when delivering a NFDD. The BP-2 allows an operator the most effective way to break and rake a window, deliver a NFDD into an opening and prevent the device from coming in contact with people..

#### Purpose & Use:

NFDD's are used to distract suspects during high-risk operations. Use of the BP-2 allows for direct control of the NFDD placement.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$2,000. Annual estimated training and operational allocation of approximately 1 unit. Estimated effective lifespan approximately 10 years.

#### NSO procedural rules that govern use:

The BP-2 NFDD delivery pole shall only be handled by trained deputies. NFDD's will be installed by trained deputies. Members of the SWAT team and auxiliary members have been provided in-person hands-on training on the device.

#### Training Requirements:

Every operator shall show competency when using the BP-2 NFDD delivery pole. Deputies must complete training on NFDD's from certified instructors prior to deployment and receive annual instruction on deployment and use.

#### Compliance Protocols:

Use of BP-2 NFDD Delivery Pole as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies. Must also maintain compliance with local, state and federal storage, transportation and handling regulations, as well as all local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **Noise/Flash Diversionary Device (NFDD AKA – Flashbangs) – 12 gram and 4 gram**

#### Description:

NFDD utilizes an M201A1 type fuse with Hex design steel body. The bodies are reloadable and are reusable up to 25 times. The charges are available in full 12 gram loads, or 4 gram training charges.

#### Purpose & Use:

NFDD's are used to distract suspects during high risk operations.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$40/ea. Annual estimated training and operational allocation of approximately 50 units.

#### NSO procedural rules that govern use:

NFDD's shall only be handled by trained deputies. Charges for the NFDD's will be installed by trained deputies. All devices shall be stored in compliance with ATF regulations and handled in accordance with best practices as established by NFDD training standards.

#### Training Requirements:

Certified instructors must complete certification every four years. Deputies must complete training to use NFDD from certified instructors prior to deployment, and receive annual instruction on deployment and use.

#### Compliance Protocols:

Use of NFDD as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies. Must also maintain compliance with local, state and federal storage, transportation and handling regulations, as well as all local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Electronic Noise/Flash Diversionary Device (NFDD AKA – Flashbangs) – 1.4 gram**

#### Description:

NFDD utilizes a reusable electronic “smart initiator” with a microprocessor that verifies all safety conditions are met. The body is a single use reload that does not contain flash powder. The ratio of fuel to oxidizer in each body reservoir is designed to reduce sensitivity.

#### Purpose & Use:

NFDD’s are used to distract suspects during high-risk operations.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$50/ea. Annual estimated training and operational allocation of approximately 50 units.

#### NSO procedural rules that govern use:

NFDD’s shall only be handled by trained deputies. Charges for the NFDD’s will be installed by trained deputies. All devices shall be stored in compliance with ATF regulations and handled in accordance with best practices as established by NFDD training standards. This specific device is not considered a destructive device until the fuse and reload are assembled.

#### Training Requirements:

Certified instructors must complete certification every four years. Deputies must complete training to use NFDD from certified instructors prior to deployment and receive annual instruction on deployment and use.

#### Compliance Protocols:

Use of NFDD as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies.

Must also maintain compliance with local, state and federal storage, transportation and handling regulations, as well as all local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Recon Robotics Throwbot (AKA- Throwbot)**

#### Description:

The Throwbot is a throwable micro-robot platform that enables operators to obtain instantaneous video and audio reconnaissance within indoor or outdoor environments.

#### Purpose & Use:

The Throwbot is used to gain mission critical information in harsh or hazardous environments.

#### Cost & Quantity Allocation:

Any repairs or replacements will be through warranty and if it is not covered through warranty, then funding will come from the SWAT budget/funding source; there are no annual fees associated with this device. Unit cost approximately \$15,000. Annual estimated training and operational allocation of approximately 1 units. Estimated effective lifespan 5+ years.

#### NSO procedural rules that govern use:

The Throwbot shall only be handled and controlled by trained deputies.

#### Training Requirements:

Deputies do not need to complete any formal training to be able to control the Throwbot with its easy-to-use, handheld controller.

#### Compliance Protocols:

Use of the Throwbot as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Response to Bomb Calls policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **Robotex Avatar Tactical Robot (AKA- Avatar)**

#### Description:

The Avatar is a robot platform that allows the operator the ability to inspect a dangerous situation through instantaneous video and audio reconnaissance (including push-to-talk/two-way audio capability) without the need to send personnel in to assess the situation. Optionally, the Avatar robot can be fitted with a “claw” that can provide limited lift/move/carry/manipulate of small objects.

#### Purpose & Use:

The Avatar is used to gain mission critical information in harsh or hazardous environments.

#### Cost & Quantity Allocation:

Any repairs or replacements will be through warranty and if it is not covered through warranty, then funding will come from the SWAT budget/funding source; there are no annual fees associated with this device. Unit cost approximately \$25,000. Annual estimated training and operational allocation of approximately 1 unit. Estimated effective lifespan 5+ years.

#### NSO procedural rules that govern use:

The Avatar shall only be handled and controlled by trained deputies.

#### Training Requirements:

Deputies do not need to complete any formal training to be able to control the Avatar with its easy-to-use, handheld controller.

#### Compliance Protocols:

Use of the Avatar as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Response to Bomb Calls.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

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### **DJI/SKY Hero/Inspired Flight sUAS (AKA – Drones)**

#### Description:

The Drones are deployable small unmanned aerial systems (sUAS) utilized to keep personnel safe. They are aerial system that the operator can fly at different altitudes, speeds, and into several areas to gain access to video of potentially dangerous or isolated areas. The Drones consist of sUAS produced by DJI, Sky Hero, and Inspired Flight.

#### Purpose & Use:

The Drones are used in place of a person to gain a video feed of isolated or dangerous areas that could put Deputies and Officers into harm's way.

#### Cost & Quantity Allocation:

Drones are purchased through the Drone budget or other grant related funding. Repairs are done in house or sent off to a third-party company at the cost of the Drone budget. At this time, there are no recurring payments or annual fees associated with our sUAS fleet. Estimated effective lifespan 2+ years. The cost of a new sUAS can range from \$6,000 for a small individually issued drone to \$18,000 for a specific use drone (interior drone). These prices are carefully calculated and planned for the following year unless an emergency arises such as an aircraft becoming inoperable.

#### NSO procedural rules that govern use:

The Drones shall only be handled and controlled by trained deputies.

#### Training Requirements:

Deputies on the Drone team are put through a rigorous in-house training obstacle course designed, set up, and proctored by veteran drone pilots. In conjunction with in-house training, Drone pilots are sent to training to gain their Federal Administration of Aviation part 107 remote pilot's license. Regularly scheduled meetings and trainings are also conducted by the team.

#### Compliance Protocols:

Use of the Drones as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy sUAS and SWAT policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Zistos Under-the-Door Camera (AKA- Under-Door-Camera)**

#### Description:

The Under-the-Door Camera provides a safe and covert way to view into a room.

#### Purpose & Use:

The Under-the-Door Camera provides operators the ability to gain critical mission information with limited penetration.

#### Cost & Quantity Allocation:

Any repairs or replacements will be through warranty and if it is not covered through warranty, then funding will come from the SWAT budget/funding source; there are no annual fees associated with this device. Annual estimated training and operational allocation of approximately 1 unit at approximately \$13,000.00. Estimated effective lifespan 5+ years.

#### NSO procedural rules that govern use:

The Under-the-Door Camera shall only be handled by trained deputies.

#### Training Requirements:

Deputies do not need to complete any formal training to be able to control the Under-the-Door-Camera with its easy-to-use, handheld controller.

#### Compliance Protocols:

Use of the Under-the-Door Camera as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident and Response to Bomb Calls.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **Short barreled select fire AR-15 style rifle (various configurations)**

#### Description:

A Short barreled select fire AR-15 style rifle available in a variety of calibers, barrel lengths and configurations.

#### Purpose & Use:

The short barreled select fire AR-15 style rifle is the type of firearms that SWAT team members are issued and employ for a wide variety of missions.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$1500. Ongoing costs determined by rounds fired operationally and in training, routine and preventative maintenance. Annual estimated training and operational allocation of approximately 20 units. Estimated effective lifespan 10+ years.

#### NSO procedural rules that govern use:

The rifle shall be assigned and used by NSO Deputies members who meet the department-set rifle qualifications.

#### Training Requirements:

Must complete annual rifle qualification and regular firearms training.

#### Compliance Protocols:

Use of A Short barreled select fire AR-15 style rifle as part of Law Enforcement Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy Firearms policy, as well as all local, state and federal use of force laws.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Sub-compact select fire weapon system**

#### Description:

A sub-compact select fire weapon system is a shoulder fired weapon system that varies in calibers.

#### Purpose & Use:

A more compact, more easily concealed weapon system that can be deployed for appropriate situations.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$0.00 – legacy items already exist in inventory. Estimated annual upkeep determined by rounds fired and routine/preventative maintenance. Estimated effective lifespan 10+ years.

#### NSO procedural rules that govern use:

The sub-compact select fire weapon system shall be used by SWAT team members under the direction of the SWAT team Commander.

#### Training Requirements:

Must complete annual SWAT firearms qualification and regularly required firearms training.

#### Compliance Protocols:

Use of the sub compact select fire weapon system shall conform to all relevant NSO policies, including but not limited to NSO Policy Firearms, SWAT and Crisis Negotiation Teams, as well as all local, state and federal use of force laws.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Firearms Suppressor (various calibers, lengths, attachment styles)**

Description:

A suppressor is a device typically attached at the end of a barrel of a firearm.

Purpose & Use:

A suppressor is used to muffle and distort the sound of a firearm as it is fired.

Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$1000. Annual estimated training and operational allocation of approximately 20 units (up to 1 unit per rifle). Estimated annual upkeep costs determined by rounds fired and routine/preventative maintenance. Estimated effective lifespan 10+ years.

NSO procedural rules that govern use:

The suppressor shall be used by NSO Deputies for legitimate law enforcement activities.

Training Requirements:

Must complete annual qualification and regularly required firearms training.

Compliance Protocols:

Use of a suppressor shall conform to all relevant NSO policies, including but not limited to NSO Policy Firearms, SWAT and Crisis Negotiation Teams policies.

Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Infrared laser (IR) designator (various configurations)**

#### Description:

Infrared Laser signaling device.

#### Purpose & Use:

IR laser is used as a “laser pointer” style pointing device that can be seen through night vision and has the capability of attaching to a weapon system. IR lasers are not visible to the naked human eye.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$2000. Annual estimated training and operational allocation of approximately 4 units. Estimated annual upkeep costs dependent on warranty coverage and routine/preventative maintenance. Estimated lifespan 5+ years.

#### NSO procedural rules that govern use:

IR laser device shall be used by SWAT team members under the direction of the SWAT team Commander.

Use of the IR Laser designator shall conform to all relevant local, state and federal legislation.

#### Training Requirements:

Show proficiency in manipulation and annual qualification.

#### Compliance Protocols:

Use of the IR laser designator shall conform to all relevant NSO policies, including but not limited to NSO Policy Firearms, SWAT and Crisis Negotiation Teams policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Tactical Bolt-Action Rifles (various calibers/configurations)**

#### Description:

The tactical bolt-action rifles are bolt-action firearms of various calibers, barrel lengths, ammunition-feeding mechanisms with optional, interchangeable sighting system(s).

#### Purpose & Use:

Used by the SWAT Designated Marksman (DM) for a variety of missions to provide a highly precise lethal force option at extended ranges.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$3000. Annual estimated operational and maintenance cost of \$300. Estimated lifespan 10+ years.

#### NSO procedural rules that govern use:

Tactical bolt-action rifle(s) shall only be used by SWAT team members under the direction of the SWAT team Commander.

Use of tactical bolt-action rifle(s) shall conform to all relevant local, state and federal use of force legislation.

#### Training Requirements:

Must complete annual SWAT rifle qualification and regularly required firearms training.

#### Compliance Protocols:

Use of the tactical bolt-action rifle shall conform to all relevant NSO policies, including but not limited to NSO Policy Firearms, SWAT and Crisis Negotiation Teams policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Armor Piercing (AP) projectiles (various calibers)**

#### Description:

AP rounds is designed to penetrate through hardened material that other rounds are unable to.

#### Purpose & Use:

For the designated marksman (DM) to have the capability to stop various types of vehicles and penetrate harden objects.

#### Cost & Quantity Allocation:

This expendable piece of equipment has no unique or temporary funding source. Unit cost of \$2.50/round. Annual estimated training and operational allocation of approximately 500 units.

#### NSO procedural rules that govern use:

AP rounds shall be used by SWAT team members under the direction of the SWAT team Commander.

Use of AP rounds shall conform to all relevant local, state and federal use of force legislation.

#### Training Requirements:

Must complete annual SWAT rifle qualification and regularly required firearms training.

#### Compliance Protocols:

Use of the AP round shall conform to all relevant NSO policies, including but not limited to NSO Firearms and SWAT and Crisis Negotiation Teams policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Remotec Andros F6 Bomb Squad Robot**

#### Description

The Remotec Andros F6 is a deployable remote and/or wired unmanned vehicle used for locate and render safe Bomb Squad operations.

#### Purpose and Use

The Remotec Andros F6 is used to gain mission critical information in harsh or hazardous environments.

#### Cost & Quantity Allocation:

This equipment has no unique or temporary funding source. Unit cost: \$229,968.6. Any repairs or replacements will be through warranty and if it is not covered through warranty, then funding will come from the Bomb Squad budget funding source; there are no annual fees associated with this device. Annual estimated training and operational allocation of approximately 1 units. Estimated effective lifespan 10+ years.

#### NSO procedural rules that govern use:

The Remotec Andros F6 is operated by all members of the Bomb Squad. Any auxiliary members have been provided in-person hands-on training on the vehicle and its capabilities.

#### Training Requirements

Deputies do not need to complete any formal training to be able to control the Remotec Andros F6 with its easy-to-use, handheld controller.

#### Compliance Protocols

Use of the Remotec Andros F6 robot shall conform to all relevant NSO policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **DETONATING CORD (DET CORD) (AKA – PRIMACORD) –Various grain weights per linear foot**

#### Description:

PRIMACORD detonating cords (Det Cord) are flexible linear explosives with a core of PETN explosive encased in a textile outer jacket. They are available in various grain weights per linear foot.

#### Purpose & Use:

PRIMACORD is an energetic material component in explosive breaching charge construction.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$0.60/linear foot. Annual estimated training and operational allocation of approximately 4000 linear feet across all divisions.

#### NSO procedural rules that govern use:

Det Cord shall be handled only by Explosive Breaching trained deputies or under their direct supervision and direction while constructing explosive breaching charges. Grain weights, measurement lengths and all calculations shall be verified by a trained Explosive Breacher. All Det Cord shall be stored in compliance with ATF regulations and handled in accordance with best practices as established by Explosive Breaching training standards.

#### Training Requirements:

Deputies must successfully complete FETT Basic/Intermediate or higher-level Explosive Breacher Course. Must complete required FETT Explosive Breacher re-certification courses at regularly required intervals.

Must maintain compliance with local, state and federal storage, transportation and handling regulations.

#### Compliance Protocols:

Use of Det Cord as part of SWAT Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies, as well as all local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **NONEL (NONELECTRIC DELAY DETONATOR) –Various lengths of orange shock tube**

#### Description:

NONEL nonelectric delay detonator consist of a length of orange shock tube with a High Strength detonator attached to one end. They are available in various lengths.

#### Purpose & Use:

Nonel is an energetic material component in explosive breaching charge construction.

#### Cost & Quantity Allocation:

This expendable equipment has no unique or temporary funding source. Unit cost of \$10/ea. Annual estimated training and operational allocation of approximately 700 units across all divisions.

#### NSO procedural rules that govern use:

Nonel shall be handled only by EOD and/or Explosive Breaching trained deputies or under their direct supervision and direction while constructing explosive breaching charges. Grain weights, measurement lengths and all calculations shall be verified by a trained Explosive Breacher. All Nonel shall be stored in compliance with ATF regulations and handled in accordance with best practices as established by Explosive Breaching training standards.

#### Training Requirements:

Deputies must successfully complete FETT Basic/Intermediate or higher-level Explosive Breacher Course. Must complete required FETT Explosive Breacher re-certification courses at regularly required intervals.

Must maintain compliance with local, state and federal storage, transportation and handling regulations.

#### Compliance Protocols:

Use of Nonel as part of SWAT Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incidents, Response to Bomb calls policies, as well as all local, state and federal use of force legislation.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **BALLISTIC BREACHING SHOTGUN**

#### Description:

A short-barrel pistol-gripped 12-gauge pump action shotgun that has been modified to best perform ballistic breaching tasks. The breaching shotgun is designed to work in correlation with specific breaching rounds or slugs.

#### Purpose & Use:

When it is properly employed, a breaching shotgun can provide teams with safe and fast door breaching. Ballistic breach may also be employed to breach non-traditional barriers.

#### Cost & Quantity Allocation:

This piece of equipment has no unique or temporary funding source. Unit cost of \$800/ea. Annual estimated training and operational allocation of approximately 2 units. Annual estimated upkeep costs dependent on rounds fired and preventative maintenance. Estimated effective lifespan 10+ years.

#### NSO procedural rules that govern use:

The Breaching Shotgun shall be handled only by ballistic breaching trained deputies or under their direct supervision and direction. The firearm shall be handled in accordance with best practices as established by ballistic breaching standards.

#### Training Requirements:

Deputies must successfully complete a basic or higher-level Ballistic Breaching Course and receive regular refresher training.

Must maintain compliance with local, state and federal use of force requirements.

#### Compliance Protocols:

Use of the Ballistic Breaching Shotgun as part of SWAT Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **BALLISTIC BREACHING ROUND (HOLLOW POINT CUTTER ROUND)**

#### Description:

The Ballistic Breaching Cutter Round is designed to work in correlation with a Ballistic Breaching Shot gun. The Ballistic Breaching Cutter Round is encased in a 12-gauge shotgun casing and usually consists of a hardened steel slug.

#### Purpose & Use:

A Ballistic Breaching Cutter Round is a shotgun shell specially made to be fired through hardened barriers, cut through concrete re-bar, penetrate security glass, car doors and punch into automotive engine blocks.

#### Cost & Quantity Allocation:

This expendable piece of equipment has no unique or temporary funding source. Unit cost of \$30/box. Annual estimated training and operational allocation of approximately 5 units.

#### NSO procedural rules that govern use:

The Ballistic Breaching Cutter Round shall be handled only by ballistic breaching trained deputies or under their direct supervision and direction. The firearm shall be handled in accordance with best practices as established by ballistic breaching standards.

#### Training Requirements:

Deputies must successfully complete a basic or higher-level Ballistic Breaching Course taught by an appropriate training company.

Must maintain compliance with local, state and federal use of force requirements.

#### Compliance Protocols:

Use of the Ballistic Breaching Round or Slug as part of SWAT Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **BALLISTIC BREACHING ROUND (various material components)**

#### Description:

The Ballistic Breaching Round is designed to work in correlation with a Ballistic Breaching Shotgun. The Ballistic Breaching Round is encased in a 12-gauge shotgun casing and usually consists a variety of different materials allows for versatility of use based on target analysis.

#### Purpose & Use:

When properly utilized for a ballistic breaching task, it is designed to impact and structurally weaken the object it hits (thereby weakening the structure enough to allow successful tactical breaching) and then disperse into a relatively harmless powder.

#### Cost & Quantity Allocation:

This expendable piece of equipment has no unique or temporary funding source. Unit cost of \$25/box. Annual estimated training and operational allocation of approximately 10 units.

#### NSO procedural rules that govern use:

The Ballistic Breaching Round or Slug shall be handled only by ballistic breaching trained deputies or under their direct supervision and direction. They shall be handled in accordance with best practices as established by ballistic breaching standards.

#### Training Requirements:

Deputies must successfully complete a basic or higher-level Ballistic Breaching Course. Must maintain compliance with local, state and federal use of force requirements.

#### Compliance Protocols:

Use of the Ballistic Breaching Round or Slug as part of SWAT Operations shall conform to all relevant NSO policies, including but not limited to NSO Policy SWAT and Crisis Negotiation Teams, Hostage and Barricade Incident, Response to Bomb Calls policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
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### **EVI 2017 HDS Bomb Squad Command Vehicle**

#### Description

Command vehicle equipped with Bomb Squad operational and diagnostic equipment.

#### Purpose and Use

Command vehicle allows Bomb Squad members to deploy direct to scene with the necessary equipment and tools needed for render safe procedures.

#### Cost & Quantity Allocation:

This equipment has no unique or temporary funding source. Unit cost of \$224,447.21/vehicle. Annual upkeep costs dependent on mileage, fuel, preventative maintenance. Annual estimated training and operational allocation of approximately 1 unit. Estimated effective lifespan approximately 10 years.

#### NSO procedural rules that govern use:

The Bomb Squad Command Vehicle is operated by all members of the Bomb Squad and auxiliary members have been provided in-person hands-on training on the vehicle and its capabilities.

#### Training Requirements

Every driver must possess a valid driver license, show competency when operating the Bomb Squad Command Vehicle, and be up to date on the POST mandated Emergency Vehicle Operator Course (EVOC).

#### Compliance Protocols

Use of the Bomb Squad Command Vehicle shall conform to all relevant NSO policies, including but not limited to Vehicle Operations and Parking Procedures and Vehicle Use policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **LENCO BEARCAT G3 ARMORED VEHICLE**

#### Description

Off road and rural mission armored vehicle, seats 10-12 fully equipped officers, open floor plan that allows for rescue of downed personnel.

#### Purpose and Use

Armored vehicle system in a rugged off-road platform to provide enhanced off-road performance which allows for emergency response in rural regions and natural disasters scenarios for a variety of missions where standard armored SWAT vehicles would experience challenges. Optionally equipped with ram, and additional de-escalation tools which include a "ramcam" that can penetrate a wall to allow live video feed inside a structure, technology meshing to allow the use of advanced technologies on scene, a chemical agents injector unit to allow safe dispersal of chemical agents into a hostile environment, and all steel construction.

#### Cost & Quantity Allocation:

This equipment has no unique or temporary funding source. Unit cost of \$400,000/vehicle. Annual upkeep costs dependent on mileage, fuel, preventative maintenance. Annual estimated training and operational allocation of approximately 1 unit. Estimated effective lifespan approximately 10 years.

#### NSO procedural rules that govern use

The Lenco Bearcat G3 is primarily operated by auxiliary drivers whose purpose is to drive and operate equipment on the Bearcat. However, all members of the SWAT team and auxiliary members have been provided in-person hands-on training on the vehicle and its capabilities.

#### Training Requirements

Every driver must possess a valid driver license, show competency when operating the Lenco Bearcat G3, and be up to date on the POST mandated Emergency Vehicle Operator Course (EVOC).

#### Compliance Protocols

Use of the Lenco Bearcat shall conform to all relevant NSO policies, including but not limited to Vehicle Operations and Parking Procedures and Vehicle Use policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Incident Command Vehicle**

#### Description

The incident command vehicle is a 2002 Freightliner 33-foot diesel Incident Command Vehicle, and is a public safety command and control vehicle typically used to facilitate public safety communication, provide a temporary command/control location and resources for public safety incidents.

#### Purpose and Use

The Incident Command Vehicle is typically used for pre-planned or emerging public safety events where a meeting/command post positioned closer to the event/incident best assist with the meeting, command, communication and resources required for the event. While most events are directly related to law enforcement incidents or disaster response, nothing prevents the Incident Command Vehicle from being utilized as an effective community outreach tool for visibility, security and effective communication during pre-planned non-emergency events, which includes multiple workstations for office-type work.

#### Cost & Quantity Allocation:

This equipment has no unique or temporary funding source. Unit cost of \$220,000/vehicle. Annual upkeep costs dependent on mileage, fuel, preventative maintenance. Annual estimated training and operational allocation of approximately 1 unit. Estimated effective lifespan approximately 10 years.

#### NSO procedural rules that govern use:

The Incident Command Vehicle has a variety of sub-systems that include communication systems, equipment storage and meeting/briefing supplied that can be operated by all members of the Sheriff Office. Sheriff's Office members who have been provided in-person hands-on training on the vehicle and its capabilities are authorized to drive the vehicle.

#### Training Requirements

Every driver must possess a valid driver license, show competency when operating the Incident Command Vehicle, and be up to date on any POST mandated Emergency Vehicle Operator Course (EVOC).

#### Compliance Protocols

Use of the Incident Command Vehicle shall conform to all relevant NSO policies, including but not limited to Vehicle Operations and Parking Procedures and Vehicle Use policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



## NAPA COUNTY OFFICE OF SHERIFF-CORONER

Commitment to  
Community

### **Rapid Response Incident Command Vehicle**

#### Description

The incident command vehicle is a 2022 Ford Transit Van 23-foot high-roof gasoline engine Incident Command Vehicle, and is a public safety command and control vehicle typically used to facilitate public safety communication, provide a temporary command/control location and resources for public safety incidents.

#### Purpose and Use

The Incident Command Vehicle is typically used for pre-planned or emerging public safety events where a meeting/command post positioned closer to the event/incident best assist with the meeting, command, communication and resources required for the event. The smaller size allows for faster response, improved maneuverability/accessibility based on location and terrain. While most events are directly related to law enforcement incidents or disaster response, nothing prevents the Incident Command Vehicle from being utilized as an effective community outreach tool for visibility, security and effective communication during pre-planned non-emergency events, which includes multiple workstations for office-type work and emergency dispatch.

#### Cost & Quantity Allocation:

This equipment has no unique or temporary funding source. Unit cost of \$250,000/vehicle. Annual upkeep costs dependent on mileage, fuel, preventative maintenance. Annual estimated training and operational allocation of approximately 1 unit. Estimated effective lifespan approximately 10 years.

#### NSO procedural rules that govern use:

The Incident Command Vehicle has a variety of sub-systems that include communication systems, equipment storage and meeting/briefing supplied that can be operated by all members of the Sheriff Office. Sheriff's Office members who have been provided in-person hands-on training on the vehicle and its capabilities are authorized to drive the vehicle.

#### Training Requirements

Every driver must possess a valid driver license, show competency when operating the Incident Command Vehicle, and be up to date on any POST mandated Emergency Vehicle Operator Course (EVOC).

#### Compliance Protocols

Use of the Incident Command Vehicle shall conform to all relevant NSO policies, including but not limited to Vehicle Operations and Parking Procedures and Vehicle Use policies.

#### Public complaint procedures:

Napa SO Department Personnel Complaint Policy shall apply to all personnel complaints.



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## TITLE

Utility Rate Municipal Code Updates

## RECOMMENDATION

Waive final reading, read by title only, and adopt an Ordinance by the City Council of the City of American Canyon amending City of American Canyon Municipal Code (ACMC) Chapter 13.06: "Water Rates and Connection Fees", Chapter 13.14 "Water Conservation Plan", and Chapter 14.04: "Wastewater Rates and Charges" to establish new potable water, recycled water and wastewater property related fees and charges.

## CONTACT

Jason Holley, City Manager

Erica Ahmann Smithies, P.E., Public Works Director

Juan Gomez, Finance Director

## BACKGROUND & ANALYSIS

On April 2, 2024, the City Council approved the first reading of an Ordinance approving Municipal Code updates to Water Rates and Connection Fees, Water Conservation Plan, and Wastewater Rates and Charges to establish new potable water, recycled water and wastewater property related fees and charges. The City Council also heard public comment and received written protests from property owners and ratepayers. A majority of written protests was not received and staff recommended adopting the Ordinance (Attachment 1) approving increased utility rates. Council approved this action.

American Canyon provides potable water, recycled water, and sewer services to properties in its "service area". The term "property related fee(s)" is more commonly known as "utility rate(s)" and describes the "fees and charges" assessed for those utility services.

If the final reading is approved, the Ordinance shall become effective 30 days after its final passage pursuant to Government Code Section 36937 with the adopted new rates becoming effective January 1, 2025. Scheduled inflation increases will also occur in January each year.

***Recap of the April 2, 2024 Public Hearing***

The public hearing represented the final step of a formal, multi-step process for increasing utility rates (i.e. property related fees). Article XIII D of the California Constitution - as enumerated by the passage of Proposition 218 in 1996 - dictates this process, which includes "majority protest" proceedings involving property owners.

Specifically, the California Constitution requires:

- Revenues generated by utility rates to not exceed the cost of the utility service.
- A property owner's utility rate to not exceed their proportionate share of the costs.
- Utility rates are charged only for services available to the property owner.
- Holding a public hearing at least 45-days after notifying property owners and prior to taking action to increase utility rates.

In addition, the Council is prohibited from taking action to increase utility rates if a majority of property owners submit "written protests".

On January 16, 2024, the Council reviewed proposed utility rate increases, authorized property-owner notifications and set a hearing date for April 2, 2024. Staff recommended increasing utility rates to cover operational expenses and needed capital investments. The amounts of the increases were reviewed and confirmed by a volunteer group of local residents known as the Utility Rate Advisory Committee and are discussed in more detail below.

### ***Summary of Community Outreach since January 2024***

The California Constitution requires at a minimum a written notification of proposed increases to property owners. Notices of proposed utility rates increase - including specifically the amounts of the increases - were mailed to all property owners more than 45 days ago (Attachment 3).

Staff has undertaken a robust public outreach centered around the City's Virtual City Hall ([www.cityofamcan.org/water](http://www.cityofamcan.org/water)). Property owner notices in English, Spanish, and Tagalog versions are available here along with a "rate study" containing the analysis which serves as the basis for rate structure. Customer resources – including Frequently Asked Questions (FAQs), low-income customer options, an online bill impact calculator, a printable protest letter, visual infographics and cost comparisons are also found here.

A poster with the key messaging is posted in the lobby at City Hall, and other key public areas in the community. In addition, a large informational postcard mailer was mailed to all residences and businesses. Lastly, staff included messaging in the City Manager's Update, social media platforms, and utility bill inserts.

### ***Background***

American Canyon's utility infrastructure includes a vast network of pipes, tanks, pump stations, fire hydrants, meters, treatment plants, and other facilities. This infrastructure delivers safe and reliable drinking water, collects and treats wastewater, and recycles water for non-potable uses. Skilled labor, quality materials, and reliable equipment are necessary to operate and maintain the utility systems.

American Canyon provides three (3) distinct and separate utility services to properties within its service area: potable water, recycled water, and sewer (wastewater). Each of these services are operated separately from each other - and separately from other general services (such as public safety, parks and facilities, etc.).

The California Constitution requires these "enterprises" to operate independently - meaning revenue from one cannot be used for the other. And while private investor-owned utilities such as PG&E make a profit on gas and electric services, American Canyon does not. Meaning any surplusage revenue at the end of a fiscal year is retained and re-invested in its respective utility operation.

Staff proposes three (3) separate utility rates (water, recycled water and wastewater) - one for each enterprise. These rates are further proposed to be delineated between a fixed monthly amount (which does not change based on the volume - i.e. \$/month) and a variable amount (based on volume, i.e. \$/unit).

It is important to note one classes of ratepayers (e.g. "commercial") cannot be charged a higher rate to reduce the rate of another (e.g. "residential"). Additionally, wealthy ratepayers cannot be charged a higher rate in order to subsidize a lower rate for those who might be unable to afford higher rates.

### ***History and Current Challenges***

American Canyon last updated water rates in 2019. Wastewater rates have not been updated since 2007. Uniform rates for recycled water were never formally adopted (but are proposed now).

While staff has increased utility rates administratively - based on the Consumer Price Index (CPI) - American Canyon continues to experience external cost pressures exceeding inflation - and Council approval is now required to increase utility rates.

Example cost pressures include maintenance and construction costs, treatment costs, personnel costs, new regulatory costs, water supply challenges, aging infrastructure, water purchases from the Cities of Napa and Vallejo, as well as the State Water Project and specifically, participation in the Sites Reservoir Project.

Also, there are no established recycled water rates, which is needed to cover operational costs and

service loans made to this fund for startup costs.

In summary, the current utility rates do not bring in sufficient revenue to cover the cost of providing reliable services. Since rates are the primary funding source the City must consider potential rate and charges increases for water service and wastewater service as well as establishing new rates and charges for recycled water service.

### ***Analysis***

The Council established a voluntary citizen Utility Rate Advisory Committee on November 15, 2022. Since then, the Committee has met several times to understand the City's the costs of providing utility service while collaborating with staff to prepare a recommendation for the Council.

Proposed utility rates were developed based on the City's costs to provide the service and considering future annual operating costs and budgeted repair and replacement expenses by evaluating the prior year's audited financial data.

A "Cost of Service Analysis" was prepared by independent consulting firm (NBS) and contains a detailed description of the analysis which serves as the basis for the staff's recommendation (Attachment 2, Exhibit A). The proposed utility rate increases will support a cost-of-service structure consistent with current law.

### ***Latest Update since January 2024***

In response to Council and public feedback, staff is revising its prior recommendation as shown below (in bold):

#### Potable Water - Fixed Charges

Same increases recommended in the property owner notice shown in Attachment 2.

#### Potable Water - Variable Rate

**New Recommendation: the Council takes no action.** The quantity rate (\$/unit) established in 2018 remains unchanged but the delineation between Tiers 1 and 2 is reduced from 10 units to 6 units.

Of note, staff will continue to administratively increase quantity rate up to 3% each (based on the Consumer Price Index) as currently allowed. As a result, the variable rate in Year 5 will grow up to a maximum of \$8.74/unit (instead of \$8.99/unit). Said differently, the quantity rate will increase by only 15.9% (over 5 years) instead of 19.2%.

Staff believes the additional customers at Watson Ranch (and elsewhere) will broaden the base of customers. And when you broaden the base of customers with a relatively smaller quantity rate will generate the required revenue to support the operations.

Recycled Water - Fixed Charges

Same increases as recommended in the property owner notice shown in Attachment 2.

Recycled Water - Variable Rate

**New Recommendation: the Council takes action for a lower volumetric rate.** The property owner notice listed a proposed volumetric rate of \$6.69/unit for delivery and \$4.00/unit for self-haul. The revised recommendation is a lower volumetric rate of \$3.14/unit for delivery and \$1.88/unit for self-haul respectively.

Staff forecasts increased revenue based on the City’s Urban Water Management Plan – which identifies an expanded customer base to generate the required revenue to support the operations.

The additional customers are the result of soon to be completed pipeline and service extensions leading to more customers than previously considered.

Sewer – Residential and Commercial Customer Class

Same increases as recommended in the property owner notice shown in Attachment 2.

Sewer – Non-Residential High-Strength Customer Class

**New Recommendation: the Council takes no action.** The City has three (3) non-residential, high-strength customers (known as “significant industrial users” or SIU). To protect the Water Reclamation Facility (WRF) from high-strength waste, each SIU has a specific sewer service agreement and NPDES discharge permit. Currently each SIU "pre-treats" its wastewater before discharging to the collection system. The SIU metered, monitored, and tests the wastewater for a variety of constituents.

At Council’s direction as part of an economic development strategy for expanding business opportunities in the Green Island Industrial Area, staff is currently exploring options for a new capital project at the WRF that will embrace (rather than reject) an SIU’s discharge of high-strength waste. The revenue to pay for this improvement will be generated by the current SIUs (and hopefully other SIUs) in conjunction with a future rate study, but for now, the current wastewater rate for SIU’s will generate adequate revenue over the next 18 to 24 months.

***Regional Comparison***

Below is comparison of staff recommendation to other agencies. The table assumes residential use of 7 units per month.

<b>Utility Rates - Regional Comparison</b>					
City/Agency	Potable Water Fixed	Potable Water Quantity	Wastewater Fixed	Wastewater Quantity	Total Monthly Bill
Petaluma	\$26.02	\$34.99	\$39.85	N/A	\$94.87

Napa*	\$26.02	\$28.59	\$61.55	N/A	\$116.16
Yountville	\$93.76	\$22.49	\$65.42	N/A	\$116.25
Benicia	\$26.59	\$38.78	\$58.07	\$23.80	\$123.44
<b>American Canyon (Current)</b>	<b>\$26.56</b>	<b>\$52.78</b>	<b>\$60.48</b>	<b>N/A</b>	<b>\$139.82</b>
Vallejo*	\$51.72	\$33.32	\$73.74	N/A	\$158.78
<b>American Canyon (Proposed)</b>	<b>\$31.32</b>	<b>\$54.99</b>	<b>\$74.94</b>	<b>N/A</b>	<b>\$161.25</b>
Calistoga	\$62.82	\$94.22	\$106.24	N/A	\$263.28
St. Helena	\$67.75	\$41.93	\$89.63	\$69.23	\$268.54

\*Note: wastewater service provided by separate special district

## COUNCIL PRIORITY PROGRAMS AND PROJECTS

Infrastructure: "Develop and maintain infrastructure resources to support sustainable growth."

### FISCAL IMPACT

The City is required to update the Municipal Code to adjust the water, sewer and recycled water rates. The new rates will become effective January 1, 2025. Scheduled inflation increases will also occur in January each year.

Fiscal impact related this item will result in adequate funding for operational expenses and necessary long-term capital program needs. As Enterprise Funds, the Water, Sewer and Recycled Water Funds should be self-sustaining, this item achieves the goal of long-term fiscal and operational sustainability for the Water and Sewer Enterprises. The Recycled Water Enterprise is a relatively new system with significant capital investments made in the last couple of years and these projected increases to the rates would move us closer to achieving a healthy, self-sustaining enterprise.

### ENVIRONMENTAL REVIEW

The recommunicated utility rate increases are, among other things, for the purpose of continuing to provide funds to meet the costs of operating, maintaining and replacing the utility facilities within the service area and to provide funding for capital projects necessary and/or required to maintain service within the existing service area and as such are Categorically Exempt from environmental review (Division 13, Section 21080 (b) (8)) under CEQA.

### ATTACHMENTS:

1. [Ordinance](#)
2. [Exhibit A: American Canyon Rate Study Report 03-20-2024](#)

**ORDINANCE NO. 2024-**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AMENDING CITY OF AMERICAN CANYON MUNICIPAL CODE CHAPTER 13.06: "WATER RATES AND CONNECTION FEES", CHAPTER 13.14 "WATER CONSERVATION PLAN", AND CHAPTER 14.04: "WASTEWATER RATES AND CHARGES" TO ESTABLISH NEW POTABLE WATER, RECYCLED WATER AND WASTEWATER PROPERTY RELATED FEES AND CHARGES**

**WHEREAS**, the City of American Canyon's utility infrastructure includes a network of treatment plants, pipes, tanks, pump stations, fire hydrants, meters, and other facilities; and

**WHEREAS**, through this valuable infrastructure, the City provides safe and reliable drinking water, collects and treats wastewater, and produces recycled water for reuse, advancing sustainability efforts; and

**WHEREAS**, skilled labor, quality materials, and reliable equipment are necessary to operate and maintain the utility systems and facilitate water purchases from the Cities of Napa and Vallejo, as well as the State Water Project; and

**WHEREAS**, the City's current utility rates and charges, comprised of Water, Wastewater, and Recycled Water Enterprise Funds, do not bring in sufficient revenue to cover operating and capital costs; and

**WHEREAS**, utility rates and charges have not increased for water since 2018, wastewater since 2009, and there are no established recycled water rates and charges; and

**WHEREAS**, a Utility Rate Study was prepared by an independent consulting firm, NBS, and contains a detailed description and analysis of the proposed utility rates and charges per the respective enterprise fund; and

**WHEREAS**, the City and the Utility Rate Advisory Committee (URAC) have conducted a detailed fiscal analysis of the utility rates and developed recommendations regarding adjustments to the utility rates and charges in order to comply with state law; and

**WHEREAS**, these rate and charge adjustments will help ensure the health and safety of the community while protecting the City's financial health; and

**WHEREAS**, Article XIID, Section 6 of the California Constitution requires that prior to the public hearing to increase utility rates charged by the City, the City mail to each property owner or utility billing customer, at least 45 days prior to such public hearing, a notice describing (a) the amount of the fee or charge to be imposed upon each parcel, (b) the basis upon which the amount of the proposed fee or charge was calculated, (c) the reason for the fee or charge, and (d) the date, time, and location of a public hearing on the proposed fee or charge; and

**WHEREAS**, on February 16, 2024 the City mailed the notice of public hearing to be held on April 2, 2024, relating to the City’s proposed utility rates and charges in accordance with California Constitution Article XIID Section 6; and

**WHEREAS**, the City held such public hearing on April 2, 2024, and received and considered all oral and written protests related to the proposed adjustments in the utility rates and charges; and

**WHEREAS**, the City Council of the City of American Canyon determined that written protests have not been received from property owners or utility billing customers representing a majority of the parcels subject to the proposed fee increase; and

**WHEREAS**, the City Council intends to adopt a utility rate structure proposed by the analysis following the procedures required by Proposition 218, article XIII D, section 6 of the California Constitution; and

**NOW THEREFORE BE IT ORDAINED** that the City Council of the City of American Canyon, having considered all the evidence, including any submitted by member of the public, hereby adopts Municipal Code amendments as follows:

**SECTION 1:** Repeal and replace APMC 13.06.030.B with the following:

***(B) As of the effective date of the ordinance, or January 1, 2025, whichever comes later, the water meter charges for all customers shall be levied according to the following schedule:***

	<b>01/01/25</b>	<b>01/01/26</b>	<b>01/01/27</b>	<b>01/01/28</b>	<b>01/01/29</b>
<b>&lt; 1" meter</b>	<b>\$31.32</b>	<b>\$34.14</b>	<b>\$37.21</b>	<b>\$38.70</b>	<b>\$39.86</b>
<b>1" meter</b>	<b>\$31.32</b>	<b>\$34.14</b>	<b>\$37.21</b>	<b>\$38.70</b>	<b>\$39.86</b>
<b>1 1/2" meter</b>	<b>\$58.53</b>	<b>\$63.80</b>	<b>\$69.55</b>	<b>\$72.33</b>	<b>\$74.50</b>
<b>2" meter</b>	<b>\$91.19</b>	<b>\$99.40</b>	<b>\$108.35</b>	<b>\$112.68</b>	<b>\$116.06</b>
<b>3" meter</b>	<b>\$178.29</b>	<b>\$194.33</b>	<b>\$211.82</b>	<b>\$220.30</b>	<b>\$226.91</b>
<b>4" meter</b>	<b>\$276.27</b>	<b>\$301.13</b>	<b>\$328.23</b>	<b>\$341.36</b>	<b>\$351.60</b>
<b>6" meter</b>	<b>\$548.43</b>	<b>\$597.79</b>	<b>\$651.59</b>	<b>\$677.66</b>	<b>\$697.99</b>
<b>8" meter</b>	<b>\$875.03</b>	<b>\$953.78</b>	<b>\$1,039.63</b>	<b>\$1,081.21</b>	<b>\$1,113.65</b>

**SECTION 2:** Repeal APMC 13.06.030.C.

**SECTION 3:** Repeal and replace APMC 13.06.040.B with the following:

***(B) As of the effective date of the ordinance, or January 1, 2019, whichever comes later, customers will pay quantity rates according to the following schedule below:***

<b>Residential Use</b>	<b>01/01/19</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>
<b>Tier 1 (0 - 6 units)</b>	<b>\$6.07</b>	<b>\$6.42</b>	<b>\$6.78</b>	<b>\$7.15</b>	<b>\$7.54</b>
<b>Tier 2 (&gt; 6 units)</b>	<b>\$6.50</b>	<b>\$7.01</b>	<b>\$7.38</b>	<b>\$7.76</b>	<b>\$8.15</b>
<b>Non-Residential Use</b>	<b>01/01/19</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>
	<b>\$6.24</b>	<b>\$6.59</b>	<b>\$6.96</b>	<b>\$7.33</b>	<b>\$7.72</b>
<b>Raw Water</b>	<b>01/01/19</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>
	<b>\$3.06</b>	<b>\$3.15</b>	<b>\$3.24</b>	<b>\$3.34</b>	<b>\$3.44</b>

**Effective January 1, 2024, and on every January 1st thereafter, quantity charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.**

**SECTION 4:** Repeal and replace ACMC 13.14.100 with the following:

**13.14.100 – Drought Surcharge**

**(A) Customers will receive prior notification of the standard allotment basis, applicable rates, and the opportunity to request exceptions to the standard allotment basis.**

**(B) Water use beyond the maximum allowed for each water conservation stage shall be subject to a drought surcharge pursuant to the schedule set forth below. The customer of record may request an increase in this basic allotment as set forth in Section 13.14.110 hereof. Application forms and instructions will be available at the American Canyon City Hall.**

**(C) In addition to the quantity rates set forth in ACMC 13.06.040.B, each customer shall pay, during each billing period, a drought surcharge for water delivered in excess of the basic allotment as follows:**

	<b>01/01/25</b>	<b>01/01/26</b>	<b>01/01/27</b>	<b>01/01/28</b>	<b>01/01/29</b>
<b>Stage 1</b>	<b>\$0.35</b>	<b>\$0.44</b>	<b>\$0.53</b>	<b>\$0.58</b>	<b>\$0.62</b>
<b>Stage 2</b>	<b>\$0.79</b>	<b>\$0.98</b>	<b>\$1.19</b>	<b>\$1.30</b>	<b>\$1.39</b>
<b>Stage 3</b>	<b>\$1.36</b>	<b>\$1.68</b>	<b>\$2.03</b>	<b>\$2.23</b>	<b>\$2.39</b>
<b>Stage 4</b>	<b>\$2.12</b>	<b>\$2.61</b>	<b>\$3.16</b>	<b>\$3.46</b>	<b>\$3.71</b>
<b>Stage 5</b>	<b>\$3.17</b>	<b>\$3.92</b>	<b>\$4.75</b>	<b>\$5.20</b>	<b>\$5.57</b>
<b>Stage 6</b>	<b>\$4.76</b>	<b>\$5.88</b>	<b>\$7.12</b>	<b>\$7.79</b>	<b>\$8.36</b>

**Customers whose water usage falls in Tier 1 as set forth in in ACMC 13.06.040.B are assumed to have maximized their conservation effort and will not be subject to a drought surcharge if their water consumption is not further reduced.**

***In addition to the drought surcharge, if drought usage exceeds the allowed allotment, a warning will be issued and enforcement actions may be taken as described in Section 13.14.120.***

**SECTION 5:** Modify ACMC 13.14.065 as follows:

*Following a public hearing, the city's ~~nonresidential~~ **recycled** water customers whose properties may be served by recycled water shall connect their property to recycled water for those uses for which the use of potable domestic water would be deemed a waste or unreasonable use of water as specified in Division 7, Chapter 7, of the California Water Code (Section 13550 et seq.). Recycled water customers shall pay for recycled water at the rate established by the city council.*

***As of the effective date of the ordinance, or January 1, 2025, whichever comes later, recycled water customers shall pay the meter charges and quantity rates for recycled water service as set forth below:***

<b>Water Meter Charges</b>					
	<b>01/01/25</b>	<b>01/01/26</b>	<b>01/01/27</b>	<b>01/01/28</b>	<b>01/01/29</b>
<b>&lt; 1" meter</b>	<b>\$38.89</b>	<b>\$42.78</b>	<b>\$47.05</b>	<b>\$49.41</b>	<b>\$51.88</b>
<b>1" meter</b>	<b>\$64.81</b>	<b>\$71.29</b>	<b>\$78.42</b>	<b>\$82.34</b>	<b>\$86.46</b>
<b>1 1/2" meter</b>	<b>\$129.62</b>	<b>\$142.58</b>	<b>\$156.84</b>	<b>\$164.69</b>	<b>\$172.92</b>
<b>2" meter</b>	<b>\$207.40</b>	<b>\$228.14</b>	<b>\$250.95</b>	<b>\$263.50</b>	<b>\$276.67</b>
<b>3" meter</b>	<b>\$414.79</b>	<b>\$456.27</b>	<b>\$501.90</b>	<b>\$526.99</b>	<b>\$553.34</b>
<b>4" meter</b>	<b>\$648.11</b>	<b>\$712.92</b>	<b>\$784.22</b>	<b>\$823.43</b>	<b>\$864.60</b>
<b>6" meter</b>	<b>\$1,296.23</b>	<b>\$1,425.85</b>	<b>\$1,568.43</b>	<b>\$1,646.85</b>	<b>\$1,729.20</b>
<b>8" meter</b>	<b>\$2,073.96</b>	<b>\$2,281.36</b>	<b>\$2,509.49</b>	<b>\$2,634.97</b>	<b>\$2,766.71</b>

<b>Quantity Rates (\$/hcf)</b>					
	<b>01/01/25</b>	<b>01/01/26</b>	<b>01/01/27</b>	<b>01/01/28</b>	<b>01/01/29</b>
<b>Delivered</b>	<b>\$3.14</b>	<b>\$3.46</b>	<b>\$3.80</b>	<b>\$3.99</b>	<b>\$4.19</b>
<b>Self-Haul</b>	<b>\$1.88</b>	<b>\$2.07</b>	<b>\$2.28</b>	<b>\$2.39</b>	<b>\$2.51</b>

***Effective January 1, 2030, and on every January 1st thereafter, wastewater service charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.***

**SECTION 6:** Repeal and replace ACMC 14.04.020 as follows:

***14.04.020 Wastewater service charges – Residential service***

**(A) As of the effective date of the ordinance, or January 1, 2025, whichever comes later, each residential customer shall pay for wastewater services per dwelling unit per month according to the schedule outlined below:**

	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
<b>Single Family Residential</b>	<b>\$74.94</b>	<b>\$89.93</b>	<b>\$100.72</b>	<b>\$112.81</b>	<b>\$112.81</b>
<b>Multi-Family Residential</b>	<b>\$48.70</b>	<b>\$58.44</b>	<b>\$65.45</b>	<b>\$73.31</b>	<b>\$73.31</b>

**(B) Effective January 1, 2030, and on every January 1st thereafter, wastewater service charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.**

**SECTION 7:** Repeal and replace ACMC 14.04.030 as follows:

**14.04.030 Wastewater service charge—Mobile home residential service.**

**(A) Each mobile home customer with an individual metered account shall be considered a Multi-Family Residential Customer and pay for wastewater services according to the schedule set forth in ACMC 14.040.020.**

**SECTION 8:** Repeal and replace ACMC 14.04.040 as follows:

**14.04.040 Wastewater service charge—Multifamily.**

**(A) Each multi-family residential customer shall pay for wastewater services according to the schedule set forth in ACMC 14.040.020.**

**SECTION 9:** Repeal and replace ACMC 14.04.050 as follows

**14.04.050 Wastewater service charges—Nonresidential, normal strength.**

**(A) As of the effective date of the ordinance, or January 1, 2025, whichever comes later, each normal strength, nonresidential customer shall pay both a monthly service charge and a volumetric charge for wastewater services according to the schedule outlined below:**

	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
<b>Monthly Service Charge</b>	<b>\$115.21</b>	<b>\$138.25</b>	<b>\$154.84</b>	<b>\$173.42</b>	<b>\$173.42</b>
<b>Volumetric Rate (\$/HCF)</b>	<b>\$1.92</b>	<b>\$2.31</b>	<b>\$2.58</b>	<b>\$2.89</b>	<b>\$2.89</b>

**The volumetric charge shall be equal to the volumetric rate established by schedule above (\$/HCF) multiplied by the quantity of water delivered to the customer pursuant to ACMC 13.04.**

***(B) Effective January 1, 2030, and on every January 1st thereafter, wastewater service charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.***

**SECTION 10: EFFECTIVE DATE.** This ordinance shall become effective 30 days after its final passage pursuant to Government Code Section 36937.

**SECTION 11: SEVERABILITY.** If any section, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

**SECTION 12: CUSTODIAN OF RECORDS.** The documents and materials that constitute the record of proceedings on which this Ordinance is based are located at the City Clerk's office located at 4381 Broadway, Suite 201, American Canyon, CA 94503. The custodian of these records is the City Clerk.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 2<sup>nd</sup> day of April, 2024 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

The foregoing Ordinance was adopted at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 16<sup>th</sup> day of April, 2024, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Taresa Geilfuss, CMC, City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney

# CITY OF AMERICAN CANYON

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*Report for:*

**Sewer, Water, and Recycled Water Enterprise Rate Studies**

**March 2024**



[nbsgov.com](http://nbsgov.com)

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# 1. Purpose and Overview of the Study

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## 1.1 Purpose

The City of American Canyon (City) retained NBS to conduct a comprehensive rate study for its water, recycled water, and sewer enterprise funds. The City had a number of objectives and goals in mind for this study including meeting revenue requirements, reviewing current rate structures based on recent consumption data, funding capital improvements and changes in costs, and complying with certain legal requirements (e.g., California Constitution Article XIII D, Section 6, which is commonly referred to as Proposition 218 [Prop 218]). The City's broader objectives in this study include ensuring adequate funding for operating and capital costs, maintaining reasonable reserves, ensuring revenue stability in utility rates, and developing new recycled water and drought rates to reflect the revenue requirements at various stages of water conservation. The rates resulting from this study were developed in a manner that is consistent with industry standard cost-of-service principles. In addition to documenting the rate study methodology, this report is provided with the intent to assist the City in its continuing effort to maintain transparent communications with the residents and community it serves.

In developing new rates for the City's enterprise funds, NBS worked cooperatively with City staff and the City Council (Council) in selecting the appropriate rate alternatives that address the City's goals and objectives. Based on input provided by City staff, NBS proposes the rates summarized in this report. The Council has the final decision regarding the adoption of the proposed rates and whether to proceed with the Proposition 218 approval process.

## 1.2 The City of American Canyon Background

The City of American Canyon was incorporated in 1992 and is located in southern Napa County about thirty-five miles northeast of San Francisco.

### WATER UTILITY

The City provides potable water service to approximately 6,825 metered customers. Of these potable water customers, residential customers represent approximately 90%, including single-family and multi-family users. Recent consumption records indicate that residential households use 59% of total water sold compared to all other non-residential customers who use the remaining 41%. The City's existing potable water system includes treatment, storage, pumping, and distribution infrastructure serving residential, industrial, commercial, and agricultural customers.<sup>1</sup>

The City relies on several sources of water to meet its needs including water from the State Water Project, water from the cities of Vallejo and Napa, and recycled water produced at the City's Water Reclamation Facility (WRF). The primary source of water is from the State Water Project (61%) via the North Bay Aqueduct, while the remaining supply consists of treated water from the cities of Vallejo and Napa as well as raw water from the City of Vallejo. The City has also partnered with the Sites Reservoir Project in 2017 to construct an off-river reservoir that will capture excess water from major storms that can be utilized during drier periods. This project is in the final stages of environmental review.

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<sup>1</sup> Source: <https://www.cityofamericancanyon.org/home/showpublisheddocument/17957>.

## RECYCLED WATER UTILITY

The City owns and operates a complementary water and wastewater utility infrastructure that includes water reclamation and water reuse within the City limits. The current area served with recycled water is approximately 5 square miles with an overall potential service area of over 14 square miles, including potential customers within Napa County just outside City limits along the northern boundary.<sup>2</sup> The City currently serves public schools, public parks, industrial, commercial, and agricultural users, and produces approximately 80 million gallons of recycled water each year primarily for outdoor use. The City provides recycled water service to 76 customers.

Using recycled water for irrigation saves electricity, using one quarter of the energy needed to pump groundwater, and dramatically reduces the consumption of potable water. The additional treatment of wastewater at the reclamation plant also reduces nitrates which could otherwise impact the groundwater basin. As with reclaimed water providers throughout California, the City's recycled water rates tries to be competitive with other sources of irrigation water while ideally recovering basic operating costs.

## SEWER UTILITY

The City currently provides sewer service to customers located within the City limits, as well as the Airport Industrial Area and a few areas within the unincorporated County area. The City completed construction of the Water Reclamation Facility (WRF) in 2002 to treats domestic and industrial wastewater flows.

Currently, the sewer utility services approximately 6,100 connections; the vast majority (77%) of which are single-family residential users. The remainder of the customers are primarily multi-family residential users (21%) and a handful of commercial and industrial users (3%). The current area served is approximately 6.3 square miles with an overall potential service area of over 8.5 square miles and includes approximately 53 miles of sewer mains, five pump stations, and 5 miles of sewer force main.<sup>3</sup>

### 1.3 Overview of the Study

Comprehensive rate studies, such as this one, typically include three components: (1) preparation of a financial plan that identifies the net revenue requirements for the utility; (2) analysis of the cost to serve each customer class; and (3) the rate structure design. These steps are shown in **Figure 1** and are intended to follow industry standards. They reflect the fundamental principles of cost-of-service rate making embodied in the American Water Works Association's (AWWA) *Principles of Water Rates, Fees, and Charges*,<sup>4</sup> also referred to as Manual M1 for water rates and the Water Environment Federation's (WEF) *Financing and Charges for Wastewater Systems*, Manual of Practice No. 27<sup>5</sup> for sewer rates. They also address requirements under Proposition 218 that rates do not exceed the cost of providing the service and be proportionate to the cost of providing service for all customers. In terms of the chronology of the study, these three steps represent the order in which they were performed in this Study.

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<sup>2</sup> Source: <https://www.cityofamericancanyon.org/home/showpublisheddocument/9735>.

<sup>3</sup> Source: <https://www.cityofamericancanyon.org/home/showpublisheddocument/9733>.

<sup>4</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, Manual M1, American Water Works Association, 7<sup>th</sup> Edition, 2017.

<sup>5</sup> *Financing and Charges for Wastewater Systems*, Manual of Practice No. 27, Water Environment Federation, 4<sup>th</sup> Edition, 2018.

**Figure 1. Primary Components of a Rate Study**



NBS projected revenues and expenditures, developed net revenue requirements, performed cost-of-service rate analyses, and developed new water, recycled water, and sewer rates for the City using this approach. The following sections in this report present an overview of the methodologies, assumptions, and data used along with the financial plans and rates developed. Detailed tables and figures documenting the development of the proposed rates are provided in the Appendices.

The City provided NBS with the data necessary to conduct the study, including historical, current, and projected revenues and expenditures, number of customer accounts, and water consumption data along with other operational and capital cost information.

### **FINANCIAL PLAN**

As a part of the rate study, NBS projected revenues and expenditures on a cash-flow basis for the next five (5) years. The amount of rate revenue required that will allow reserves to be maintained at the recommended levels is known as the net revenue requirement. As current rate revenue falls short of the net revenue requirement, rate adjustments - or more accurately, adjustments in the total revenue collected from rates - are recommended. This report presents an overview of the methodologies, assumptions, and data used along with the financial plan and proposed rates developed in this study.<sup>6</sup>

### **COST-OF-SERVICE ANALYSIS**

The basic purpose of the cost-of-service analysis (COSA) is to fairly and equitably allocate costs to customer classes. The cost-of-service analysis consists of two major components: (1) the classification of expenses, and (2) the allocation of costs to customer classes. For example, a key task is the “classification” of the water revenue requirements into the following categories:

- Commodity related costs
- Recycled water related costs
- Capacity related costs
- Customer service related costs
- Fire Protection related costs

<sup>6</sup> The complete financial plans are available in the *Appendices*.

In addition, here are the categories used in the “classification” of the sewer revenue requirements :

- Flow related costs
- Strength related costs
- Customer service related costs

These cost allocation factors represent the types of cost allocations in the cost of service. Further details are discussed below and documented in the *Appendices*.

## RATE DESIGN ANALYSIS

During the rate design phase of the study, NBS and City staff worked together to develop rate alternatives to meet the City’s objectives. It is important for the City to send proper price signals to its customers about the actual cost of providing service. This objective is typically addressed through both the magnitude of the rate adjustments and the rate structure design. In other words, both the amount of revenue collected and the way in which the revenue is collected from customers are important.

Several criteria are typically considered in setting rates and developing sound rate structures. The fundamentals of this process have been well documented in a number of rate-setting manuals, such as AWWA’s Manual M1. The foundation for evaluating rate structures is generally credited to James C. Bonbright in *Principles of Public Utility Rates*,<sup>7</sup> which outlines pricing policies, theories, and economic concepts along with various rate designs. The following is a simplified list of the attributes of a sound rate structure:

- Rates should be easy to understand from the customer’s perspective.
- Rates should be easy to administer from the utility’s perspective.
- Rates should promote the efficient allocation of the resource.
- Rates should be equitable and non-discriminating (i.e., cost based).
- There should be continuity in the rate making philosophy over time.
- Addressing other utility policies (e.g., conservation and economic development).
- Rates should provide month-to-month and year-to-year revenue stability.

## RATE STRUCTURE TERMINOLOGY

This section covers basic rate design criteria that NBS and City staff considered as a part of their review of the rate structure alternatives. One of the most fundamental points in considering rate structures is the relationship between fixed and variable costs. Fixed costs, such as debt service and personnel costs, typically do not vary with the amount of water consumed. In contrast, variable costs, such as the cost of purchased water, chemicals, and electricity, tend to change with the quantity of water sold. The vast majority of rate structures contain a fixed, or minimum, charge in combination with a volumetric charge.

- **Fixed Charges** – Fixed charges can be called base charges, minimum monthly charges, customer charges, fixed meter charges, etc. Fixed charges for water utilities typically increase by meter

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<sup>7</sup> James C. Bonbright, Albert L. Danielsen, and David R. Kamerschen, *Principles of Public Utility Rates*, Arlington, VA: Public Utilities Report, Inc., Second Edition, 1988, pp. 383-384.

size. For example, a customer with a 2-inch meter has a fixed meter charge that is more than five times greater than the typical residential customer based on the safe operating capacity of the meter.<sup>8</sup> Since a large portion of utility costs are typically related to meeting capacity requirements, individual capacity demands are important in establishing equitable rates for customers.

- **Variable (Consumption-Based) Charges** – In contrast to fixed charges, variable costs, such as purchased water, groundwater replenishment costs, and the cost of electricity used in pumping water and chemicals for treatment, tend to change with the quantity of water produced. For a water utility, variable charges are calculated based on a metered consumption per unit price (e.g., per 100 cubic feet, or HCF).
- **Uniform (Single-Tier) Water Rates** – There are significant variations in the basic philosophy of variable charge rate structure alternatives. Under a uniform (single tier) rate structure, the cost per unit does not change with consumption and, therefore, provides a simple and straightforward approach from the customer’s perspective and in terms of the City’s rate administration.
- **Tiered Water Charges** – In contrast to a uniform tier, a tiered (or inclining block) rate structure attempts to send a price signal to customers that the cost of water increases as more water is consumed and is considered to be a more conservation-oriented rate structure. Tiered water rates are encouraged by state law and regulatory mandates but are also intended to represent the higher costs for customers who contribute more to peak usage and place greater demands on the system. The types of higher costs reflected in the higher tiers may include:
  - *Conservation Program Costs* - These are costs intended to encourage customers to eliminate inefficient and wasteful water use, and otherwise reduce consumption during peak periods.
  - *Purchased Water Costs* - When consumption exceeds the amount of water rights the City is allocated, the City may incur additional costs for replacement water in order to meet that increased demand. That replacement water comes at a higher cost.
  - *Energy Costs* - During summer months, the City may pay more in electric charges to pump, treat, and deliver water, and have a higher percentage of its energy bill in higher electricity “tiers.”
  - *Higher Maintenance Costs* - Peak periods tend to have a higher number of service calls, capacity costs, and system maintenance issues when the water system is running at peak demand.

## REGULATORY ISSUES

**Drought and Water Conservation** – On January 17, 2014, Governor Jerry Brown declared a State of Emergency throughout California due to severe drought conditions. On April 1, 2015, the Governor issued Executive Order B-29-15 mandating statewide water conservation of 25 percent. The specific conservation mandate for each community in California varied from 4 to 36 percent. Beginning in June 2016,

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<sup>8</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, Manual M1, AWWA, 7<sup>th</sup> Edition, 2017, pp. 151-152.

communities like the City were allowed to “self-certify” that they had sufficient supply to meet customer demand for three years but were no longer mandated to achieve a specific conservation target.

While conservation is good from a supply and environmental standpoint, it places added financial pressure on the water utility. Consumption impacts both revenue and expenses and, with positive conservation efforts continuing to be a priority for the City, revenue declines could put the water utility at risk in the future without changes in the consumption charges. To help offset these risks, the drought rates proposed in this study account for various stages of water conservation to allow the City to continue meeting its financial obligations going forward. The drought rates would be intended to go into effect whenever the City declares it is in a specific stage of its adopted drought mitigation plan.

## KEY FINANCIAL ASSUMPTIONS

The following is a summary of the key financial assumptions used in the analyses. The following capital and operational fund targets reflect input from City staff in order to meet specific utility objectives:

- **Funding of Capital Projects** – The capital improvement costs will be funded with a combination of cash in reserves and the additional revenue generated from the proposed rate increases. The capital projects listed in the financial plan are from the City’s capital improvement plan. The analysis assumes:
  - Capital costs attributable to existing customers are funded by rate revenue.
  - Capital costs attributable to growth are funded through revenue from the capacity fee reserves.
- **Reserve Targets** – For each utility (i.e., water, recycled water, and sewer), the City maintains reserves for operations, capital, and other specific needs. The details of each utility’s reserve targets are covered in their respective section of this report.
- **Inflation and Growth Projections** – Assumptions were made in the analysis with regard to cost inflation in order to project future revenues and expenses for the study period. The following inflation factors were used in the analysis:
  - Customer growth is estimated at 1.80% per year.
  - General cost inflation is set at 3.0% annually.
  - Labor cost inflation is set at 3.5% annually.
  - Energy cost inflation is set at 7.44% annually.
  - Electricity cost inflation is set at 5.64% annually.
  - Fuel & Utilities cost inflation is set at 5.24% annually.
  - Construction cost inflation is set at 3.5% annually.

These inflation factors are based on long-term trends; therefore, the City should re-examine these factors in another year to assess whether short-term trends are a better reflection of the costs going forward.

## 2. Water Rate Study

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### 2.1 Key Water Rate Study Issues

The City's water rate analysis was undertaken with a few specific objectives, including:

- Generating sufficient revenue to meet anticipated operating and maintenance costs and fund necessary capital improvement projects for the next five years.
- Continuing with a rate design that promotes revenue stability.
- Developing drought rates.
- Verifying that the City's tiered volumetric rates are cost of service based.
- Encouraging water conservation with a tiered rate structure.
- Maintaining adequate reserve levels to ensure continuity in operations.
- Complying with the legal requirements of Proposition 218 to ensure the cost of providing service is properly allocated amongst user classifications.

NBS developed various water rate alternatives as requested by City staff over the course of this study. All rate structure alternatives relied on industry standards and cost-of-service principles. The fixed charges and volume-based rates were calculated based on the net revenue requirements, number of customer accounts, water consumption and estimated water discharge, and other relevant data provided by the City.

The following are the basic components included in this analysis:

- **Developing Cost Allocations** – The water revenue requirements were “functionalized” into five categories: (1) commodity (or volume-based) costs; (2) recycled water costs; (3) fixed capacity costs; (4) customer service costs; and (5) fire protection costs. These functionalized costs were then used to develop unit costs based on various factors, such as water consumption, peaking factors, and number of accounts by meter size.
- **Determining Revenue Requirements by Customer Class** – The total revenue that needs to be collected from each customer class was determined using the functional costs and allocation factors. For example, customer costs are allocated based on the number of meters, while volume-related costs are allocated based on the water consumption of each customer class. Once the costs are allocated and the net revenue requirement for each customer class is determined, collecting the revenue requirements from each customer class is addressed within the rate design.
- **Evaluating Rate Design (Fixed vs. Variable Charges)** – The revenue requirements for each customer class are collected through a combination of fixed monthly service charges and volumetric rates.

### 2.2 Financial Plan

It is important for municipal utilities to not only collect sufficient revenues every year, but to also maintain reasonable reserves to handle emergencies, fund working capital, maintain a good credit rating, and generally follow sound financial management practices. Rate adjustments are governed by the need to meet operating and capital costs as well as maintain reasonable reserve funds. The current state of the City's water utility, with regard to these objectives, is as follows:

- **Meeting Net Revenue Requirements:** For FY 2023/24 through FY 2027/28, the projected net revenue requirement (that is, total annual expenses plus debt service and rate-funded capital costs, less non-rate revenues) for the water system is approximately \$13.4 million per year. The net revenue requirement includes interfund transfers for debt service and capital projects totaling \$4.0 million annually and are expected to continue over the next five years. As a result, the water utility is financially sound and requires only minimal rate adjustments over the 5-year rate adoption period. However, it is important to note that the utility would be facing a deficit that would grow to \$3.8 million by the end of this period if these contributions were to cease.
- **Building and Maintaining Reserve Funds:** Reserve funds provide a basis for a utility to cope with fiscal emergencies, such as revenue shortfalls, asset failure, and natural disasters, among other events. Reserve policies provide guidelines for sound financial management, with an overall long-range perspective to maintain financial solvency and mitigate financial risks associated with revenue instability, volatile capital costs, and unexpected emergencies.
- NBS along with City staff have chosen to set the following reserve targets:
  - **Operating Reserve** set equal to 90 days of operating and maintenance expenses, or approximately \$1.9 million in FY 2023/24. An operating reserve is intended to promote financial viability in the event of any short-term fluctuation in revenues and/or expenditures, such as those caused by weather patterns, the natural inflow and outflow of cash during billing cycles, natural variability in demand-based revenue streams (e.g., volumetric charges), and - particularly in periods of economic distress - changes or trends in the age of receivables.
  - **Capital Rehabilitation & Replacement Reserve**, at a minimum, should equal 3% of net capital assets, or approximately \$1.9 million in FY 2023/24. This reserve is intended to be a cash resource set aside to address long-term capital system replacement and rehabilitation needs.
- **Funding Capital Improvement Projects:** The City must also be able to fund necessary capital improvements in order to maintain current service levels. City staff has identified roughly \$20.2 million in expected capital expenditures for the next five years (FY 2023/24 through FY 2027/28) which is an average of \$4 million in capital expenditures annually. Beyond FY 2027/28, an average of \$4 million in capital expenditures is expected annually (future year value). With the recommended rate increases, these capital expenditures can be funded without draining existing reserves.
- **Inflation and Growth Projections:** Assumptions regarding cost inflation were made in order to project future revenues and expenses for the study period. Customer growth is expected to be nearly 1.80% annually. This factor was used in the analysis for some revenues and expenses, and all other inflation factors are based on the Consumer Price Index for all urban consumers in the San Francisco area.<sup>9</sup>
- **Impact of Annual Rate Adjustment Date:** The financial plan assumes that rate adjustments occur in January of each year. This means that only about half of the planned revenue to be collected from the rate adjustment listed for one fiscal year will be collected in that year. However, the rated adjustment in Year 1 is scheduled to occur in April 2024 which means that

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<sup>9</sup> Website: <https://www.bls.gov/cpi/>.

the 9.0% increase in rate revenue planned will result in rates that recover \$10.3 million. In other words, due to the timing of when the rates will go into effect, the financial plan results in only \$9.4 million in rate revenue that will be collected for FY 2023/24 due to the end of year implementation.

- **Figure 2** summarizes the sources and uses of funds, net revenue requirements, and the annual percentage adjustments in total rate revenue recommended for the next 5 years.

**Figure 2. Summary of Water Revenue Requirements**

Summary of Sources and Uses of Funds and Net Revenue Requirements	Actuals	Actuals	5-Year Projected Rate Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Sources of Water Funds</b>							
Rate Revenue Under Prevailing Rates	\$ 8,410,172	\$ 8,544,184	\$ 9,441,640	\$ 9,611,590	\$ 9,774,987	\$ 9,941,161	\$10,110,161
Non-Rate Revenues	664,001	448,314	473,600	482,125	490,321	498,656	507,134
Interest Earnings	(212,625)	215,995	275,008	87,285	61,319	56,589	58,325
<b>Total Sources of Funds</b>	<b>\$ 8,861,548</b>	<b>\$ 9,208,492</b>	<b>\$10,190,248</b>	<b>\$10,180,999</b>	<b>\$10,326,626</b>	<b>\$10,496,407</b>	<b>\$10,675,619</b>
<b>Uses of Water Funds</b>							
560 - Water Treatment Plant	\$ 1,483,133	\$ 1,788,187	\$ 2,088,189	\$ 3,357,121	\$ 2,228,382	\$ 2,302,054	\$ 2,378,221
565 - Water Distribution	991,284	1,013,187	1,536,149	1,586,987	1,639,520	1,693,803	1,749,895
50 - Public Works	1,356,080	1,616,039	366,768	378,613	390,854	403,506	416,582
Water Purchases	3,380,850	4,035,407	3,602,218	3,674,262	3,747,748	3,822,703	3,899,157
Non-Operating Expenses	1,263,894	1,798,674	2,206,123	2,207,963	2,171,674	2,237,313	2,304,938
Debt Service	523,735	744,109	820,140	823,637	1,468,278	2,523,408	3,014,261
Rate-Funded Capital Expenses	251,795	2,790,541	4,566,877	1,523,075	1,565,040	754,328	665,707
<b>Total Use of Funds</b>	<b>\$ 9,250,771</b>	<b>\$13,786,145</b>	<b>\$15,186,464</b>	<b>\$13,551,658</b>	<b>\$13,211,497</b>	<b>\$13,737,114</b>	<b>\$14,428,761</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (389,223)</b>	<b>\$ (4,577,653)</b>	<b>\$ (4,996,216)</b>	<b>\$ (3,370,659)</b>	<b>\$ (2,884,870)</b>	<b>\$ (3,240,707)</b>	<b>\$ (3,753,142)</b>
Additional Revenue from Rate Increases <sup>1</sup>	-	-	212,437	1,336,492	2,361,290	3,190,413	3,710,759
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (389,223)</b>	<b>\$ (4,577,653)</b>	<b>\$ (4,783,779)</b>	<b>\$ (2,034,168)</b>	<b>\$ (523,580)</b>	<b>\$ (50,295)</b>	<b>\$ (42,383)</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.00%</b>	<b>9.00%</b>	<b>9.00%</b>	<b>4.00%</b>	<b>3.00%</b>
<b>Cumulative Rate Increases</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.00%</b>	<b>18.81%</b>	<b>29.50%</b>	<b>34.68%</b>	<b>38.72%</b>
<b>Net Revenue Requirement<sup>2</sup></b>	<b>\$ 8,799,395</b>	<b>\$13,121,837</b>	<b>\$14,393,795</b>	<b>\$12,938,188</b>	<b>\$12,610,375</b>	<b>\$13,132,387</b>	<b>\$13,813,821</b>

1. Assumes new rates are implemented April 1, 2024.

2. Total use of funds less non-rate revenues and interest earnings.

**Figure 3** summarizes the projected reserve fund balances and reserve targets for the City's unrestricted funds. A detailed version of the proposed 5-year financial plan is included in *Appendix A*. The tables in the appendix include the revenue requirement, reserve funds, revenue sources, proposed rate adjustments, capital improvement program, and the proposed rate adjustments needed to meet City's funding requirements.

**Figure 3. Summary of Primary Water Reserve Funds**

Beginning Reserve Fund Balances and Recommended Reserve Targets	Actuals	Actuals	5-Year Projected Rate Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Operating Reserve</b>							
Ending Balance	\$ 3,245,347	\$ 5,727,496	\$ 4,142,536	\$ 2,278,487	\$ 1,930,446	\$ 2,055,691	\$ 2,188,848
<i>Recommended Minimum Target</i>	<i>1,803,000</i>	<i>2,113,000</i>	<i>1,898,000</i>	<i>2,249,000</i>	<i>2,002,000</i>	<i>2,056,000</i>	<i>2,111,000</i>
<b>Capital Rehabilitation &amp; Replacement Reserve</b>							
Ending Balance	\$ 35,571	\$ 3,488,438	\$ 2,118,478	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900
<i>Recommended Minimum Target</i>	<i>1,420,700</i>	<i>1,548,600</i>	<i>1,870,900</i>	<i>2,079,900</i>	<i>2,260,500</i>	<i>2,370,700</i>	<i>2,458,100</i>
<b>Total Ending Balance</b>	<b>\$ 3,280,918</b>	<b>\$ 9,215,935</b>	<b>\$ 6,261,013</b>	<b>\$ 4,358,387</b>	<b>\$ 4,010,346</b>	<b>\$ 4,135,591</b>	<b>\$ 4,268,748</b>
<b>Total Recommended Minimum Target</b>	<b>\$ 3,223,700</b>	<b>\$ 3,661,600</b>	<b>\$ 3,768,900</b>	<b>\$ 4,328,900</b>	<b>\$ 4,262,500</b>	<b>\$ 4,426,700</b>	<b>\$ 4,569,100</b>

### 2.3 Cost-of-Service Analysis

Once the net revenue requirements are determined, the cost-of-service analysis (COSA) proportionately distributes the revenue requirements to each of the customer classes. The COSA consists of two major

components: (1) the classification of expenses, and (2) the allocation of costs to each customer class. Costs are classified corresponding to the function they serve. All costs in the City’s budget are allocated to each component of the rate structure in proportion to the level of service required by customers. The level of service is related to the volume and strength of the water treated, infrastructure capacity, and customer service. These costs are based on allocation factors, such as water consumption, number of meters, and customer class. Ultimately, a COSA is intended to result in rates that are proportional to the cost of providing service to each customer class.

## FUNCTIONALIZATION AND CLASSIFICATION OF COSTS

Most costs are not typically allocated just to fixed or variable categories but allocated to multiple functions of water service. The functionalization and classification process provides the basis for allocating costs to various customer classes based on the cost causation (classification) components described below:

- **Commodity related costs** are costs associated with the change in the volume of water produced and delivered. These commonly include the costs of water quality testing, energy related to pumping for transmission and distribution, and source of supply.
- **Capacity related costs** are costs associated with sizing facilities to meet the maximum, or peak, demand. This includes both operating costs and capital infrastructure costs incurred to accommodate peak system capacity events.
- **Customer related costs** are costs associated with having a customer connected to the water system, such as meter reading, postage, billing, and other administrative duties.
- **Recycled Water related costs** are costs associated with the collection, treatment, and delivery of recycled water. Recycled water customers have separate fixed and volumetric rates which are discussed further in Section 3.
- **Fire Protection related costs** are costs associated with providing sufficient capacity in the system for fire meters and other operating and maintenance costs of providing water to properties for private fire service protection.

The City’s budgeted costs were reviewed and allocated to these cost causation components which are used as the basis for establishing new water rates and translated to fixed and variable charges. Tables in the *Appendices* show how the City’s expenses were classified and allocated to these cost causation components. In the analysis, these cost causation components are also considered to be either fixed or variable.

## FIXED AND VARIABLE COSTS

Ideally, utilities should recover all of their fixed costs from fixed charges and all of their variable costs from volumetric rates. When this is the case, fluctuations in water sales revenues would be directly offset by reductions or increases in variable expenses. When rates are set in this manner, they provide greater revenue stability for the utility. However, other factors are often considered when designing water rates, such as community values, water conservation goals, ease of understanding, and ease of administration.<sup>10</sup>

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<sup>10</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, Manual M1, AWWA, 7<sup>th</sup> Edition, 2017, pp. 6 and 96.

NBS functionalized the City’s costs into categories that can be more generally grouped into fixed and variable costs. This analysis resulted in a cost distribution that is approximately 56% fixed and 44% variable (i.e., volumetric or source specific). However, the City has decided on a rate structure that collects 40% of the net revenue requirement from fixed charges and 60% from volumetric rates. This rate structure will provide financial stability for the City, while maintaining a tiered rate structure that encourages water conservation. The proposed new rates are based on these allocations.

**Figure 4** summarizes how costs are allocated to each cost component and used to establish new water rates. **Figure 5** shows the resulting cost allocation to each cost classification component. The remaining revenue requirements are allocated to capacity, customer, and fire protection cost categories.

**Figure 4. Allocation Percentages of Revenue Requirements**

Classification Components	PROPOSED ALTERNATIVE Cost-of-Service Net Revenue Requirements (FY 2023/24)	
Commodity-Related Costs	\$ 6,174,833	60.0%
Capacity-Related Costs	3,709,181	36.0%
Customer-Related Costs	300,640	2.9%
Fire Protection-Related Costs	106,734	1.0%
<b>Net Revenue Requirement</b>	<b>\$ 10,291,388</b>	<b>100.0%</b>

**Figure 5. Allocated Net Revenue Requirements**

Customer Classes	Classification Components				Cost of Service Net Rev. Req'ts	% of COS Net Revenue Req'ts
	VARIABLE	FIXED				
	Commodity- Related Costs	Capacity- Related Costs	Customer- Related Costs	Fire Protection- Related Costs		
Residential	\$ 3,092,204	\$ 1,565,159	\$ 214,963	\$ -	\$ 4,872,326	47.3%
Multi-Family	546,290	1,777,034	56,075	-	2,379,400	23.1%
Commercial	1,943,118	221,463	15,109	-	2,179,689	21.2%
Landscape	323,989	38,794	3,216	-	365,999	3.6%
Private Fire Protection	139,154	77,779	10,792	106,734	334,458	3.2%
Temporary Hydrant Meters	50,606	16,254	352	-	67,213	0.7%
Raw Water	79,472	12,699	132	-	92,303	0.9%
<b>Total Net Revenue Requirement</b>	<b>\$ 6,174,833</b>	<b>\$ 3,709,181</b>	<b>\$ 300,640</b>	<b>\$ 106,734</b>	<b>\$ 10,291,388</b>	<b>100%</b>

## 2.4 Characteristics of Water Customers by Customer Class

Customer classes are typically determined by grouping customers with similar demand characteristics into categories that reflect the cost differentials to serve each type of customer. Customer classes are most often identified as single family, multi-family, commercial, landscape, etc., and the City follows this common methodology. The rates proposed in this report follow a similar structure where the fixed charges within each customer class vary by meter size. Variable rates are tiered (two tiers) for single family residential (SFR); all other customers are charged a uniform volumetric rate.

The amount of consumption, the peaking factors, and the number of meters by size are used to allocate costs as a part of COSA to allocate costs to customer classes and determine the appropriate rate structures for each. These components of the COSA are presented in the following figures.

Commodity related costs are costs associated with the total annual consumption of water by customer class. **Figure 6** below summarizes the most recent consumption data by customer class and represents the expected percent of consumption over the 5-year rate period.

**Figure 6. Water Consumption by Customer Class**

Customer Class	FY 2021/22 Consumption (hcf)	% Adjustment for Conservation <sup>2</sup>	Est. FY 2021/22 Volume Adjusted for Conservation	FY 2021/22 % of Total Volume
Residential	507,339	20.0%	405,871	50.1%
Multi-Family	89,630	20.0%	71,704	8.8%
Commercial	318,808	20.0%	255,046	31.5%
Landscape	53,157	20.0%	42,526	5.2%
Private Fire Protection	22,831	20.0%	18,265	2.3%
Temporary Hydrant Meters	8,303	20.0%	6,642	0.8%
Raw Water	13,039	20.0%	10,431	1.3%
<b>Total</b>	<b>1,013,107</b>		<b>810,486</b>	<b>100%</b>

1. Consumption data is based on the City of American Canyon's billing data.
2. A conservation factor of 20% included in table above based on the "20 by 2020" law passed in 2009.  
Source: <https://www.ca-ilg.org>.

**Figure 7** shows the capacity allocation factors for each customer class.

**Figure 7. Capacity Factors by Customer Class**

Customer Class	Meter Size <sup>1</sup>	No. of Meters	Hydraulic Capacity Factors <sup>2</sup>	Total Equivalent Meters	% of EDUs
<b>Residential</b>	< 1" meter	4,880		4,930	42.2%
	1" meter	1,986	1.00	1,986	
	1 1/2" meter	2,875	1.00	2,875	
	2" meter	7	2.00	14	
	3" meter	9	3.20	29	
	4" meter	1	6.40	6	
<b>Multi-Family</b>	4" meter	2	10.00	20	47.9%
	556		5,598		
	1 1/2" meter	20	2.00	40	
	2" meter	201	3.20	643	
	3" meter	96	6.40	614	
<b>Commercial</b>	4" meter	48	10.00	480	6.0%
	6" meter	191	20.00	3,820	
	343		698		
	< 1" meter	102	1.00	102	
	1" meter	88	1.00	88	
	1 1/2" meter	54	2.00	108	
<b>Landscape</b>	2" meter	81	3.20	259	1.0%
	3" meter	11	6.40	70	
	4" meter	7	10.00	70	
	73		122		
<b>Private Fire Protection</b>	< 1" meter	13	1.00	13	2.1%
	1" meter	30	1.00	30	
	1 1/2" meter	14	2.00	28	
	2" meter	16	3.20	51	
<b>Temporary Hydrant Meters</b>	245		245	0.4%	
	< 1" meter	245	1.00		245
<b>Raw Water</b>	8		51	0.3%	
	3" meter	8	6.40		51
	3		40		
	4" meter	2	10.00	20	
	6" meter	1	20.00	20	
	<b>Total</b>	<b>6,108</b>		<b>11,684</b>	

1. Meter by class and size are based on June 2022 customer billing data.
2. Source: *Principles of Water Rates, Fees, and Charges*, Manual M1, AWWA, Table B-1.

**Figure 8** shows the number of meters for each customer class. The percentage of total customers by customer class is then used to develop the customer allocation factors in order to allocate customer costs. Customer costs are those costs associated with having customers connected to the water system and include costs related to meter reading, postage, and billing.

**Figure 8. Number of Meters by Customer Class**

Customer Class	No. of Meters/Accounts FY 2021/22 <sup>1</sup>	% of Total Meters
Residential	4,880	71.5%
Multi-Family <sup>2</sup>	1,273	18.7%
Commercial	343	5.0%
Landscape	73	1.1%
Private Fire Protection	245	3.6%
Temporary Hydrant Meters	8	0.1%
Raw Water	3	0.0%
<b>Total</b>	<b>6,825</b>	<b>100.0%</b>

1. Meter count data is based on the City's billing data for June 2022.

2. Multi-family residential customers are by dwelling units.

## 2.5 Rate Design Analysis

The process of evaluating the water rate structure provides the opportunity to review and incorporate rate-design objectives and policies, including revenue stability, equity among customers, and water conservation. NBS discussed several water rate alternatives and methodologies with City Staff over the course of this study, such as the percentage of revenue collected from fixed charges vs. variable rates and differentiating rates by customer class. Ultimately, City staff selected a rate alternative that is similar to the results of the COSA that includes a fixed service charge based on customer class and meter size. The following sections describe this process. The selected rate structure also maintains the existing two tiers for single family residential customers and proposes a uniform tier for all other customer classes.

The following sections describe how the proposed water rates were developed.

### DEVELOPMENT OF PROPOSED RATES

#### ***Fixed Service Charges***

The fixed meter charge recognizes that the water utility incurs fixed costs regardless of whether customers actually use water. There are two components that comprise the fixed meter charge: (1) the customer component, and (2) the capacity component. The customer components are those costs related to reading and maintaining meters, customer billing and collection, and other customer service-related costs. The capacity component recovers costs associated with sizing the water system to ensure there is sufficient capacity in the system to meet peak demand. A user class with higher peaking (capacity) needs is allocated a proportionately higher share of the capacity related costs compared to customer classes with lower peaking needs.

Meter sizes have different fixed charges based on their capacity requirements, where larger meters have the potential to use more of the system’s capacity<sup>11</sup> or, said differently, they can have higher peaking factors compared to smaller meters. The potential capacity demanded (peaking) is proportional to the maximum hydraulic flow through each meter size based on the hydraulic capacity ratios established by AWWA.<sup>12</sup> The AWWA capacity ratios used for this report are shown in **Figure 9**.

**Figure 9. Hydraulic Capacity Factors**

Meter Size	Standard Meters	
	Meter Capacity (gpm) <sup>1</sup>	Equivalency to 1 inch
	<i>Displacement Meters</i>	
5/8 inch	20	1.00
3/4 inch	30	1.00
1 inch	50	1.00
1 1/2 inch	100	2.00
2 inch	160	3.20
	<i>Compound Class I Meters</i>	
3 inch	320	6.40
4 inch	500	10.00
6 inch	1,000	20.00
8 inch	1,600	32.00
	<i>Turbine Class II Meters</i>	
10 inch	4,200	84.00
12 inch	5,300	106.00

1. Per AWWA, M1 Manual, Table B-1.

The actual number of meters by size is multiplied by the corresponding capacity ratios to calculate equivalent meters. The number of equivalent meters is used as a proxy for the potential demand that each customer can place on the water system. **Figure 10** summarizes the number of meters, the hydraulic capacity factors, and the number of equivalent meters (i.e., the number of meters multiplied by the hydraulic capacity factor) by customer class and meter size.

**Figure 10. Equivalent Meters**

Number of Meters by Class and Size <sup>1</sup>	FY 2023/24								Total
	< 1" meter	1" meter	1 1/2" meter	2" meter	3" meter	4" meter	6" meter	8" meter	
Residential	1,986	2,875	7	9	1	2	0	0	4,880
Multi-Family	0	0	20	201	96	48	191	0	556
Commercial	13	30	14	16	0	0	0	0	73
Commercial	102	88	54	81	11	7	0	0	343
Private Fire Protection	245	0	0	0	0	0	0	0	245
Temporary Hydrant Meters	0	0	0	0	8	0	0	0	8
Raw Water	0	0	0	0	0	2	1	0	3
<b>Total Meters/Accounts</b>	<b>2,346</b>	<b>2,993</b>	<b>95</b>	<b>307</b>	<b>116</b>	<b>59</b>	<b>192</b>	<b>0</b>	<b>6,108</b>
<i>Hydraulic Capacity Factor<sup>2</sup></i>	<i>1.00</i>	<i>1.00</i>	<i>2.00</i>	<i>3.20</i>	<i>6.40</i>	<i>10.00</i>	<i>20.00</i>	<i>32.00</i>	
<b>Total Equivalent Meters</b>	<b>2,346</b>	<b>2,993</b>	<b>190</b>	<b>982</b>	<b>742</b>	<b>590</b>	<b>3,840</b>	<b>0</b>	<b>11,684</b>

1. Meter by Class and Size are based on June 2022 customer billing data.

2. Source: *Principles of Water Rates, Fees, and Charges*, Manual M1, AWWA, Table B-1.

Using the costs allocated to each customer class from Figure 5, **Figure 11** shows the calculation of the fixed monthly service charges for all customer classes based on meter size. As previously mentioned, the customer service charge is calculated by dividing the customer service-related costs by the total number of

<sup>11</sup> System capacity is the system’s ability to supply water to all delivery points at the time when demanded.

<sup>12</sup> *Principles of Water Rates, Fees and Charges*, Manual of Water Supply Practices, Manual M1, AWWA, 7<sup>th</sup> Edition, 2017, p. 386. *Water Meters – Selection, Installation, Testing and Maintenance*, Manual M6, AWWA, 5<sup>th</sup> Edition, 2012, pp. 63-65.

meters, whereas the fixed capacity charge is calculated by dividing the capacity-related costs by the total number of equivalent meters for each meter size.

**Figure 11. Calculation of Fixed Service Charges (Residential)**

Number of Meters by Class and Size	FY 2023/24								Total	
	< 1" meter	1" meter	1 1/2"	2" meter	3" meter	4" meter	6" meter	8" meter		
<b>Monthly Fixed Service Charges</b>										
Customer Costs (\$/Acct/month)	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	
Capacity Costs (\$/Acct/month)	\$27.22	\$27.22	\$54.43	\$87.09	\$174.19	\$272.17	\$544.33	\$870.93		
<b>Total Monthly Meter Charge</b>	<b>\$31.32</b>	<b>\$31.32</b>	<b>\$58.53</b>	<b>\$91.19</b>	<b>\$178.29</b>	<b>\$276.27</b>	<b>\$548.43</b>	<b>\$875.03</b>		
<b>Annual Fixed Costs Allocated to Monthly Meter Charges</b>										
Customer Costs	\$ 300,640									
Capacity Costs	3,815,915									
<b>Total Fixed Meter Costs</b>	<b>\$4,116,555</b>									
<b>Annual Revenue from Monthly Meter Charges</b>										
Customer Charges	\$ 115,491	\$ 147,298	\$ 4,676	\$ 15,111	\$ 5,710	\$ 2,904	\$ 9,450	\$ -		<b>\$ 300,640</b>
Capacity Charges	\$ 766,330	\$ 977,381	\$ 62,054	\$ 320,851	\$ 242,467	\$ 192,693	\$1,254,139	\$ -		<b>\$3,815,915</b>
<b>Total Revenue from Monthly Meter Charges</b>	<b>\$ 881,821</b>	<b>\$1,124,680</b>	<b>\$ 66,730</b>	<b>\$ 335,961</b>	<b>\$ 248,177</b>	<b>\$ 195,597</b>	<b>\$1,263,590</b>	<b>\$ -</b>		<b>\$4,116,555</b>

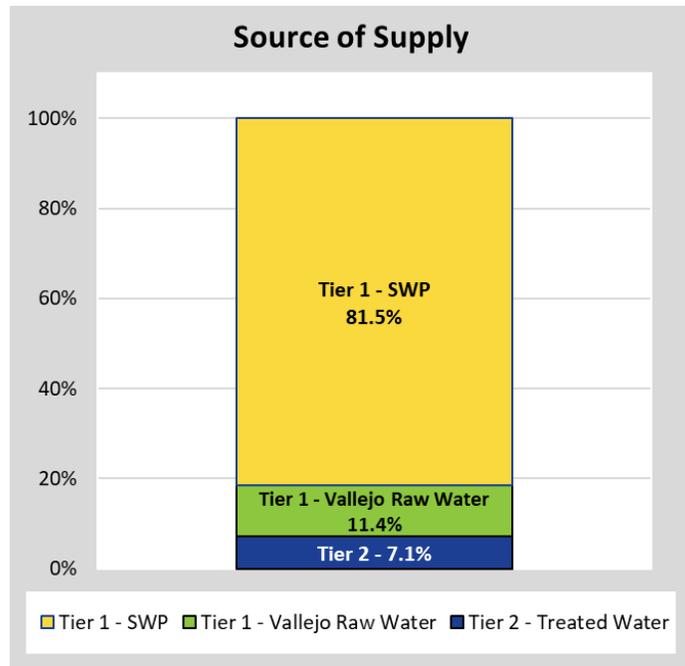
**Volumetric Rates**

Currently, the City uses a 2-tier rate structure for residential customers (i.e., single family customers), while all other customers are charged a uniform, or single tier, volumetric rate. The following sections of this report describe how the tiered rates were developed.

**Source of Supply**

The City has three primary sources of supply: (1) State Water Project (SWP); (2) Cities of Napa and Vallejo treated water; and (3) City of Vallejo raw water. **Figure 12** shows how these supply sources are allocated to each tier. A description of how this allocation was developed is included in *Appendix A*.

**Figure 12. Summary of Supply Sources Allocated to Tiers**



**Figure 13** shows the amount of each source of supply that is included in the tiers for residential customers.

**Figure 13. Allocated Consumption from Each Source of Supply**

Source of Supply	Total Contracted Purchases		Acre Feet as a % of Total
	In AF	In HCF	
SWP (Contracted Purchase)	3,590	1,563,804	81.5%
Vallejo Raw Water (Contracted Purchase)	500	217,800	11.4%
Treated Water (Contracted Purchase) <sup>1</sup>	313	136,181	7.1%
<b>Totals</b>	<b>4,403</b>	<b>1,917,785</b>	<b>100.0%</b>

**Residential Tiered Rates**

Before the tiered rates could be developed, expected consumption in each tier was determined, and tier breakpoints were established. The breakpoint for Tier 1 was set so that expected consumption within each tier would most closely match the allocated consumption by that source. That is, the amount of expected consumption in Tier 1 would correspond to the amount of water that the SWP and the City of Vallejo (raw water) could supply. Similarly, expected consumption in Tier 2 corresponds to the amount of treated water supply from the cities of Napa and Vallejo.

For residential customers, the tier breakpoints were identified by first determining the quantity available in each tier (see Figure 13). Once the quantity of water by tier is determined, individual customer billing records are analyzed to determine what tier breakpoint would maximize the use of water in each tier. The resulting breakpoint was determined to be the 6 HCF as shown in **Figure 14**. The amount of estimated consumption in Tier 1 differs slightly from the allocated consumption due to the fact that monthly reads for all customers are not precise.

**Figure 14. Tier Breakpoints for Residential Customers**

Residential Tiers	Consumption	% of Consumption	Avg. Monthly Consumption FY 2020/21 (hcf)	Tier Breakpoint (hcf)
Tier 1 - SWP & Vallejo Raw Water	322,836	79.5%		6.00
Tier 2 - Treated Water (Napa & Vallejo)	83,035	20.5%		
<b>Total</b>	<b>405,871</b>	<b>100.0%</b>	7.0	

Once the expected consumption by tier was determined, the expenses assigned to commodity-related costs, previously shown in Figure 4, were spread over the expected consumption resulting in the rates shown in **Figure 15**.

**Figure 15. Tiered Rates for FY 2023/24**

Source of Supply	Supply Costs Allocated to Residential Tiered Rates	Source of Supply Costs	Other Costs Allocated to Vol. Rates	Total Costs Allocated	FY 2020/21 Consumption	Residential Rates (\$/HCF)
Residential Tiered Rate Costs	(1)	(2)	(3)	(4)	(5)	(6)
Tier 1 - SWP & Vallejo Raw Water	79.5%	\$ 565,431	\$ 1,716,250	\$ 2,281,681	322,836	<b>\$7.07</b>
Tier 2 - Treated Water (Napa & Vallejo)	20.5%	369,096	441,426	810,523	83,035	<b>\$9.76</b>
<b>Total Residential Tiered Rate Costs</b>	<b>100.0%</b>	<b>\$ 934,527</b>	<b>\$ 2,157,676</b>	<b>\$ 3,092,204</b>	<b>405,871</b>	

**Uniform Rates**

Expected consumption in the uniform tier accounts for the remaining amount of supply from all three water sources. **Figure 16** identifies the uniform tier rate per unit of water for all non-residential customers.

**Figure 16. Uniform Tier Rates for FY 2023/24**

Customer Classes	Number of Meters <sup>1</sup>	Water Consumption (hcf/yr) <sup>2</sup>	Total Target Rev. Req't from Vol. Charges	% of Total Rate Revenue	Uniform Commodity Rates (\$/hcf)	Proposed Rate Structure
Residential	4,880	405,871	\$ 3,092,204	30.0%	n/a	2 Tiers
Multi-Family	1,273	71,704	546,290	5.3%	\$7.619	Uniform
Commercial	343	255,046	1,943,118	18.9%	\$7.619	Uniform
Landscape	73	42,526	323,989	3.1%	\$7.619	Uniform
Private Fire Protection	245	18,265	139,154	1.4%	\$7.619	Uniform
Temporary Hydrant Meters	8	6,642	50,606	0.5%	\$7.619	Uniform
Raw Water	3	10,431	79,472	0.8%	\$7.619	Uniform
<b>Total Potable Water</b>	<b>6,825</b>	<b>810,486</b>	<b>\$ 6,174,833</b>	<b>60%</b>		

1. Consumption data is based on the City of American Canyon's billing data.

2. Water consumption is actual consumption for FY 2021/22 and includes an adjustment of 20% for conservation. See Table 28.

The rate for each unit of water is determined by dividing costs to recover, or total target revenue requirements, per tier by the estimated consumption. The tiered rates per HCF are identified as follows:

- **Residential Tier 1** is equal to the costs for water from the SWP and the raw water from the City of Vallejo.
- **Residential Tier 2** is equal to the treated water costs for the cities of Napa and Vallejo.
- **Uniform Tier** is equal to all remaining water supply costs not allocated to residential customers from SWP and the cities of Napa and Vallejo.

In addition to developing the uniform volumetric rates shown in Figure 16, the City Council requested an alternative analysis that was based on the City's current volumetric water rate increased by three percent a year, with the fixed charges remaining as proposed. This analysis compared the revenue generated from the cost of service volumetric rates with the rates generated using three percent escalation. **Figure 17** compares the revenue generation from the two approaches.

**Figure 17. Variable Revenue Comparison**

<b>ALTERNATIVE 1 (COSA)</b>					
Customer Class	COSA Revenue				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
Residential					
Tier 1 - SWP & Vallejo Raw Water	\$ 2,459,588	\$ 2,487,033	\$ 2,710,866	\$ 2,819,300	\$ 2,903,879
Tier 2 - Treated Water (Napa & Vallejo)	632,616	883,470	962,982	1,001,501	1,031,546
Multi-Family	546,290	595,456	649,047	675,009	695,259
Commercial	1,943,118	2,117,998	2,308,618	2,400,963	2,472,992
Landscape	323,989	353,148	384,931	400,329	412,339
Private Fire Protection	139,154	151,678	165,329	171,942	177,100
Temporary Hydrant Meters	50,606	55,161	60,125	62,530	64,406
Raw Water	79,472	86,624	94,421	98,198	101,143
<b>Total</b>	<b>\$ 6,174,833</b>	<b>\$ 6,730,567</b>	<b>\$ 7,336,319</b>	<b>\$ 7,629,771</b>	<b>\$ 7,858,664</b>
<b>ALTERNATIVE 2 - INCREASE CURRENT VARIABLE RATES BY 3% ANNUALLY</b>					
Customer Class	COSA Revenue				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
Residential					
Tier 1 - SWP & Vallejo Raw Water	\$ 2,507,212	\$ 2,582,428	\$ 2,659,901	\$ 2,739,698	\$ 2,821,889
Tier 2 - Treated Water (Napa & Vallejo)	697,036	717,947	739,485	761,670	784,520
Multi-Family	570,162	587,266	604,884	623,031	641,722
Commercial	2,028,027	2,088,868	2,151,534	2,216,080	2,282,562
Landscape	338,147	348,291	358,740	369,502	380,587
Private Fire Protection	72,617	74,796	77,040	79,351	81,731
Temporary Hydrant Meters	52,818	54,402	56,034	57,715	59,447
Raw Water	36,960	38,069	39,211	40,387	41,599
<b>Total</b>	<b>\$ 6,302,977</b>	<b>\$ 6,492,067</b>	<b>\$ 6,686,829</b>	<b>\$ 6,887,434</b>	<b>\$ 7,094,057</b>
<b>Difference</b>	<b>\$ (128,145)</b>	<b>\$ 238,501</b>	<b>\$ 649,490</b>	<b>\$ 742,338</b>	<b>\$ 764,608</b>

## 2.6 Proposed Water Rates

Currently, all customers are subject to a fixed service charge that varies by meter size and volumetric rates based on consumption for the various customer classes. The cost-of-service analysis (COSA) by nature “re-balances” how costs are allocated between customer classes and, as a result, there are uneven adjustments in the first year of the 5-year rate adoption period. In contrast, in the subsequent four years of the rate planning period, proposed charges are simply adjusted by the proposed adjustment in total rate revenue needed to meet projected revenue requirements.

The following figures provide a comparison of the current and proposed water rates for FY 2023/24 through 2027/28 for each customer class and meter size. Projected rates for FY 2023/24<sup>13</sup> reflect adjustments based on the COSA. More detailed tables on the development of the proposed water rates are documented in *Appendix A*.

<sup>13</sup> All rate adjustments are scheduled to be effective on January 1<sup>st</sup> except Year 1 which will be implemented on April 1, 2024.

**Figure 18. Current and Proposed Water Rates - Fixed Charges**

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
<b>Residential Use</b>						
< 1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$26.56	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$26.56	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$26.56	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$26.56	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$26.56	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$26.56	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Multi-Family, Commercial and Landscape</b>						
< 1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter (Residential)	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter (Commercial)	\$44.42	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$88.75	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$141.99	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$283.98	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$443.74	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$887.48	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$1,420.06	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Private Fire Protection</b>						
< 1" meter	\$13.28	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$13.28	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$13.28	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$13.28	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$13.28	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$13.28	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$13.28	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$13.28	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Temporary Hydrant Meters</b>						
< 1" meter	\$283.98	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$283.98	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$283.98	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$283.98	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$283.98	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$283.98	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$283.98	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$283.98	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Raw Water</b>						
< 1" meter	<i>n/a</i>	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$44.42	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	<i>n/a</i>	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$141.99	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	<i>n/a</i>	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$443.74	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$887.48	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	<i>n/a</i>	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65

**Figure 19. Current and Proposed Water Rates - Variable Rates (COSA)**

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Variable Rates for All Water Consumed (in \$/hcf)</b>						
<b>Residential Use</b>						
Tier 1 (0 - 6 units)	\$7.54	\$7.07	\$7.70	\$8.40	\$8.73	\$8.99
Tier 2 (> 6 units)	\$8.15	\$9.76	\$10.64	\$11.60	\$12.06	\$12.42
<b>Multi-Family, Commercial and Landscape</b>	\$7.72	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Private Fire Protection</b>	\$3.86	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Temporary Hydrant Meters</b>	\$7.72	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Raw Water</b>	\$3.44	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70

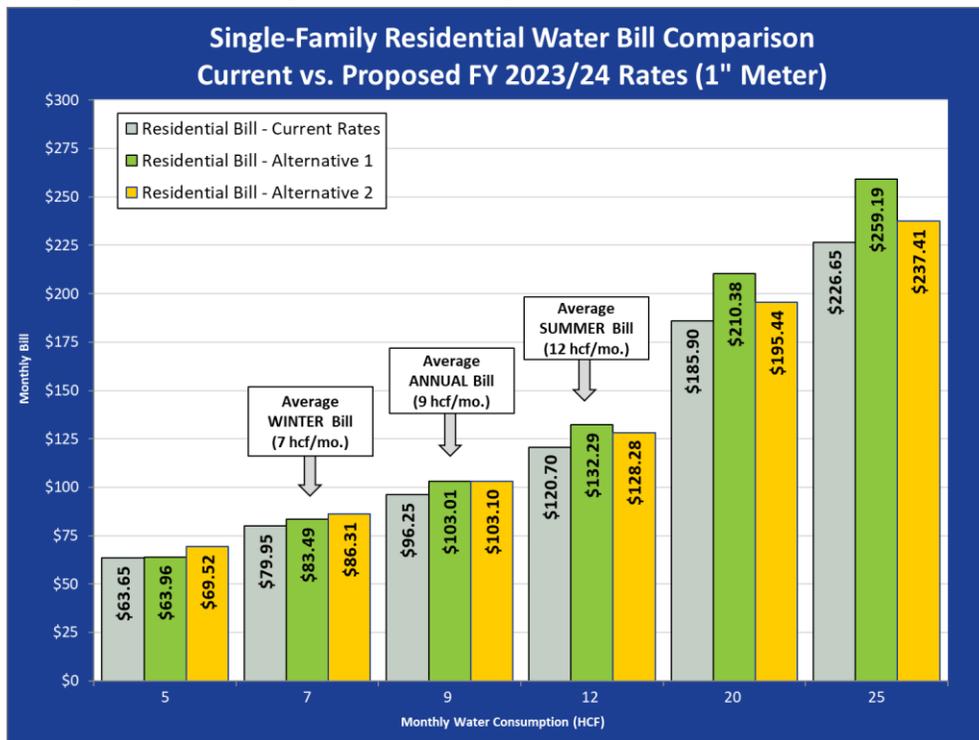
**Figure 20. Current and Proposed Water Rates - Variable Rates (Alternative 2)**

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Variable Rates for All Water Consumed (in \$/hcf)</b>						
<b>Residential Use</b>						
Tier 1 (0 - 6 units)	\$7.54	\$7.77	\$8.00	\$8.24	\$8.49	\$8.74
Tier 2 (> 6 units)	\$8.15	\$8.39	\$8.65	\$8.91	\$9.17	\$9.45
<b>Multi-Family, Commercial and Landscape</b>	\$7.72	\$7.95	\$8.19	\$8.44	\$8.69	\$8.95
<b>Private Fire Protection</b>	\$3.86	\$3.98	\$4.10	\$4.22	\$4.34	\$4.47
<b>Temporary Hydrant Meters</b>	\$7.72	\$7.95	\$8.19	\$8.44	\$8.69	\$8.95
<b>Raw Water</b>	\$3.44	\$3.54	\$3.65	\$3.76	\$3.87	\$3.99

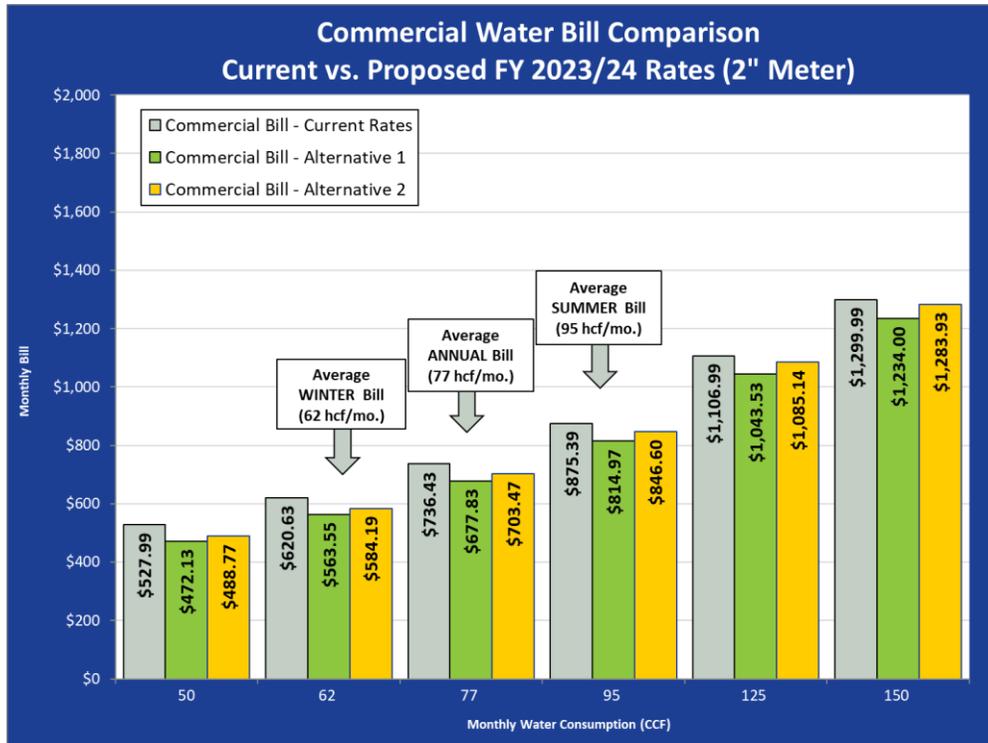
## 2.7 Comparison of Current and Proposed Water Bills

Figure 21 and Figure 22 compare a range of monthly water bills under the current and proposed water rates for residential and commercial customers. These monthly bills are based on typical meter sizes and highlight the average consumption levels for each customer.

**Figure 21. Monthly Water Bill Comparison for Residential Customers**



**Figure 22. Monthly Water Bill Comparison for Commercial Customers**



## 2.8 Drought Rates

The City is obligated to meet its annual net revenue requirements to keep the utility operating and functional regardless of whether consumption levels decline due to conservation or other unexpected events (e.g., unseasonal weather, natural disasters, etc.). At the request of the City, drought rates have been developed so that if total consumption should decrease further due to an increase in conservation required by the state, another regulatory agency, or if the City Council declares that it is in more severe drought stages, the City’s water utility would still be kept whole, financially. In the event that consumption decreases beyond projected baseline consumption levels, some costs will also decrease, and the proposed drought rates have taken this reduced revenue need into consideration.<sup>14</sup>

**Figure 23** shows the expenses directly impacted by conservation over the next five years. Because these expenses are a significant portion of the City’s budget, drought rates will offset the loss of variable revenue, if needed and implemented by the City in different stages of drought severity.

**Figure 23. Expenses Directly Impacted by Conservation**

Description	Commodity-Related Costs				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
City of Napa	\$ 278,000	\$ 283,560	\$ 289,231	\$ 295,016	\$ 300,916
North Bay Aqueduct	3,203,000	3,267,060	3,332,401	3,399,049	3,467,030
City of Vallejo	121,218	123,642	126,115	128,638	131,210
<b>Total:</b>	<b>\$ 3,602,218</b>	<b>\$ 3,674,262</b>	<b>\$ 3,747,748</b>	<b>\$ 3,822,703</b>	<b>\$ 3,899,157</b>

<sup>14</sup> Details regarding the calculation of the drought rates can be found in *Appendix A*.

**Figure 24** shows the calculation of the updated commodity costs for each percentage of conservation the City is looking to achieve with the drought rates for FY 2023/24. **Figure 25** presents the proposed drought surcharge that would replace the uniform volumetric rate (shown in Figures 19 and 20) at each stage of conservation through FY 2027/28.

The projected monthly revenues should be based on the FY 2020/21 monthly consumption levels adjusted for conservation and the volumetric rate. Key aspects of the drought rates include:

- The drought surcharge was developed using water usage for FY 2020/21, the same assumption used in the proposed volumetric rates.
- The City Council must activate the drought rate surcharge. If the surcharge is activated, it will remain in effect as necessary and will be reviewed by the City Council at a minimum of every six (6) months for determination of necessity until the surcharge is deactivated.
- The drought rate surcharge is added to the uniform volumetric rate on a per unit basis to cover the cost of water service during times of mandated conservation and/or extreme water supply shortage.

**Figure 24. Projected Consumption at Baseline and Each Successive Drought Stage**

2021/22 Consumption Assumptions <sup>1</sup>					
Shortage Level	Percent Shortage Range	Shortage Response Action	Potable Water Consumption (AF/yr.)	Potable Water Consumption (hcf/yr.)	Difference to Baseline (hcf)
<b>Baseline Consumption<sup>2</sup></b>			<b>1,861</b>	<b>810,486</b>	<b>0</b>
1	Up to 10%	Voluntary Conservation	1,675	729,437	(81,049)
2	Up to 20%	Water Alert	1,488	648,388	(162,097)
3	Up to 30%	Water Emergency	1,302	567,340	(243,146)
4	Up to 40%	Critical Water Emergency	1,116	486,291	(324,194)
5	Up to 50%	Severe Water Emergency	930	405,243	(405,243)
6	>50%	Catastrophic Interruption of Water Supplies	744	324,194	(486,291)

1. Drought stages based on the City's Water Conservation Plan. Source files: 2\_ Redlines\_Ordinance\_Water\_Conservation\_Plan\_Chapter\_13.14 (4).pdf & 3\_Table\_8-1\_Water\_Shortage\_Contingency\_Plan\_Levels.pdf.

2. This represents the baseline consumption for FY 2021/22 consumption (excludes recycled water). Conservation percentage for each drought stage is relative to the baseline consumption.

**Figure 25. Proposed Drought Surcharges**

Drought Rate Schedule (in \$/hcf)	Current Rates	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
10% Conservation	n/a	\$0.35	\$0.44	\$0.53	\$0.58	\$0.62
20% Conservation	n/a	\$0.79	\$0.98	\$1.19	\$1.30	\$1.39
30% Conservation	n/a	\$1.36	\$1.68	\$2.03	\$2.23	\$2.39
40% Conservation	n/a	\$2.12	\$2.61	\$3.16	\$3.46	\$3.71
50% Conservation	n/a	\$3.17	\$3.92	\$4.75	\$5.20	\$5.57
60% Conservation	n/a	\$4.76	\$5.88	\$7.12	\$7.79	\$8.36

### 3. Recycled Water Rate Study

#### 3.1 Key Recycled Water Rate Study Issues

Recycled water rates face a unique set of challenges in determining what rates should be charged. Regardless of actual system costs, rates cannot exceed what the “market” can bear, or else recycled water customers will likely use alternative sources. This has often resulted in setting these rates arbitrarily low so that they do not exceed the costs of alternative sources (or exceed potable prices). Actual costs are also unclear because typically wastewater customers often benefit from reclaimed water as it tends to reduce wastewater disposal costs.

The primary issues addressed in this study for the recycled water system were: (1) ensuring rates generate a reasonable level of revenue to pay for operating costs of the system, and (2) establishing reasonable rates that are competitive with other sources of irrigation water while ideally recovering basic operating costs. Currently, the City does not have separate fixed charges and volumetric rates for recycled water customers, so NBS worked with City staff to determine the appropriate cost allocations of sewer treatment and distribution costs that recycled water customers should pay. The following sections describe the results of this analysis.

#### 3.2 Recycled Water Utility Revenue Requirements

A cost-of-service analysis was performed, and rates were designed to collect 80% of the rate revenue from variable rates and 20% from fixed rates. Recycled water connections represent about 1.1% of all the City’s meters. **Figure 26** summarizes the sources and uses of funds, net revenue requirements, and the annual percentage adjustments in total rate revenue recommended for the next 5 years, and **Figure 27** summarizes the recycled water revenue requirements for FY 2023/24.

**Figure 26. Summary of Recycled Water Revenue Requirements**

Summary of Sources and Uses of Funds and Net Revenue Requirements	Actuals		5-Year Projected Rate Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Sources of Water Funds</b>							
Rate Revenue Under Prevailing Rates	\$ 151,038	\$ 226,361	\$ 207,000	\$ 210,726	\$ 214,308	\$ 217,952	\$ 221,657
Interest Earnings	4,101	12,392	22,343	2,195	7,873	4,912	2,640
<b>Total Sources of Funds</b>	<b>\$ 155,140</b>	<b>\$ 238,753</b>	<b>\$ 229,343</b>	<b>\$ 212,921</b>	<b>\$ 222,182</b>	<b>\$ 222,864</b>	<b>\$ 224,297</b>
<b>Uses of Water Funds</b>							
Fund 580 - Recycled Water Operations	\$ 272,644	\$ 1,632,152	\$ 893,163	\$ 797,921	\$ 823,477	\$ 849,857	\$ 877,086
Interfund Loan Repayment	-	-	198,566	198,566	267,497	267,497	267,497
Rate-Funded Capital Expenses	-	-	-	-	-	-	-
<b>Total Use of Funds</b>	<b>\$ 272,644</b>	<b>\$ 1,632,152</b>	<b>\$ 1,091,728</b>	<b>\$ 996,487</b>	<b>\$ 1,090,974</b>	<b>\$ 1,117,354</b>	<b>\$ 1,144,583</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (117,504)</b>	<b>\$ (1,393,399)</b>	<b>\$ (862,386)</b>	<b>\$ (783,566)</b>	<b>\$ (868,793)</b>	<b>\$ (894,490)</b>	<b>\$ (920,286)</b>
Additional Revenue from Rate Increases <sup>1</sup>	-	-	129,375	563,692	652,033	728,149	788,637
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (117,504)</b>	<b>\$ (1,393,399)</b>	<b>\$ (733,011)</b>	<b>\$ (219,874)</b>	<b>\$ (216,759)</b>	<b>\$ (166,341)</b>	<b>\$ (131,650)</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>250.00%</b>	<b>10.00%</b>	<b>10.00%</b>	<b>5.00%</b>	<b>5.00%</b>
<i>Cumulative Rate Increases</i>	<i>0.00%</i>	<i>0.00%</i>	<i>250.00%</i>	<i>285.00%</i>	<i>323.50%</i>	<i>344.68%</i>	<i>366.91%</i>
<b>Net Revenue Requirement<sup>2</sup></b>	<b>\$ 268,543</b>	<b>\$ 1,619,760</b>	<b>\$ 1,069,386</b>	<b>\$ 994,292</b>	<b>\$ 1,083,101</b>	<b>\$ 1,112,441</b>	<b>\$ 1,141,943</b>

1. Assumes new rates are implemented April 1, 2024.  
 2. Total use of funds less interest earnings.

**Figure 27. Summary of Recycled Water Revenue Requirements for FY 2023/24**

Recycled Water Classification Components	Cost-of-Service Net Revenue Requirements (2023/24)	
Variable (Collected from Vol. Rates)	\$ 855,509	80%
Fixed (Collected from Fixed Charges)	213,877	20%
<b>Net Revenue Requirement</b>	<b>\$ 1,069,386</b>	<b>100%</b>

### 3.3 Proposed Recycled Water Rates

#### Fixed Charges

Fixed charges have been calculated in the same manner as potable water fixed charges. **Figure 28** shows the calculation of the monthly fixed meter charges. In total, the fixed and variable charges collect the target revenue from recycled water customers as shown previously in Figure 27.

**Figure 28. Recycled Water Fixed Rate Calculation**

Number of RW Meters by Class and Size <sup>1</sup>	FY 2023/24								Total
	< 1" meter	1" meter	1 1/2"	2" meter	3" meter	4" meter	6" meter	8" meter	
<b>Recycled Water</b>									
Recycled Water	2	13	14	28	13	6	0	0	76
<b>Total Meters/Accounts</b>	<b>2</b>	<b>13</b>	<b>14</b>	<b>28</b>	<b>13</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>76</b>
<i>Hydraulic Capacity Factor<sup>2</sup></i>	1.00	1.67	3.33	5.33	10.67	16.67	33.33	53.33	
<b>Total Equivalent Meters</b>	<b>2</b>	<b>22</b>	<b>47</b>	<b>149</b>	<b>139</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>458</b>
<b>Monthly Fixed Service Charges</b>									
Fixed Charge (\$/EM/month) <sup>3</sup>	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	
<b>Fixed Monthly Charge</b>	<b>\$38.89</b>	<b>\$64.81</b>	<b>\$129.62</b>	<b>\$207.40</b>	<b>\$414.79</b>	<b>\$648.11</b>	<b>\$1,296.23</b>	<b>\$2,073.96</b>	
<b>Annual Fixed Costs Allocated to Monthly Meter Charges</b>									
<b>Total Revenue from RW Meter Charges</b>	<b>\$ 933</b>	<b>\$ 10,111</b>	<b>\$ 21,777</b>	<b>\$ 69,685</b>	<b>\$ 64,708</b>	<b>\$ 46,664</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 213,877</b>

1. Meter by Class and Size are based on June 2022 customer billing data.

2. Source: *Principles of Water Rates, Fees, and Charges*, Manual M1, AWWA, Table B-1.

3. Cost per month per equivalent meter. Monthly fixed charges are set for each meter size using the hydraulic capacity factors and total equivalent meters.

Given the amount of consumption relative to the number of meters in the recycled water system, it is expected that 80% of the rate revenue will be collected from the variable charge. **Figure 29** calculates the volumetric rate per HCF and the fixed monthly charge per equivalent meter (monthly fixed charges will be based on meter size).

**Figure 29. Recycled Water Variable Rate Calculation**

Recycled Water Customers	Cost Allocation Factors			Cost Classifications			RW Volumetric Rate (\$/hcf) <sup>5</sup>	RW Fixed Charges (\$/Eq. Meter/Month) <sup>6</sup>
	Annual RW Consumption <sup>1</sup>	Equivalent Meters <sup>2</sup>		Variable Costs <sup>3</sup>	Fixed Costs <sup>4</sup>	Net Revenue Req'ts		
		No. of Equiv. Meters	% of Equiv. Meters					
<b>Recycled Water</b>								
Recycled Water	272,268	458	100.0%	\$ 855,509	\$ 213,877	\$ 1,069,386	\$3.14	\$38.89
<b>Total Net Revenue Requirement</b>	<b>272,268</b>	<b>458</b>	<b>100.0%</b>	<b>\$ 855,509</b>	<b>\$ 213,877</b>	<b>\$ 1,069,386</b>	<b>--</b>	<b>--</b>

1. Source file: 2020 Urban Water Management Plan, Figure 6.4.

2. Number of meters by size times the hydraulic capacity factor for each meter size. Source: AWWA, Manual M1, Table B-1 & AWWA, Manual M6, Table 5-3.

3. Total Variable Costs times the proportional share of annual RW consumption.

4. Fixed costs times the percent of equivalent meters.

5. Total Variable Costs divided by Total Annual RW Consumption.

6. Total Fixed Costs divided by total Equivalent Meters. This provides the basis for monthly fixed charges for each meter size.

### 3.4 Current vs. Proposed Recycled Water Rates

Using the same hydraulic capacity factors listed in Figure 9, monthly fixed charges were developed for each meter size. **Figure 30** shows the current and proposed recycled water rates for FY 2023/24 through FY

2027/28. The self-haul rate was based on the current self-rate, then escalated at the same rate as the delivered recycled water.

**Figure 30. Current and Proposed Recycled Water Rates**

Recycled Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
< 1" meter	\$26.56	\$38.89	\$42.78	\$47.05	\$49.41	\$51.88
1" meter	\$44.42	\$64.81	\$71.29	\$78.42	\$82.34	\$86.46
1 1/2" meter	\$88.75	\$129.62	\$142.58	\$156.84	\$164.69	\$172.92
2" meter	\$141.99	\$207.40	\$228.14	\$250.95	\$263.50	\$276.67
3" meter	\$283.98	\$414.79	\$456.27	\$501.90	\$526.99	\$553.34
4" meter	\$443.74	\$648.11	\$712.92	\$784.22	\$823.43	\$864.60
6" meter	\$887.48	\$1,296.23	\$1,425.85	\$1,568.43	\$1,646.85	\$1,729.20
8" meter	\$1,420.06	\$2,073.96	\$2,281.36	\$2,509.49	\$2,634.97	\$2,766.71
<b>Commodity Charges for All Water Consumed (in \$/hcf)</b>						
Variable Charge	\$0.90	\$3.14	\$3.46	\$3.80	\$3.99	\$4.19
Variable Charge - Self-Haul	n/a	\$1.88	\$2.07	\$2.28	\$2.39	\$2.51

## 4. Sewer Rate Study

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### 4.1 Key Sewer Rate Study Issues

The City manages a wastewater system for approximately 6,150 customers within its service area. The City owns and operates the American Canyon Water Reclamation Facility (WRF) that collects and treats wastewater for both domestic and industrial customers. The City's wastewater rate analysis was undertaken with a few specific objectives, including:

- Ensure equity among customer classes by collecting rate revenue through the cost-of-service process based on both fixed monthly charges and volumetric rates.
- Maintain adequate reserve levels to ensure continuity in operations.
- Provide greater revenue stability for the utility, due to the level of capital investment planned over the next five years.
- Comply with Prop 218 requirements to ensure cost-of-service are properly allocated amongst user classifications.

### 4.2 Financial Plan

Similar to the water utility, it is important for the wastewater utility to ensure rates provide sufficient funding to cover operating and maintenance costs, planned capital expenditures, and maintain reasonable reserves. The wastewater utility's rate increases are governed by these needs, and the current state of City's wastewater utility is as follows:

- **Meeting Net Revenue Requirements:** For FY 2023/24 through FY 2027/28, the projected net revenue requirements (that is, total operating expenses plus rate-funded capital costs less non-rate revenues) for the City averages approximately \$8.5 million, annually. If no rate adjustments are implemented, the City is projected to average a \$3.3 million deficit each year.
- **Maintaining Reserve Funds:** Reserve funds provide a basis for a utility to cope with fiscal emergencies such as revenue shortfalls, asset failure, and natural disasters, among other events. Reserve policies provide guidelines for sound financial management, with an overall long-range perspective to maintain financial solvency and mitigate financial risks associated with revenue instability, volatile capital costs, and emergencies. NBS recommends that the City target a minimum of approximately \$2.9 million in unrestricted reserve funds over the 5-year period. The reserve funds for the sewer utility are considered unrestricted reserves and consist of the following:
  - **Operating Reserve** should equal approximately 90 days of operating expenses, or approximately \$1.8 million annually. An operating reserve is intended to promote financial viability in the event of any short-term fluctuation in revenues and/or expenditures. Fluctuations in revenue can be caused by weather patterns, the natural inflow and outflow of cash during billing cycles, natural variability in demand-based revenue streams (such as volumetric charges), and – particularly in periods of economic distress – changes or trends in age of receivables.

- **Capital Rehabilitation & Replacement Reserve** should equal approximately 3% of net capital assets which is approximately \$936,000 in FY 2023/24. This reserve is set aside to address long-term capital system replacement and rehabilitation needs.

Rate revenue increases will be needed throughout the 5-year rate adoption period in order to fully fund all operating expenses and planned capital projects as well as maintain reserves at the recommended targets.

**Figure 31** summarizes the sources and uses of funds, net revenue requirements, and the recommended annual increases in wastewater rate revenue proposed for the next 5 years.

**Figure 31. Summary of Wastewater Revenue Requirements**

Summary of Sources and Uses of Funds and Net Revenue Requirements	Actuals		5-Year Projected Rate Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Sources of Sewer Funds</b>							
Rate Revenue Under Prevailing Rates <sup>1</sup>	\$ 4,824,937	\$ 4,940,178	\$ 5,042,690	\$ 5,128,416	\$ 5,215,599	\$ 5,304,264	\$ 5,394,436
Additional Revenue from Rate Increases <sup>2</sup>	-	-	630,336	1,923,156	3,077,203	4,141,569	4,755,735
<b>Total: Rate Revenue</b>	<b>4,824,937</b>	<b>4,940,178</b>	<b>5,673,026</b>	<b>7,051,572</b>	<b>8,292,802</b>	<b>9,445,833</b>	<b>10,150,172</b>
Interest Earnings	28,277	166,693	120,000	22,911	22,211	24,657	21,576
<b>Total: Sources of Funds</b>	<b>\$ 4,853,213</b>	<b>\$ 5,106,871</b>	<b>\$ 5,793,026</b>	<b>\$ 7,074,483</b>	<b>\$ 8,315,013</b>	<b>\$ 9,470,491</b>	<b>\$10,171,748</b>
<b>Uses of Sewer Funds</b>							
Operating Expenses	\$ 5,819,790	\$ 2,105,714	\$ 6,260,396	\$ 6,503,425	\$ 6,723,889	\$ 9,410,800	\$ 7,188,544
Rate-Funded Capital Expenses	345,549	3,201,161	2,573,447	197,942	1,111,368	14,992	2,230,867
<b>Total: Use of Funds</b>	<b>\$ 6,165,340</b>	<b>\$ 5,306,875</b>	<b>\$ 8,833,843</b>	<b>\$ 6,701,367</b>	<b>\$ 7,835,256</b>	<b>\$ 9,425,791</b>	<b>\$ 9,419,410</b>
<b>Projected Increases in Rate Revenue</b>	<b>0.00%</b>	<b>0.00%</b>	<b>25.00%</b>	<b>20.00%</b>	<b>12.00%</b>	<b>12.00%</b>	<b>0.00%</b>
<b>Cumulative Rate Increases</b>	<b>0.00%</b>	<b>0.00%</b>	<b>25.00%</b>	<b>50.00%</b>	<b>68.00%</b>	<b>88.16%</b>	<b>88.16%</b>
<b>Net Revenue Requirement<sup>3</sup></b>	<b>\$ 7,169,511</b>	<b>\$ 5,175,276</b>	<b>\$ 8,830,324</b>	<b>\$ 6,802,043</b>	<b>\$ 7,935,240</b>	<b>\$ 9,536,723</b>	<b>\$ 9,541,748</b>

1. Revenue and expenses for FY 2021/22 and FY 2022/23 provided by the City. Source files: 1 - Budget - Wastewater.xlsx, 2022.03.08 Revenue Budget FY 2021-22 Midyear.xlsx & REV\_EXP\_ACTUALS - FY22 and FY23\_NBS.

2. Revenue from rate increases assumes an implementation date of January 1, 2024. For each year thereafter, the assumption is that new rates will be implemented on January 1st of each year.

3. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from sewer rates.

**Figure 32** summarizes the projected reserve fund balances and reserve targets for the sewer utility's unrestricted funds. A more detailed version of the utility's proposed 5-year financial plan is included in *Appendix C*. The appendix tables include revenue requirements, reserve funds, revenue sources, proposed rate increases, and the City's capital improvement program. As Figure 32 shows, given the proposed rate increases, reserves are well over the minimum target balances.

**Figure 32. Summary of Sewer Reserve Funds**

Beginning Reserve Fund Balances and Recommended Reserve Targets	Actuals		5-Year Projected Rate Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Unrestricted Reserves</b>							
<b>Operating Reserve</b>							
Ending Balance	\$ 1,455,000	\$ 2,627,989	\$ 1,677,226	\$ 1,626,000	\$ 1,805,087	\$ 1,579,529	\$ 1,797,000
<i>Recommended Minimum Target</i>	<i>1,455,000</i>	<i>526,000</i>	<i>1,565,000</i>	<i>1,626,000</i>	<i>1,681,000</i>	<i>2,353,000</i>	<i>1,797,000</i>
<b>Capital Rehabilitation &amp; Replacement Reserve</b>							
Ending Balance	\$ 5,016,223	\$ 5,049,669	\$ 882,962	\$ 1,047,302	\$ 1,088,664	\$ 1,088,664	\$ 1,341,869
<i>Recommended Minimum Target</i>	<i>759,000</i>	<i>852,000</i>	<i>936,000</i>	<i>968,000</i>	<i>1,060,000</i>	<i>1,156,000</i>	<i>1,255,000</i>
<b>Total Ending Balance</b>	<b>\$ 6,471,223</b>	<b>\$ 7,677,658</b>	<b>\$ 2,560,188</b>	<b>\$ 2,673,302</b>	<b>\$ 2,893,751</b>	<b>\$ 2,668,194</b>	<b>\$ 3,138,869</b>
<i>Total Recommended Minimum Target</i>	<i>\$ 2,214,000</i>	<i>\$ 1,378,000</i>	<i>\$ 2,501,000</i>	<i>\$ 2,594,000</i>	<i>\$ 2,741,000</i>	<i>\$ 3,509,000</i>	<i>\$ 3,052,000</i>

### 4.3 Cost-of-Service Analysis

Once the net revenue requirements are determined, the cost-of-service analysis (COSA) proportionately distributes the revenue requirements to each of the customer classes. COSA consists of the classification of

expenses and then the allocation of those expenses to customer classes based on allocation factors, such as water consumption and number of equivalent dwelling units (EDUs), or accounts. Ultimately, a COSA is intended to result in rates that are proportional to the cost of providing service to each customer class.

### CLASSIFICATION OF COSTS

As previously noted, costs are classified into the following categories: (1) flow-related costs; (2) strength-related costs (BOD and TSS); and (3) customer-related costs. Most costs are typically allocated to more than one of these categories. The City’s budgeted costs were reviewed and allocated to these basic categories which serve as the basis for calculating the fixed and variable charges. Tables in *Appendix C* show how the City’s expenses were classified and allocated to these cost-causation components.

Based on the City’s projected costs, the COSA resulted in a distribution that is approximately 45% fixed and 55% variable. Currently, the City’s rate structure collects 100% of the rate revenue from fixed charges for residential customers and either fixed or variable rates for commercial customers, depending on which is greater.

**Figure 33** summarizes the allocation of the net revenue requirements to each cost causation component for the proposed rate structure. More detail on the development of the allocation factors that resulted in this summary will be covered in the following section.

**Figure 33. Allocation of Revenue Requirements by Customer Class**

Customer Class	Cost Classification Components				Cost-of-Service Net Revenue	% of COS Net Revenue Reqts.
	Volume	BOD	TSS	Customer		
<b>Net Revenue Requirements<sup>1</sup></b>	<b>\$ 3,487,175</b>	<b>\$ 1,315,190</b>	<b>\$ 1,315,190</b>	<b>\$ 185,808</b>	<b>\$ 6,303,363</b>	<b>--</b>
	55.3%	20.9%	20.9%	2.9%	100.0%	
<b>Residential Customers</b>						
Single Family Residential	\$ 2,337,493	\$ 878,986	\$ 876,669	\$ 142,186	\$ 4,235,335	67.2%
Multi-Family Residential	400,385	150,560	150,163	38,188	739,296	11.7%
<b>All Other Customers</b>						
Commercial	\$ 324,130	\$ 208,946	\$ 208,395	\$ 5,343	\$ 746,815	11.8%
Industrial						
Hess Collection Winery	\$ 24,149	\$ 1,207	\$ 620	\$ 30	\$ 26,006	0.4%
AmCan Beverage (Coca-Cola)	302,695	55,832	52,026	30	410,583	6.5%
Mezzetta Processing Facility	98,322	19,659	27,316	30	145,327	2.3%
<b>Total:</b>	<b>\$ 3,487,175</b>	<b>\$ 1,315,190</b>	<b>\$ 1,315,190</b>	<b>\$ 185,808</b>	<b>\$ 6,303,363</b>	<b>100%</b>

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.

### CHARACTERISTICS OF CUSTOMERS BY CLASS

Customer classes are determined by combining customers with similar demand characteristics and types of use into categories that reflect the cost differentials to serve each type of customer. The most recent water consumption data was used to estimate the amount of flow that each customer class sends to the City’s Water Reclamation Facility (WRF). Volumetric rates for all customer classes were based on the average winter water consumption for the three lowest months of use.<sup>15</sup> For non-residential customers that do not

<sup>15</sup> Lowest consecutive winter months are January through March 2021.

have typical (i.e., residential) effluent strengths, volumetric rates reflect both their estimated flow and the appropriate non-residential effluent strengths.

**Figure 34** shows the development of the flow (or volume) allocation factors by customer class calculated by taking the lowest consecutive 3-month water usage for FY 2020/21 and annualizing the usage per customer class.

**Figure 34. Development of the Flow Allocation Factor**

Customer Class <sup>1</sup>	Design Capacity					Total Annual Volume						
	Flow MGD	BOD mg/l	TSS mg/l	BOD lbs/day	TSS lbs/day	Flow MG	BOD mg/l <sup>2</sup>	BOD lbs	% of Total BOD	TSS mg/l <sup>2</sup>	TSS lbs	% of Total TSS
<b>Residential Customers</b>												
Single Family Residential	0.97	175	175	1,409	1,409	352	n/a	514,224	69.4%	n/a	514,224	69.8%
Multi-Family Residential	0.17	175	175	241	241	60	n/a	88,080	11.9%	n/a	88,080	12.0%
<b>All Other Customers</b>												
Commercial	0.13	300	300	335	335	49	n/a	122,237	16.5%	n/a	122,237	16.6%
Industrial <sup>3</sup>												
Hess Collection Winery	0.01	50	30	4	2	3.64	8.6	260	0.0%	2.3	70	0.0%
AmCan Beverage (Coca-Cola)	0.13	200	220	209	229	45.63	23.1	8,782	1.2%	5.3	1,998	0.3%
Mezzetta Processing Facility	0.04	150	220	51	74	14.82	61.7	7,631	1.0%	81.2	10,035	1.4%
<b>Total:</b>	<b>1.44</b>			<b>2,248</b>	<b>2,291</b>	<b>526</b>		<b>741,214</b>	<b>100.0%</b>		<b>736,644</b>	<b>100.0%</b>

1. Customer data provided by the City for FY 2021/22. Source file: FY 2021-22 Summary by Rate Code - Detailed v2.xlsx.

2. Annual volume and strength factors provided by the City. Source file: SIU 2 year data.xlsx.

3. Flow for industrial customer is based on wastewater flow. Strength factors are based on input from City staff and lower than expected due to customers' pretreatment process. Source file: INF-001 & SIU Flow.xlsx.

### Determining Customer Class Effluent Strengths

Effluent strength factors for each customer class were estimated by using the *Revenue Program Guidelines*<sup>16</sup> issued by the State Water Resources Control Board (SWRCB) as described below:

- Residential customers were assigned BOD and TSS strength factors of 175 mg/l which is within the normal range for residential users.
- Commercial customers were assigned BOD and TSS strength factors of 300 mg/l.

**Figure 35** summarizes the development of the customer allocation factor.

**Figure 35. Development of the Customer Allocation Factor**

Customer Class	Number of Dwelling Units / Accounts <sup>1</sup>	Percent of Total
<b>Residential Customers</b>		
Single Family Residential	4,710	76.5%
Multi-Family Residential	1,265	20.6%
<b>All Other Customers</b>		
Commercial	177	2.9%
Industrial		
Hess Collection Winery	1	0.0%
AmCan Beverage (Coca-Cola)	1	0.0%
Mezzetta Processing Facility	1	0.0%
<b>Total:</b>	<b>6,155</b>	<b>100.0%</b>

1. SFR, MFR, and Industrial customers are based on the number of dwelling units and all other customers are based on the number of accounts.

<sup>16</sup> *Revenue Program Guidelines: Commercial User Strength Characteristics*, State Water Resources Control Board, Appendix G, page G-21. Site: [https://www.waterboards.ca.gov/publications\\_forms/publications/general/docs/srf\\_wastewater\\_facilities\\_b.pdf](https://www.waterboards.ca.gov/publications_forms/publications/general/docs/srf_wastewater_facilities_b.pdf).

## 4.4 Rate Design Analysis

The process of evaluating the sewer rate structure provides the opportunity to incorporate a number of rate-design objectives and policies, including revenue stability, equity among customer classes, and water conservation. The overall objective is to improve the fairness and equity of the rate design and ensure costs were being appropriately collected from each customer class. During the course of the study, NBS discussed several sewer rate alternatives and methodologies with City staff, such as the percentage of revenue collected from fixed vs. variable charges and differentiating rates by customer class. The proposed rates were developed based on input provided by City staff and the City Council.

### FIXED CHARGES

The fixed charge recognizes that the sewer utility incurs fixed costs regardless of whether customers send any wastewater into the City's collection system. There are three factors used to develop the fixed charge: 1) the number of dwelling units for residential customers; 2) the number of accounts for non-residential customers; and 3) the annual revenue requirement. The monthly fixed charge is calculated by taking the 45% fixed charge multiplied by the annual revenue requirement which is then divided by the number of dwelling units for residential customers and accounts for commercial customers and billing periods per year.

### VARIABLE RATES

The variable rates, on the other hand, are calculated by taking the remaining 55% portion of the net revenue requirement in each customer class and dividing it by the estimated effluent volume produced based on annualized average winter water use for both residential and non-residential customer classes.

The proposed sewer rates in this study were developed with the goal of developing a new rate structure that consists of both a fixed and variable rate component based on the number of dwelling units or accounts (for customer-related costs) and the water consumption for all customer classes. **Figure 36** compares the current and proposed rates for FY 2023/24 through FY 2027/28 by customer class. Projected rates for future years, with implementation date of April 1 in Year and then January 1 each year thereafter. These rates reflect adjustments based on the following factors: 1) the cost-of-service analysis, 2) the 45% fixed and 55% variable rate design structure; and 3) the recommended annual percentage increases in rate revenue. More detailed tables on the development of the proposed rates are documented in *Appendix C*.

**Figure 36. Current vs. Proposed Sewer Rates**

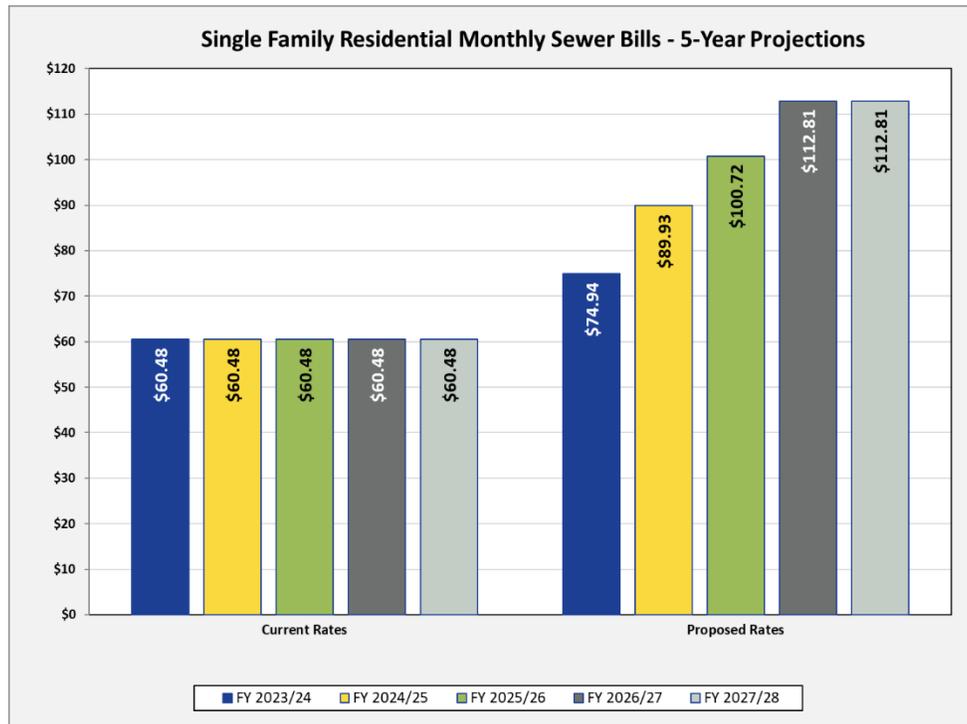
Sewer Rate Schedule <sup>1,2</sup>	Description	Current Rates	Proposed Sewer Rates				
			FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
			25.00%	20.00%	12.00%	12.00%	0.00%
<b>Residential - Monthly Fixed Service Charges</b>							
Single Family Residential	Per Dwelling Unit	\$60.48	\$74.94	\$89.93	\$100.72	\$112.81	\$112.81
Multi-Family Residential	Per Dwelling Unit	\$45.36	\$48.70	\$58.44	\$65.45	\$73.31	\$73.31
<b>Commercial Customers<sup>3</sup></b>							
Monthly Fixed Service Charge	Per Account	\$60.48	\$115.21	\$138.25	\$154.84	\$173.42	\$173.42
Volumetric Rate	Per HCF	\$5.40	\$1.92	\$2.31	\$2.58	\$2.89	\$2.89
<b>Industrial Customers</b>							
Monthly Fixed Administrative Charge	Per Account	n/a	\$2.52	\$3.02	\$3.38	\$3.79	\$3.79
<b>Fixed Charges</b>							
Flow - per HCF per day	Per HCF per day Sewage Flow	n/a	\$517	\$620	\$695	\$778	\$778
BOD - per pound per day	Per pound per day	n/a	\$221	\$266	\$297	\$333	\$333
TSS - per pound per day	Per pound per day	n/a	\$217	\$261	\$292	\$327	\$327
<b>Sewer Use Charges</b>							
Flow - per HCF	Per HCF Sewage Flow	n/a	\$3.54	\$4.24	\$4.75	\$5.32	\$5.32
BOD - per pound	Per pound	n/a	\$1.10	\$1.32	\$1.48	\$1.66	\$1.66
TSS - pound	Per pound	n/a	\$1.11	\$1.33	\$1.49	\$1.67	\$1.67

1. Sewer rates are set according to the average monthly water use for January to March of the previous calendar year. New customers are charged at the average winter water use rate (standard) and adjusted the following year if applicable.
2. The fixed charge includes a monthly customer charge per account.
3. Current rates for commercial customers are charged the higher of the fixed or variable rate. Proposed rates have both a fixed and volumetric charge per commercial customer.

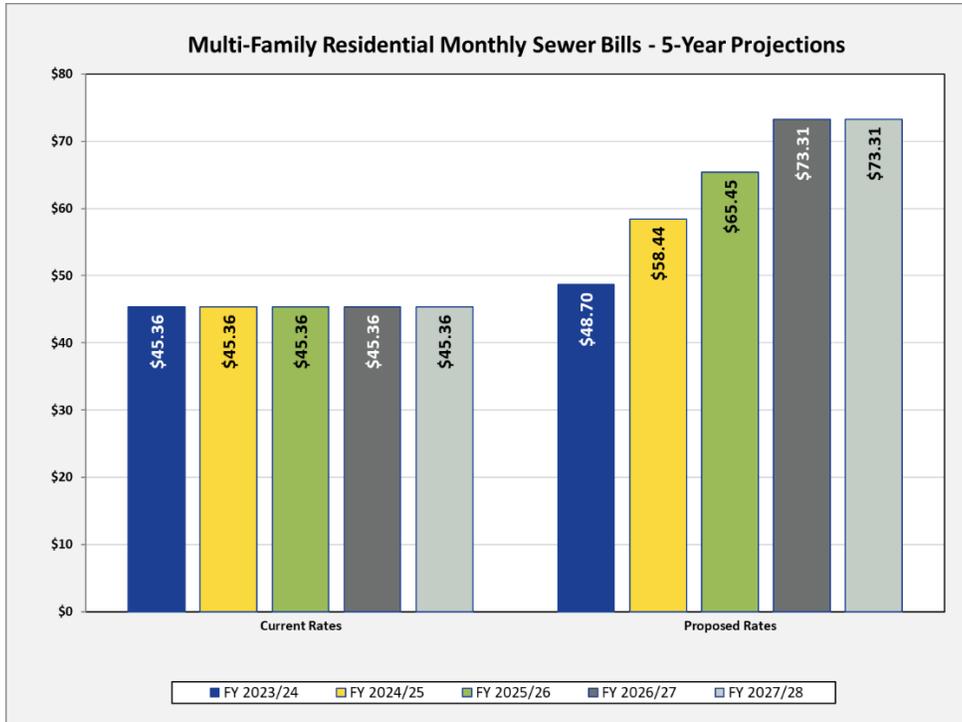
## 4.5 Comparison of Current and Proposed Sewer Bills

The following figures compare monthly sewer bills under current and proposed rates for various customers over the 5-year rate period.

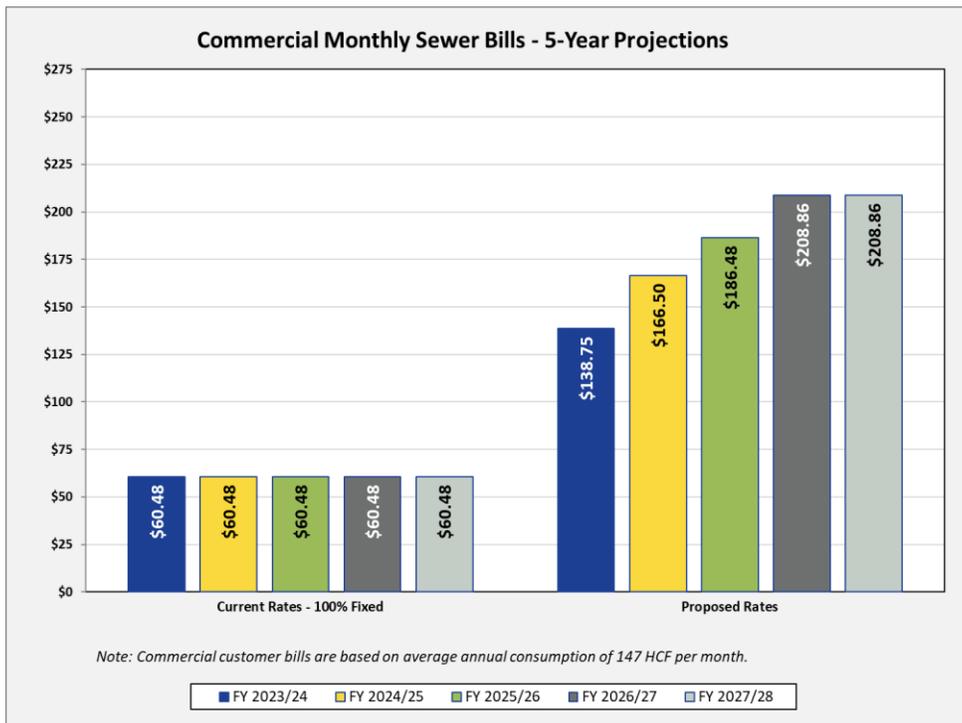
**Figure 37. Single Family Sewer Bill Comparison**



**Figure 38. Multi-Family Residential Sewer Bill Comparison**



**Figure 39. Commercial Sewer Bill Comparison**



## 5. Recommendations and Next Steps

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### 5.1 Consultant Recommendations

NBS recommends the City take the following actions:

- **Approve and Accept this Study:** NBS recommends the City Council formally approve and adopt this Study and its recommendations and proceed with the next steps outlined below to implement the proposed rates. This will provide documentation of the rate study analyses and the basis for analyzing potential changes to future rates.
- **Implement Recommended Levels of Rate Increases and Proposed Rates:** Based on successfully meeting the Proposition 218 procedural requirements, the City should proceed with implementing the 5-year schedule of proposed rates (including drought rates) and rate increases previously shown in Figure 18, Figure 19, Figure 20, Figure 25, Figure 30, and Figure 36. This will help ensure the continued financial health of City's utilities.

### 5.2 Next Steps

**Annually Review Rates and Revenue** – Any time an agency adopts new utility rates or rate structures, those new rates should be closely monitored over the next several years to ensure the revenue generated is sufficient to meet the annual revenue requirements. Changing economic and water consumption patterns underscore the need for this review, as well as potential and unseen changing revenue requirements—particularly those related to environmental regulations that can significantly affect capital improvements and repair and replacement costs.

*Note: The attached Technical Appendices provide more detailed information on the analysis of the financial plan, revenue requirements, cost-of-service, and the rate design analyses that have been summarized in this report.*

### 5.3 NBS' Principal Assumptions and Considerations

In preparing this report and the opinions and recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters, conditions, and events that may occur in the future. This information and these assumptions, including the City's budgets, capital improvement costs, customer accounts and consumption, and information from City staff were provided by sources we believe to be reliable, although NBS has not independently verified this data.

While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report and its recommendations, some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.

# Technical Appendices

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# Appendix A. Water Rate Study Tables and Figures

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TABLE 1: FINANCIAL PLAN AND SUMMARY OF REVENUE REQUIREMENTS

RATE REVENUE REQUIREMENTS SUMMARY	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Sources of Water Funds</b>												
<i>Rate Revenue:</i> <sup>1</sup>												
Water Sales - Meter Use Fees	\$ 8,362,554	\$ 8,485,676	\$ 9,360,200	\$ 9,528,684	\$ 9,690,671	\$ 9,855,413	\$ 10,022,955	\$ 10,193,345	\$ 10,366,632	\$ 10,532,498	\$ 10,701,018	\$ 10,872,234
Water Sales - Metered Water	47,619	58,508	81,440	82,906	84,315	85,749	87,206	88,689	90,197	91,640	93,106	94,596
<i>Non-Rate Revenue:</i>												
Grant - State/Local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings <sup>2</sup>	(212,625)	215,995	275,008	87,285	61,319	56,589	58,325	60,169	56,736	48,854	37,654	23,863
Miscellaneous Revenues	570,024	319,827	359,300	365,767	371,985	378,309	384,740	391,281	397,933	404,300	410,769	417,341
Late Penalties / Interest	93,977	128,487	114,300	116,357	118,335	120,347	122,393	124,474	126,590	128,615	130,673	132,764
Interfund Transfer In (Loan Repayment)	-	-	44,061	44,061	49,482	49,482	49,482	49,482	49,482	49,482	49,482	49,482
<b>Total Sources of Funds</b>	<b>\$ 8,861,548</b>	<b>\$ 9,208,492</b>	<b>\$ 10,234,309</b>	<b>\$ 10,225,060</b>	<b>\$ 10,376,108</b>	<b>\$ 10,545,889</b>	<b>\$ 10,725,101</b>	<b>\$ 10,907,439</b>	<b>\$ 11,087,569</b>	<b>\$ 11,255,388</b>	<b>\$ 11,422,701</b>	<b>\$ 11,590,279</b>
<b>Uses of Water Funds</b>												
<i>Operating Expenses:</i> <sup>1</sup>												
<i>Water Operations:</i>												
560 - Water Treatment Plant	\$ 1,483,133	\$ 1,788,187	\$ 2,088,189	\$ 3,357,121	\$ 2,228,382	\$ 2,302,054	\$ 2,378,221	\$ 2,456,970	\$ 2,538,391	\$ 2,622,580	\$ 2,709,633	\$ 2,799,651
565 - Water Distribution	991,284	1,013,187	1,536,149	1,586,987	1,639,520	1,693,803	1,749,895	1,807,858	1,867,753	1,929,647	1,993,606	2,059,700
50 - Public Works	1,356,080	1,616,039	366,768	378,613	390,854	403,506	416,582	430,096	444,064	458,500	473,420	488,842
Water Purchases	3,380,850	4,035,407	3,602,218	3,674,262	3,747,748	3,822,703	3,899,157	3,977,140	4,056,683	4,137,816	4,220,573	4,304,984
Subtotal: Water Supply & Distribution: Expenses:	\$ 7,211,347	\$ 8,452,821	\$ 7,593,324	\$ 8,996,983	\$ 8,006,504	\$ 8,222,065	\$ 8,443,854	\$ 8,672,063	\$ 8,906,891	\$ 9,148,543	\$ 9,397,232	\$ 9,653,176
<i>Non-Operating Expenses:</i> <sup>3</sup>												
Transfer To General Fund	1,263,894	1,798,674	2,206,123	2,207,963	2,171,674	2,237,313	2,304,938	2,374,610	2,446,390	2,520,343	2,596,533	2,675,030
Subtotal: Non-Operating Expenses:	\$ 1,263,894	\$ 1,798,674	\$ 2,206,123	\$ 2,207,963	\$ 2,171,674	\$ 2,237,313	\$ 2,304,938	\$ 2,374,610	\$ 2,446,390	\$ 2,520,343	\$ 2,596,533	\$ 2,675,030
<i>Other Expenditures:</i>												
Existing Debt Service	\$ 523,735	\$ 744,109	\$ 820,140	\$ 823,637	\$ 1,468,278	\$ 2,523,408	\$ 3,014,261	\$ 3,269,396	\$ 3,287,122	\$ 3,227,021	\$ 3,128,082	\$ 103,586
New Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Rate-Funded Capital Expenses	251,795	2,790,541	4,566,877	1,523,075	1,565,040	754,328	665,707	952,128	1,201,396	1,421,386	1,618,317	1,797,260
Subtotal: Other Expenditures	\$ 775,530	\$ 3,534,650	\$ 5,387,017	\$ 2,346,712	\$ 3,033,319	\$ 3,277,736	\$ 3,679,968	\$ 4,221,524	\$ 4,488,517	\$ 4,648,407	\$ 4,746,399	\$ 1,900,846
<b>Total Uses of Water Funds</b>	<b>\$ 9,250,771</b>	<b>\$ 13,786,145</b>	<b>\$ 15,186,464</b>	<b>\$ 13,551,658</b>	<b>\$ 13,211,497</b>	<b>\$ 13,737,114</b>	<b>\$ 14,428,761</b>	<b>\$ 15,268,197</b>	<b>\$ 15,841,798</b>	<b>\$ 16,317,293</b>	<b>\$ 16,740,164</b>	<b>\$ 14,229,052</b>
<i>plus: Revenue from Rate Increases</i> <sup>4</sup>	-	-	212,437	1,336,492	2,361,290	3,190,413	3,710,759	3,981,564	4,049,251	4,114,039	4,179,863	4,246,741
<b>Annual Surplus/(Deficit)</b>	<b>\$ (389,223)</b>	<b>\$ (4,577,653)</b>	<b>\$ (4,739,718)</b>	<b>\$ (1,990,107)</b>	<b>\$ (474,099)</b>	<b>\$ (813)</b>	<b>\$ 7,099</b>	<b>\$ (379,194)</b>	<b>\$ (704,979)</b>	<b>\$ (947,866)</b>	<b>\$ (1,137,600)</b>	<b>\$ 1,607,968</b>
<b>Net Revenue Req't. (Total Uses less Non-Rate Revenue)</b>	<b>\$ 8,799,395</b>	<b>\$ 13,121,837</b>	<b>\$ 14,393,795</b>	<b>\$ 12,938,188</b>	<b>\$ 12,610,375</b>	<b>\$ 13,132,387</b>	<b>\$ 13,813,821</b>	<b>\$ 14,642,792</b>	<b>\$ 15,211,058</b>	<b>\$ 15,686,042</b>	<b>\$ 16,111,587</b>	<b>\$ 13,605,603</b>
<b>Total Rate Revenue After Rate Increases</b>	<b>\$ 8,410,172</b>	<b>\$ 8,544,184</b>	<b>\$ 10,291,388</b>	<b>\$ 11,419,530</b>	<b>\$ 12,658,891</b>	<b>\$ 13,389,056</b>	<b>\$ 14,025,170</b>	<b>\$ 14,263,598</b>	<b>\$ 14,506,079</b>	<b>\$ 14,738,176</b>	<b>\$ 14,973,987</b>	<b>\$ 15,213,571</b>
<b>Projected Annual Rate Revenue Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.00%</b>	<b>9.00%</b>	<b>9.00%</b>	<b>4.00%</b>	<b>3.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Cumulative Increase from Annual Revenue Increases</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.00%</b>	<b>18.81%</b>	<b>29.50%</b>	<b>34.68%</b>	<b>38.72%</b>	<b>38.72%</b>	<b>38.72%</b>	<b>38.72%</b>	<b>38.72%</b>	<b>38.72%</b>
<b>Debt Coverage After Rate Increase</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

1. Revenue and expenses for FY 2021/22 through FY 2023/24 provided by the City. Revenues and expenses for all other years are escalated based on the forecasting assumptions located in Table 10. Source files: Fund 510 Water Operations.xlsx, FY2023-24 Exp Budget Water.xlsx, and Fund 510 - 580 FY 23-24 Budget Status as of 09-19-2023.xlsx.

2. Interest earnings for FY 2021/22 and FY 2022/23 are from the City's Budget. For all other years, it is calculated based on historical LAIF returns.

3. These expenses are from source file: 1 - Budget - Water.xlsx.

4. Revenue from rate increases assumes an implementation date of April 1, 2024 for new rates. For each year thereafter, the assumption is that new rates will be implemented on January 1st of each year.

CITY OF AMERICAN CANYON  
WATER RATE STUDY  
Financial Plan and Reserve Projections

1	<-- Select Financial Plan Scenario Here												
Financial Plan Alternatives		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
1	Alternative 1 - Full Cost Recovery Rate Increases <sup>1</sup>	0.00%	0.00%	9.00%	9.00%	9.00%	4.00%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	Alternative 2 - Phased-in Rate Increases <sup>2</sup>	0.00%	0.00%	7.00%	7.00%	7.00%	7.00%	6.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Alternative 3 - Minimal Rate Increases <sup>3</sup>	0.00%	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4	Alternative 4 - No Rate Increases	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

- Alternative 1: Scenario 1 - Rates needed to meet all revenue requirements and meet the target reserve levels (Large increase followed by smaller increases).
- Alternative 2: Scenario 2 - Large increases phased in over two years, followed by smaller increases (Reserves drop below target level).
- Alternative 3: Scenario 3 - Smaller increases (Reserves drop below target level).

TABLE 2 : RESERVE FUND SUMMARY

SUMMARY OF CASH ACTIVITY	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Unrestricted Reserve:</b>												
<b>Total Beginning Cash<sup>1</sup></b>	\$ 3,670,141	\$ 13,667,530	\$ 10,874,673									
<b>Operating Reserve</b>												
Beginning Reserve Balance	\$ 3,634,570	\$ 13,667,530	\$ 10,874,673	\$ 4,142,536	\$ 2,278,487	\$ 1,930,446	\$ 2,055,691	\$ 2,188,848	\$ 1,935,712	\$ 1,356,792	\$ 534,984	\$ (476,558)
Plus: Net Cash Flow (After Rate Increases)	(389,223)	(4,577,653)	(4,739,718)	(1,990,107)	(474,099)	(813)	7,099	(379,194)	(704,979)	(947,866)	(1,137,600)	1,607,968
Plus: Transfer in of Debt Reserve Surplus	-	-	-	-	-	-	-	-	-	-	-	-
Plus: Transfer in from Capital and Infrastructure Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Plus: Transfer in from Capacity Fee Reserve (Interfund Loan)	-	126,058	126,058	126,058	126,058	126,058	126,058	126,058	126,058	126,058	126,058	-
Less: Transfer out to Capital and Infrastructure Reserve	-	(3,488,438)	(2,118,478)	-	-	-	-	-	-	-	-	-
<b>Ending Operating Reserve Balance</b>	\$ 3,245,347	\$ 5,727,496	\$ 4,142,536	\$ 2,278,487	\$ 1,930,446	\$ 2,055,691	\$ 2,188,848	\$ 1,935,712	\$ 1,356,792	\$ 534,984	\$ (476,558)	\$ 1,131,410
<b>Target Ending Balance (90-days of O&amp;M)<sup>2</sup></b>	\$ 1,803,000	\$ 2,113,000	\$ 1,898,000	\$ 2,249,000	\$ 2,002,000	\$ 2,056,000	\$ 2,111,000	\$ 2,168,000	\$ 2,227,000	\$ 2,287,000	\$ 2,349,000	\$ 2,413,000
<b>Capital Rehabilitation &amp; Replacement Reserve</b>												
Beginning Reserve Balance	\$ 35,571	\$ -	\$ -	\$ 2,118,478	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900
Plus: Grant Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Plus: Transfer of Operating Reserve Surplus	-	3,488,438	2,118,478	-	-	-	-	-	-	-	-	-
Less: Transfer out to Operating Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Less: Use of Reserves for Capital Projects	-	-	-	(38,578)	-	-	-	-	-	-	-	-
<b>Ending Capital and Infrastructure Reserve Balance</b>	\$ 35,571	\$ 3,488,438	\$ 2,118,478	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900	\$ 2,079,900
<b>Target Ending Balance (3% of net assets)<sup>3</sup></b>	\$ 1,420,700	\$ 1,548,600	\$ 1,870,900	\$ 2,079,900	\$ 2,260,500	\$ 2,370,700	\$ 2,458,100	\$ 2,548,200	\$ 2,641,000	\$ 2,736,700	\$ 2,835,300	\$ 2,937,000
<b>Ending Balance - Excl. Restricted Reserves</b>	\$ 3,280,918	\$ 9,215,935	\$ 6,261,013	\$ 4,358,387	\$ 4,010,346	\$ 4,135,591	\$ 4,268,748	\$ 4,015,612	\$ 3,436,692	\$ 2,614,884	\$ 1,603,342	\$ 3,211,310
<b>Min. Target Ending Balance - Excl. Restricted Reserves</b>	\$ 3,223,700	\$ 3,661,600	\$ 3,768,900	\$ 4,328,900	\$ 4,262,500	\$ 4,426,700	\$ 4,569,100	\$ 4,716,200	\$ 4,868,000	\$ 5,023,700	\$ 5,184,300	\$ 5,350,000
<b>Ending Surplus/(Deficit) Compared to Reserve Targets</b>	\$ 57,218	\$ 5,554,335	\$ 2,492,113	\$ 29,487	\$ (252,154)	\$ (291,109)	\$ (300,352)	\$ (700,588)	\$ (1,431,308)	\$ (2,408,816)	\$ (3,580,958)	\$ (2,138,690)

- Beginning cash balances provided by City staff for Fund 510 - Water Operations. Source files: 4 - Current Cash and Fund Balance - Water 12062021.xlsx & Beg Fund Balance FY23- Water.xls .
- The target ending balance is set equal to 90-days of O&M expenses. Source file: 4 - Current Cash and Fund Balance - Water 12062021.xlsx .
- The target ending balance is set equal to 3% of net capital assets. See Exhibit 2 (CIP) for details.

TABLE 3 : RESERVE FUND SUMMARY, cont.

SUMMARY OF CASH ACTIVITY	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Restricted Reserve: <sup>1</sup></b>												
<b>Capacity Fee Reserve</b>												
Beginning Reserve Balance	\$5,688,050	\$6,284,390	\$6,333,173	\$ 6,397,366	\$ 11,290,006	\$ 9,761,564	\$ 8,534,556	\$ 7,552,200	\$ 6,768,455	\$ 6,145,989	\$ 5,653,746	\$ 5,267,306
Plus: Interest Earnings	77,699	157,110	158,329	87,388	154,221	133,343	116,582	103,163	92,457	83,954	77,230	71,951
Plus: Capacity Fee Revenue	1,252,878	332,954	1,662,778	7,785,325	915,300	930,860	946,685	962,778	979,146	994,812	1,010,729	1,026,901
Less: Transfer out to Operating Reserve (Interfund Loan)	-	(126,058)	(126,058)	(126,058)	(126,058)	(126,058)	(126,058)	(126,058)	(126,058)	(126,058)	(126,058)	-
Less: Use of Reserves for Capital Projects	-	-	(1,630,856)	(2,854,016)	(2,471,905)	(2,165,153)	(1,919,564)	(1,723,628)	(1,568,012)	(1,444,951)	(1,348,341)	(1,273,232)
<b>Ending Connection Fee Fund Balance</b>	<b>\$ 7,018,626</b>	<b>\$ 6,648,395</b>	<b>\$ 6,397,366</b>	<b>\$ 11,290,006</b>	<b>\$ 9,761,564</b>	<b>\$ 8,534,556</b>	<b>\$ 7,552,200</b>	<b>\$ 6,768,455</b>	<b>\$ 6,145,989</b>	<b>\$ 5,653,746</b>	<b>\$ 5,267,306</b>	<b>\$ 5,092,926</b>
<b>Target Ending Balance (3% of net assets) <sup>3</sup></b>	<b>\$ 1,420,700</b>	<b>\$ 1,548,600</b>	<b>\$ 1,870,900</b>	<b>\$ 2,079,900</b>	<b>\$ 2,260,500</b>	<b>\$ 2,370,700</b>	<b>\$ 2,458,100</b>	<b>\$ 2,548,200</b>	<b>\$ 2,641,000</b>	<b>\$ 2,736,700</b>	<b>\$ 2,835,300</b>	<b>\$ 2,937,000</b>
<b>Debt Reserve</b>												
Beginning Reserve Balance	\$ 1,151,405	\$ 122,586	\$ 125,651	\$ 128,792	\$ 130,551	\$ 132,335	\$ 134,142	\$ 135,975	\$ 137,832	\$ 139,715	\$ 141,623	\$ 143,558
Plus: Reserve Funding from New Debt Obligations	-	-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	15,728	3,065	3,141	1,759	1,783	1,808	1,832	1,857	1,883	1,909	1,935	1,961
Less: Transfer of Surplus to Operating Reserve	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Debt Reserve Balance</b>	<b>\$ 1,167,133</b>	<b>\$ 125,651</b>	<b>\$ 128,792</b>	<b>\$ 130,551</b>	<b>\$ 132,335</b>	<b>\$ 134,142</b>	<b>\$ 135,975</b>	<b>\$ 137,832</b>	<b>\$ 139,715</b>	<b>\$ 141,623</b>	<b>\$ 143,558</b>	<b>\$ 145,519</b>
<b>Target Ending Balance</b>	<b>\$ 71,827</b>	<b>\$ 72,068</b>	<b>\$ 72,053</b>	<b>\$ 71,580</b>	<b>\$ 70,175</b>	<b>\$ 66,417</b>	<b>\$ 53,204</b>	<b>\$ -</b>				
<b>Annual Interest Earnings Rate <sup>2</sup></b>	<b>1.37%</b>	<b>2.50%</b>	<b>2.50%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>	<b>1.37%</b>

1. The beginning cash balances provided by the City. Source file: 4 - Current Cash and Fund Balance - Water 12062021.xlsx , Beg Fund Balance FY23- Water.xls, & Beg Fund Balance FY23- Recycled Water.xls .

2. The target ending balance is set equal to 3% of net capital assets. See Exhibit 2 (CIP) for details.

3. Historical interest earning rates are per the average annual yields for funds invested in LAIF (2017-2021). The source is the California State Treasurer's website: <https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp> .

CHART 1

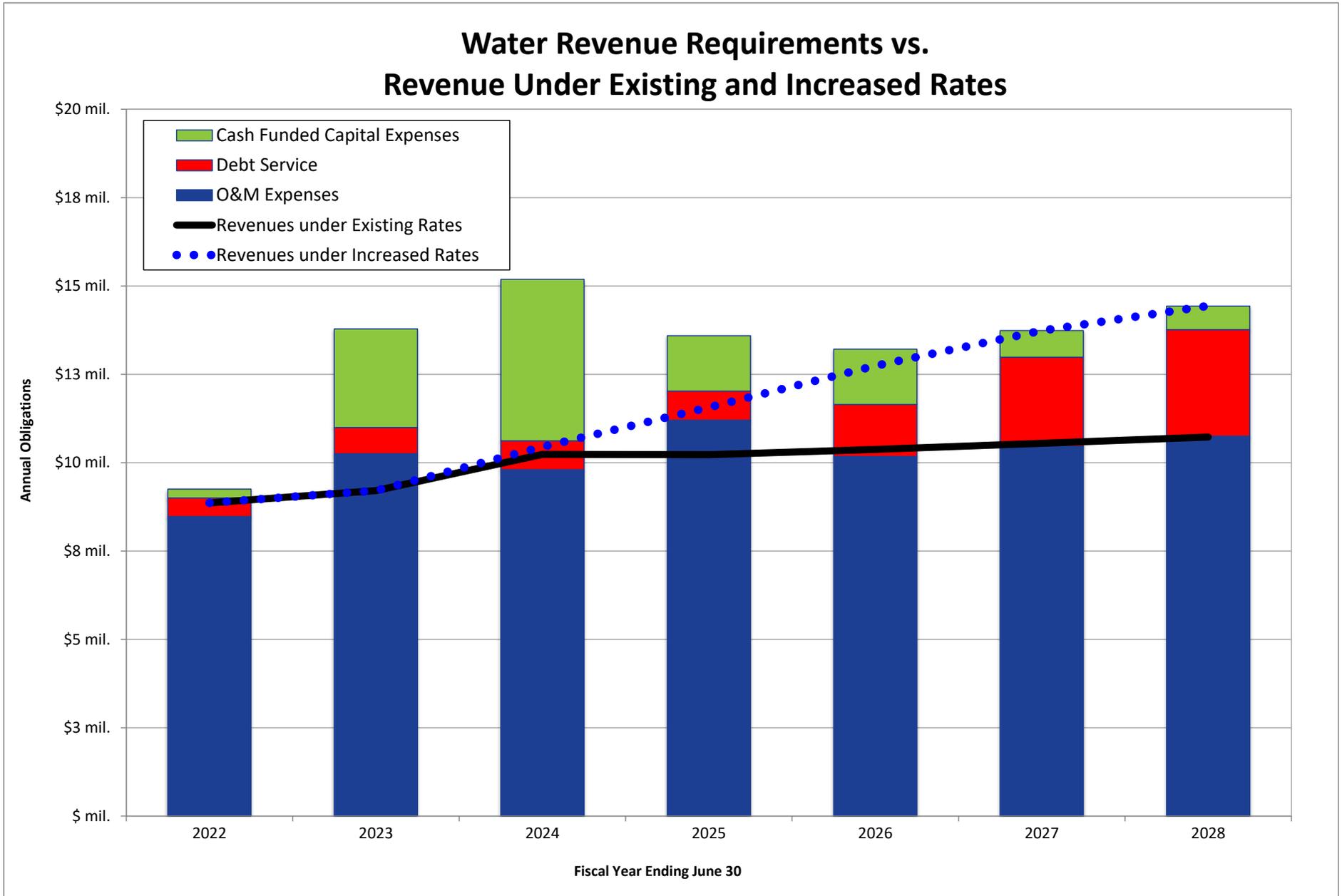


CHART 2

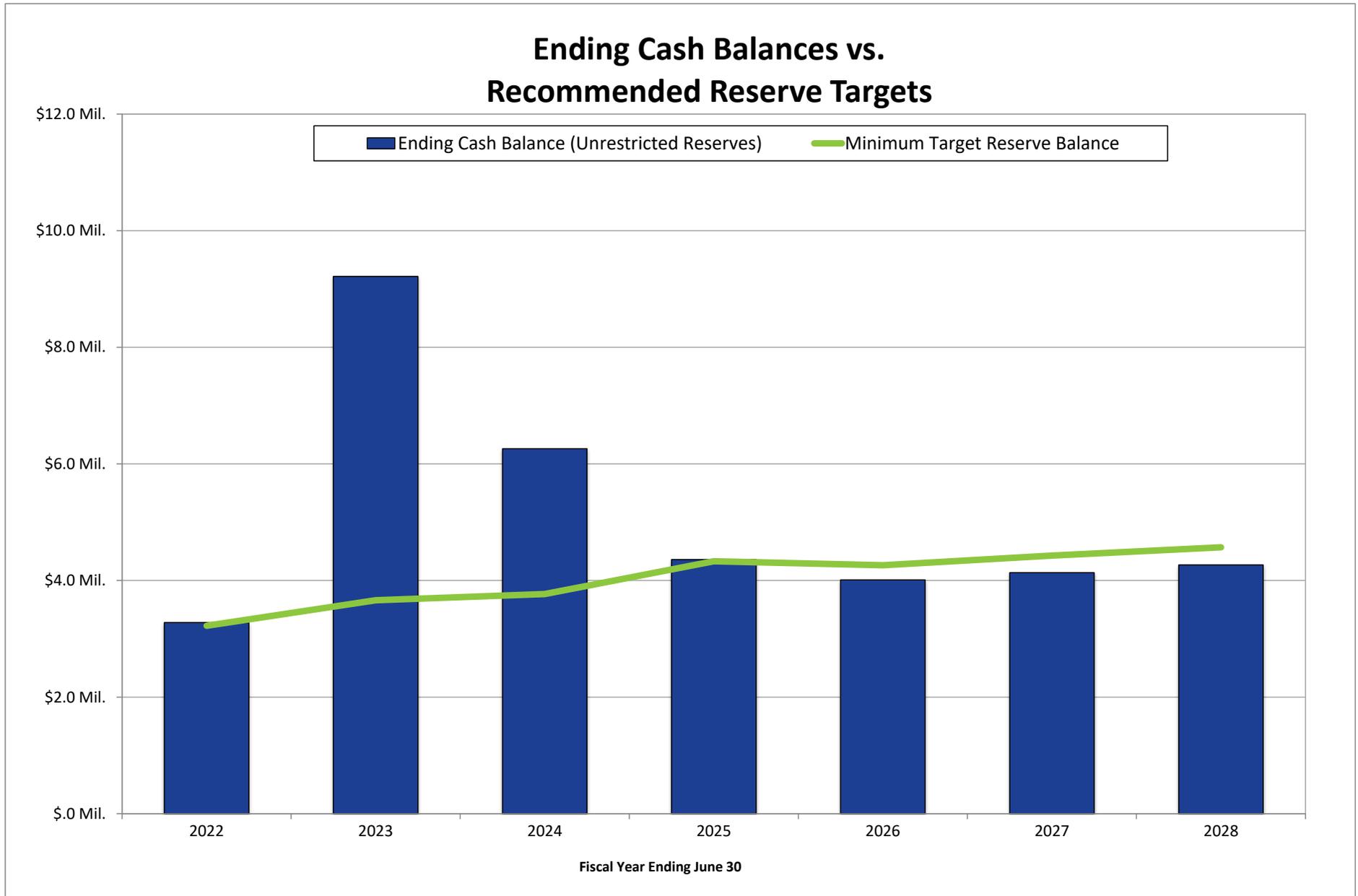


CHART 3

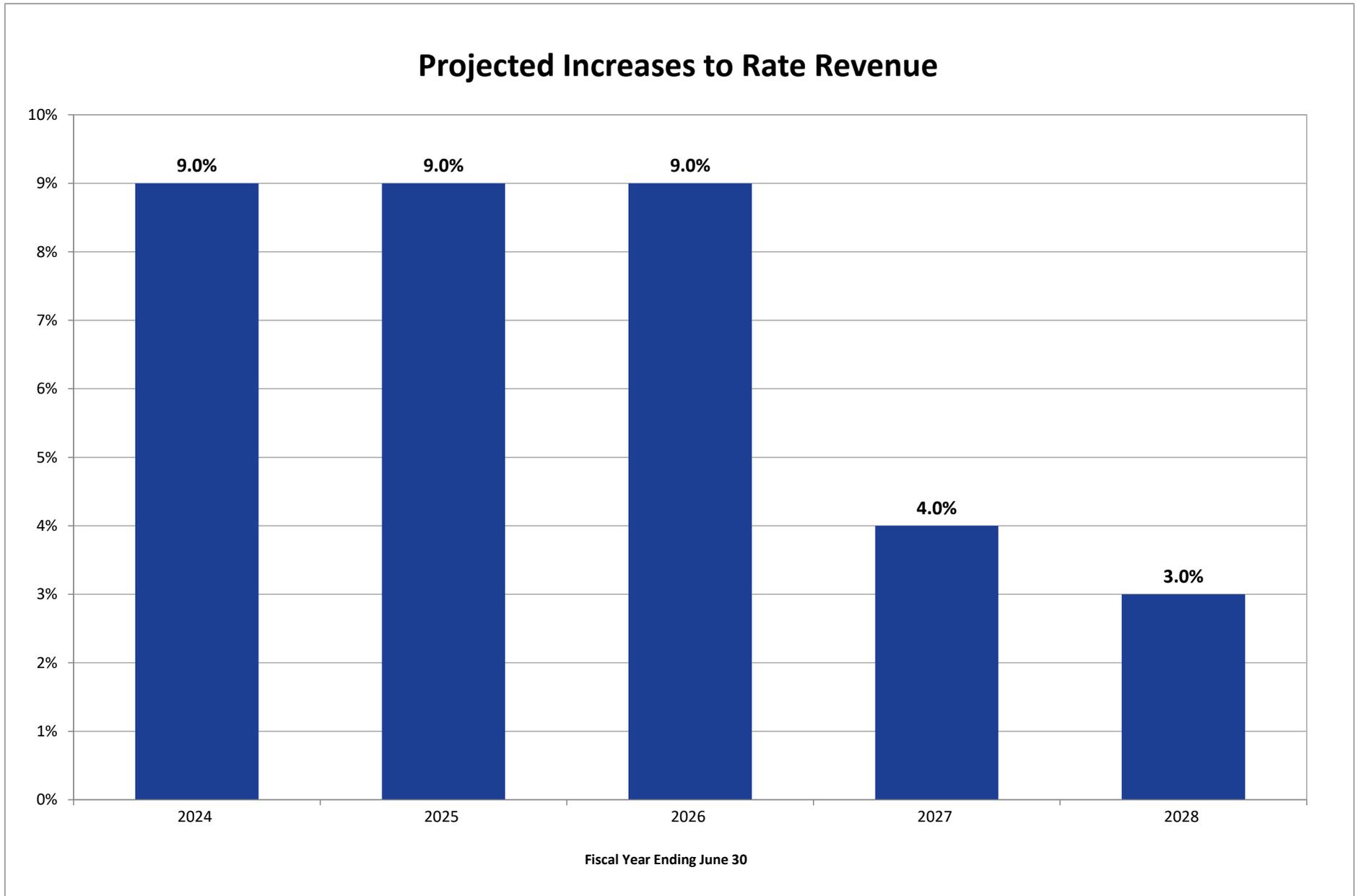


CHART 4

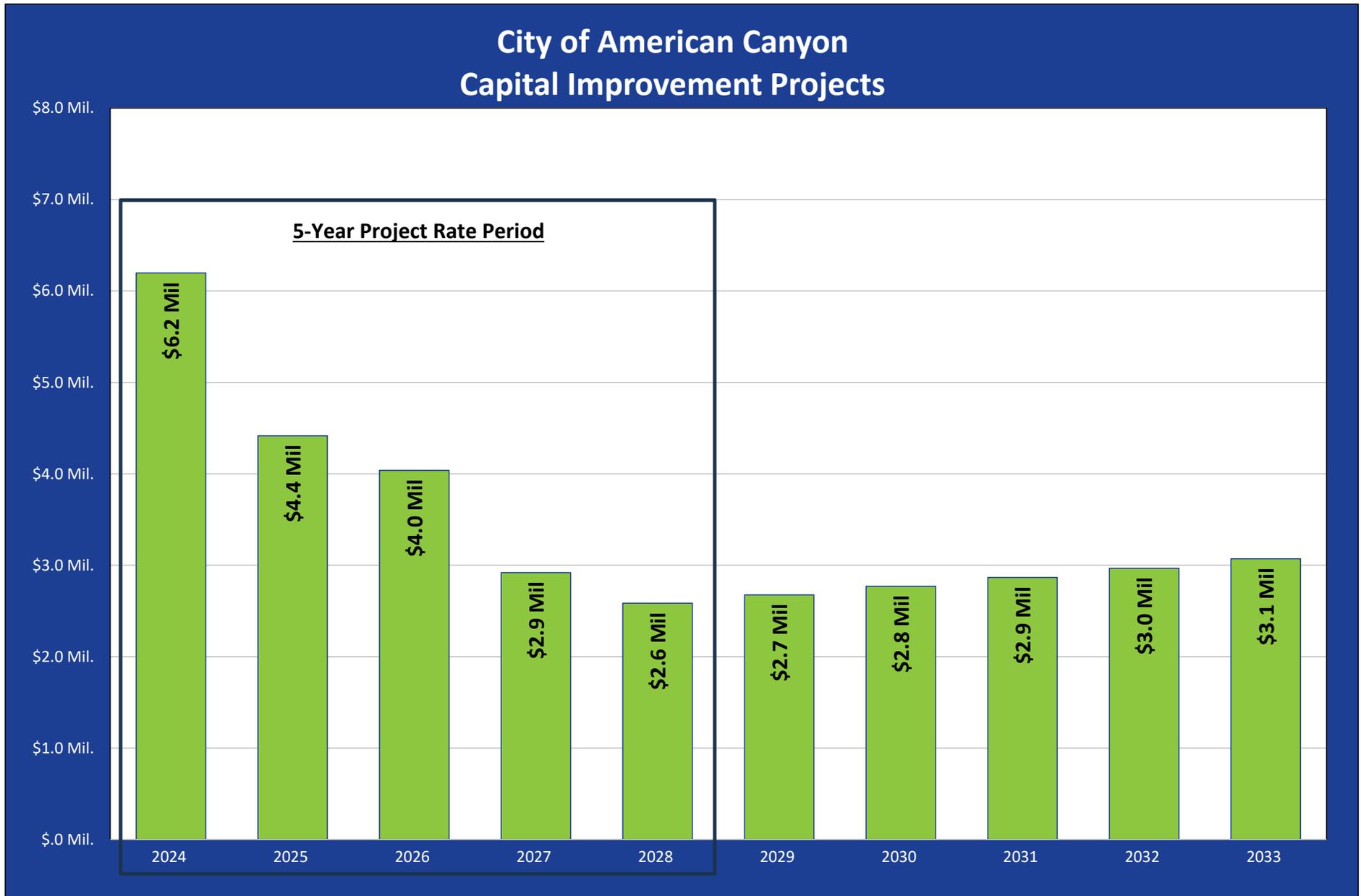


TABLE 4 : REVENUE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Rate Revenue</b>													
Water Service Charge - Potable	1	\$ 8,362,554	\$ 8,485,676	\$ 9,360,200	\$ 9,528,684	\$ 9,690,671	\$ 9,855,413	\$ 10,022,955	\$ 10,193,345	\$ 10,366,632	\$ 10,532,498	\$ 10,701,018	\$ 10,872,234
Water Service Charge - Raw	1	47,619	58,508	81,440	82,906	84,315	85,749	87,206	88,689	90,197	91,640	93,106	94,596
<b>Other Revenue</b>													
Grant - State/Local	1	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	See FP	(212,625)	215,995	-	-	-	-	-	-	-	-	-	-
Charges for Services	9	329,720	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	1	240,304	319,827	359,300	365,767	371,985	378,309	384,740	391,281	397,933	404,300	410,769	417,341
Late Penalties / Interest	1	93,977	128,487	114,300	116,357	118,335	120,347	122,393	124,474	126,590	128,615	130,673	132,764
Insurance Reimbursements	9	-	-	-	-	-	-	-	-	-	-	-	-
<b>Fund Transfer In</b>													
Interfund Transfer In (Loan Repayment)	9	-	-	44,061	44,061	49,482	49,482	49,482	49,482	49,482	49,482	49,482	49,482
<b>Capacity Fee Revenue</b>													
Water Capacity Fees	1	1,252,878	332,954	1,662,778	7,785,325	915,300	930,860	946,685	962,778	979,146	994,812	1,010,729	1,026,901
Interest Earnings	1	114,219	282,378	50,000	50,900	51,765	52,645	53,540	54,450	55,376	56,262	57,162	58,077
<b>TOTAL: REVENUE</b>		<b>\$ 10,228,645</b>	<b>\$ 9,823,824</b>	<b>\$ 11,672,079</b>	<b>\$ 17,974,001</b>	<b>\$ 11,281,855</b>	<b>\$ 11,472,805</b>	<b>\$ 11,667,002</b>	<b>\$ 11,864,499</b>	<b>\$ 12,065,355</b>	<b>\$ 12,257,609</b>	<b>\$ 12,452,939</b>	<b>\$ 12,651,394</b>

TABLE 5 : REVENUE SUMMARY

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Rate Revenue</b>													
Water Service Charge - Potable		\$ 8,362,554	\$ 8,485,676	\$ 9,360,200	\$ 9,528,684	\$ 9,690,671	\$ 9,855,413	\$ 10,022,955	\$ 10,193,345	\$ 10,366,632	\$ 10,532,498	\$ 10,701,018	\$ 10,872,234
Water Service Charge - Raw		47,619	58,508	81,440	82,906	84,315	85,749	87,206	88,689	90,197	91,640	93,106	94,596
<b>Other Revenue</b>													
Grant - State/Local		-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings		(212,625)	215,995	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues		570,024	319,827	359,300	365,767	371,985	378,309	384,740	391,281	397,933	404,300	410,769	417,341
Late Penalties / Interest		93,977	128,487	114,300	116,357	118,335	120,347	122,393	124,474	126,590	128,615	130,673	132,764
Interfund Transfer In (Loan Repayment)		-	-	44,061	44,061	49,482	49,482	49,482	49,482	49,482	49,482	49,482	49,482
<b>Capacity Fee Revenue</b>													
Water Capacity Fees		1,252,878	332,954	1,662,778	7,785,325	915,300	930,860	946,685	962,778	979,146	994,812	1,010,729	1,026,901
Interest Earnings		114,219	282,378	50,000	50,900	51,765	52,645	53,540	54,450	55,376	56,262	57,162	58,077
<b>TOTAL: REVENUE</b>		<b>\$ 10,228,645</b>	<b>\$ 9,823,824</b>	<b>\$ 11,672,079</b>	<b>\$ 17,974,001</b>	<b>\$ 11,281,855</b>	<b>\$ 11,472,805</b>	<b>\$ 11,667,002</b>	<b>\$ 11,864,499</b>	<b>\$ 12,065,355</b>	<b>\$ 12,257,609</b>	<b>\$ 12,452,939</b>	<b>\$ 12,651,394</b>

TABLE 6 : OPERATING EXPENSE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Fund 510 - Water Operations</b>													
<b>560 - Water Treatment Plant</b>													
Wages - Full time	3	\$ 419,960	\$ 552,331	\$ 612,238	\$ 633,667	\$ 655,845	\$ 678,800	\$ 702,558	\$ 727,147	\$ 752,597	\$ 778,938	\$ 806,201	\$ 834,418
Wages - Overtime	3	10,703	14,204	9,000	9,315	9,641	9,978	10,328	10,689	11,063	11,451	11,851	12,266
Health Insurance	3	73,246	91,247	95,546	98,890	102,351	105,933	109,641	113,478	117,450	121,561	125,815	130,219
Health-In-Lieu	3	-	-	9,690	10,029	10,380	10,743	11,119	11,509	11,911	12,328	12,760	13,206
Cafeteria Plan Section 125	3	15,149	19,673	24,587	25,448	26,338	27,260	28,214	29,202	30,224	31,282	32,377	33,510
Social Security & Medicare	3	6,835	8,573	9,374	9,703	10,042	10,394	10,757	11,134	11,524	11,927	12,344	12,776
Worker Comp Insurance	3	32,904	36,686	49,859	51,604	53,410	55,280	57,215	59,217	61,290	63,435	65,655	67,953
Benefits - Other	3	1,125	1,705	1,106	1,145	1,185	1,226	1,269	1,314	1,360	1,407	1,457	1,508
Info Tech Support Services	2	40,818	2,424	116,200	119,686	123,277	126,975	130,784	134,708	138,749	142,911	147,199	151,615
Professional Services	2	132,912	128,160	366,400	377,392	388,714	400,375	412,386	424,758	437,501	450,626	464,145	478,069
Temp Agency Services	2	-	1,066	-	-	-	-	-	-	-	-	-	-
Misc Contractual Services	2	4,962	66,347	59,200	60,976	62,805	64,689	66,630	68,629	70,688	72,809	74,993	77,243
General Repairs & Maint	2	220,338	114,331	53,800	55,414	57,076	58,789	60,552	62,369	64,240	66,167	68,152	70,197
Advertising	2	4,908	1,279	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829
Postage/Mail/Copy/Printing Svc	2	8,482	3,887	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610
Membership Dues & Subscription	2	2,430	1,369	3,200	3,296	3,395	3,497	3,602	3,710	3,821	3,936	4,054	4,175
Conferences - Training	2	8,946	15,126	13,500	13,905	14,322	14,752	15,194	15,650	16,120	16,603	17,101	17,614
Rentals - Equipment/Space	2	4,305	9,134	3,700	3,811	3,925	4,043	4,164	4,289	4,418	4,551	4,687	4,828
Regulatory Compliance Permits	2	29,461	205	-	-	-	-	-	-	-	-	-	-
Office Supplies	2	2,929	2,645	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619
Operating Supplies	2	347,712	406,005	488,400	503,052	518,144	533,688	549,699	566,189	583,175	600,670	618,691	637,251
Water Plant Membrane Filters	2	-	-	-	1,200,000	-	-	-	-	-	-	-	-
Utilities - Gas & Elec	5	61,656	61,456	73,000	77,116	81,465	86,059	90,912	96,038	101,454	107,175	113,218	119,603
Util-PhonesPgrsInternetCable	2	5,422	6,589	5,800	5,974	6,153	6,338	6,528	6,724	6,926	7,133	7,347	7,568
Major Equipment	2	15,000	152,253	-	-	-	-	-	-	-	-	-	-
Capital Outlay-Contra Account	9	(40,761)	-	-	-	-	-	-	-	-	-	-	-
PERS Retirement	3	73,689	91,491	60,588	62,708	64,903	67,175	69,526	71,959	74,478	77,085	79,783	82,575
<b>Subtotal - Water Treatment Plant</b>		<b>\$ 1,483,133</b>	<b>\$ 1,788,187</b>	<b>\$ 2,088,189</b>	<b>\$ 3,357,121</b>	<b>\$ 2,228,382</b>	<b>\$ 2,302,054</b>	<b>\$ 2,378,221</b>	<b>\$ 2,456,970</b>	<b>\$ 2,538,391</b>	<b>\$ 2,622,580</b>	<b>\$ 2,709,633</b>	<b>\$ 2,799,651</b>

TABLE 7 : OPERATING EXPENSE FORECAST, cont.<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>565 - Water Distribution</b>													
Wages - Full time	3	\$ 426,369	\$ 436,850	\$ 544,808	\$ 563,876	\$ 583,612	\$ 604,038	\$ 625,180	\$ 647,061	\$ 669,708	\$ 693,148	\$ 717,408	\$ 742,517
Wages - Overtime	3	24,335	14,875	3,000	3,105	3,214	3,326	3,443	3,563	3,688	3,817	3,950	4,089
Health Insurance	3	43,356	53,367	110,792	114,670	118,683	122,837	127,137	131,586	136,192	140,959	145,892	150,998
Health-In-Lieu	3	14,200	11,400	-	-	-	-	-	-	-	-	-	-
Cafeteria Plan Section 125	3	21,165	21,467	27,459	28,420	29,415	30,444	31,510	32,613	33,754	34,936	36,158	37,424
Social Security & Medicare	3	7,057	7,005	8,298	8,588	8,889	9,200	9,522	9,855	10,200	10,557	10,927	11,309
Worker Comp Insurance	3	44,905	37,930	58,411	60,455	62,571	64,761	67,028	69,374	71,802	74,315	76,916	79,608
Benefits - Other	3	1,354	7,974	1,901	1,968	2,036	2,108	2,182	2,258	2,337	2,419	2,503	2,591
Info Tech Support Services	2	5,422	31,462	84,600	87,138	89,752	92,445	95,218	98,075	101,017	104,047	107,169	110,384
Professional Services	2	932	10,305	52,000	53,560	55,167	56,822	58,526	60,282	62,091	63,953	65,872	67,848
Misc Contractual Services	2	6,051	3,952	9,300	9,579	9,866	10,162	10,467	10,781	11,105	11,438	11,781	12,134
General Repairs & Maint	2	177,364	86,880	375,100	386,353	397,944	409,882	422,178	434,844	447,889	461,326	475,165	489,420
Reimbursable Repairs	2	-	-	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
Postage/Mail/Copy/Printing Svc	2	-	224	3,499	3,604	3,712	3,823	3,938	4,056	4,178	4,303	4,432	4,565
Membership Dues & Subscription	2	1,312	390	3,200	3,296	3,395	3,497	3,602	3,710	3,821	3,936	4,054	4,175
Conferences - Training	2	8,755	3,806	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133
Rentals - Equipment/Space	2	5,206	4,996	13,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962
Office Supplies	2	1,660	4,778	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610
Operating Supplies	2	15,671	37,392	33,200	34,196	35,222	36,279	37,367	38,488	39,643	40,832	42,057	43,318
Water Meters	7	98,208	104,845	100,000	103,500	107,123	110,872	114,752	118,769	122,926	127,228	131,681	136,290
Util-PhonesPgrsInternetCable	5	3,960	4,825	4,100	4,331	4,575	4,833	5,106	5,394	5,698	6,019	6,359	6,717
Major Equipment	2	15,000	54,531	-	-	-	-	-	-	-	-	-	-
PERS Retirement	3	69,004	73,933	74,481	77,088	79,786	82,578	85,468	88,460	91,556	94,760	98,077	101,510
<b>Subtotal -Water Distribution</b>		<b>\$ 991,284</b>	<b>\$ 1,013,187</b>	<b>\$ 1,536,149</b>	<b>\$ 1,586,987</b>	<b>\$ 1,639,520</b>	<b>\$ 1,693,803</b>	<b>\$ 1,749,895</b>	<b>\$ 1,807,858</b>	<b>\$ 1,867,753</b>	<b>\$ 1,929,647</b>	<b>\$ 1,993,606</b>	<b>\$ 2,059,700</b>

TABLE 8 : OPERATING EXPENSE FORECAST, cont.<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>50 - Public Works</b>													
<b>810 - Non Departmental</b>													
Wages - Full time	3	\$ 113,357	\$ 136,471	\$ 128,293	\$ 132,783	\$ 137,430	\$ 142,240	\$ 147,219	\$ 152,371	\$ 157,704	\$ 163,224	\$ 168,937	\$ 174,850
Wages - Overtime	3	954	178	-	-	-	-	-	-	-	-	-	-
Allowances	3	1,811	1,920	1,920	1,987	2,057	2,129	2,203	2,280	2,360	2,443	2,528	2,617
Health Insurance	3	18,856	20,841	21,244	21,987	22,757	23,553	24,378	25,231	26,114	27,028	27,974	28,953
Cafeteria Plan Section 125	3	4,227	4,452	4,312	4,463	4,619	4,781	4,948	5,122	5,301	5,486	5,678	5,877
Social Security & Medicare	3	1,747	2,069	2,038	2,109	2,183	2,259	2,338	2,420	2,505	2,592	2,683	2,777
Worker Comp Insurance	3	7,901	7,096	9,825	10,169	10,525	10,893	11,274	11,669	12,077	12,500	12,937	13,390
OPEB	3	80,835	(8,807)	47,537	49,201	50,923	52,705	54,550	56,459	58,435	60,480	62,597	64,788
Pension Expense	3	(223,456)	37,354	-	-	-	-	-	-	-	-	-	-
Benefits - Other	3	1,371	1,421	-	-	-	-	-	-	-	-	-	-
Info Tech Support Services	2	-	-	33,414	34,416	35,449	36,512	37,608	38,736	39,898	41,095	42,328	43,598
Professional Services	2	42,173	47,333	66,586	68,584	70,641	72,760	74,943	77,191	79,507	81,892	84,349	86,880
Postage/Mail/Copy/Printing Svc	2	-	9,000	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829
Bad Debt Expense	2	(11,826)	14,649	-	-	-	-	-	-	-	-	-	-
Membership Dues & Subscription	2	425	767	2,600	2,678	2,758	2,841	2,926	3,014	3,105	3,198	3,294	3,392
Regulatory Compliance Permits	2	-	-	-	-	-	-	-	-	-	-	-	-
Services - Cash for Grass	2	17,463	8,815	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
Services - Toilet Rebates	9	5,300	5,800	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Services - Washer Rebates	2	-	-	-	-	-	-	-	-	-	-	-	-
Office Supplies	2	-	-	500	515	530	546	563	580	597	615	633	652
Operating Supplies	2	750	637	-	-	-	-	-	-	-	-	-	-
Utilities - Water	5	2,155	2,563	2,500	2,641	2,790	2,947	3,113	3,289	3,474	3,670	3,877	4,096
City of Napa	8	178,426	305,944	278,000	283,560	289,231	295,016	300,916	306,934	313,073	319,335	325,721	332,236
North Bay Aqueduct	8	2,142,501	2,330,665	3,203,000	3,267,060	3,332,401	3,399,049	3,467,030	3,536,371	3,607,098	3,679,240	3,752,825	3,827,881
City of Vallejo	8	1,059,922	1,398,799	121,218	123,642	126,115	128,638	131,210	133,834	136,511	139,241	142,026	144,867
AC Recycled Water	2	10,000	49,405	-	-	-	-	-	-	-	-	-	-
Depreciation	2	1,282,037	1,274,074	-	-	-	-	-	-	-	-	-	-
Transfer to Gen Fund Support Sv	2	766,412	942,449	1,124,203	1,157,929	1,192,667	1,228,447	1,265,300	1,303,259	1,342,357	1,382,628	1,424,107	1,466,830
Transfer To General Fund - Oth	9	57,195	319,586	160,000	100,000	-	-	-	-	-	-	-	-
Retiree Health Benefits	3	60,100	53,849	74,980	77,605	80,321	83,132	86,042	89,053	92,170	95,396	98,735	102,191
PERS Retirement	3	17,037	18,820	16,257	16,826	17,415	18,024	18,655	19,308	19,984	20,683	21,407	22,156
ISF - Bldg Maint	2	77,400	218,948	325,219	334,976	345,025	355,376	366,037	377,018	388,328	399,978	411,978	424,337
ISF - Fleet	2	238,950	178,624	354,173	364,798	375,742	387,014	398,625	410,584	422,901	435,588	448,656	462,115
ISF - Info Tech	2	18,000	44,795	54,709	56,350	58,041	59,782	61,575	63,423	65,325	67,285	69,304	71,383
ISF - Legal Services	2	28,800	21,603	96,582	99,479	102,464	105,538	108,704	111,965	115,324	118,784	122,347	126,018
<b>Subtotal - Non Departmental</b>		<b>\$ 6,000,824</b>	<b>\$ 7,450,121</b>	<b>\$ 6,175,109</b>	<b>\$ 6,260,838</b>	<b>\$ 6,310,276</b>	<b>\$ 6,463,522</b>	<b>\$ 6,620,677</b>	<b>\$ 6,781,846</b>	<b>\$ 6,947,136</b>	<b>\$ 7,116,658</b>	<b>\$ 7,290,526</b>	<b>\$ 7,468,856</b>
<b>TOTAL: WATER OPERATIONS EXPENSES</b>		<b>\$ 8,475,241</b>	<b>\$ 10,251,496</b>	<b>\$ 9,799,447</b>	<b>\$ 11,204,947</b>	<b>\$ 10,178,178</b>	<b>\$ 10,459,378</b>	<b>\$ 10,748,792</b>	<b>\$ 11,046,673</b>	<b>\$ 11,353,281</b>	<b>\$ 11,668,886</b>	<b>\$ 11,993,765</b>	<b>\$ 12,328,206</b>

TABLE 9 : OPERATING EXPENSE FORECAST, cont.<sup>1</sup> (for information only)

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>CAPITAL PROJECTS</b>													
Intra-fund Transfer Out Water	7	\$ 89,642	\$ 85,675	\$ 2,038,185	\$ 2,109,521	\$ 2,183,355	\$ 2,259,772	\$ 2,338,864	\$ 2,420,724	\$ 2,505,450	\$ 2,593,141	\$ 2,683,900	\$ 2,777,837
Intra-fund Transfer Out Recycled	7	-	-	120,000	124,200	128,547	133,046	137,703	142,522	147,511	152,674	158,017	163,548
Misc. Contractual Services (Dept 450)	2	400,000	50,000	-	-	-	-	-	-	-	-	-	-
Transfer Cap Projs Fund - Gen	7	-	-	596,000	616,860	638,450	660,796	683,924	707,861	732,636	758,278	784,818	812,287
Transfer Cap Proj - Water	7	-	-	-	-	-	-	-	-	-	-	-	-
Transfer Cap Proj - Wastewater	7	(155,893)	412,280	250,000	258,750	267,806	277,179	286,881	296,922	307,314	318,070	329,202	340,724
Transfer Cap Proj - Recycled	7	-	-	917,509	949,622	982,859	1,017,259	1,052,863	1,089,713	1,127,853	1,167,328	1,208,185	1,250,471
<b>Subtotal - Capital Projects</b>		<b>\$ 333,749</b>	<b>\$ 547,955</b>	<b>\$ 3,921,694</b>	<b>\$ 4,058,954</b>	<b>\$ 4,201,017</b>	<b>\$ 4,348,053</b>	<b>\$ 4,500,235</b>	<b>\$ 4,657,743</b>	<b>\$ 4,820,764</b>	<b>\$ 4,989,490</b>	<b>\$ 5,164,123</b>	<b>\$ 5,344,867</b>

TABLE 10 : FORECASTING ASSUMPTIONS

INFLATION FACTORS <sup>2</sup>	Basis	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Customer Growth <sup>3</sup>	1	--	1.80%	1.80%	1.80%	1.70%	1.70%	1.70%	1.70%	1.70%	1.60%	1.60%	1.60%
General Cost Inflation <sup>4</sup>	2	--	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Labor Cost Inflation <sup>5</sup>	3	--	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Energy <sup>6</sup>	4	--	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%
Electricity <sup>7</sup>	5	--	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%
Fuel & Utilities <sup>8</sup>	6	--	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%
Construction Cost Inflation <sup>9</sup>	7	--	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Water Purchases <sup>10</sup>	8	--	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
No Escalation	9	--	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Revenue and expenses for FY 2021/22 through FY 2023/24 provided by the City. Revenues and expenses for all other years are escalated based on the forecasting assumptions located in Table 10. Source files: *Fund 510 Water Operations.xlsx*, *FY 22 Fund 520 Water Cap Revenue Detailed Trial Balance*, *FY 23 Fund 520 Water Cap Revenue Detailed Trial Balance*, & *REV EXP ACTUALS - FY22 and FY23\_NBS*.
2. Expenses are inflated each year by the following annual inflation factor categories.
3. Customer growth is based on service area population growth through FY 2039/40. Source file: *American Canyon 2015 UWMP.pdf*, page 26.
4. General cost inflation is based on the 5-year average annual change in the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-Hayward, CA area.
5. Labor cost inflation is based on the 5-year average annual change in the Quarterly Census of Employment and Wages for San Francisco County, CA.
6. Energy cost inflation is based on the 5-year average annual change in the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-Hayward, CA area.
7. Electricity cost inflation is based on the 5-year average change in the Consumer Price Index for San Francisco County.
8. Fuel & Utilities cost inflation is based on the 5-year average annual change in the Consumer Price Index - Average Price Data for Fuels and related products and power. This factor is used for utility costs other than electricity.
9. Construction cost Inflation is the 10-year average change in the Construction Cost Index for 2012-2022. Source: Engineering News Record website (<http://enr.construction.com>).
10. Water purchases growth is estimated at 2% annually. Source file: *Water cost projections.xlsx*.

TABLE 11: CAPITAL FUNDING SUMMARY

CAPITAL FUNDING FORECAST	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Funding Sources:</b>												
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Capacity Fee Reserves	-	-	1,630,856	2,854,016	2,471,905	2,165,153	1,919,564	1,723,628	1,568,012	1,444,951	1,348,341	1,273,232
SRF Loan Funding	-	-	-	-	-	-	-	-	-	-	-	-
Use of New Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Use of Capital Rehabilitation and Replacement Reserve	-	-	-	38,578	-	-	-	-	-	-	-	-
Rate Revenue	251,795	2,790,541	4,566,877	1,523,075	1,565,040	754,328	665,707	952,128	1,201,396	1,421,386	1,618,317	1,797,260
<b>Total Sources of Capital Funds</b>	<b>\$ 251,795</b>	<b>\$ 2,790,541</b>	<b>\$ 6,197,733</b>	<b>\$ 4,415,669</b>	<b>\$ 4,036,946</b>	<b>\$ 2,919,481</b>	<b>\$ 2,585,271</b>	<b>\$ 2,675,756</b>	<b>\$ 2,769,407</b>	<b>\$ 2,866,337</b>	<b>\$ 2,966,658</b>	<b>\$ 3,070,492</b>
<b>Uses of Capital Funds:</b>												
Total Project Costs	\$ 251,795	\$ 2,790,541	\$ 6,197,733	\$ 4,415,669	\$ 4,036,946	\$ 2,919,481	\$ 2,585,271	\$ 2,675,756	\$ 2,769,407	\$ 2,866,337	\$ 2,966,658	\$ 3,070,492
<b>Capital Funding Surplus (Deficiency)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CAPITAL IMPROVEMENT PROGRAM FUNDING OPTIONS

Capital Improvement Program Funding Choice	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Effective Annual Funding Amount	\$ 251,795	\$ 2,790,541	\$ 6,197,733	\$ 4,415,669	\$ 4,036,946	\$ 2,919,481	\$ 2,585,271	\$ 2,675,756	\$ 2,769,407	\$ 2,866,337	\$ 2,966,658	\$ 3,070,492

CAPITAL IMPROVEMENT PROGRAM

TABLE 12 : CAPITAL IMPROVEMENT PROGRAM COSTS (in Current-Year Dollars)<sup>1</sup>

Project No.	Description	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Capital Projects<sup>2</sup></b>													
TR23-0100	Knightsbridge Rehab and Water Main Replacement	\$ -	\$ -	\$ 505,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TR24-0300	ARPA Rancho Del Mar Paving and Utility Improvements	-	-	1,162,000	-	-	-	-	-	-	-	-	-
WW16-0300	SCADA	-	-	250,000	-	-	-	-	-	-	-	-	-
UM20-0100	Engi Energy Services Contract Budget Expense Remaining	162,280	-	-	-	-	-	-	-	-	-	-	-
WA24-0100	Rio Del Mar Water Main Upgrade	-	-	45,000	360,000	-	-	-	-	-	-	-	-
WA24-0200	North Kelly Road Water Main	-	-	-	145,000	-	-	-	-	-	-	-	-
WA25-0100	Hanna Drive Water Main Repl.	-	-	-	-	550,000	-	-	-	-	-	-	-
WA26-0100	Northampton Water Main Repl.	-	-	-	-	-	650,000	-	-	-	-	-	-
NEW	Water Treatment Plant Shop	-	-	75,000	-	-	-	-	-	-	-	-	-
NEW	WTP Filter Media Replacement and Underdrain Repair	-	-	350,000	-	-	-	-	-	-	-	-	-
NEW	Parks - Irrigation Controller Upgrade (RW)	-	-	200,000	-	-	-	-	-	-	-	-	-
NEW	Solids Handling at WTP	-	-	100,000	900,000	-	-	-	-	-	-	-	-
<b>Master Plan Projects - Potable Water<sup>3</sup></b>													
W1	Zone 1 Storage	\$ -	\$ -	\$ 343,000	\$ 343,000	\$ 343,000	\$ 343,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
W2	Annual Water Main Replacements	-	1,500,000	1,455,000	995,000	950,000	850,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
W3	Annual Water Service Replacements	81,000	81,000	81,000	81,000	-	-	-	-	-	-	-	-
W4	High Pressure Zone System	-	1,024,000	1,024,000	1,024,000	1,024,000	-	-	-	-	-	-	-
W8	Replace Transmission Mains Near SR29	-	-	-	-	196,000	196,000	196,000	196,000	196,000	196,000	196,000	196,000
W9	Replace Oat Hill Transmission Main	-	-	-	-	128,000	128,000	128,000	128,000	128,000	128,000	128,000	128,000
W11	Fire Flows in Hess Drive	-	-	-	-	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000
W13	Main Zone Reliability Improvements	-	-	-	-	129,000	129,000	129,000	129,000	129,000	129,000	129,000	129,000
<b>Estimated Future Projects</b>													
<b>Future Projects<sup>4</sup></b>													
<b>Total: CIP Program Costs (Future-Year Dollars)</b>		<b>\$ 243,280</b>	<b>\$ 2,605,000</b>	<b>\$ 5,590,000</b>	<b>\$ 3,848,000</b>	<b>\$ 3,399,000</b>	<b>\$ 2,375,000</b>	<b>\$ 2,032,000</b>					

TABLE 13 : CAPITAL IMPROVEMENT PROGRAM COSTS (in Future-Year Dollars)<sup>5</sup>

Project No.	Description	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Capital Projects<sup>2</sup></b>													
TR23-0100	Knightsbridge Rehab and Water Main Replacement	\$ -	\$ -	\$ 559,903	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TR24-0300	ARPA Rancho Del Mar Paving and Utility Improvements	-	-	1,288,330	-	-	-	-	-	-	-	-	-
WW16-0300	SCADA	-	-	277,179	-	-	-	-	-	-	-	-	-
UM20-0100	Engi Energy Services Contract Budget Expense Remaining	167,960	-	-	-	-	-	-	-	-	-	-	-
WA24-0100	Rio Del Mar Water Main Upgrade	-	-	49,892	413,108	-	-	-	-	-	-	-	-
WA24-0200	North Kelly Road Water Main	-	-	-	166,391	-	-	-	-	-	-	-	-
WA25-0100	Hanna Drive Water Main Repl.	-	-	-	-	653,227	-	-	-	-	-	-	-
WA26-0100	Northampton Water Main Repl.	-	-	-	-	-	799,016	-	-	-	-	-	-
NEW	Water Treatment Plant Shop	-	-	83,154	-	-	-	-	-	-	-	-	-
NEW	WTP Filter Media Replacement and Underdrain Repair	-	-	388,051	-	-	-	-	-	-	-	-	-
NEW	Parks - Irrigation Controller Upgrade (RW)	-	-	221,744	-	-	-	-	-	-	-	-	-
NEW	Solids Handling at WTP	-	-	110,872	1,032,771	-	-	-	-	-	-	-	-
<b>Master Plan Projects - Potable Water<sup>3</sup></b>													
W1	Zone 1 Storage	\$ -	\$ -	\$ 380,290	\$ 393,600	\$ 407,376	\$ 421,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
W2	Annual Water Main Replacements	-	1,606,838	1,613,185	1,141,785	1,128,302	1,044,867	1,908,419	1,975,214	2,044,346	2,115,898	2,189,955	2,266,603
W3	Annual Water Service Replacements	83,835	86,769	89,806	92,949	-	-	-	-	-	-	-	-
W4	High Pressure Zone System	-	1,096,934	1,135,327	1,175,064	1,216,191	-	-	-	-	-	-	-
W8	Replace Transmission Mains Near SR29	-	-	-	-	232,787	240,934	249,367	258,095	267,128	276,477	286,154	296,169
W9	Replace Oat Hill Transmission Main	-	-	-	-	152,024	157,345	162,852	168,552	174,451	180,557	186,876	193,417
W11	Fire Flows in Hess Drive	-	-	-	-	93,827	97,111	100,510	104,028	107,669	111,437	115,338	119,374
W13	Main Zone Reliability Improvements	-	-	-	-	153,212	158,574	164,124	169,868	175,814	181,967	188,336	194,928
<b>Estimated Future Projects</b>													
<b>Future Projects<sup>4</sup></b>													
<b>Total: CIP Program Costs (Future-Year Dollars)</b>		<b>\$ 251,795</b>	<b>\$ 2,790,541</b>	<b>\$ 6,197,733</b>	<b>\$ 4,415,669</b>	<b>\$ 4,036,946</b>	<b>\$ 2,919,481</b>	<b>\$ 2,585,271</b>	<b>\$ 2,675,756</b>	<b>\$ 2,769,407</b>	<b>\$ 2,866,337</b>	<b>\$ 2,966,658</b>	<b>\$ 3,070,492</b>

TABLE 14 : FORECASTING ASSUMPTIONS

Economic Variables	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Construction Cost Inflation, Per Engineering News Record <sup>6</sup>	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Cumulative Construction Cost Multiplier from FY 2021/22	1.04	1.07	1.11	1.15	1.19	1.23	1.27	1.32	1.36	1.41	1.46	1.51

- Capital project costs were provided by City Staff in source file: *Water Projects.pdf*.
- Capital projects costs for FY 2021/22 and FY 2022/23 are from source files: 11. *CIP Budget vs Expense Report FY 2021-2022 through Oct 2021.pdf* & *Water FY 2023-2027.xlsx*.
- The City's Water Master Plan projects were scheduled to begin in 2016; however, the study only includes costs from FY 2021/22 through FY 2034/35. Source file: *2016 Potable Water Master Plan.pdf*, page 53.
- Future project costs beyond FY 2034/35 are calculated based on the City's 10-year average.
- Capital improvement projects are inflated to future year estimated costs with ENR CCI for the region. Source: Engineering News Record website (<http://enr.construction.com>).
- For reference purposes, the annual Construction Cost Inflation percentage is the 10-year average change in the Construction Cost Index for September 2012-2022 (3.5%). Source: Engineering News Record website (<http://enr.construction.com>).

TABLE 15 : EXISTING DEBT OBLIGATIONS

EXISTING DEBT OBLIGATIONS	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Repayment Schedules:												
SWRCB (California Department of Water Resources): Contract No. D-GLC 46 <sup>1</sup>												
Principal Payment	\$ 70,382	\$ 72,142	\$ 73,946	\$ 75,794	\$ 77,689	\$ 79,631	\$ 53,204	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payment	24,084	22,324	20,521	18,672	16,777	14,835	12,844	-	-	-	-	-
<b>Subtotal: Annual Debt Service</b>	<b>\$ 94,466</b>	<b>\$ 94,466</b>	<b>\$ 94,466</b>	<b>\$ 94,466</b>	<b>\$ 94,466</b>	<b>\$ 94,466</b>	<b>\$ 66,048</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Coverage Requirement (\$-Amnt above annual payment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Requirement <sup>2</sup>	\$ 71,827	\$ 72,068	\$ 72,053	\$ 71,580	\$ 70,175	\$ 66,417	\$ 53,204	\$ -	\$ -	\$ -	\$ -	\$ -
Banc of America Public Capital Corp Agreement (ENGIE) - Loan Amount \$5,209,209 <sup>3</sup>												
Principal Payment	\$ 5,520	\$ 66,788	\$ 63,992	\$ 68,673	\$ 73,583	\$ 75,042	\$ 82,720	\$ 88,430	\$ 78,658	\$ 84,010	\$ 89,620	\$ 94,771
Interest Payment	23,749	22,854	21,682	20,498	19,229	17,900	16,494	14,966	13,463	12,011	10,462	8,815
<b>Subtotal: Annual Debt Service</b>	<b>\$ 29,269</b>	<b>\$ 89,642</b>	<b>\$ 85,674</b>	<b>\$ 89,171</b>	<b>\$ 92,812</b>	<b>\$ 92,941</b>	<b>\$ 99,214</b>	<b>\$ 103,396</b>	<b>\$ 92,122</b>	<b>\$ 96,021</b>	<b>\$ 100,082</b>	<b>\$ 103,586</b>
Coverage Requirement (\$-Amnt above annual payment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Requirement (total fund balance)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sites Reservoir Project - Debt Amount \$20,586,000 <sup>4</sup>												
Principal Payment	\$ 400,000	\$ 560,000	\$ 640,000	\$ 640,000	\$ 1,281,000	\$ 2,336,000	\$ 2,849,000	\$ 3,166,000	\$ 3,195,000	\$ 3,131,000	\$ 3,028,000	\$ -
Interest Payment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Annual Debt Service</b>	<b>\$ 400,000</b>	<b>\$ 560,000</b>	<b>\$ 640,000</b>	<b>\$ 640,000</b>	<b>\$ 1,281,000</b>	<b>\$ 2,336,000</b>	<b>\$ 2,849,000</b>	<b>\$ 3,166,000</b>	<b>\$ 3,195,000</b>	<b>\$ 3,131,000</b>	<b>\$ 3,028,000</b>	<b>\$ -</b>
Coverage Requirement (\$-Amnt above annual payment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Requirement (total fund balance)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Grand Total: Existing Annual Debt Service</b>	<b>\$ 523,735</b>	<b>\$ 744,109</b>	<b>\$ 820,140</b>	<b>\$ 823,637</b>	<b>\$ 1,468,278</b>	<b>\$ 2,523,408</b>	<b>\$ 3,014,261</b>	<b>\$ 3,269,396</b>	<b>\$ 3,287,122</b>	<b>\$ 3,227,021</b>	<b>\$ 3,128,082</b>	<b>\$ 103,586</b>
<b>Grand Total: Existing Annual Coverage Requirement</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total: Existing Debt Reserve Target</b>	<b>\$ 71,827</b>	<b>\$ 72,068</b>	<b>\$ 72,053</b>	<b>\$ 71,580</b>	<b>\$ 70,175</b>	<b>\$ 66,417</b>	<b>\$ 53,204</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

TABLE 16 : WATER UTILITY EXISTING DEBT OBLIGATIONS, cont.

EXISTING DEBT OBLIGATIONS	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Interfund Loans (For Information Only)</b>												
<b>Water Operations to Water Capacity Fund</b>												
Advance from Water Operations 510 to Water Capacity 520												
Original Loan Amount (June 1, 2008)	\$ 1,000,000											
Accrued Interest (LAIF Rate + 2%)	132,325											
<b>Annual Debt Service<sup>5</sup></b>		\$126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ 126,058	\$ -
<b>Water Operations to Recycled Water Fund</b>												
Advance from Water Operations 510 to Recycled Water Operations 580												
Original Loan Amount (September 21, 2021)	\$ 128,189											
Accrued Interest (LAIF Rate + 2%)	11,706											
<b>Annual Debt Service<sup>6</sup></b>					\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421
<b>Water Operations to Recycled Water Fund</b>												
Advance from Water Operations 510 to Recycled Water Operations 580												
Original Loan Amount (June 20, 2023)	\$ 1,136,140											
Accrued Interest (LAIF Rate + 2%)	981											
<b>Annual Debt Service<sup>7</sup></b>			\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061

1. Construction loan issued by the State under the Davis-Grunsky Act. Source files: 5 - Debt Service Schedules.xlsx & 6 - Davis Grunsky Agreement \$2,050,000 Loan Dec 9 1974.pdf .
2. The City is required to maintain a debt reserve fund equal to the average annual payment of the total outstanding loan balance. Source file: 6 - Davis Grunsky Agreement \$2,050,000 Loan Dec 9 1974.pdf , pp. 11-12 .
3. Equipment lease/purchase loan issued by the Banc of America Public Capital Corp to cover energy efficiency projects to City facilities. Water utility portion is 24.64%, or \$1,283,549.10 (Principal). Source file: 6 - ENGIE Closing Documents.pdf .
4. Debt service for the City's portion of costs related to the Sites Reservoir Project. Source files: Email from City staff dated 9-19-2022 & Sites-2021-Draft-Plan-of-Finance.pdf , Table 6A, page 27.
5. Funds advanced to purchase water rights. Repayment scheduled to begin FY 2022/23.
6. Funds advanced for Green Island Recycled Waterline Project. Repayment scheduled to begin FY 2025/26.
7. Funds advanced for the Recycled Water Expansion Project, Project no. RW17-0100. Repayment scheduled to begin FY 2023/24.

TABLE 17 : EXISTING ANNUAL DEBT OBLIGATIONS TO BE SATISFIED BY WATER RATES

Annual Obligations	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Existing Annual Debt Service	\$ 523,735	\$ 744,109	\$ 820,140	\$ 823,637	\$ 1,468,278	\$ 2,523,408	\$ 3,014,261	\$ 3,269,396	\$ 3,287,122	\$ 3,227,021	\$ 3,128,082	\$ 103,586
Existing Annual Coverage Requirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Debt Reserve Target	\$ 71,827	\$ 72,068	\$ 72,053	\$ 71,580	\$ 70,175	\$ 66,417	\$ 53,204	\$ -	\$ -	\$ -	\$ -	\$ -

TABLE 18: CURRENT WATER RATE SCHEDULE

Water Rate Schedule <sup>1</sup>	Current Rates Jan. 1, 2023
<b>Monthly Fixed Service Charges</b>	
<b>Residential Use</b>	\$26.56
<b>Multi-Family, Commercial and Landscape</b>	
< 1" meter	\$26.56
1" meter (Residential)	\$26.56
1" meter (Commercial)	\$44.42
1 1/2" meter	\$88.75
2" meter	\$141.99
3" meter	\$283.98
4" meter	\$443.74
6" meter	\$887.48
8" meter	\$1,420.06
<b>Private Fire Protection</b>	\$13.28
<b>Temporary Hydrant Meters</b>	\$283.98
<b>Raw Water</b>	
1" meter	\$44.42
2" meter	\$141.99
4" meter	\$443.74
6" meter	\$887.48
<b>Variable Rates for All Water Consumed (in \$/hcf)<sup>2</sup></b>	
<b>Residential Use</b>	
Tier 1 (0 - 10 units)	\$7.54
Tier 2 (> 10 units)	\$8.15
<b>Multi-Family, Commercial and Landscape</b>	\$7.72
<b>Private Fire Protection</b>	\$3.86
<b>Temporary Hydrant Meters</b>	
Potable	\$7.72
Recycled	\$0.90
<b>Raw Water</b>	\$3.44

1. Rates available on the City website. Source: <https://www.cityofamericancanyon.org>.

2. HCF = hundred cubic feet (748 gallons).

TABLE 19 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses									
Budget Categories	Total Revenue	Commodity	Capacity	Customer	Fire Protection	Basis of Classification			
	Requirements					(COM)	(CAP)	(CA)	(FP)
	FY 2023/24								
<b>Fund 510 - Water Operations</b>									
<b>560 - Water Treatment Plant</b>									
Wages - Full Time	\$ 612,238	\$ 306,119	\$ 223,160	\$ 61,224	\$ 21,736	50.0%	36.4%	10.0%	3.6%
Wages - Overtime	9,000	4,500	3,280	900	320	50.0%	36.4%	10.0%	3.6%
Health Insurance	95,546	47,773	34,826	9,555	3,392	50.0%	36.4%	10.0%	3.6%
Health-In-Lieu	9,690	4,845	3,532	969	344	50.0%	36.4%	10.0%	3.6%
Cafeteria Plan Section 125	24,587	12,294	8,962	2,459	873	50.0%	36.4%	10.0%	3.6%
Social Security & Medicare	9,374	4,687	3,417	937	333	50.0%	36.4%	10.0%	3.6%
Worker Comp Insurance	49,859	24,930	18,174	4,986	1,770	50.0%	36.4%	10.0%	3.6%
Benefits - Other	1,106	553	403	111	39	50.0%	36.4%	10.0%	3.6%
Info Tech Support Services	116,200	58,100	42,355	11,620	4,125	50.0%	36.4%	10.0%	3.6%
Professional Services	366,400	183,200	133,552	36,640	13,008	50.0%	36.4%	10.0%	3.6%
Misc Contractual Services	59,200	29,600	21,578	5,920	2,102	50.0%	36.4%	10.0%	3.6%
General Repairs & Maint	53,800	26,900	19,610	5,380	1,910	50.0%	36.4%	10.0%	3.6%
Advertising	6,000	3,000	2,187	600	213	50.0%	36.4%	10.0%	3.6%
Postage/Mail/Copy/Printing Svc	2,000	1,000	729	200	71	50.0%	36.4%	10.0%	3.6%
Membership Dues & Subscription	3,200	1,600	1,166	320	114	50.0%	36.4%	10.0%	3.6%
Conferences - Training	13,500	6,750	4,921	1,350	479	50.0%	36.4%	10.0%	3.6%
Rentals - Equipment/Space	3,700	1,850	1,349	370	131	50.0%	36.4%	10.0%	3.6%
Office Supplies	25,000	12,500	9,112	2,500	888	50.0%	36.4%	10.0%	3.6%
Operating Supplies	488,400	244,200	178,021	48,840	17,339	50.0%	36.4%	10.0%	3.6%
Water Plant Membrane Filters	-	-	-	-	-	50.0%	36.4%	10.0%	3.6%
Utilities - Gas & Elec	73,000	36,500	26,608	7,300	2,592	50.0%	36.4%	10.0%	3.6%
Util-Phonespgrsinternetcable	5,800	2,900	2,114	580	206	50.0%	36.4%	10.0%	3.6%
Pers Retirement	60,588	30,294	22,084	6,059	2,151	50.0%	36.4%	10.0%	3.6%
<b>Subtotal - Water Treatment Plant</b>	<b>\$ 2,088,189</b>	<b>\$ 1,044,094</b>	<b>\$ 761,140</b>	<b>\$ 208,819</b>	<b>\$ 74,135</b>	<b>50.0%</b>	<b>36.4%</b>	<b>10.0%</b>	<b>3.6%</b>

TABLE 20 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS, cont.

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Commodity	Capacity	Customer	Fire Protection	Basis of Classification			
	FY 2023/24	(COM)	(CAP)	(CA)	(FP)	(COM)	(CAP)	(CA)	(FP)
<b>Fund 510 - Water Operations</b>									
<b>565 - Water Distribution</b>									
Wages - Full Time	\$ 544,808	\$ 272,404	\$ 198,581	\$ 54,481	\$ 19,342	50.0%	36.4%	10.0%	3.6%
Wages - Overtime	3,000	1,500	1,093	300	107	50.0%	36.4%	10.0%	3.6%
Health Insurance	110,792	55,396	40,384	11,079	3,933	50.0%	36.4%	10.0%	3.6%
Cafeteria Plan Section 125	27,459	13,730	10,009	2,746	975	50.0%	36.4%	10.0%	3.6%
Social Security & Medicare	8,298	4,149	3,025	830	295	50.0%	36.4%	10.0%	3.6%
Worker Comp Insurance	58,411	29,205	21,291	5,841	2,074	50.0%	36.4%	10.0%	3.6%
Benefits - Other	1,901	951	693	190	67	50.0%	36.4%	10.0%	3.6%
Info Tech Support Services	84,600	42,300	30,837	8,460	3,003	50.0%	36.4%	10.0%	3.6%
Professional Services	52,000	26,000	18,954	5,200	1,846	50.0%	36.4%	10.0%	3.6%
Misc Contractual Services	9,300	4,650	3,390	930	330	50.0%	36.4%	10.0%	3.6%
General Repairs & Maint	375,100	187,550	136,723	37,510	13,317	50.0%	36.4%	10.0%	3.6%
Reimbursable Repairs	20,000	10,000	7,290	2,000	710	50.0%	36.4%	10.0%	3.6%
Postage/Mail/Copy/Printing Svc	3,499	1,750	1,275	350	124	50.0%	36.4%	10.0%	3.6%
Membership Dues & Subscription	3,200	1,600	1,166	320	114	50.0%	36.4%	10.0%	3.6%
Conferences - Training	7,000	3,500	2,551	700	249	50.0%	36.4%	10.0%	3.6%
Rentals - Equipment/Space	13,000	6,500	4,738	1,300	462	50.0%	36.4%	10.0%	3.6%
Office Supplies	2,000	1,000	729	200	71	50.0%	36.4%	10.0%	3.6%
Operating Supplies	33,200	16,600	12,101	3,320	1,179	50.0%	36.4%	10.0%	3.6%
Water Meters	100,000	50,000	36,450	10,000	3,550	50.0%	36.4%	10.0%	3.6%
Util-Phonespgrsinternetcable	4,100	2,050	1,494	410	146	50.0%	36.4%	10.0%	3.6%
Pers Retirement	74,481	37,240	27,148	7,448	2,644	50.0%	36.4%	10.0%	3.6%
<b>Subtotal -Water Distribution</b>	<b>\$ 1,536,149</b>	<b>\$ 768,074</b>	<b>\$ 559,923</b>	<b>\$ 153,615</b>	<b>\$ 54,537</b>	<b>50.0%</b>	<b>36.4%</b>	<b>10.0%</b>	<b>3.6%</b>

TABLE 21 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS, cont.

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Commodity	Capacity	Customer	Fire Protection	Basis of Classification			
	FY 2023/24	(COM)	(CAP)	(CA)	(FP)	(COM)	(CAP)	(CA)	(FP)
<b>50 - Public Works</b>									
<b>810 - Non Departmental</b>									
Wages - Full Time	\$ 128,293	\$ 64,146	\$ 46,762	\$ 12,829	\$ 4,555	50.0%	36.4%	10.0%	3.6%
Allowances	1,920	960	700	192	68	50.0%	36.4%	10.0%	3.6%
Health Insurance	21,244	10,622	7,743	2,124	754	50.0%	36.4%	10.0%	3.6%
Cafeteria Plan Section 125	4,312	2,156	1,572	431	153	50.0%	36.4%	10.0%	3.6%
Social Security & Medicare	2,038	1,019	743	204	72	50.0%	36.4%	10.0%	3.6%
Worker Comp Insurance	9,825	4,912	3,581	982	349	50.0%	36.4%	10.0%	3.6%
Opeb	47,537	23,769	17,327	4,754	1,688	50.0%	36.4%	10.0%	3.6%
Info Tech Support Services	33,414	16,707	12,179	3,341	1,186	50.0%	36.4%	10.0%	3.6%
Professional Services	66,586	33,293	24,270	6,659	2,364	50.0%	36.4%	10.0%	3.6%
Postage/Mail/Copy/Printing Svc	6,000	3,000	2,187	600	213	50.0%	36.4%	10.0%	3.6%
Membership Dues & Subscription	2,600	1,300	948	260	92	50.0%	36.4%	10.0%	3.6%
Services - Cash For Grass	30,000	15,000	10,935	3,000	1,065	50.0%	36.4%	10.0%	3.6%
Services - Toilet Rebates	10,000	5,000	3,645	1,000	355	50.0%	36.4%	10.0%	3.6%
Office Supplies	500	250	182	50	18	50.0%	36.4%	10.0%	3.6%
Utilities - Water	2,500	1,250	911	250	89	50.0%	36.4%	10.0%	3.6%
City Of Napa	278,000	278,000	-	-	-	100.0%	0.0%	0.0%	0.0%
North Bay Aqueduct	3,203,000	3,203,000	-	-	-	100.0%	0.0%	0.0%	0.0%
City Of Vallejo	121,218	121,218	-	-	-	100.0%	0.0%	0.0%	0.0%
Transfer To Gen Fund Support Sv	1,124,203	562,102	409,770	112,420	39,912	50.0%	36.4%	10.0%	3.6%
Transfer To General Fund - Oth	160,000	80,000	58,320	16,000	5,680	50.0%	36.4%	10.0%	3.6%
Retiree Health Benefits	74,980	37,490	27,330	7,498	2,662	50.0%	36.4%	10.0%	3.6%
Pers Retirement	16,257	8,128	5,926	1,626	577	50.0%	36.4%	10.0%	3.6%
Isf - Bldg Maint	325,219	162,610	118,542	32,522	11,546	50.0%	36.4%	10.0%	3.6%
Isf - Fleet	354,173	177,087	129,095	35,417	12,574	50.0%	36.4%	10.0%	3.6%
Isf - Info Tech	54,709	27,355	19,941	5,471	1,942	50.0%	36.4%	10.0%	3.6%
Isf - Legal Services	96,582	48,291	35,204	9,658	3,429	50.0%	36.4%	10.0%	3.6%
<b>Subtotal - Non Departmental</b>	<b>\$ 6,175,109</b>	<b>\$ 4,888,664</b>	<b>\$ 937,813</b>	<b>\$ 257,289</b>	<b>\$ 91,343</b>	<b>79.2%</b>	<b>15.2%</b>	<b>4.2%</b>	<b>1.5%</b>
<b>Total: Water Operations Expenses</b>	<b>\$ 9,799,447</b>	<b>\$ 6,700,833</b>	<b>\$ 2,258,877</b>	<b>\$ 619,723</b>	<b>\$ 220,015</b>	<b>68.4%</b>	<b>23.1%</b>	<b>6.3%</b>	<b>2.2%</b>
<b>TOTAL: WATER OPERATIONS EXPENSES</b>	<b>\$ 9,799,447</b>	<b>\$ 6,700,833</b>	<b>\$ 2,258,877</b>	<b>\$ 619,723</b>	<b>\$ 220,015</b>	<b>68.4%</b>	<b>23.1%</b>	<b>6.3%</b>	<b>2.2%</b>

TABLE 22 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS, cont.

Classification of Expenses, continued									
Budget Categories	Total Revenue Requirements	Commodity	Capacity	Customer	Fire Protection	Basis of Classification			
	FY 2023/24	(COM)	(CAP)	(CA)	(FP)	(COM)	(CAP)	(CA)	(FP)
<b>Debt Service Payments</b>									
Outstanding Debt	\$ 820,140	\$ -	\$ 820,140	\$ -	\$ -	0.0%	100.0%	0.0%	0.0%
New Debt Issue - SRF Loan	-	-	-	-	-	0.0%	100.0%	0.0%	0.0%
New Debt Issue - Revenue Bond	-	-	-	-	-	0.0%	100.0%	0.0%	0.0%
<b>Total Debt Service Payments</b>	<b>\$ 820,140</b>	<b>\$ -</b>	<b>\$ 820,140</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Capital Expenditures</b>									
Rate Funded Capital Expenses	\$ 4,566,877	\$ -	\$ 4,566,877	\$ -	\$ -	0.0%	100.0%	0.0%	0.0%
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$ 15,186,464</b>	<b>\$ 6,700,833</b>	<b>\$ 7,645,894</b>	<b>\$ 619,723</b>	<b>\$ 220,015</b>	<b>44.1%</b>	<b>50.3%</b>	<b>4.1%</b>	<b>1.4%</b>
<i>Less: Non-Rate Revenues</i>									
<b>Other Revenue</b>									
Grant - State/Local	\$ -	\$ -	\$ -	\$ -	\$ -	44.1%	50.3%	4.1%	1.4%
Interest Earnings	(275,008)	(121,344)	(138,458)	(11,222)	(3,984)	44.1%	50.3%	4.1%	1.4%
Miscellaneous Revenues	(359,300)	(158,537)	(180,896)	(14,662)	(5,205)	44.1%	50.3%	4.1%	1.4%
Late Penalties / Interest	(114,300)	(50,433)	(57,546)	(4,664)	(1,656)	44.1%	50.3%	4.1%	1.4%
Interfund Transfer In (Loan Repayment)	(44,061)	(19,441)	(22,183)	(1,798)	(638)	44.1%	50.3%	4.1%	1.4%
<b>NET REVENUE REQUIREMENTS</b>	<b>\$ 14,393,795</b>	<b>\$ 6,351,077</b>	<b>\$ 7,246,811</b>	<b>\$ 587,376</b>	<b>\$ 208,531</b>				
<i>Allocation of Revenue Requirements</i>	<i>100.0%</i>	<i>44.1%</i>	<i>50.3%</i>	<i>4.1%</i>	<i>1.4%</i>				

TABLE 23 : ADJUSTMENT TO CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses, continued					
Adjustments to Classification of Expenses					
Adjustment for Current Rate Level:	Total	(COM)	(CAP)	(CA)	(FP)
Test Year (FY 2023/24) Target Rate Rev. After Rate Increases	\$ 10,291,388				
Projected Rate Revenue at Current Rates	\$ 9,441,640				
Test Year (FY 2023/24) Projected Rate Adjustment	9.00%				
<b>Adjusted Net Revenue Req'ts</b>	<b>\$ 10,291,388</b>	<b>\$ 4,540,943</b>	<b>\$ 5,181,381</b>	<b>\$ 419,967</b>	<b>\$ 149,097</b>
<i>Percent of Revenue</i>	<i>100.0%</i>	<i>44.1%</i>	<i>50.3%</i>	<i>4.1%</i>	<i>1.4%</i>

TABLE 24 : NET REVENUE REQUIREMENTS PER COSA RESULTS

Net Revenue Requirements - Per COSA Results 56% Fixed / 44% Variable	Total Rate Revenue Requirements FY 2023/24 (Excluding Recycled Water)	Commodity Related Costs			Fixed Costs		
		SWP	Raw Water	Treated Water	Capacity Related Costs	Customer Related Costs	Fire Protection Related Costs
Rate-Design Adjustments to Fixed/Variable %	100.0%	44.1%			50.3%	4.1%	1.4%
Rate-Design Adjustments to Fixed/Variable (\$)	\$10,291,388	\$3,702,785	\$515,708	\$322,450	\$5,181,381	\$419,967	\$149,097

TABLE 25 : NET REVENUE REQUIREMENTS PER COSA RESULTS - ALTERNATIVE 1 (COSA)

Rate-Design Adjustments to Fixed/Variable %	100.0%	60.0%			36.0%	2.9%	1.0%
Rate-Design Adjustments to Fixed/Variable (\$)	\$10,291,388	\$5,035,095	\$701,267	\$438,471	\$3,709,181	\$300,640	\$106,734

TABLE 26 : DEVELOPMENT OF THE COMMODITY ALLOCATION FACTOR

Development of the Volumetric/Variable Allocation Factor <sup>1</sup>				
Customer Class	FY 2021/22 Consumption (hcf)	% Adjustment for Conservation <sup>2</sup>	Est. FY 2021/22 Volume Adjusted for Conservation	FY 2021/22 % of Total Volume
Residential	507,339	20.0%	405,871	50.1%
Multi-Family	89,630	20.0%	71,704	8.8%
Commercial	318,808	20.0%	255,046	31.5%
Landscape	53,157	20.0%	42,526	5.2%
Private Fire Protection	22,831	20.0%	18,265	2.3%
Temporary Hydrant Meters	8,303	20.0%	6,642	0.8%
Raw Water	13,039	20.0%	10,431	1.3%
<b>Total</b>	<b>1,013,107</b>		<b>810,486</b>	<b>100%</b>

1. Consumption data is based on the City of American Canyon's billing data.
2. A conservation factor of 20% included in table above based on the "20 by 2020" law passed in 2009.  
 Source: <https://www.ca-ilg.org>.

**Commodity Related Costs:** Costs associated with the total consumption (flow) of water over a specified period of time (e.g. annual).

TABLE 27 : DEVELOPMENT OF THE CAPACITY ALLOCATION FACTORS

Development of the CAPACITY Allocation Factors					
Customer Class	Meter Size <sup>1</sup>	No. of Meters	Hydraulic Capacity Factors <sup>2</sup>	Total Equivalent Meters	% of EDUs
<b>Residential</b>		<b>4,880</b>		<b>4,930</b>	<b>42.2%</b>
	< 1" meter	1,986	1.00	1,986	
	1" meter	2,875	1.00	2,875	
	1 1/2" meter	7	2.00	14	
	2" meter	9	3.20	29	
	3" meter	1	6.40	6	
	4" meter	2	10.00	20	
<b>Multi-Family</b>		<b>556</b>		<b>5,598</b>	<b>47.9%</b>
	1 1/2" meter	20	2.00	40	
	2" meter	201	3.20	643	
	3" meter	96	6.40	614	
	4" meter	48	10.00	480	
<b>Commercial</b>		<b>343</b>		<b>698</b>	<b>6.0%</b>
	6" meter	191	20.00	3,820	
	< 1" meter	102	1.00	102	
	1" meter	88	1.00	88	
	1 1/2" meter	54	2.00	108	
	2" meter	81	3.20	259	
<b>Landscape</b>		<b>73</b>		<b>122</b>	<b>1.0%</b>
	3" meter	11	6.40	70	
	4" meter	7	10.00	70	
	2" meter	16	3.20	51	
<b>Private Fire Protection</b>		<b>245</b>		<b>245</b>	<b>2.1%</b>
	< 1" meter	245	1.00	245	
<b>Temporary Hydrant Meters</b>		<b>8</b>		<b>51</b>	<b>0.4%</b>
	3" meter	8	6.40	51	
<b>Raw Water</b>		<b>3</b>		<b>40</b>	<b>0.3%</b>
	4" meter	2	10.00	20	
	6" meter	1	20.00	20	
<b>Total</b>		<b>6,108</b>		<b>11,684</b>	<b>100%</b>

**Capacity Related Costs:** Costs associated with the maximum demand required at one point in time or the maximum size of facilities required to meet this demand.

1. Meter by class and size are based on June 2022 customer billing data.  
2. Source: *Principles of Water Rates, Fees, and Charges*, Manual M1, AWWA, Table B-1.

**TABLE 28 : DEVELOPMENT OF THE CUSTOMER ALLOCATION FACTORS**

Development of the Customer Allocation Factor		
Customer Class	No. of Meters/Accounts FY 2021/22 <sup>1</sup>	% of Total Meters
Residential	4,880	71.5%
Multi-Family <sup>2</sup>	1,273	18.7%
Commercial	343	5.0%
Landscape	73	1.1%
Private Fire Protection	245	3.6%
Temporary Hydrant Meters	8	0.1%
Raw Water	3	0.0%
<b>Total</b>	<b>6,825</b>	<b>100.0%</b>

1. Meter count data is based on the City's billing data for June 2022.
2. Multi-family residential customers are by dwelling units.

**Customer Related Costs:** Costs associated with having a customer on the water system. These costs vary with the addition or deletion of customers on the system.  
 Examples: Meter-reading, Postage and billing.

TABLE 29 : FY 2023/24 WATER SUPPLY BY SOURCE

Source of Supply	Total Contracted Purchases		Acre Feet as a % of Total	Total Cost (FY 2023/24)	Cost as a % of Total Cost
	In AF	In HCF			
SWP (Contracted Purchase)	3,590	1,563,804	81.5%	\$ 2,727,590	75.7%
Vallejo Raw Water (Contracted Purchase)	500	217,800	11.4%	138,033	3.8%
Treated Water (Contracted Purchase) <sup>1</sup>	313	136,181	7.1%	737,049	20.5%
<b>Totals</b>	<b>4,403</b>	<b>1,917,785</b>	<b>100.0%</b>	<b>\$ 3,602,672</b>	<b>100%</b>

1. This includes Vallejo Treated Water and City of Napa Treat and Wheel. Source files: *Water cost projections.xlsx*.

TABLE 30 : UNIT COSTS BY SOURCE OF SUPPLY

Source of Supply	Quantity (AF)	Total Cost	Rate (\$/AF)
SWP (Tier 1)	3,590	\$ 2,727,590	\$ 760
Vallejo Raw Water (Tier 1)	500	138,033	\$ 276
Treated Water (Tier 2)	313	737,049	\$ 2,358
<b>Total Water Supply (AF)</b>	<b>4,403</b>	<b>\$ 3,602,672</b>	
Unit Costs (\$/HCF)	Quantity (HCF)	Total Cost	Rate (\$/HCF)
<b>Tier 1 - SWP &amp; Vallejo Raw Water</b>	1,781,604	\$ 1,129,112	\$ 0.63
<b>Tier 2 - Treated Water (Napa &amp; Vallejo)</b>	136,181	737,049	\$ 5.41
<i>Blended Cost (all water) per hcf</i>			\$ 1.88
<b>Total Estimated Quantity (hcf)</b>	<b>1,917,785</b>	<b>\$ 1,866,161</b>	<b>810,486</b>
<b>Estimated Residential Consumption</b>			<b>405,871</b>
<i>Total FY 2023/24 % of Total Volume</i>			<b>50.1%</b>

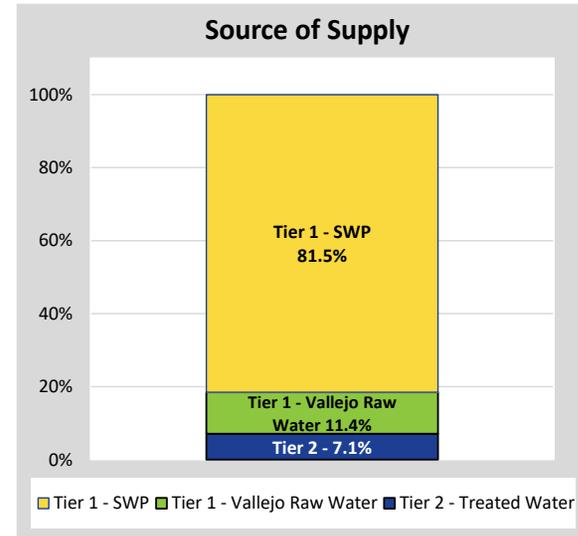
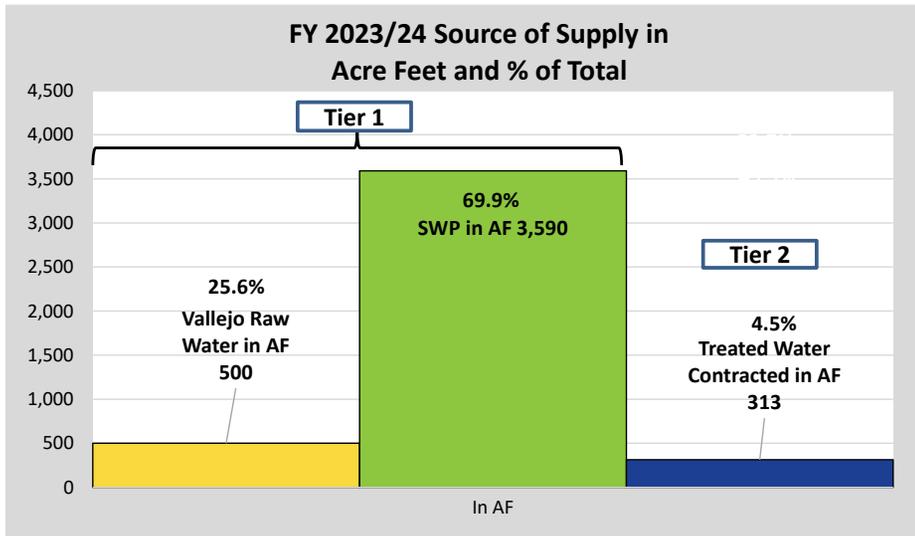


TABLE 31 : ALLOCATION OF WATER REVENUE REQUIREMENTS

Classification Components	PROPOSED ALTERNATIVE (40% Fixed / 60% Variable) Cost-of-Service Net Revenue Requirements (FY 2023/24)	
	Commodity-Related Costs	\$ 6,174,833
Capacity-Related Costs	3,709,181	36.0%
Customer-Related Costs	300,640	2.9%
Fire Protection-Related Costs	106,734	1.0%
<b>Net Revenue Requirement</b>	<b>\$ 10,291,388</b>	<b>100.0%</b>

Unadjusted Net Rev. Req'ts.  
60.0% total variable  
40.0% total fixed  
100.0%

TABLE 32 : ALLOCATION OF UNADJUSTED NET REVENUE REQUIREMENTS - FY 2023/24

Net Revenue Requirements (COSA)						
Customer Classes	Classification Components				Cost of Service Net Rev. Req'ts	% of COS Net Revenue Req'ts
	VARIABLE	FIXED				
	Commodity- Related Costs	Capacity- Related Costs	Customer- Related Costs	Fire Protection- Related Costs		
Residential	\$ 3,092,204	\$ 1,565,159	\$ 214,963	\$ -	\$ 4,872,326	47.3%
Multi-Family	546,290	1,777,034	56,075	-	2,379,400	23.1%
Commercial	1,943,118	221,463	15,109	-	2,179,689	21.2%
Landscape	323,989	38,794	3,216	-	365,999	3.6%
Private Fire Protection	139,154	77,779	10,792	106,734	334,458	3.2%
Temporary Hydrant Meters	50,606	16,254	352	-	67,213	0.7%
Raw Water	79,472	12,699	132	-	92,303	0.9%
<b>Total Net Revenue Requirement</b>	<b>\$ 6,174,833</b>	<b>\$ 3,709,181</b>	<b>\$ 300,640</b>	<b>\$ 106,734</b>	<b>\$ 10,291,388</b>	<b>100%</b>
<i>Total Net Revenue Requirement by Classification Component</i>	<u>VARIABLE</u> \$6,174,833	<u>FIXED</u> \$4,116,555			\$10,291,388	

TABLE 33 : COST-OF-SERVICE SUMMARY OF REVENUE REQUIREMENTS

Customer Class	Proposed Alternative Allocated Costs	
	FY 2023/24 COS Rev. Req't	% of COS Rev. Req't.
Residential	\$ 4,872,326	47.3%
Multi-Family	2,379,400	23.1%
Commercial	2,179,689	21.2%
Landscape	365,999	3.6%
Private Fire Protection	334,458	3.2%
Temporary Hydrant Meters	67,213	0.7%
Raw Water	92,303	0.9%
<b>Total</b>	<b>\$ 10,291,388</b>	<b>100%</b>

TABLE 34 : METER EQUIVALENCY FACTORS USED IN FIXED CHARGES CALCULATION

Meter Size	Standard Meters	
	Meter Capacity (gpm) <sup>1</sup>	Equivalency to 1 inch
	<u>Displacement Meters</u>	
5/8 inch	20	1.00
3/4 inch	30	1.00
1 inch	50	1.00
1 1/2 inch	100	2.00
2 inch	160	3.20
	<u>Compound Class I Meters</u>	
3 inch	320	6.40
4 inch	500	10.00
6 inch	1,000	20.00
8 inch	1,600	32.00
	<u>Turbine Class II Meters</u>	
10 inch	4,200	84.00
12 inch	5,300	106.00

1. Per AWWA, M1 Manual, Table B-1.

TABLE 35 : CALCULATION OF MONTHLY FIXED METER SERVICE CHARGES FOR FY 2023/24

ALTERNATIVE 1 (COSA)									
Number of Meters by Class and Size <sup>1</sup>	FY 2023/24								
	< 1" meter	1" meter	1 1/2" meter	2" meter	3" meter	4" meter	6" meter	8" meter	Total
Residential	1,986	2,875	7	9	1	2	0	0	4,880
Multi-Family	0	0	20	201	96	48	191	0	556
Commercial	13	30	14	16	0	0	0	0	73
Commercial	102	88	54	81	11	7	0	0	343
Private Fire Protection	245	0	0	0	0	0	0	0	245
Temporary Hydrant Meters	0	0	0	0	8	0	0	0	8
Raw Water	0	0	0	0	0	2	1	0	3
<b>Total Meters/Accounts</b>	<b>2,346</b>	<b>2,993</b>	<b>95</b>	<b>307</b>	<b>116</b>	<b>59</b>	<b>192</b>	<b>0</b>	<b>6,108</b>
<i>Hydraulic Capacity Factor</i> <sup>2</sup>	1.00	1.00	2.00	3.20	6.40	10.00	20.00	32.00	
<b>Total Equivalent Meters</b>	<b>2,346</b>	<b>2,993</b>	<b>190</b>	<b>982</b>	<b>742</b>	<b>590</b>	<b>3,840</b>	<b>0</b>	<b>11,684</b>
<b>Monthly Fixed Service Charges</b>									
Customer Costs (\$/Acct/month) <sup>3</sup>	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10	\$4.10
Capacity Costs (\$/Acct/month) <sup>4</sup>	\$27.22	\$27.22	\$54.43	\$87.09	\$174.19	\$272.17	\$544.33	\$870.93	
<b>Total Monthly Meter Charge</b>	<b>\$31.32</b>	<b>\$31.32</b>	<b>\$58.53</b>	<b>\$91.19</b>	<b>\$178.29</b>	<b>\$276.27</b>	<b>\$548.43</b>	<b>\$875.03</b>	
<b>Annual Fixed Costs Allocated to Monthly Meter Charges</b>									
Customer Costs	\$ 300,640								
Capacity Costs	3,815,915								
<b>Total Fixed Meter Costs</b>	<b>\$ 4,116,555</b>								
<b>Annual Revenue from Monthly Meter Charges</b>									
Customer Charges	\$ 115,491	\$ 147,298	\$ 4,676	\$ 15,111	\$ 5,710	\$ 2,904	\$ 9,450	\$ -	\$ 300,640
Capacity Charges	\$ 766,330	\$ 977,381	\$ 62,054	\$ 320,851	\$ 242,467	\$ 192,693	\$ 1,254,139	\$ -	\$ 3,815,915
<b>Total Revenue from Monthly Meter Charges</b>	<b>\$ 881,821</b>	<b>\$ 1,124,680</b>	<b>\$ 66,730</b>	<b>\$ 335,961</b>	<b>\$ 248,177</b>	<b>\$ 195,597</b>	<b>\$ 1,263,590</b>	<b>\$ -</b>	<b>\$ 4,116,555</b>

- Meter by Class and Size are based on June 2022 customer billing data.
- Source: *Principles of Water Rates, Fees, and Charges*, Manual M1, AWWA, Table B-1.
- Customer costs are allocated to each customer by dividing the total customer costs by the total number of customers.
- Capacity costs are allocated by meter size and the hydraulic capacity of the meter.

TABLE 36 : FIXED CHARGES REVENUE CHECK

Number of Meters by Class and Size	FY 2023/24								Total
	< 1"	1"	1 1/2"	2"	3"	4"	6"	8"	
<b>Potable Water</b>									
Residential	1,986	2,875	7	9	1	2	0	0	4,880
Multi-Family	0	0	20	201	96	48	191	0	556
Commercial	102	88	54	81	11	7	0	0	343
Landscape	13	30	14	16	0	0	0	0	73
Private Fire	245	0	0	0	0	0	0	0	245
Temp Meter	0	0	0	0	8	0	0	0	8
Raw Water	0	0	0	0	0	2	1	0	3
<b>Recycled Water</b>									
Recycled Water	2	13	14	28	13	6	0	0	76
<b>Total Meters/Accounts</b>	<b>2,348</b>	<b>3,006</b>	<b>109</b>	<b>335</b>	<b>129</b>	<b>65</b>	<b>192</b>	<b>0</b>	<b>6,184</b>

TABLE 37 : PROJECTED FIXED REVENUE CHECK

Projected Revenue From Fixed Charges by Customer Class	FY 2023/24								Total
	< 1"	1"	1 1/2"	2"	3"	4"	6"	8"	
<b>All Customers by Meter Size</b>	<b>\$31.32</b>	<b>\$31.32</b>	<b>\$58.53</b>	<b>\$91.19</b>	<b>\$178.29</b>	<b>\$276.27</b>	<b>\$548.43</b>	<b>\$875.03</b>	
<b>Revenue from Fixed Charges</b>									
<b>Potable Water</b>									
Residential	\$ 746,526	\$ 1,080,333	\$ 4,917	\$ 9,849	\$ 2,139	\$ 6,630	\$ -	\$ -	\$ 1,850,395
Multi-Family	-	-	14,048	219,962	205,387	159,130	1,257,008	-	1,855,536
Commercial	38,334	33,072	37,931	88,641	23,534	23,206	-	-	244,718
Landscape	4,886	11,275	9,834	17,509	-	-	-	-	43,503
Private Fire	92,076	-	-	-	-	-	-	-	92,076
Temp Meter	-	-	-	-	17,116	-	-	-	17,116
Raw Water	-	-	-	-	-	6,630	6,581	-	13,212
<b>Total Revenue - Fixed Charges</b>									<b>\$ 4,116,555</b>

TABLE 38 : PROJECTED FIXED REVENUE CHECK

Customer Class	Net Revenue Requirements (COSA)		
	COS Rev. Req't	Expected Revenue	Over/(Under) Collected
<b>Potable Water</b>			
Residential	\$ 1,780,122	\$ 1,850,395	\$ 70,272
Multi-Family	1,833,110	1,855,536	22,426
Commercial	236,572	244,718	8,146
Landscape	42,010	43,503	1,494
Private Fire	195,304	92,076	(103,229)
Temp Meter	16,607	17,116	509
Raw Water	12,831	13,212	381
<b>Total</b>	<b>\$ 4,116,555</b>	<b>\$ 4,116,555</b>	<b>\$ -</b>

TABLE 39 : PROPOSED VOLUMETRIC CHARGES FOR FY 2023/24

<b>Net Revenue Requirements (COSA)</b>						
Customer Classes	Number of Meters <sup>1</sup>	Water Consumption (hcf/yr) <sup>2</sup>	Total Target Rev. Req't from Vol. Charges	% of Total Rate Revenue	Uniform Commodity Rates (\$/hcf)	Proposed Rate Structure
Residential	4,880	405,871	\$ 3,092,204	50.1%	n/a	2 Tiers
Multi-Family	1,273	71,704	546,290	8.8%	\$7.619	Uniform
Commercial	343	255,046	1,943,118	31.5%	\$7.619	Uniform
Landscape	73	42,526	323,989	5.2%	\$7.619	Uniform
Private Fire Protection	245	18,265	139,154	2.3%	\$7.619	Uniform
Temporary Hydrant Meters	8	6,642	50,606	0.8%	\$7.619	Uniform
Raw Water	3	10,431	79,472	1.3%	\$7.619	Uniform
<b>Total Potable Water</b>	<b>6,825</b>	<b>810,486</b>	<b>\$ 6,174,833</b>	<b>100%</b>		

1. Consumption data is based on the City of American Canyon's billing data.
2. Water consumption is actual consumption for FY 2021/22 and includes an adjustment of 20% for conservation. See Table 26.

TABLE 40 : RESIDENTIAL & MOBILE HOME TIER BREAK ADJUSTMENTS

Residential Tiers <sup>1</sup>	Consumption	% of Consumption <sup>2</sup>	Avg. Monthly Consumption FY 2020/21 (hcf) <sup>3</sup>	Tier Breakpoint (hcf) <sup>4</sup>
Tier 1 - SWP & Vallejo Raw Water	322,836	79.5%		6.00
Tier 2 - Treated Water (Napa & Vallejo)	83,035	20.5%		
<b>Total</b>	<b>405,871</b>	<b>100.0%</b>	<b>7.0</b>	

1. SWP & Vallejo raw water are included in Tier 1 and all treated water (Napa & Vallejo) is in Tier 2. The FY 2021/22 consumption data are actuals and includes a 20% conservation factor. See *Allocation Factors* Tab, Table 26.
2. See *Source of Supply* Tab for details on how the percentage of consumption was calculated.
3. Annual residential consumption divided by total residential meters divided by 12 months.
4. Tier 2 breakpoint is the percentage of Tier 1 consumption times the *Avg. Monthly Consumption*, rounded to the nearest integer in hcf.

TABLE 41 : ALLOCATION OF SOURCE OF SUPPLY COSTS TO SINGLE FAMILY TIERED RATES

Source of Supply	Water Supply by Source (hcf) <sup>1</sup>	% Alloc. by Class <sup>2</sup>	Cost (\$/hcf) <sup>3</sup>	Total Supply Costs	Residential Share of Supply
Tier 1 - SWP & Vallejo Raw Water					
<b>Residential</b>	<b>892,183</b>	<b>50.1%</b>	<b>\$0.63</b>	<b>\$ 565,431</b>	<b>\$ 565,431</b>
All Other Classes	889,421	49.9%	\$0.63	563,680	N.A.
<b>Total SWP &amp; Vallejo Raw Water</b>	<b>1,781,604</b>	<b>100.0%</b>	<b>N.A.</b>	<b>\$ 1,129,112</b>	<b>N.A.</b>
Tier 2 - Treated Water (Napa & Vallejo)					
<b>Residential</b>	<b>68,196</b>	<b>50.1%</b>	<b>\$5.41</b>	<b>\$ 369,096</b>	<b>\$ 369,096</b>
All Other Classes	67,985	49.9%	\$5.41	367,953	N.A.
<b>Total Treated Water (Napa &amp; Vallejo)</b>	<b>136,181</b>	<b>100.0%</b>	<b>N.A.</b>	<b>\$ 737,049</b>	<b>N.A.</b>
<b>Grand Total</b>	<b>1,917,785</b>			<b>\$ 1,866,161</b>	<b>\$ 934,527</b>

1. Total Contracted Supply Purchase Costs are from the *Source of Supply* Tab, Table 29.
2. Residential consumption for FY 2021/22 is from the *Allocation Factors* Tab, Table 26.
3. Contracted Supply Costs are from the *Source of Supply* Tab, Table 30.

TABLE 42 : RESIDENTIAL TIERED RATES

Source of Supply	Supply Costs Allocated to Residential Tiered Rates <sup>1</sup>	Source of Supply Costs <sup>2</sup>	Other Costs Allocated to Vol. Rates	Total Costs Allocated <sup>3</sup>	FY 2020/21 Consumption <sup>4</sup>	Residential Rates (\$/HCF) <sup>5</sup>
Residential Tiered Rate Costs	(1)	(2)	(3)	(4)	(5)	(6)
Tier 1 - SWP & Vallejo Raw Water	79.5%	\$ 565,431	\$ 1,716,250	\$ 2,281,681	322,836	\$7.07
Tier 2 - Treated Water (Napa & Vallejo)	20.5%	369,096	441,426	810,523	83,035	\$9.76
<b>Total Residential Tiered Rate Costs</b>	<b>100.0%</b>	<b>\$ 934,527</b>	<b>\$ 2,157,676</b>	<b>\$ 3,092,204</b>	<b>405,871</b>	

1. Percentage of annual supply based on contracted purchases from *Source of Supply* Tab, Table 29.
2. See Table 41.
3. Total Variable Costs allocated to residential customers (*Proposed Fixed Charges* Tab, Table 33) less their Source of Supply Costs. NBS assumed these other costs are proportionally allocated to Tier 1 and Tier 2.
4. FY 2021/22 volume adjusted for conservation is from the *Allocation Factors* Tab, Table 26.

TABLE 43 : ESTIMATED VOLUMETRIC REVENUE BY CUSTOMER CLASS - PROPOSED ALTERNATIVE

<b>ALTERNATIVE 1 (COSA)</b>						
Customer Class	Estimated Consumption (hcf)	Estimated Variable Revenue	% of Variable Rate Revenue	Estimated Fixed Revenue	Total Estimated Revenue	Cost of Service Net Revenue Req'ts
Residential						
Tier 1 - SWP & Vallejo Raw Water	322,836	\$ 2,459,588	40%	\$ 1,471,833	\$ 3,931,421	\$ 3,875,526
Tier 2 - Treated Water (Napa & Vallejo)	83,035	632,616	10%	378,561	1,011,177	996,800
Multi-Family	71,704	546,290	9%	1,855,536	2,401,826	2,379,400
Commercial	255,046	1,943,118	31%	244,718	2,187,836	2,179,689
Landscape	42,526	323,989	5%	43,503	367,493	365,999
Private Fire Protection	18,265	139,154	2%	92,076	231,229	334,458
Temporary Hydrant Meters	6,642	50,606	1%	17,116	67,722	67,213
Raw Water	10,431	79,472	1%	13,212	92,684	92,303
<b>Grand Total</b>	<b>810,486</b>	<b>\$ 6,174,833</b>	<b>100%</b>	<b>\$ 4,116,555</b>	<b>\$ 10,291,388</b>	<b>\$ 10,291,388</b>

TABLE 44 : PROPOSED VOLUMETRIC CHARGES FOR FY 2023/24

<b>ALTERNATIVE 2 - INCREASE CURRENT VARIABLE RATES BY 3% ANNUALLY</b>						
Customer Classes	Number of Meters	Water Consumption (hcf/yr)	Total Target Rev. Req't from Vol. Charges	% of Total Rate Revenue	Proposed Commodity Rates (\$/hcf)	Revised Revenue from Vol. Charges
Residential	4,880					
Tier 1 - SWP & Vallejo Raw Water		322,836	\$ 2,459,588	39.8%	\$7.766	\$ 2,507,212
Tier 2 - Treated Water (Napa & Vallejo)		83,035	632,616	10.2%	\$8.395	697,036
Multi-Family	1,273	71,704	546,290	8.8%	\$7.952	570,162
Commercial	343	255,046	1,943,118	31.5%	\$7.952	2,028,027
Landscape	73	42,526	323,989	5.2%	\$7.952	338,147
Private Fire Protection	245	18,265	139,154	2.3%	\$3.976	72,617
Temporary Hydrant Meters	8	6,642	50,606	0.8%	\$7.952	52,818
Raw Water	3	10,431	79,472	1.3%	\$3.543	36,960
<b>Grand Total</b>	<b>6,825</b>	<b>810,486</b>	<b>\$ 6,174,833</b>	<b>100%</b>		<b>\$ 6,302,977</b>

TABLE 45 : ASSUMPTIONS USED IN DROUGHT RATE ANALYSIS

2021/22 Consumption Assumptions <sup>1</sup>					
Shortage Level	Percent Shortage Range	Shortage Response Action	Potable Water Consumption (AF/yr.)	Potable Water Consumption (hcf/yr.)	Difference to Baseline (hcf)
	<b>Baseline Consumption<sup>2</sup></b>		<b>1,861</b>	<b>810,486</b>	<b>0</b>
1	Up to 10%	Voluntary Conservation	1,675	729,437	(81,049)
2	Up to 20%	Water Alert	1,488	648,388	(162,097)
3	Up to 30%	Water Emergency	1,302	567,340	(243,146)
4	Up to 40%	Critical Water Emergency	1,116	486,291	(324,194)
5	Up to 50%	Severe Water Emergency	930	405,243	(405,243)
6	>50%	Catastrophic Interruption of Water Supplies	744	324,194	(486,291)

1. Drought stages based on the City's Water Conservation Plan. Source files: 2\_ Redlines\_Ordinance\_Water\_Conservation\_Plan\_Chapter\_13.14 (4).pdf & 3\_ Table\_8-1\_Water\_Shortage\_Contingency\_Plan\_Levels.pdf.

2. This represents the baseline consumption for FY 2021/22 consumption (excludes recycled water). Conservation percentage for each drought stage is relative to the baseline consumption.

TABLE 46 : EXPENSES DIRECTLY IMPACTED BY FUTURE MANDATED WATER USE REDUCTION

Description	Commodity-Related Costs				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
City of Napa	\$ 278,000	\$ 283,560	\$ 289,231	\$ 295,016	\$ 300,916
North Bay Aqueduct	3,203,000	3,267,060	3,332,401	3,399,049	3,467,030
City of Vallejo	121,218	123,642	126,115	128,638	131,210
<b>Total:</b>	<b>\$ 3,602,218</b>	<b>\$ 3,674,262</b>	<b>\$ 3,747,748</b>	<b>\$ 3,822,703</b>	<b>\$ 3,899,157</b>

TABLE 47 : CALCULATION OF DROUGHT RATES FOR FY 2023/24

ALTERNATIVE 1 (COSA)						
Conservation Goal	Water Consumption (hcf/yr.)	Baseline Rev. Req't from Vol. Charges	Cost Reduction Due to Conservation <sup>1</sup>	Target Rev. Req't from Vol. Charges	Drought Surcharge (\$/hcf)	Uniform Commodity Rates (\$/hcf)
0%	810,486	\$ 6,174,833	\$ -	\$ 6,174,833	\$0.00	\$7.62
Up to 10%	729,437	6,174,833	(360,222)	5,814,611	\$0.35	\$7.97
Up to 20%	648,388	6,174,833	(720,444)	5,454,389	\$0.79	\$8.41
Up to 30%	567,340	6,174,833	(1,080,665)	5,094,167	\$1.36	\$8.98
Up to 40%	486,291	6,174,833	(1,440,887)	4,733,945	\$2.12	\$9.73
Up to 50%	405,243	6,174,833	(1,801,109)	4,373,724	\$3.17	\$10.79
>50%	324,194	6,174,833	(2,161,331)	4,013,502	\$4.76	\$12.38

1. Cost reduction equals the conservation goal percentage multiplied by expenses directly effected by consumption charges.

TABLE 48 : CALCULATION OF DROUGHT RATES FOR FY 2024/25

ALTERNATIVE 1 (COSA)						
Conservation Goal	Water Consumption (hcf/yr.)	Baseline Rev. Req't from Vol. Charges	Cost Reduction Due to Conservation <sup>1</sup>	Target Rev. Req't from Vol. Charges	Drought Surcharge (\$/hcf)	Uniform Commodity Rates (\$/hcf)
0%	810,486	\$ 6,851,718	\$ -	\$ 6,851,718	\$0.00	\$8.45
Up to 10%	729,437	6,851,718	(367,426)	6,484,291	\$0.44	\$8.89
Up to 20%	648,388	6,851,718	(734,852)	6,116,865	\$0.98	\$9.43
Up to 30%	567,340	6,851,718	(1,102,279)	5,749,439	\$1.68	\$10.13
Up to 40%	486,291	6,851,718	(1,469,705)	5,382,013	\$2.61	\$11.07
Up to 50%	405,243	6,851,718	(1,837,131)	5,014,587	\$3.92	\$12.37
>50%	324,194	6,851,718	(2,204,557)	4,647,160	\$5.88	\$14.33

1. Cost reduction equals the conservation goal percentage multiplied by expenses directly effected by consumption charges.

TABLE 49 : CALCULATION OF DROUGHT RATES FOR FY 2025/26

ALTERNATIVE 1 (COSA)						
Conservation Goal	Water Consumption (hcf/yr.)	Baseline Rev. Req't from Vol. Charges	Cost Reduction Due to Conservation <sup>1</sup>	Target Rev. Req't from Vol. Charges	Drought Surcharge (\$/hcf)	Uniform Commodity Rates (\$/hcf)
0%	810,486	\$ 7,595,335	\$ -	\$ 7,595,335	\$0.00	\$9.37
Up to 10%	729,437	7,595,335	(374,775)	7,220,560	\$0.53	\$9.90
Up to 20%	648,388	7,595,335	(749,550)	6,845,785	\$1.19	\$10.56
Up to 30%	567,340	7,595,335	(1,124,324)	6,471,010	\$2.03	\$11.41
Up to 40%	486,291	7,595,335	(1,499,099)	6,096,236	\$3.16	\$12.54
Up to 50%	405,243	7,595,335	(1,873,874)	5,721,461	\$4.75	\$14.12
>50%	324,194	7,595,335	(2,248,649)	5,346,686	\$7.12	\$16.49

1. Cost reduction equals the conservation goal percentage multiplied by expenses directly effected by consumption charges.

TABLE 50 : CALCULATION OF DROUGHT RATES FOR FY 2026/27

ALTERNATIVE 1 (COSA)						
Conservation Goal	Water Consumption (hcf/yr.)	Baseline Rev. Req't from Vol. Charges	Cost Reduction Due to Conservation <sup>1</sup>	Target Rev. Req't from Vol. Charges	Drought Surcharge (\$/hcf)	Uniform Commodity Rates (\$/hcf)
0%	810,486	\$ 8,033,434	\$ -	\$ 8,033,434	\$0.00	\$9.91
Up to 10%	729,437	8,033,434	(382,270)	7,651,163	\$0.58	\$10.49
Up to 20%	648,388	8,033,434	(764,541)	7,268,893	\$1.30	\$11.21
Up to 30%	567,340	8,033,434	(1,146,811)	6,886,623	\$2.23	\$12.14
Up to 40%	486,291	8,033,434	(1,529,081)	6,504,353	\$3.46	\$13.38
Up to 50%	405,243	8,033,434	(1,911,351)	6,122,082	\$5.20	\$15.11
>50%	324,194	8,033,434	(2,293,622)	5,739,812	\$7.79	\$17.70

1. Cost reduction equals the conservation goal percentage multiplied by expenses directly effected by consumption charges.

TABLE 51 : CALCULATION OF DROUGHT RATES FOR FY 2027/28

<b>ALTERNATIVE 1 (COSA)</b>							
Conservation Goal	Water Consumption (hcf/yr.)	Baseline Rev. Req't from Vol. Charges	Cost Reduction Due to Conservation <sup>1</sup>	Target Rev. Req't from Vol. Charges	Drought Surcharge (\$/hcf)	Uniform Commodity Rates (\$/hcf)	
0%	810,486	\$ 8,415,102	\$ -	\$ 8,415,102	\$0.00	\$10.38	
Up to 10%	729,437	8,415,102	(389,916)	8,025,186	\$0.62	\$11.00	
Up to 20%	648,388	8,415,102	(779,831)	7,635,271	\$1.39	\$11.78	
Up to 30%	567,340	8,415,102	(1,169,747)	7,245,355	\$2.39	\$12.77	
Up to 40%	486,291	8,415,102	(1,559,663)	6,855,439	\$3.71	\$14.10	
Up to 50%	405,243	8,415,102	(1,949,578)	6,465,524	\$5.57	\$15.95	
>50%	324,194	8,415,102	(2,339,494)	6,075,608	\$8.36	\$18.74	

1. Cost reduction equals the conservation goal percentage multiplied by expenses directly effected by consumption charges.

TABLE 52 : CURRENT VS. PROPOSED WATER RATES - FIXED CHARGES

Water Rate Schedule	Current Rates	ALTERNATIVE 1 (COSA)				
		Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
<b>Residential Use</b>						
< 1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$26.56	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$26.56	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$26.56	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$26.56	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$26.56	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$26.56	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Multi-Family, Commercial and Landscape</b>						
< 1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter (Residential)	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter (Commercial)	\$44.42	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$88.75	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$141.99	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$283.98	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$443.74	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$887.48	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$1,420.06	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Private Fire Protection</b>						
< 1" meter	\$13.28	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$13.28	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$13.28	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$13.28	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$13.28	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$13.28	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$13.28	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$13.28	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Temporary Hydrant Meters</b>						
< 1" meter	\$283.98	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$283.98	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$283.98	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$283.98	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$283.98	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$283.98	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$283.98	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$283.98	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Raw Water</b>						
< 1" meter	n/a	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$44.42	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	n/a	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$141.99	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	n/a	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$443.74	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$887.48	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	n/a	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65

TABLE 53 : CURRENT VS. PROPOSED WATER RATES - VARIABLE RATES

		ALTERNATIVE 1 (COSA)				
Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		9.00%	9.00%	9.00%	4.00%	3.00%
<b>Variable Rates for All Water Consumed (in \$/hcf)</b>						
<b>Residential Use</b>						
Tier 1 (0 - 6 units)	\$7.54	\$7.07	\$7.70	\$8.40	\$8.73	\$8.99
Tier 2 (> 6 units)	\$8.15	\$9.76	\$10.64	\$11.60	\$12.06	\$12.42
<b>Multi-Family, Commercial and Landscape</b>	\$7.72	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Private Fire Protection</b>	\$3.86	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Temporary Hydrant Meters</b>	\$7.72	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Raw Water</b>	\$3.44	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70

TABLE 54 : CURRENT VS. PROPOSED WATER RATES - VARIABLE RATES

		ALTERNATIVE 2 - INCREASE CURRENT VARIABLE RATES BY 3% ANNUALLY				
Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		3.00%	3.00%	3.00%	3.00%	3.00%
<b>Variable Rates for All Water Consumed (in \$/hcf)</b>						
<b>Residential Use</b>						
Tier 1 (0 - 6 units)	\$7.54	\$7.77	\$8.00	\$8.24	\$8.49	\$8.74
Tier 2 (> 6 units)	\$8.15	\$8.39	\$8.65	\$8.91	\$9.17	\$9.45
<b>Multi-Family, Commercial and Landscape</b>	\$7.72	\$7.95	\$8.19	\$8.44	\$8.69	\$8.95
<b>Private Fire Protection</b>	\$3.86	\$3.98	\$4.10	\$4.22	\$4.34	\$4.47
<b>Temporary Hydrant Meters</b>	\$7.72	\$7.95	\$8.19	\$8.44	\$8.69	\$8.95
<b>Raw Water</b>	\$3.44	\$3.54	\$3.65	\$3.76	\$3.87	\$3.99

TABLE 55 : CURRENT VS. PROPOSED DROUGHT RATES

		ALTERNATIVE 1 (COSA)				
Drought Rate Schedule (in \$/hcf)	Current Rates	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
10% Conservation	n/a	\$0.35	\$0.44	\$0.53	\$0.58	\$0.62
20% Conservation	n/a	\$0.79	\$0.98	\$1.19	\$1.30	\$1.39
30% Conservation	n/a	\$1.36	\$1.68	\$2.03	\$2.23	\$2.39
40% Conservation	n/a	\$2.12	\$2.61	\$3.16	\$3.46	\$3.71
50% Conservation	n/a	\$3.17	\$3.92	\$4.75	\$5.20	\$5.57
60% Conservation	n/a	\$4.76	\$5.88	\$7.12	\$7.79	\$8.36

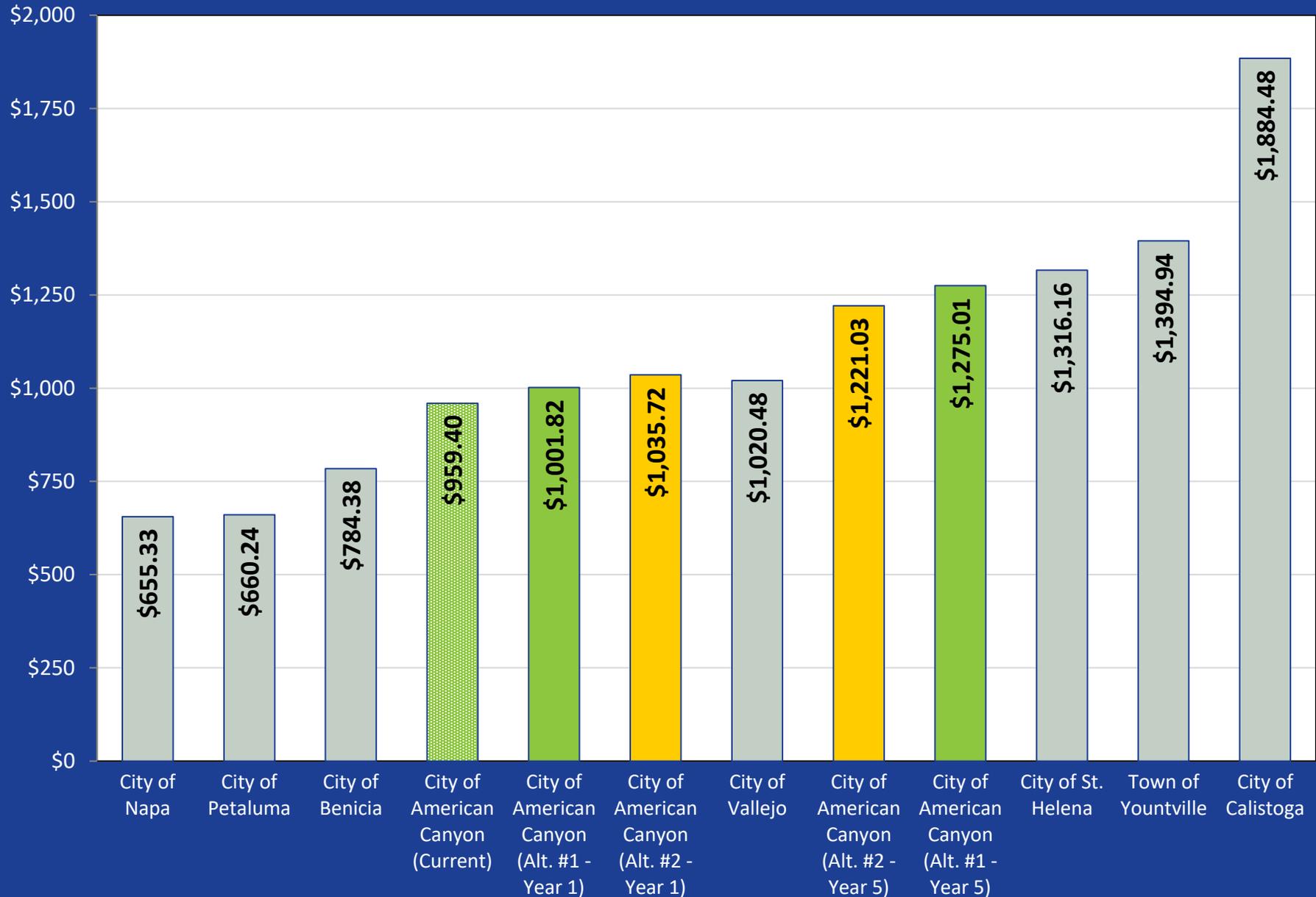
**TABLE 56 : RATES AND DROUGHT SURCHARGE FOR EACH DROUGHT STAGE**

<i>Proposed Drought Rates</i>										
Drought Rate Schedule <sup>1</sup>	FY 2023/24		FY 2024/25		FY 2025/26		FY 2026/27		FY 2027/28	
Water Consumption Baseline (hcf/yr) <sup>2</sup>	810,486 hcf									
Conservation Target	Drought Surcharge <sup>3</sup>	Drought Rate <sup>4</sup>								
No Conservation	\$0.00	\$7.62	\$0.00	\$8.45	\$0.00	\$9.37	\$0.00	\$9.91	\$0.00	\$10.38
Up to 10%	\$0.35	\$7.97	\$0.44	\$8.89	\$0.53	\$9.90	\$0.58	\$10.49	\$0.62	\$11.00
Up to 20%	\$0.79	\$8.41	\$0.98	\$9.43	\$1.19	\$10.56	\$1.30	\$11.21	\$1.39	\$11.78
Up to 30%	\$1.36	\$8.98	\$1.68	\$10.13	\$2.03	\$11.41	\$2.23	\$12.14	\$2.39	\$12.77
Up to 40%	\$2.12	\$9.73	\$2.61	\$11.07	\$3.16	\$12.54	\$3.46	\$13.38	\$3.71	\$14.10
Up to 50%	\$3.17	\$10.79	\$3.92	\$12.37	\$4.75	\$14.12	\$5.20	\$15.11	\$5.57	\$15.95
>50%	\$4.76	\$12.38	\$5.88	\$14.33	\$7.12	\$16.49	\$7.79	\$17.70	\$8.36	\$18.74

1. ACTIVATION - The Drought Surcharge will NOT be added on water bills unless approved by the City Council. If the surcharge is activated, it will remain in effect as necessary and will be reviewed by the City Council at least monthly for a determination of necessity until the surcharge is deactivated.
2. Baseline water consumption is based on water usage for FY 2020/21, the same assumption used in the proposed volumetric rates.
3. Drought Surcharge is added to the Uniform Rate on a per unit basis to cover the cost of water service during times of State mandated conservation and/or extreme water supply shortage, resulting in water consumption below the established baseline.
4. The Drought Rate equals the Volumetric Rate plus Volumetric Surcharge. This does not include pumping charges which will apply where applicable.

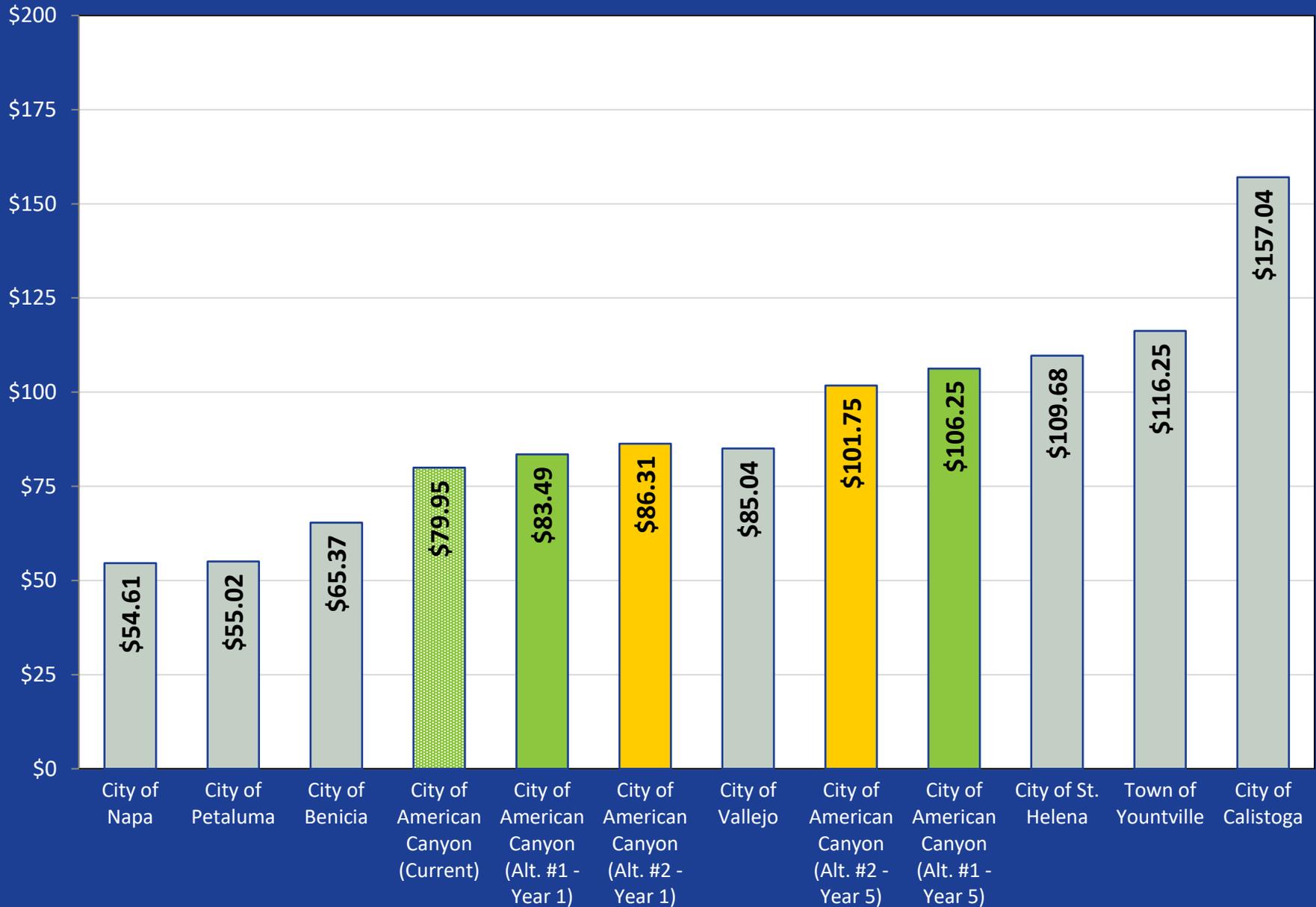
# City of American Canyon (Year 1)

## Annual Water Bill Comparison - Single Family Accounts

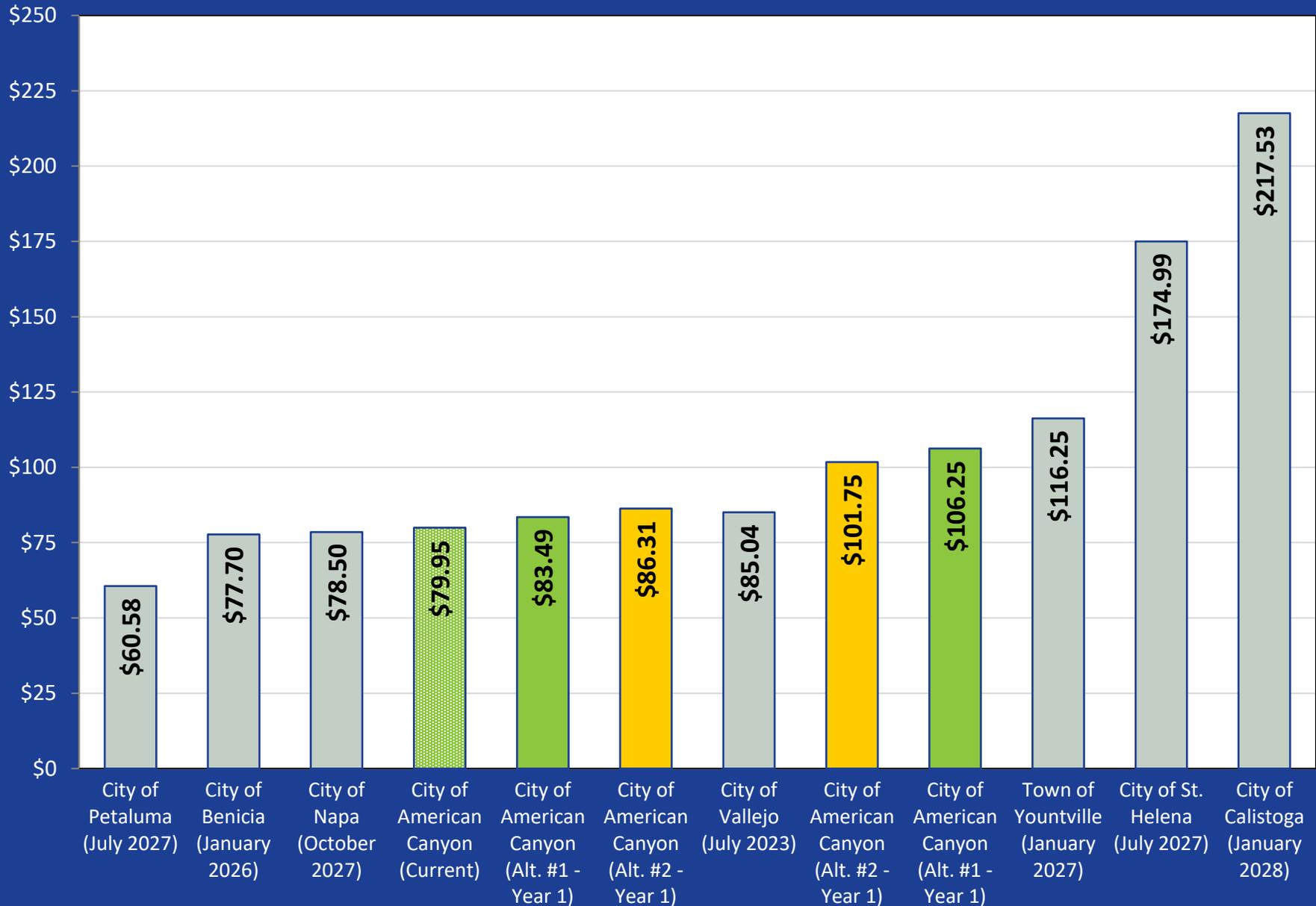


# City of American Canyon (Year 1 & 5)

## Monthly Water Bill Comparison - Single Family Accounts

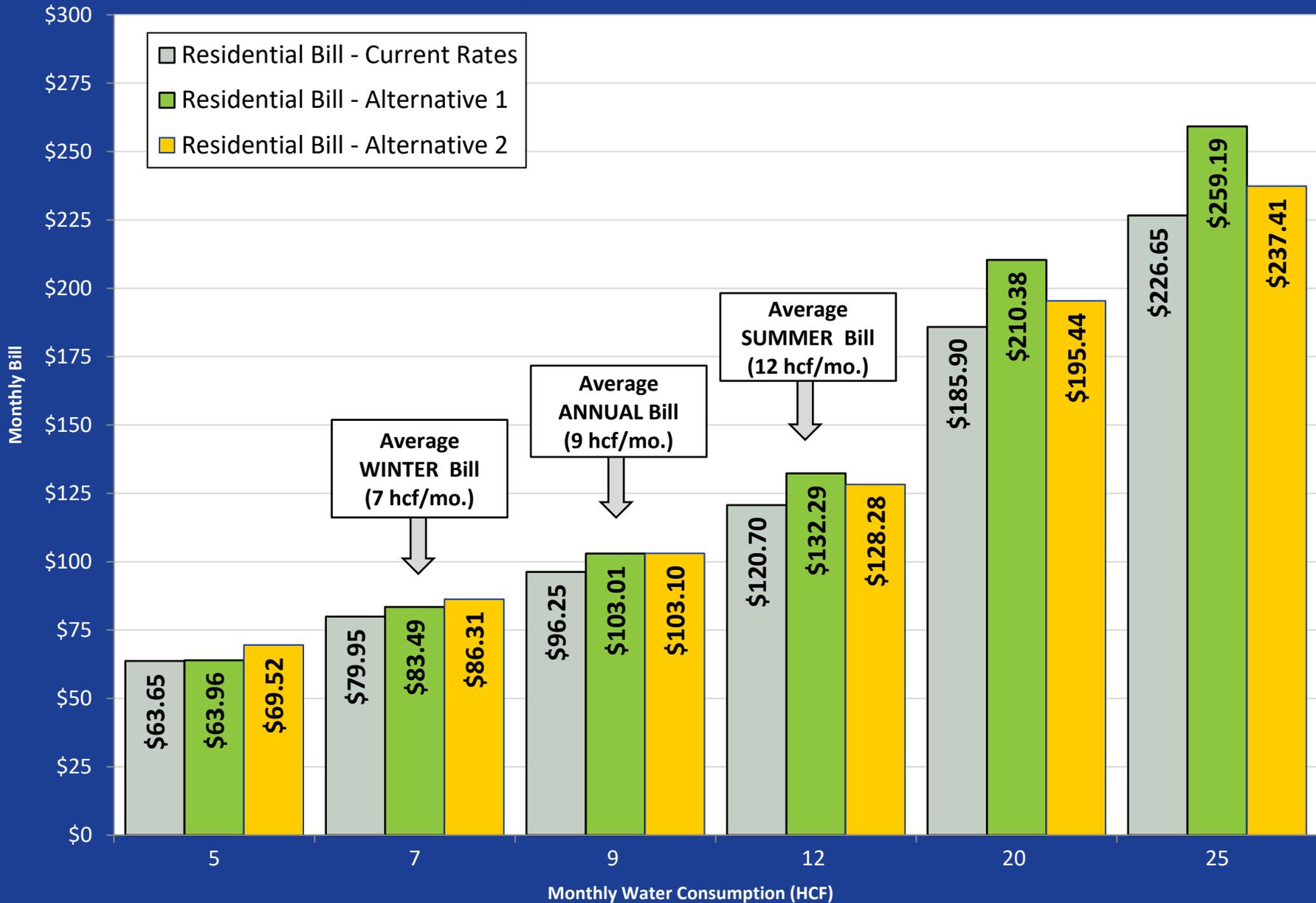


## City of American Canyon (Year 1 & 5) Monthly Water Bill Comparison - Single Family Accounts



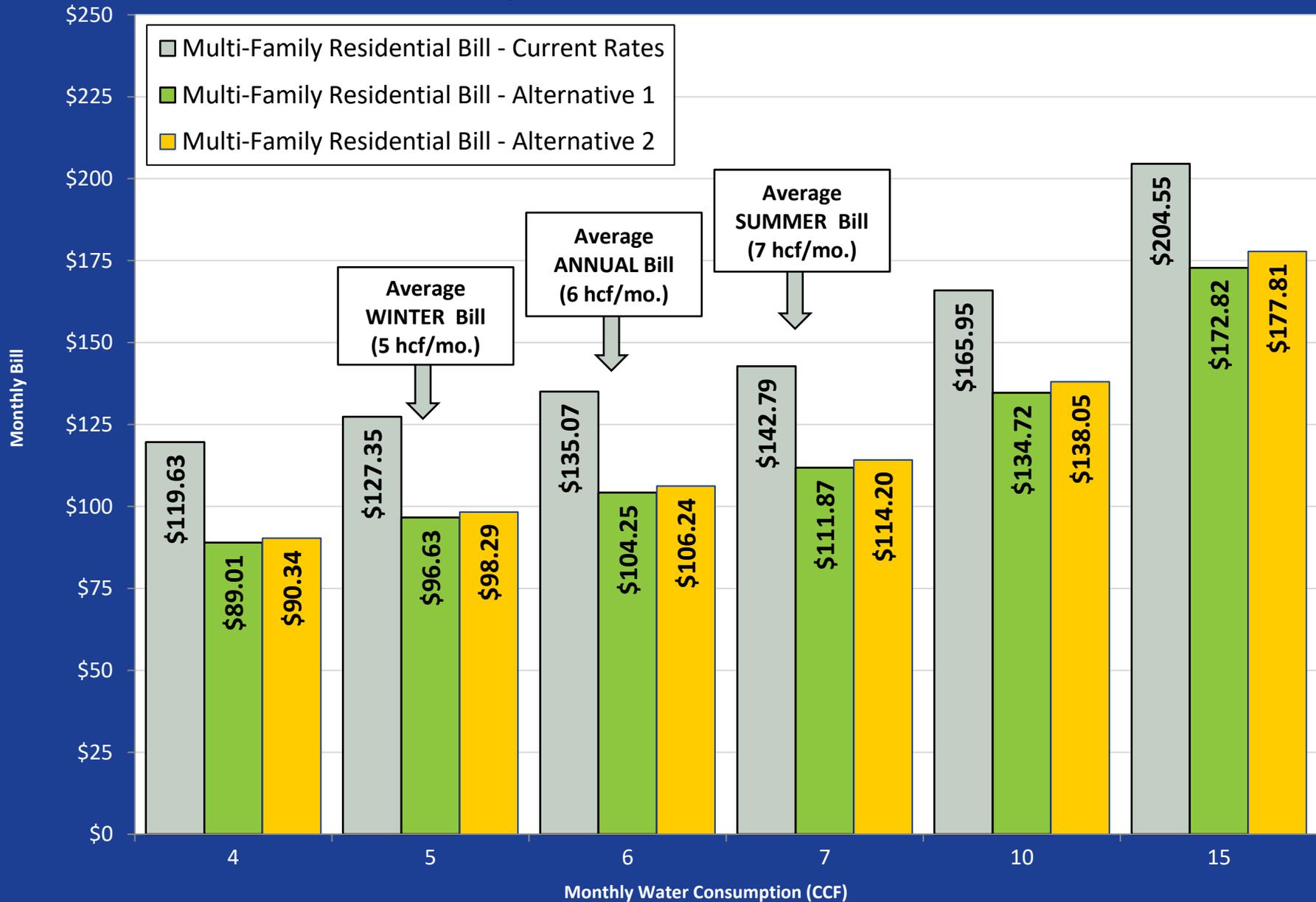
# Single-Family Residential Water Bill Comparison

## Current vs. Proposed FY 2023/24 Rates (1" Meter)



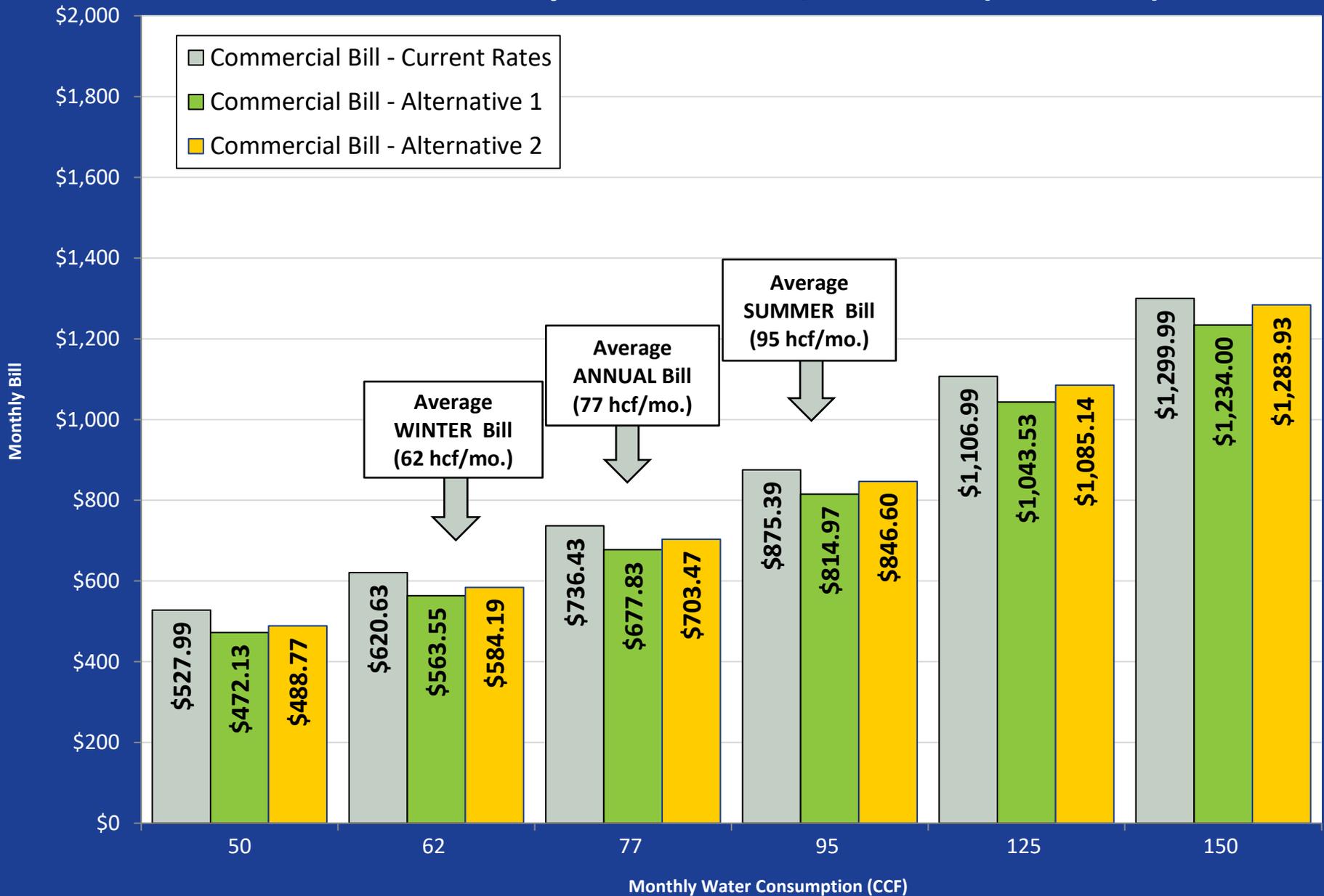
# Multi-Family Residential Water Bill Comparison

## Current vs. Proposed FY 2023/24 Rates (1.5" Meter)



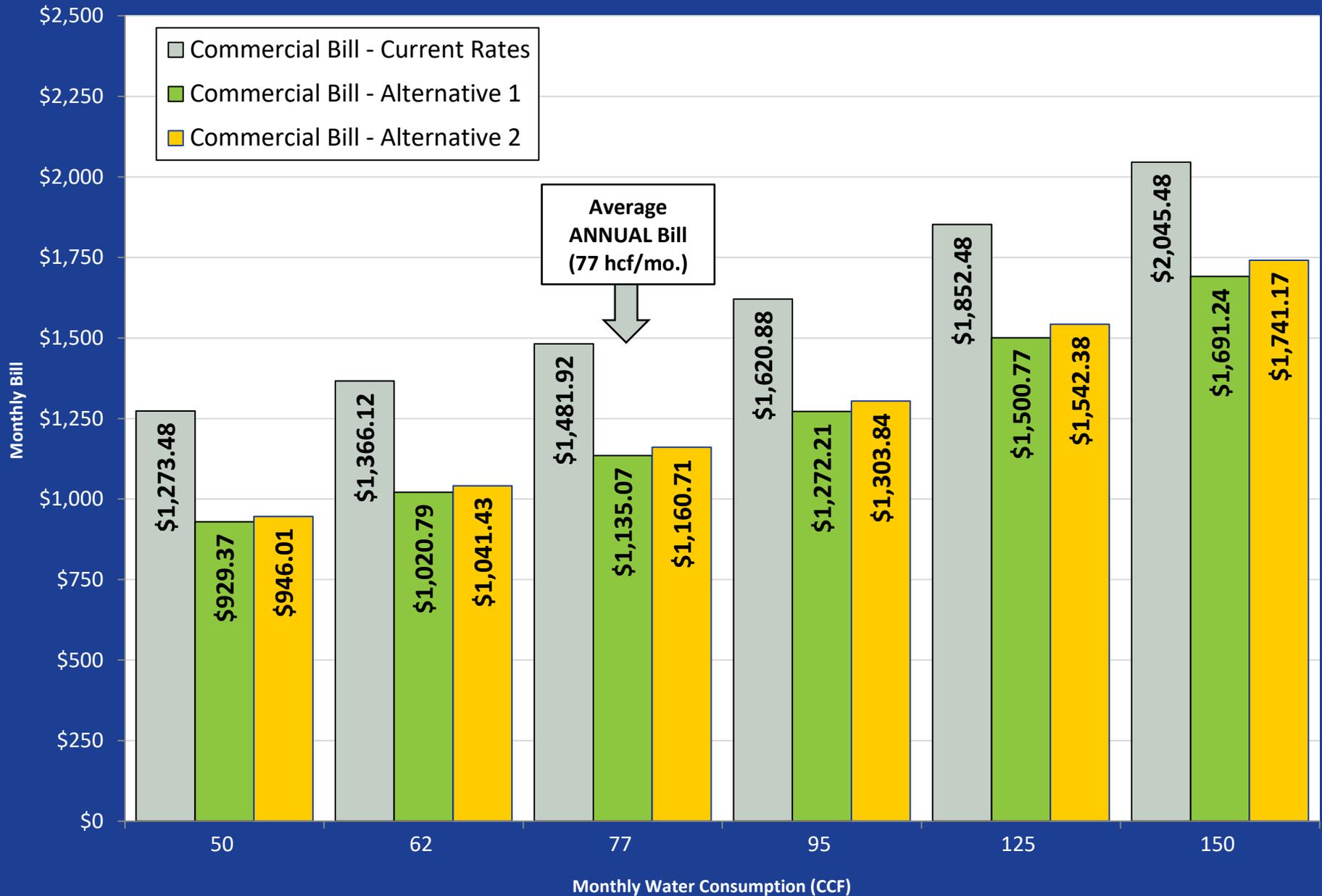
# Commercial Water Bill Comparison

## Current vs. Proposed FY 2023/24 Rates (2" Meter)



# Commercial Water Bill Comparison

## Current vs. Proposed FY 2023/24 Rates (6" Meter)



# Appendix B. Recycled Water Rate Study Tables and Figures

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TABLE 1 : FINANCIAL PLAN AND SUMMARY OF REVENUE REQUIREMENTS

RATE REVENUE REQUIREMENTS SUMMARY	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Sources of Water Funds</b>												
<i>Rate Revenue:</i> <sup>1</sup>												
Water Sales - Recycled Water Charges	\$ 151,038	\$ 226,361	\$ 207,000	\$ 210,726	\$ 214,308	\$ 217,952	\$ 221,657	\$ 225,425	\$ 229,257	\$ 232,925	\$ 236,652	\$ 240,439
<i>Non-Rate Revenue:</i>												
Interest Earnings <sup>2</sup>	4,101	12,392	22,343	2,195	7,873	4,912	2,640	842	-	-	-	-
<b>Total Sources of Funds</b>	<b>\$ 155,140</b>	<b>\$ 238,753</b>	<b>\$ 229,343</b>	<b>\$ 212,921</b>	<b>\$ 222,182</b>	<b>\$ 222,864</b>	<b>\$ 224,297</b>	<b>\$ 226,267</b>	<b>\$ 229,257</b>	<b>\$ 232,925</b>	<b>\$ 236,652</b>	<b>\$ 240,439</b>
<b>Uses of Water Funds</b>												
<i>Operating Expenses:</i> <sup>1</sup>												
<i>Water Operations:</i>												
Fund 580 - Recycled Water Operations	\$ 272,644	\$ 1,632,152	\$ 893,163	\$ 797,921	\$ 823,477	\$ 849,857	\$ 877,086	\$ 905,193	\$ 934,206	\$ 964,155	\$ 995,069	\$ 1,026,980
<i>Other Expenditures:</i>												
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Loan Repayment <sup>3</sup>	-	-	198,566	198,566	267,497	267,497	267,497	267,497	267,497	267,497	267,497	267,497
Rate-Funded Capital Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Other Expenditures	\$ -	\$ -	\$ 198,566	\$ 198,566	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497
<b>Total Uses of Water Funds</b>	<b>\$ 272,644</b>	<b>\$ 1,632,152</b>	<b>\$ 1,091,728</b>	<b>\$ 996,487</b>	<b>\$ 1,090,974</b>	<b>\$ 1,117,354</b>	<b>\$ 1,144,583</b>	<b>\$ 1,172,690</b>	<b>\$ 1,201,703</b>	<b>\$ 1,231,652</b>	<b>\$ 1,262,566</b>	<b>\$ 1,294,477</b>
<i>plus:</i> Revenue from Rate Increases <sup>4</sup>	-	-	129,375	563,692	652,033	728,149	788,637	827,104	841,165	854,623	868,297	882,190
<b>Annual Surplus/(Deficit)</b>	<b>\$ (117,504)</b>	<b>\$ (1,393,399)</b>	<b>\$ (733,011)</b>	<b>\$ (219,874)</b>	<b>\$ (216,759)</b>	<b>\$ (166,341)</b>	<b>\$ (131,650)</b>	<b>\$ (119,320)</b>	<b>\$ (131,281)</b>	<b>\$ (144,103)</b>	<b>\$ (157,617)</b>	<b>\$ (171,849)</b>
<b>Net Revenue Req't. (Total Uses less Non-Rate Revenue)</b>	<b>\$ 268,543</b>	<b>\$ 1,619,760</b>	<b>\$ 1,069,386</b>	<b>\$ 994,292</b>	<b>\$ 1,083,101</b>	<b>\$ 1,112,441</b>	<b>\$ 1,141,943</b>	<b>\$ 1,171,848</b>	<b>\$ 1,201,703</b>	<b>\$ 1,231,652</b>	<b>\$ 1,262,566</b>	<b>\$ 1,294,477</b>
<b>Total Rate Revenue After Rate Increases</b>	<b>\$ 151,038</b>	<b>\$ 226,361</b>	<b>\$ 724,500</b>	<b>\$ 811,295</b>	<b>\$ 907,596</b>	<b>\$ 969,176</b>	<b>\$ 1,034,935</b>	<b>\$ 1,052,529</b>	<b>\$ 1,070,422</b>	<b>\$ 1,087,548</b>	<b>\$ 1,104,949</b>	<b>\$ 1,122,628</b>
<b>Projected Annual Rate Revenue Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>250.00%</b>	<b>10.00%</b>	<b>10.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Cumulative Increase from Annual Revenue Increases</b>	<b>0.00%</b>	<b>0.00%</b>	<b>250.00%</b>	<b>285.00%</b>	<b>323.50%</b>	<b>344.68%</b>	<b>366.91%</b>	<b>366.91%</b>	<b>366.91%</b>	<b>366.91%</b>	<b>366.91%</b>	<b>366.91%</b>

1. Revenue and expenses for FY 2021/22 through FY 2023/24 provided by the City. Revenues and expenses for all other years are escalated based on the forecasting assumptions located in Table 61. Source files: *Fund 580 Recycled Water Operations.xlsx* & *FY2023-24 Exp Budget Recycled Water.xlsx*.

2. Interest earnings for FY 2021/22 and FY 2022/23 are from the City's Budget. For all other years, it is calculated based on historical LAIF returns.

3. Repayment of interfund loans advanced by Wastewater Capacity 550 to Recycled Water Operations 540 for various project. See *Exhibit 3 (Debt)* for more details.

4. Revenue from rate increases assumes an implementation date of April 1, 2024 for new rates. For each year thereafter, the assumption is that new rates will be implemented on January 1st of each year.

1	<-- Select Financial Plan Scenario Here	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
1	Alternative 1 - Full Cost Recovery Rate Increases <sup>1</sup>	0.00%	0.00%	250.00%	10.00%	10.00%	5.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	Alternative 2 - Phased-in Rate Increases <sup>2</sup>	0.00%	0.00%	20.00%	20.00%	5.00%	2.00%	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Alternative 3 - Minimal Rate Increases <sup>3</sup>	0.00%	0.00%	15.00%	15.00%	10.00%	5.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4	Alternative 4 - No Rate Increases	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Alternative 1: Scenario 1 - Rates needed to meet all revenue requirements and meet the target reserve levels (Large increase followed by smaller increases).

2. Alternative 2: Scenario 2 - Large increases phased in over two years, followed by smaller increases (Reserves drop below target level).

3. Alternative 3: Scenario 3 - Smaller increases (Reserves drop below target level).

TABLE 2 : RESERVE FUND SUMMARY

SUMMARY OF CASH ACTIVITY	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Unrestricted Reserve:</b>												
<b>Total Beginning Cash<sup>1</sup></b>	\$ 105,383	\$ 549,510										
<b>Operating Reserve</b>												
Beginning Reserve Balance	\$ 105,383	\$ 549,510	\$ 650,000	\$ (83,011)	\$ (302,885)	\$ (519,644)	\$ (685,985)	\$ (817,634)	\$ (936,954)	\$ (1,068,236)	\$ (1,212,339)	\$ (1,369,955)
Plus: Net Cash Flow (After Rate Increases)	(117,504)	(1,393,399)	(733,011)	(219,874)	(216,759)	(166,341)	(131,650)	(119,320)	(131,281)	(144,103)	(157,617)	(171,849)
Plus: Transfer in from Capital and Infrastructure Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Less: Transfer out to Capital and Infrastructure Reserve	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Operating Reserve Balance</b>	\$ (12,121)	\$ (843,889)	\$ (83,011)	\$ (302,885)	\$ (519,644)	\$ (685,985)	\$ (817,634)	\$ (936,954)	\$ (1,068,236)	\$ (1,212,339)	\$ (1,369,955)	\$ (1,541,804)
<b>Target Ending Balance (90-days of O&amp;M)<sup>2</sup></b>	\$ 68,000	\$ 408,000	\$ 223,000	\$ 199,000	\$ 206,000	\$ 212,000	\$ 219,000	\$ 226,000	\$ 234,000	\$ 241,000	\$ 249,000	\$ 257,000
<b>Capital Rehabilitation &amp; Replacement Reserve</b>												
Beginning Reserve Balance	\$ -	\$ -	\$ 243,704	\$ 243,704	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258
Plus: Transfer of Operating Reserve Surplus	-	-	-	-	-	-	-	-	-	-	-	-
Less: Transfer out to Operating Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Less: Use of Reserves for Capital Projects	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Capital and Infrastructure Reserve Balance</b>	\$ -	\$ 243,704	\$ 243,704	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258	\$ 879,258
<b>Target Ending Balance (3% of net assets)<sup>3</sup></b>	\$ 1,420,700	\$ 1,548,600	\$ 1,870,900	\$ 2,079,900	\$ 2,260,500	\$ 2,370,700	\$ 2,458,100	\$ 2,548,200	\$ 2,641,000	\$ 2,736,700	\$ 2,835,300	\$ 2,937,000
<b>Ending Balance - Excl. Restricted Reserves</b>	\$ (12,121)	\$ (600,185)	\$ 160,693	\$ 576,373	\$ 359,614	\$ 193,273	\$ 61,624	\$ (57,696)	\$ (188,977)	\$ (333,081)	\$ (490,697)	\$ (662,546)
<b>Min. Target Ending Balance -Excl. Restricted Reserves</b>	\$ 1,488,700	\$ 1,956,600	\$ 2,093,900	\$ 2,278,900	\$ 2,466,500	\$ 2,582,700	\$ 2,677,100	\$ 2,774,200	\$ 2,875,000	\$ 2,977,700	\$ 3,084,300	\$ 3,194,000
<b>Ending Surplus/(Deficit) Compared to Reserve Targets</b>	\$ (1,500,821)	\$ (2,556,785)	\$ (1,933,207)	\$ (1,702,527)	\$ (2,106,886)	\$ (2,389,427)	\$ (2,615,476)	\$ (2,831,896)	\$ (3,063,977)	\$ (3,310,781)	\$ (3,574,997)	\$ (3,856,546)
<b>Annual Interest Earnings Rate<sup>4</sup></b>	1.37%	2.50%	2.50%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%

1. Beginning cash balances provided by City staff for Fund 580 - Recycled Water Operations. Source file: 4 - Current Cash and Fund Balance - Recycled Water 12062021.xlsx , Beg Fund Balance FY23- Water.xls , & Beg Fund Balance FY23- Recycled Water.xls .  
 2. The target ending balance is set equal to 90-days of O&M expenses. Source file: 4 - Current Cash and Fund Balance - Water 12062021.xlsx .  
 3. The target ending balance is set equal to 3% of net capital assets. See Exhibit 2 (CIP) for details.  
 4. Historical interest earning rates are per the average annual yields for funds invested in LAIF (2017-2021). The source is the California State Treasurer's website: <https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp> .

CHART 1

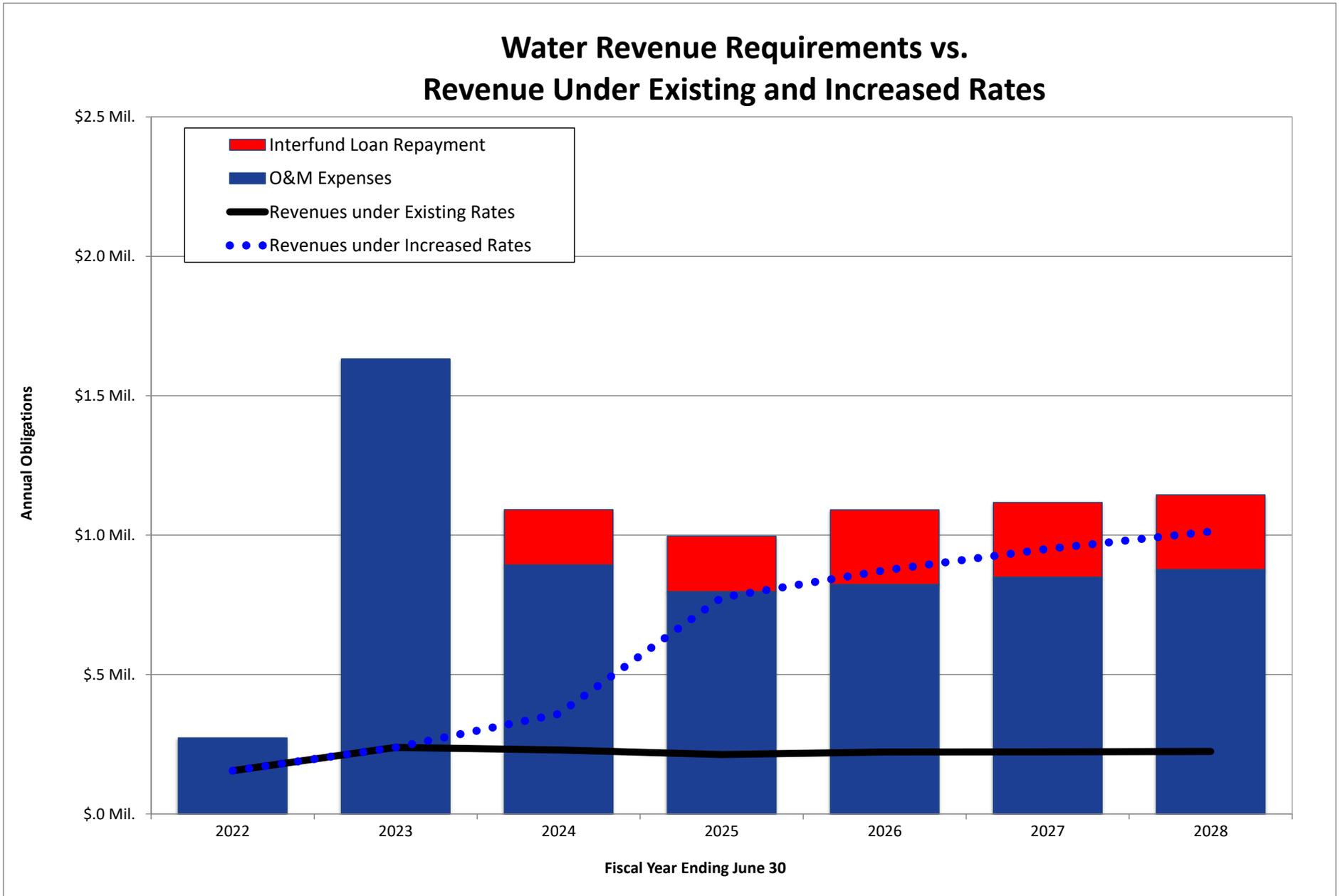


CHART 2

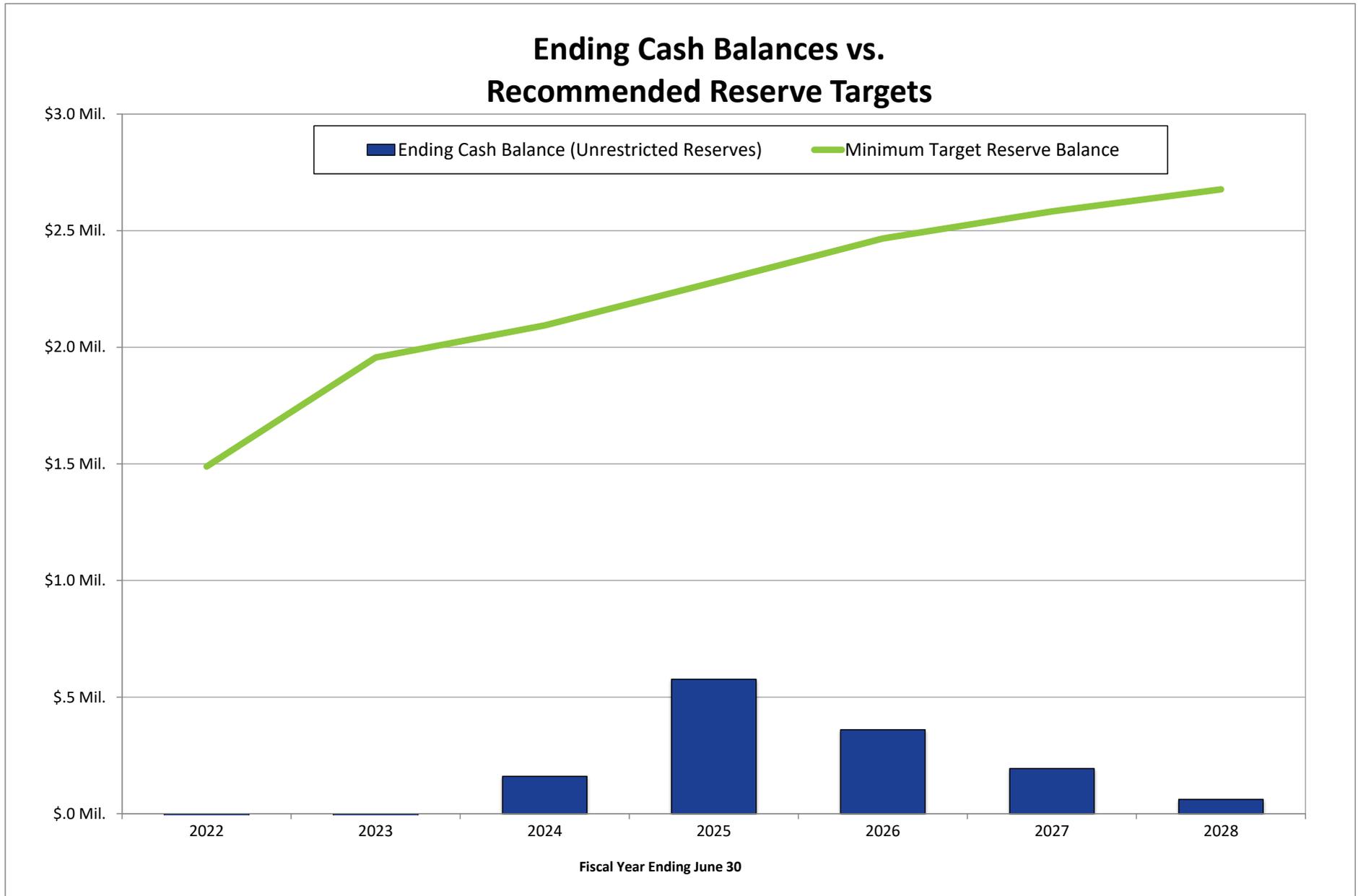


CHART 3

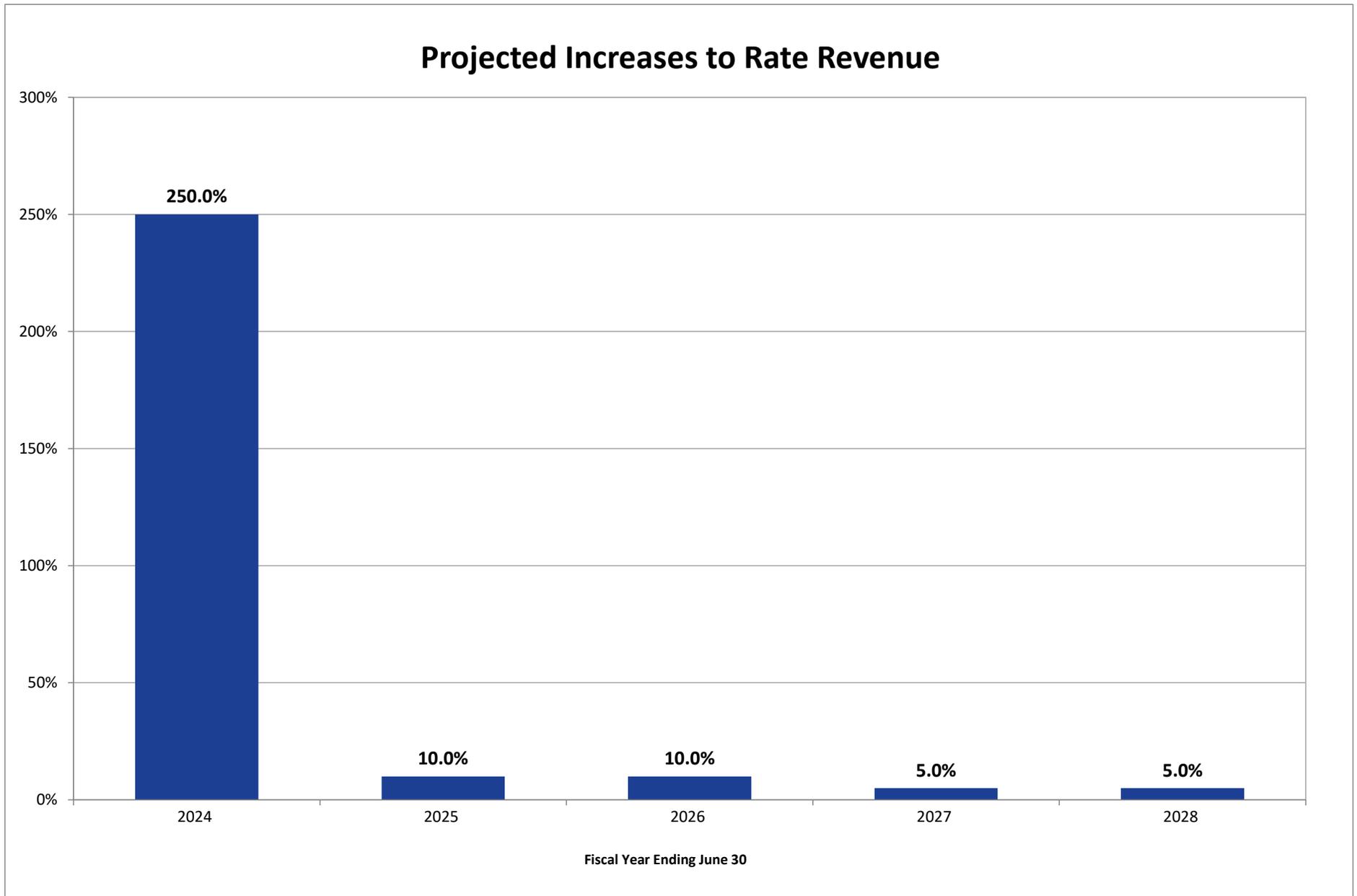


TABLE 3 : REVENUE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals	Actuals	5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Rate Revenue</b>													
Water Service Charge - Recycled Water	1	\$ 151,038	\$ 226,361	\$ 207,000	\$ 210,726	\$ 214,308	\$ 217,952	\$ 221,657	\$ 225,425	\$ 229,257	\$ 232,925	\$ 236,652	\$ 240,439
<b>Other Revenue</b>													
Interest Earnings	See FP	4,101	12,392	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: REVENUE</b>		<b>\$ 155,140</b>	<b>\$ 238,753</b>	<b>\$ 207,000</b>	<b>\$ 210,726</b>	<b>\$ 214,308</b>	<b>\$ 217,952</b>	<b>\$ 221,657</b>	<b>\$ 225,425</b>	<b>\$ 229,257</b>	<b>\$ 232,925</b>	<b>\$ 236,652</b>	<b>\$ 240,439</b>

TABLE 4 : OPERATING EXPENSE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals	Actuals	5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Fund 580 - Recycled Water Operations</b>													
Wages - Full time	3	\$ -	\$ 217	\$ 209,085	\$ 216,403	\$ 223,977	\$ 231,816	\$ 239,930	\$ 248,327	\$ 257,019	\$ 266,015	\$ 275,325	\$ 284,961
Health Insurance	3	-	-	35,576	36,821	38,109	39,443	40,824	42,253	43,731	45,262	46,846	48,486
Health-In_Lieu	3	-	-	2,280	2,360	2,442	2,528	2,616	2,708	2,803	2,901	3,002	3,107
Cafeteria Plan Section 125	3	-	-	9,599	9,935	10,282	10,642	11,015	11,400	11,799	12,212	12,640	13,082
PERS Retirement	3	-	1,246	26,843	27,782	28,755	29,761	30,803	31,881	32,997	34,152	35,347	36,584
Benefits - Other	3	-	-	471	488	505	522	541	560	579	599	620	642
Social Security & Medicare	3	-	3	3,204	3,316	3,432	3,552	3,677	3,805	3,938	4,076	4,219	4,367
Worker Comp Insurance	3	-	526	22,467	23,254	24,067	24,910	25,782	26,684	27,618	28,585	29,585	30,621
Info Tech Support Services	2	-	-	54,000	55,620	57,289	59,007	60,777	62,601	64,479	66,413	68,406	70,458
Professional Services	2	13,511	16,694	51,000	52,530	54,106	55,729	57,401	59,123	60,897	62,724	64,605	66,543
Misc Contractual Services	2	-	117,361	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610
Temp Agency Services	2	-	-	-	-	-	-	-	-	-	-	-	-
General Repairs & Maint	2	-	727	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
Postage/Mail/Copy/Printing Svc	2	-	36	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Membership Dues & Subscription	2	-	-	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Conferences - Training	2	-	-	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610
Office Supplies	2	-	-	500	515	530	546	563	580	597	615	633	652
Operating Supplies	2	-	7,594	123,000	126,690	130,491	134,405	138,438	142,591	146,868	151,274	155,813	160,487
AC Recycled Water	2	36,360	18,437	-	-	-	-	-	-	-	-	-	-
Depreciation	2	222,773	222,255	-	-	-	-	-	-	-	-	-	-
Depreciation - Infrastructure	2	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	2	-	-	-	-	-	-	-	-	-	-	-	-
Major Equipment	8	-	-	70,000	-	-	-	-	-	-	-	-	-
Transfers Out To Other Funds	8	-	1,196,580	50,000	-	-	-	-	-	-	-	-	-
Retiree Health Benefits	3	-	134	1,973	2,042	2,114	2,188	2,264	2,344	2,426	2,510	2,598	2,689
OPEB	3	-	1,115	1,251	1,295	1,340	1,387	1,436	1,486	1,538	1,592	1,647	1,705
ISF - Bldg Maint	2	-	26,844	39,873	41,069	42,301	43,570	44,877	46,224	47,610	49,039	50,510	52,025
ISF - Legal Services	2	-	514	23,705	24,416	25,149	25,903	26,680	27,481	28,305	29,154	30,029	30,930
Capital Outlay-Contra Account	8	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Gen Fnd Support Sv	2	-	21,869	138,336	142,486	146,761	151,163	155,698	160,369	165,180	170,136	175,240	180,497
Interest Payments for Internal Loans	See Exh. 3	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: RECYCLED WATER OPERATIONS EXPENSES</b>		<b>\$ 272,644</b>	<b>\$ 1,632,152</b>	<b>\$ 893,163</b>	<b>\$ 797,921</b>	<b>\$ 823,477</b>	<b>\$ 849,857</b>	<b>\$ 877,086</b>	<b>\$ 905,193</b>	<b>\$ 934,206</b>	<b>\$ 964,155</b>	<b>\$ 995,069</b>	<b>\$ 1,026,980</b>

TABLE 5 : FORECASTING ASSUMPTIONS

INFLATION FACTORS <sup>2</sup>	Basis	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Customer Growth <sup>3</sup>	1	--	1.80%	1.80%	1.80%	1.70%	1.70%	1.70%	1.70%	1.70%	1.60%	1.60%	1.60%
General Cost Inflation <sup>4</sup>	2	--	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Labor Cost Inflation <sup>5</sup>	3	--	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Energy <sup>6</sup>	4	--	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%
Electricity <sup>7</sup>	5	--	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%
Fuel & Utilities <sup>8</sup>	6	--	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%
Construction Cost Inflation <sup>9</sup>	7	--	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
No Escalation	8	--	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Revenue and expenses for FY 2021/22 through FY 2023/24 provided by the City. Revenues and expenses for all other years are escalated based on the forecasting assumptions located in Table 61. Source files: *Fund 580 Recycled Water Operations.xlsx* & *FY2023-24 Exp Budget Recycled Water*.
2. Expenses are inflated each year by the following annual inflation factor categories.
3. Customer growth is based on service area population growth through FY 2039/40. Source file: *American Canyon 2015 UWMP.pdf*, page 26.
4. General cost inflation is based on the 5-year average annual change in the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-Hayward, CA area.
5. Labor cost inflation is based on the 5-year average annual change in the Quarterly Census of Employment and Wages for San Francisco County, CA.
6. Energy cost inflation is based on the 5-year average annual change in the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-Hayward, CA area.
7. Electricity cost inflation is based on the 5-year average change in the Consumer Price Index for San Francisco County.
8. Fuel & Utilities cost inflation is based on the 5-year average annual change in the Consumer Price Index - Average Price Data for Fuels and related products and power. This factor is used for utility costs other than electricity.
9. Construction cost inflation is the 10-year average change in the Construction Cost Index for 2012-2022. Source: Engineering News Record website (<http://enr.construction.com>).

TABLE 6 : CAPITAL FUNDING SUMMARY

CAPITAL FUNDING FORECAST	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Funding Sources:</b>												
Grants <sup>1</sup>	\$ 235,463	\$ 243,704	\$ 385,279	\$ 635,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Capacity Fee Reserves	-	-	-	16,812	1,989,375	2,059,003	2,131,068	1,756,623	1,818,105	1,881,739	1,947,600	2,015,766
SRF Loan Funding	-	-	-	-	-	-	-	-	-	-	-	-
Use of New Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Use of Capital Rehabilitation and Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Rate Revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funds</b>	<b>\$ 235,463</b>	<b>\$ 243,704</b>	<b>\$ 385,279</b>	<b>\$ 652,367</b>	<b>\$ 1,989,375</b>	<b>\$ 2,059,003</b>	<b>\$ 2,131,068</b>	<b>\$ 1,756,623</b>	<b>\$ 1,818,105</b>	<b>\$ 1,881,739</b>	<b>\$ 1,947,600</b>	<b>\$ 2,015,766</b>
<b>Uses of Capital Funds:</b>												
Total Project Costs	\$ 235,463	\$ 243,704	\$ 385,279	\$ 652,367	\$ 1,989,375	\$ 2,059,003	\$ 2,131,068	\$ 1,756,623	\$ 1,818,105	\$ 1,881,739	\$ 1,947,600	\$ 2,015,766
<b>Capital Funding Surplus (Deficiency)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

1. Grant from American Rescue Plan Act (ARPA) Funds through Napa County for the Recycled Water System Expansion Project (RW17-0100). Source file: RESOLUTION 2022-58.pdf.

CAPITAL IMPROVEMENT PROGRAM FUNDING OPTIONS

Capital Improvement Program Funding Choice	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Effective Annual Funding Amount	\$ 235,463	\$ 243,704	\$ 385,279	\$ 652,367	\$ 1,989,375	\$ 2,059,003	\$ 2,131,068	\$ 1,756,623	\$ 1,818,105	\$ 1,881,739	\$ 1,947,600	\$ 2,015,766

CAPITAL IMPROVEMENT PROGRAM

TABLE 7 : CAPITAL IMPROVEMENT PROGRAM COSTS (in Current-Year Dollars)<sup>1</sup>

Project No.	Description	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Capital Projects<sup>2</sup></b>													
NEW	Recycled Water Fill Stations	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Master Plan Projects - Recycled Water<sup>3</sup></b>													
RW1	Tower / Devlin / South Kelly Road	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RW2	Spikerush Circle	31,000	31,000	31,000	31,000	-	-	-	-	-	-	-	-
RW3	Benton Way	59,000	59,000	59,000	59,000	-	-	-	-	-	-	-	-
RW4	Pelleria Drive	-	-	-	32,000	32,000	32,000	32,000	-	-	-	-	-
RW5	Jim Oswald Way / Mezzetta Court / Green Island Road	-	-	-	121,000	121,000	121,000	121,000	-	-	-	-	-
RW6	Hanna Drive	-	-	-	76,000	76,000	76,000	76,000	-	-	-	-	-
RW7	Dodd / Klamath Court	-	-	-	24,000	24,000	24,000	24,000	-	-	-	-	-
RW8	Lombard / Hess Road	-	-	-	88,000	88,000	88,000	88,000	-	-	-	-	-
RW9	Watson Lane	-	-	-	-	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
RW10	Main / South Napa Junction Road	-	-	-	-	299,000	299,000	299,000	299,000	299,000	299,000	299,000	299,000
RW11	Newell Drive	-	-	-	-	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
RW12	PS Upgrade	-	-	-	-	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
RW13	Paoli Loop Road / Northern Vineyards	-	-	-	-	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
RW14	Eucalyptus Drive	-	-	-	-	128,000	128,000	128,000	128,000	128,000	128,000	128,000	128,000
RW15	Broadway / Donaldson Way	-	-	-	-	347,000	347,000	347,000	347,000	347,000	347,000	347,000	347,000
<b>Estimated Future Projects</b>													
Future Projects <sup>4</sup>													
<b>Total: CIP Program Costs (Future-Year Dollars)</b>		<b>\$ 227,500</b>	<b>\$ 227,500</b>	<b>\$ 347,500</b>	<b>\$ 568,500</b>	<b>\$ 1,675,000</b>	<b>\$ 1,675,000</b>	<b>\$ 1,675,000</b>	<b>\$ 1,334,000</b>				

TABLE 8 : CAPITAL IMPROVEMENT PROGRAM COSTS (in Future-Year Dollars)<sup>5</sup>

Project No.	Description	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Capital Projects<sup>2</sup></b>													
NEW	Recycled Water Fill Stations	\$ -	\$ -	\$ 133,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Master Plan Projects - Recycled Water<sup>3</sup></b>													
RW1	Tower / Devlin / South Kelly Road	\$ 142,313	\$ 147,293	\$ 152,449	\$ 157,784	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RW2	Spikerush Circle	32,085	33,208	34,370	35,573	-	-	-	-	-	-	-	-
RW3	Benton Way	61,065	63,202	65,414	67,704	-	-	-	-	-	-	-	-
RW4	Pelleria Drive	-	-	-	36,721	38,006	39,336	40,713	-	-	-	-	-
RW5	Jim Oswald Way / Mezzetta Court / Green Island Road	-	-	-	138,850	143,710	148,740	153,946	-	-	-	-	-
RW6	Hanna Drive	-	-	-	87,212	90,264	93,423	96,693	-	-	-	-	-
RW7	Dodd / Klamath Court	-	-	-	27,541	28,504	29,502	30,535	-	-	-	-	-
RW8	Lombard / Hess Road	-	-	-	100,982	104,516	108,174	111,961	-	-	-	-	-
RW9	Watson Lane	-	-	-	-	160,338	165,949	171,758	177,769	183,991	190,431	197,096	203,994
RW10	Main / South Napa Junction Road	-	-	-	-	355,118	367,547	380,411	393,726	407,506	421,769	436,531	451,810
RW11	Newell Drive	-	-	-	-	243,476	251,997	260,817	269,946	279,394	289,173	299,294	309,769
RW12	PS Upgrade	-	-	-	-	95,015	98,340	101,782	105,345	109,032	112,848	116,798	120,885
RW13	Paoli Loop Road / Northern Vineyards	-	-	-	-	166,276	172,096	178,119	184,353	190,806	197,484	204,396	211,550
RW14	Eucalyptus Drive	-	-	-	-	152,024	157,345	162,852	168,552	174,451	180,557	186,876	193,417
RW15	Broadway / Donaldson Way	-	-	-	-	412,127	426,552	441,481	456,933	472,925	489,478	506,609	524,341
<b>Estimated Future Projects</b>													
Future Projects <sup>4</sup>													
<b>Total: CIP Program Costs (Future-Year Dollars)</b>		<b>\$ 235,463</b>	<b>\$ 243,704</b>	<b>\$ 385,279</b>	<b>\$ 652,367</b>	<b>\$ 1,989,375</b>	<b>\$ 2,059,003</b>	<b>\$ 2,131,068</b>	<b>\$ 1,756,623</b>	<b>\$ 1,818,105</b>	<b>\$ 1,881,739</b>	<b>\$ 1,947,600</b>	<b>\$ 2,015,766</b>

TABLE 9 : FORECASTING ASSUMPTIONS

Economic Variables	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Construction Cost Inflation, Per Engineering News Record <sup>6</sup>	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Cumulative Construction Cost Multiplier from FY 2021/22	1.04	1.07	1.11	1.15	1.19	1.23	1.27	1.32	1.36	1.41	1.46	1.51

- Capital project costs were provided by City Staff in source file: *Water Projects.pdf*.
- Capital projects costs for FY 2021/22 and FY 2022/23 are from source files: 11. *CIP Budget vs Expense Report FY 2021-2022 through Oct 2021.pdf*.
- The City's Recycled Water Master Plan projects were scheduled to begin in 2016; however, the study only includes costs from FY 2021/22 through FY 2034/35. Source file: *2016 Recycled Water Master Plan.pdf*, page 63.
- Future project costs beyond FY 2034/35 are calculated based on the City's 10-year average.
- Capital improvement projects are inflated to future year estimated costs with ENR CCI for the region. Source: Engineering News Record website (<http://enr.construction.com>).
- For reference purposes, the annual Construction Cost Inflation percentage is the 10-year average change in the Construction Cost Index for September 2012-2022 (3.5%). Source: Engineering News Record website (<http://enr.construction.com>).

TABLE 10 : EXISTING DEBT OBLIGATIONS

EXISTING DEBT OBLIGATIONS	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Interfund Loans</b>												
<b>Water Operations to Recycled Water Fund</b>												
Advance from Water Operations 510 to Recycled Water Operations 580												
Original Loan Amount (June 20, 2023)	\$ 1,136,140											
Accrued Interest (LAIF Rate + 2%)	981											
<b>Annual Debt Service<sup>1</sup></b>			\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061	\$44,061
<b>Water Operations to Recycled Water Fund</b>												
Advance from Water Operations 510 to Recycled Water Operations 580												
Original Loan Amount (September 21, 2021)	\$ 128,189											
Accrued Interest (LAIF Rate + 2%)	11,706											
<b>Annual Debt Service<sup>2</sup></b>					\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421	\$ 5,421
<b>Wastewater Capacity to Recycled Water Fund</b>												
Advance from WW Capacity 550 to Recycled Water Operations 580												
Original Loan Amount (March 17, 2011)	\$ 1,070,000											
Accrued Interest (LAIF Rate + 2%)	205,869											
<b>Annual Debt Service<sup>3</sup></b>					\$ 49,438	\$ 49,438	\$ 49,438	\$ 49,438	\$ 49,438	\$ 49,438	\$ 49,438	\$ 49,438
<b>Wastewater Capacity to Recycled Water Fund</b>												
Advance from WW Capacity 550 to Recycled Water Operations 580												
Original Loan Amount (December 15, 2009)	\$ 304,614											
Accrued Interest (LAIF Rate + 2%)	58,577											
<b>Annual Debt Service<sup>4</sup></b>					\$ 14,073	\$ 14,073	\$ 14,073	\$ 14,073	\$ 14,073	\$ 14,073	\$ 14,073	\$ 14,073
<b>Wastewater Capacity to Recycled Water Fund</b>												
Advance from WW Capacity 550 to Recycled Water Operations 580												
Original Loan Amount (December 15, 2009)	\$ 3,532,410											
Accrued Interest (LAIF Rate + 2%)	454,994											
<b>Annual Debt Service<sup>5</sup></b>			\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504	\$ 154,504

1. Funds advanced for the Recycled Water Expansion Project. Repayment scheduled to begin FY 2023/24.
2. Funds advanced for Green Island Recycled Waterline Project. Repayment scheduled to begin FY 2025/26.
3. Funds advanced for the Green Island Road Recycled Waterline Project. Repayment scheduled to begin FY 2025/26.
4. Funds advanced for the Recycled Water Pump Station Upgrade. Repayment scheduled to begin FY 2025/26.
5. Funds advance for various CIP projects. Repayment scheduled to begin FY 2025/26.

TABLE 11 : EXISTING ANNUAL DEBT OBLIGATIONS TO BE SATISFIED BY WATER RATES

Annual Obligations	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Existing Interfund Loan Repayment	\$ -	\$ -	\$ 198,566	\$ 198,566	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497	\$ 267,497

TABLE 12 : CURRENT RECYCLED WATER RATE SCHEDULE

Recycled Water Rate Schedule <sup>1</sup>	Current Rates Jan. 1, 2023
<b>Monthly Fixed Service Charges</b>	
<b>Recycled Water<sup>2</sup></b>	
< 1" meter	\$26.56
1" meter	\$44.42
1 1/2" meter	\$88.75
2" meter	\$141.99
3" meter	\$283.98
4" meter	\$443.74
6" meter	\$887.48
8" meter	\$1,420.06
<b>Variable Rates for All Water Consumed (in \$/hcf)<sup>3</sup></b>	
Recycled Water	\$0.90

1. Rates available on the City website. Source: <https://www.cityofamericancanyon.org>.
2. Green Island Vineyard is charged different rates based on contract terms.
3. HCF = hundred cubic feet (748 gallons).

TABLE 13 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses							
Budget Categories	Total Revenue	Commodity	Capacity	Customer	Basis of Classification		
	FY 2023/24	(COM)	(CAP)	(CA)	(COM)	(CAP)	(CA)
<b>Fund 580 - Recycled Water Operations</b>							
Wages - Full time	\$ 209,085	\$ 104,543	\$ 83,634	\$ 20,909	50.0%	40.0%	10.0%
Health Insurance	35,576	17,788	14,230	3,558	50.0%	40.0%	10.0%
Health-In_Lieu	2,280	1,140	912	228	50.0%	40.0%	10.0%
Cafeteria Plan Section 125	9,599	4,799	3,839	960	50.0%	40.0%	10.0%
PERS Retirement	26,843	13,421	10,737	2,684	50.0%	40.0%	10.0%
Benefits - Other	471	236	188	47	50.0%	40.0%	10.0%
Social Security & Medicare	3,204	1,602	1,282	320	50.0%	40.0%	10.0%
Worker Comp Insurance	22,467	11,234	8,987	2,247	50.0%	40.0%	10.0%
Info Tech Support Services	54,000	27,000	21,600	5,400	50.0%	40.0%	10.0%
Professional Services	51,000	25,500	20,400	5,100	50.0%	40.0%	10.0%
Misc Contractual Services	2,000	1,000	800	200	50.0%	40.0%	10.0%
General Repairs & Maint	20,000	10,000	8,000	2,000	50.0%	40.0%	10.0%
Postage/Mail/Copy/Printing Svc	5,000	2,500	2,000	500	50.0%	40.0%	10.0%
Membership Dues & Subscription	1,000	500	400	100	50.0%	40.0%	10.0%
Conferences - Training	2,000	1,000	800	200	50.0%	40.0%	10.0%
Office Supplies	500	250	200	50	50.0%	40.0%	10.0%
Operating Supplies	123,000	61,500	49,200	12,300	50.0%	40.0%	10.0%
Major Equipment	70,000	35,000	28,000	7,000	50.0%	40.0%	10.0%
Transfers Out To Other Funds	50,000	25,000	20,000	5,000	50.0%	40.0%	10.0%
Retiree Health Benefits	1,973	987	789	197	50.0%	40.0%	10.0%
OPEB	1,251	625	500	125	50.0%	40.0%	10.0%
ISF - Bldg Maint	39,873	19,937	15,949	3,987	50.0%	40.0%	10.0%
ISF - Legal Services	23,705	11,853	9,482	2,371	50.0%	40.0%	10.0%
Transfer to Gen Fnd Support Sv	138,336	69,168	55,334	13,834	50.0%	40.0%	10.0%
<b>Total: Recycled Water Operations Expenses</b>	<b>\$ 893,163</b>	<b>\$ 446,581</b>	<b>\$ 357,265</b>	<b>\$ 89,316</b>	<b>50.0%</b>	<b>40.0%</b>	<b>10.0%</b>
<b>Total: Recycled Water Operations Expenses</b>	<b>\$ 893,163</b>	<b>\$ 446,581</b>	<b>\$ 357,265</b>	<b>\$ 89,316</b>	<b>50.0%</b>	<b>40.0%</b>	<b>10.0%</b>
<b>Total: Operations Expenses - Delivered<sup>1</sup></b>	<b>\$ 732,393</b>	<b>\$ 366,197</b>	<b>\$ 292,957</b>	<b>\$ 73,239</b>	<b>50.0%</b>	<b>40.0%</b>	<b>10.0%</b>
<b>Total: Operations Expenses - Self-Haul<sup>1</sup></b>	<b>\$ 160,769</b>	<b>\$ 80,385</b>	<b>\$ 64,308</b>	<b>\$ 16,077</b>	<b>50.0%</b>	<b>40.0%</b>	<b>10.0%</b>

Current Allocation  
 82%  
 18%

1. Delivered and self-haul recycled water rates based on direction provided by City staff; that is, 82% of O&M costs attributed to delivered water and 18% to self-haul.

TABLE 14 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS, cont.

Classification of Expenses, continued							
Budget Categories	Total Revenue Requirements	Commodity	Capacity	Customer	Basis of Classification		
	FY 2023/24	(COM)	(CAP)	(CA)	(COM)	(CAP)	(CA)
<b>Debt Service Payments</b>							
Outstanding Debt	\$ -	\$ -	\$ -	\$ -	0.0%	100.0%	0.0%
Interfund Loan Repayment	198,566	-	198,566	-	0.0%	100.0%	0.0%
<b>Total Debt Service Payments</b>	<b>\$ 198,566</b>	<b>\$ -</b>	<b>\$ 198,566</b>	<b>\$ -</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Total Debt Service Payments - Delivered</b>	<b>\$ 99,283</b>	<b>\$ -</b>	<b>\$ 99,283</b>	<b>\$ -</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Total Debt Service Payments - Self-Haul</b>	<b>\$ 99,283</b>	<b>\$ -</b>	<b>\$ 99,283</b>	<b>\$ -</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Capital Expenditures</b>							
Rate Funded Capital Expenses	\$ -	\$ -	\$ -	\$ -	0.0%	100.0%	0.0%
<b>Total Capital Expenditures - Delivered</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Total Capital Expenditures - Self-Haul</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$ 1,091,728</b>	<b>\$ 446,581</b>	<b>\$ 555,831</b>	<b>\$ 89,316</b>	<b>40.9%</b>	<b>50.9%</b>	<b>8.2%</b>
<b>TOTAL REVENUE REQUIREMENTS - Delivered</b>	<b>\$ 831,676</b>	<b>\$ 366,197</b>	<b>\$ 392,240</b>	<b>\$ 73,239</b>	<b>44.0%</b>	<b>47.2%</b>	<b>8.8%</b>
<b>TOTAL REVENUE REQUIREMENTS - Self-Haul</b>	<b>\$ 260,052</b>	<b>\$ 80,385</b>	<b>\$ 163,591</b>	<b>\$ 16,077</b>	<b>30.9%</b>	<b>62.9%</b>	<b>6.2%</b>
<i>Less: Non-Rate Revenues</i>							
<b>Other Revenue</b>							
Interest Earnings	(22,343)	(9,139)	(11,375)	(1,828)	40.9%	50.9%	8.2%
<b>NET REVENUE REQUIREMENTS</b>	<b>\$ 1,069,386</b>	<b>\$ 437,442</b>	<b>\$ 544,455</b>	<b>\$ 87,488</b>			
<i>Allocation of Revenue Requirements</i>	100.0%	40.9%	50.9%	8.2%			
<b>NET REVENUE REQUIREMENTS - Delivered</b>	<b>\$ 813,355</b>	<b>\$ 358,702</b>	<b>\$ 382,912</b>	<b>\$ 71,740</b>	<b>44.1%</b>	<b>47.1%</b>	<b>8.8%</b>
<b>NET REVENUE REQUIREMENTS - Self-Haul</b>	<b>\$ 256,030</b>	<b>\$ 78,740</b>	<b>\$ 161,543</b>	<b>\$ 15,748</b>	<b>9.7%</b>	<b>19.9%</b>	<b>1.9%</b>

Current Allocation  
 50%  
 50%  
 Current Allocation  
 50%  
 50%  
 Current Allocation  
 82%  
 18%

TABLE 15 : ADJUSTMENT TO CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses, continued				
Adjustments to Classification of Expenses				
Adjustment for Current Rate Level:	Total	(COM)	(CAP)	(CA)
Test Year (FY 2023/24) Target Rate Rev. After Rate Increases	\$ 1,069,386			
Projected Rate Revenue at Current Rates	\$ 207,000			
Test Year (FY 2023/24) Projected Rate Adjustment	417%			
<b>Adjusted Net Revenue Req'ts</b>	<b>\$ 1,069,386</b>	<b>\$ 437,442</b>	<b>\$ 544,455</b>	<b>\$ 87,488</b>
<i>Percent of Revenue</i>	<i>100.0%</i>	<i>40.9%</i>	<i>50.9%</i>	<i>8.2%</i>

TABLE 16 : NET REVENUE REQUIREMENTS PER COSA RESULTS

<i>Net Revenue Requirements - Per COSA Results</i> <i>59% Fixed / 41% Variable</i>	Total Rate Revenue Requirements	Commodity Related Costs	Capacity Related Costs	Customer Related Costs
	FY 2023/24			
Rate-Design Adjustments to Fixed/Variable %	100.0%	40.9%	50.9%	8.2%
Rate-Design Adjustments to Fixed/Variable (\$)	\$1,069,386	\$437,442	\$544,455	\$87,488

TABLE 17 : REVISED NET REVENUE REQUIREMENTS PER COSA RESULTS

Rate-Design Adjustments to Fixed/Variable %	100.0%	40.9%	50.9%	8.2%
Rate-Design Adjustments to Fixed/Variable (\$)	\$1,069,386	\$437,442	\$544,455	\$87,488

TABLE 18 : REVISED NET REVENUE REQUIREMENTS - (40% FIXED/60% VOLUMETRIC) - ALTERNATIVE 2

Rate-Design Adjustments to Fixed/Variable %	100.0%	60.0%	34.5%	5.5%
Rate-Design Adjustments to Fixed/Variable (\$)	\$1,069,386	\$641,631	\$368,535	\$59,220

TABLE 19 : REVISED NET REVENUE REQUIREMENTS - (20% FIXED/80% VOLUMETRIC) - ALTERNATIVE 3

Rate-Design Adjustments to Fixed/Variable %	100.0%	80.0%	17.2%	2.8%
Rate-Design Adjustments to Fixed/Variable (\$)	\$1,069,386	\$855,509	\$184,267	\$29,610

TABLE 20 : ALLOCATION OF RECYCLED WATER REVENUE REQUIREMENTS

PROPOSED ALTERNATIVE		
Recycled Water Classification Components	Cost-of-Service Net Revenue Requirements (2023/24) <sup>1</sup>	
Variable (Collected from Vol. Rates)	\$ 855,509	80%
Fixed (Collected from Fixed Charges)	213,877	20%
<b>Net Revenue Requirement</b>	<b>\$ 1,069,386</b>	<b>100%</b>

1. For calculation, see the RW - Funct. & Classification tab.

TABLE 21 : ALLOCATION OF NET REVENUE REQUIREMENTS - FY 2023/24

PROPOSED ALTERNATIVE								
Recycled Water Customers	Cost Allocation Factors			Cost Classifications			RW Volumetric Rate (\$/hcf) <sup>5</sup>	RW Fixed Charges (\$/Eq. Meter/Month) <sup>6</sup>
	Annual RW Consumption <sup>1</sup>	Equivalent Meters <sup>2</sup>		Variable Costs <sup>3</sup>	Fixed Costs <sup>4</sup>	Net Revenue Req'ts		
		No. of Equiv. Meters	% of Equiv. Meters					
<b>Recycled Water</b>								
Recycled Water	272,268	458	100.0%	\$ 855,509	\$ 213,877	\$ 1,069,386	\$3.14	\$38.89
<b>Total Net Revenue Requirement</b>	<b>272,268</b>	<b>458</b>	<b>100.0%</b>	<b>\$ 855,509</b>	<b>\$ 213,877</b>	<b>\$ 1,069,386</b>	--	--

1. Source file: 2020 Urban Water Management Plan , Figure 6.4.

2. Number of meters by size times the hydraulic capacity factor for each meter size. Source: AWWA, Manual M1, Table B-1 & AWWA, Manual M6, Table 5-3.

3. Total Variable Costs times the proportional share of annual RW consumption.

4. Fixed costs times the percent of equivalent meters.

5. Total Variable Costs divided by Total Annual RW Consumption.

6. Total Fixed Costs divided by total Equivalent Meters. This provides the basis for monthly fixed charges for each meter size.

TABLE 22 : CALCULATION OF MONTHLY FIXED METER SERVICE CHARGES FOR FY 2023/24

PROPOSED ALTERNATIVE									
Number of RW Meters by Class and Size <sup>1</sup>	FY 2023/24								Total
	< 1" meter	1" meter	1 1/2" meter	2" meter	3" meter	4" meter	6" meter	8" meter	
<b>Recycled Water</b>									
Recycled Water	2	13	14	28	13	6	0	0	76
<b>Total Meters/Accounts</b>	<b>2</b>	<b>13</b>	<b>14</b>	<b>28</b>	<b>13</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>76</b>
<i>Hydraulic Capacity Factor<sup>2</sup></i>	<i>1.00</i>	<i>1.67</i>	<i>3.33</i>	<i>5.33</i>	<i>10.67</i>	<i>16.67</i>	<i>33.33</i>	<i>53.33</i>	
<b>Total Equivalent Meters</b>	<b>2</b>	<b>22</b>	<b>47</b>	<b>149</b>	<b>139</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>458</b>
<b>Monthly Fixed Service Charges</b>									
Fixed Charge (\$/EM/month) <sup>3</sup>	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89	\$38.89
<b>Fixed Monthly Charge</b>	<b>\$38.89</b>	<b>\$64.81</b>	<b>\$129.62</b>	<b>\$207.40</b>	<b>\$414.79</b>	<b>\$648.11</b>	<b>\$1,296.23</b>	<b>\$2,073.96</b>	
<b>Annual Fixed Costs Allocated to Monthly Meter Charges</b>									
<b>Total Revenue from RW Meter Charges</b>	<b>\$ 933</b>	<b>\$ 10,111</b>	<b>\$ 21,777</b>	<b>\$ 69,685</b>	<b>\$ 64,708</b>	<b>\$ 46,664</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 213,877</b>

1. Meter by Class and Size are based on June 2022 customer billing data.

2. Source: Principles of Water Rates, Fees, and Charges , Manual M1, AWWA, Table B-1.

3. Cost per month per equivalent meter. Monthly fixed charges are set for each meter size using the hydraulic capacity factors and total equivalent meters.

TABLE 23 : METER EQUIVALENCY FACTORS USED IN FIXED CHARGES CALCULATION

Meter Size	Standard Meters	
	Meter Capacity	Equivalency to 3/4 inch
	<u>Displacement Meters</u>	
5/8 inch	20	1.00
3/4 inch	30	1.00
1 inch	50	1.67
1.5 inch	100	3.33
2 inch	160	5.33
	<u>Compound Class I Meters</u>	
3 inch	320	10.67
4 inch	500	16.67
6 inch	1,000	33.33
8 inch	1,600	53.33
	<u>Turbine Class II Meters</u>	
10 inch	4,200	140.00
12 inch	5,300	176.67

1. Per AWWA, M1 Manual, Table B-1.

TABLE 24 : ALLOCATION OF RECYCLED WATER REVENUE REQUIREMENTS

Recycled Water Classification Components	Total <sup>1</sup>	Net Revenue Requirements - Delivered (2023/24)		Net Revenue Requirements - Self-Haul(2023/24)	
Variable (Collected from Vol. Rates)	\$ 437,442	\$ 650,684	80%	\$ 256,030	100%
Fixed (Collected from Fixed Charges)	631,944	162,671	20%	-	0%
<b>Net Revenue Requirement</b>	<b>\$ 1,069,386</b>	<b>\$ 813,355</b>	<b>100%</b>	<b>\$ 256,030</b>	<b>100%</b>

1. For calculation, see the RW - Funct. & Classification tab.

TABLE 25 : ALLOCATION OF NET REVENUE REQUIREMENTS - FY 2023/24

Recycled Water Customers	Cost Allocation Factors			Cost Classifications			RW Volumetric Rate (\$/hcf) <sup>5</sup>	RW Fixed Charges (\$/Eq. Meter/Month) <sup>6</sup>
	Annual RW Consumption <sup>1</sup>	Equivalent Meters <sup>2</sup>		Variable Costs <sup>3</sup>	Fixed Costs <sup>4</sup>	Net Revenue Req'ts		
		No. of Equiv. Meters	% of Equiv. Meters					
Recycled Water								
Delivered	136,134	458	100.0%	\$ 650,684	\$ 162,671	\$ 813,355	\$4.78	\$29.58
Self-Haul	136,134	0	0.0%	256,030	-	256,030	\$1.88	n/a
<b>Total Net Revenue Requirement</b>	<b>272,268</b>	<b>458</b>	<b>0.0%</b>	<b>\$ 256,030</b>	<b>\$ -</b>	<b>\$ 256,030</b>	<b>--</b>	<b>--</b>

- Source file: 2020 Urban Water Management Plan , Figure 6.4.
- Number of meters by size times the hydraulic capacity factor for each meter size. Source: AWWA, Manual M1, Table B-1 & AWWA, Manual M6, Table 5-3.
- Total Variable Costs times the proportional share of annual RW consumption.
- Fixed costs times the percent of equivalent meters.
- Total Variable Costs divided by Total Annual RW Consumption.
- Total Fixed Costs divided by total Equivalent Meters. This provides the basis for monthly fixed charges for each meter size.

TABLE 26 : CALCULATION OF MONTHLY FIXED METER SERVICE CHARGES FOR FY 2023/24

Number of RW Meters by Class and Size <sup>1</sup>	FY 2023/24								Total
	< 1" meter	1" meter	1 1/2" meter	2" meter	3" meter	4" meter	6" meter	8" meter	
Recycled Water									
Delivered	2	13	14	28	13	6	0	0	76
<b>Total Meters/Accounts</b>	<b>2</b>	<b>13</b>	<b>14</b>	<b>28</b>	<b>13</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>76</b>
Hydraulic Capacity Factor <sup>2</sup>	1.00	1.67	3.33	5.33	10.67	16.67	33.33	53.33	
<b>Total Equivalent Meters</b>	<b>2</b>	<b>22</b>	<b>47</b>	<b>149</b>	<b>139</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>458</b>
Monthly Fixed Service Charges									
Fixed Charge (\$/EM/month) <sup>3</sup>	\$29.58	\$29.58	\$29.58	\$29.58	\$29.58	\$29.58	\$29.58	\$29.58	
<b>Fixed Monthly Charge</b>	<b>\$29.58</b>	<b>\$49.29</b>	<b>\$98.59</b>	<b>\$157.74</b>	<b>\$315.48</b>	<b>\$492.94</b>	<b>\$985.89</b>	<b>\$1,577.42</b>	
<b>Annual Fixed Costs Allocated to Monthly Meter Charges</b>									
<b>Total Revenue from RW Meter Charges</b>	<b>\$ 710</b>	<b>\$ 7,690</b>	<b>\$ 16,563</b>	<b>\$ 53,001</b>	<b>\$ 49,215</b>	<b>\$ 35,492</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 162,671</b>

- Meter by Class and Size are based on June 2022 customer billing data.
- Source: Principles of Water Rates, Fees, and Charges , Manual M1, AWWA, Table B-1.
- Cost per month per equivalent meter. Monthly fixed charges are set for each meter size using the hydraulic capacity factors and total equivalent meters.

TABLE 27 : METER EQUIVALENCY FACTORS USED IN FIXED CHARGES CALCULATION

Meter Size	Standard Meters	
	Meter Capacity	Equivalency to 3/4 inch
	<u>Displacement Meters</u>	
5/8 inch	20	1.00
3/4 inch	30	1.00
1 inch	50	1.67
1.5 inch	100	3.33
2 inch	160	5.33
	<u>Compound Class I Meters</u>	
3 inch	320	10.67
4 inch	500	16.67
6 inch	1,000	33.33
8 inch	1,600	53.33
	<u>Turbine Class II Meters</u>	
10 inch	4,200	140.00
12 inch	5,300	176.67

1. Per AWWA, M1 Manual, Table B-1.

TABLE 28 : CURRENT VS. PROPOSED RATES

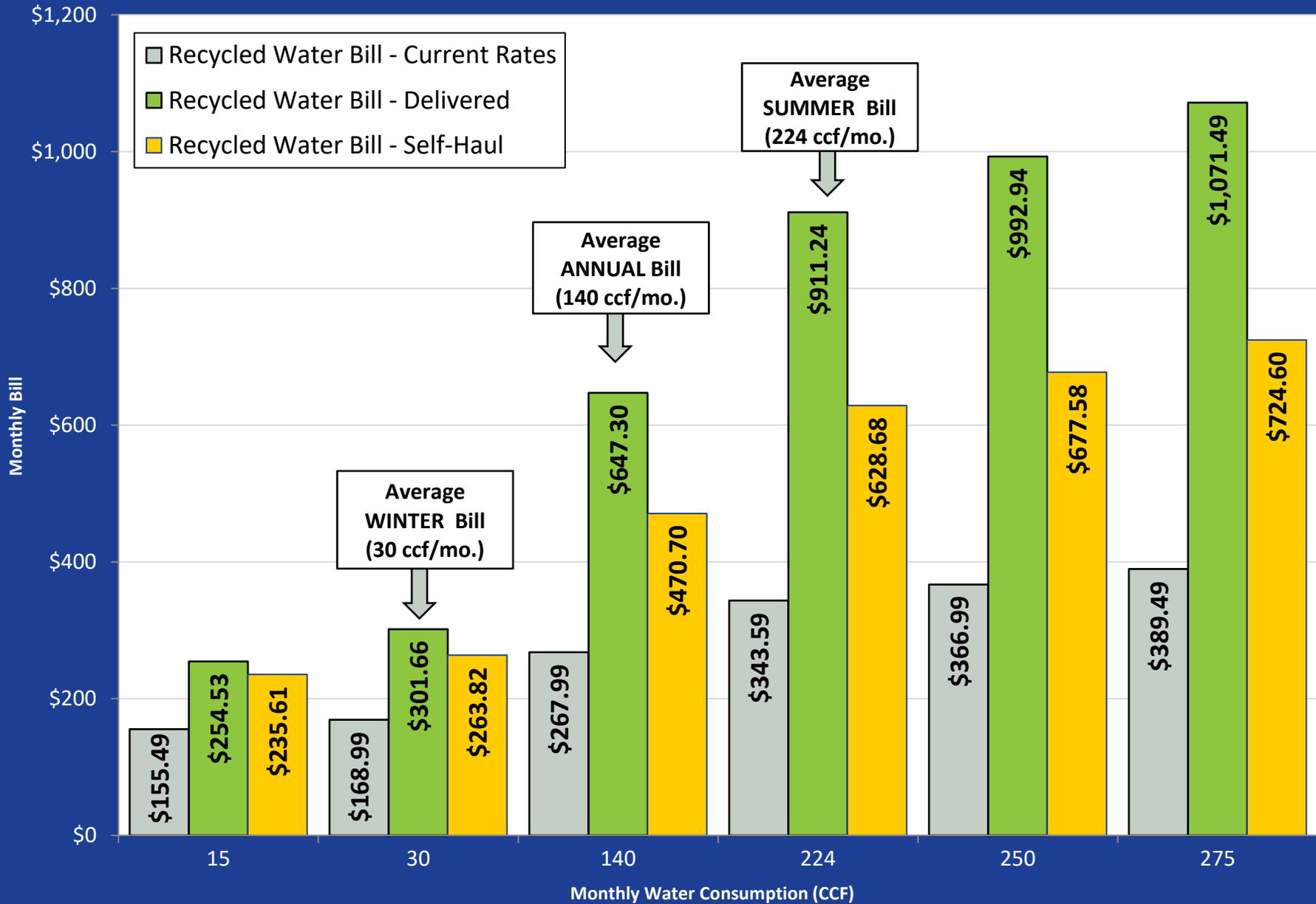
Recycled Water Rate Schedule	Current Rates	PROPOSED ALTERNATIVE				
		Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		250.00%	10.00%	10.00%	5.00%	5.00%
<b>Monthly Fixed Service Charges (in \$/mo) - Delivered Only</b>						
< 1" meter	\$26.56	\$29.58	\$32.53	\$35.79	\$37.58	\$39.46
1" meter	\$44.42	\$49.29	\$54.22	\$59.65	\$62.63	\$65.76
1 1/2" meter	\$88.75	\$98.59	\$108.45	\$119.29	\$125.26	\$131.52
2" meter	\$141.99	\$157.74	\$173.52	\$190.87	\$200.41	\$210.43
3" meter	\$283.98	\$315.48	\$347.03	\$381.73	\$400.82	\$420.86
4" meter	\$443.74	\$492.94	\$542.24	\$596.46	\$626.28	\$657.60
6" meter	\$887.48	\$985.89	\$1,084.47	\$1,192.92	\$1,252.57	\$1,315.20
8" meter	\$1,420.06	\$1,577.42	\$1,735.16	\$1,908.67	\$2,004.11	\$2,104.31
<b>Commodity Charges for All Water Consumed (in \$/hcf)</b>						
Variable Charge - Delivered	\$0.90	\$4.78	\$5.26	\$5.78	\$6.07	\$6.38
Variable Charge - Self-Haul	n/a	\$1.88	\$2.07	\$2.28	\$2.39	\$2.51

TABLE 29 : CURRENT VS. PROPOSED RATES

Recycled Water Rate Schedule	Current Rates	PROPOSED ALTERNATIVE				
		Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>						
		250.00%	10.00%	10.00%	5.00%	5.00%
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
< 1" meter	\$26.56	\$38.89	\$42.78	\$47.05	\$49.41	\$51.88
1" meter	\$44.42	\$64.81	\$71.29	\$78.42	\$82.34	\$86.46
1 1/2" meter	\$88.75	\$129.62	\$142.58	\$156.84	\$164.69	\$172.92
2" meter	\$141.99	\$207.40	\$228.14	\$250.95	\$263.50	\$276.67
3" meter	\$283.98	\$414.79	\$456.27	\$501.90	\$526.99	\$553.34
4" meter	\$443.74	\$648.11	\$712.92	\$784.22	\$823.43	\$864.60
6" meter	\$887.48	\$1,296.23	\$1,425.85	\$1,568.43	\$1,646.85	\$1,729.20
8" meter	\$1,420.06	\$2,073.96	\$2,281.36	\$2,509.49	\$2,634.97	\$2,766.71
<b>Commodity Charges for All Water Consumed (in \$/hcf)</b>						
Variable Charge	\$0.90	\$3.14	\$3.46	\$3.80	\$3.99	\$4.19
Variable Charge - Self-Haul	n/a	\$1.88	\$2.07	\$2.28	\$2.39	\$2.51

# Recycled Water Bill Comparison

## Current vs. Proposed FY 2023/24 Rates (2" Meter)



# Appendix C. Sewer Rate Study Tables and Figures

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TABLE 1 : FINANCIAL PLAN AND SUMMARY OF REVENUE REQUIREMENTS

RATE REVENUE REQUIREMENTS SUMMARY	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Sources of Funds<sup>1</sup></b>												
<i>Rate Revenue:</i>												
Sewer Rate Revenue	\$ 4,824,937	\$ 4,940,178	\$ 5,042,690	\$ 5,128,416	\$ 5,215,599	\$ 5,304,264	\$ 5,394,436	\$ 5,486,142	\$ 5,573,920	\$ 5,663,103	\$ 5,753,713	\$ 5,845,772
Other Revenue	82,867	171,545	98,593	100,269	101,974	103,707	105,470	107,263	108,979	110,723	112,495	114,295
Interest Earnings	28,277	166,693	120,000	22,911	22,211	24,657	21,576	24,547	25,380	26,255	27,142	28,071
<b>Total: Sources of Funds</b>	<b>\$ 4,936,080</b>	<b>\$ 5,278,416</b>	<b>\$ 5,261,283</b>	<b>\$ 5,251,596</b>	<b>\$ 5,339,784</b>	<b>\$ 5,432,629</b>	<b>\$ 5,521,483</b>	<b>\$ 5,617,952</b>	<b>\$ 5,708,280</b>	<b>\$ 5,800,081</b>	<b>\$ 5,893,350</b>	<b>\$ 5,988,138</b>
<b>Uses of Water Funds</b>												
<i>Operating Expenses:</i>												
570 - Wastewater Treatment Plant	\$ 3,075,847	\$ (1,723,127)	\$ 1,952,137	\$ 2,041,362	\$ 2,121,194	\$ 4,663,008	\$ 2,291,046	\$ 2,381,374	\$ 2,475,521	\$ 2,573,662	\$ 2,675,976	\$ 2,782,656
575 - Wastewater Collections	509,518	1,181,331	835,861	873,335	902,822	933,308	964,830	997,421	1,031,118	1,065,960	1,101,985	1,139,234
585 - Wastewater Environmental Compliance	414,090	489,734	856,655	887,901	915,994	944,981	974,890	1,005,750	1,037,594	1,070,451	1,104,354	1,139,337
810 - Non Departmental	1,820,335	2,157,776	2,615,743	2,700,825	2,783,879	2,869,503	2,957,779	3,048,788	3,142,618	3,239,356	3,339,093	3,441,923
Subtotal: Operating Expenses	\$ 5,819,790	\$ 2,105,714	\$ 6,260,396	\$ 6,503,425	\$ 6,723,889	\$ 9,410,800	\$ 7,188,544	\$ 7,433,334	\$ 7,686,851	\$ 7,949,428	\$ 8,221,408	\$ 8,503,149
<i>Other Expenditures:</i>												
Existing Debt Service	\$ 1,115,315	\$ 206,640	\$ 215,074	\$ 223,856	\$ 224,168	\$ 239,297	\$ 249,385	\$ 222,191	\$ 231,597	\$ 241,391	\$ 249,843	\$ 259,060
Future Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Rate-Funded Capital Expenses	345,549	3,201,161	2,573,447	197,942	1,111,368	14,992	2,230,867	1,406,839	332,901	-	-	-
Subtotal: Other Expenditures	\$ 1,460,864	\$ 3,407,800	\$ 2,788,521	\$ 421,799	\$ 1,335,536	\$ 254,288	\$ 2,480,251	\$ 1,629,030	\$ 564,498	\$ 241,391	\$ 249,843	\$ 259,060
<b>Total: Uses of Funds</b>	<b>\$ 7,280,654</b>	<b>\$ 5,513,515</b>	<b>\$ 9,048,917</b>	<b>\$ 6,925,223</b>	<b>\$ 8,059,425</b>	<b>\$ 9,665,088</b>	<b>\$ 9,668,795</b>	<b>\$ 9,062,364</b>	<b>\$ 8,251,349</b>	<b>\$ 8,190,819</b>	<b>\$ 8,471,251</b>	<b>\$ 8,762,209</b>
<i>Plus: Revenue from Rate Increases<sup>2</sup></i>	-	-	630,336	1,923,156	3,077,203	4,141,569	4,755,735	4,836,583	4,913,968	4,992,591	5,072,473	5,153,633
<b>Annual Surplus/(Deficit)</b>	<b>\$ (2,344,574)</b>	<b>\$ (235,099)</b>	<b>\$ (3,157,298)</b>	<b>\$ 249,528</b>	<b>\$ 357,562</b>	<b>\$ (90,890)</b>	<b>\$ 608,423</b>	<b>\$ 1,392,171</b>	<b>\$ 2,370,899</b>	<b>\$ 2,601,853</b>	<b>\$ 2,494,572</b>	<b>\$ 2,379,561</b>
<b>Net Revenue Req. (Total Uses less Non-Rate Revenue)</b>	<b>\$ 7,169,511</b>	<b>\$ 5,175,276</b>	<b>\$ 8,830,324</b>	<b>\$ 6,802,043</b>	<b>\$ 7,935,240</b>	<b>\$ 9,536,723</b>	<b>\$ 9,541,748</b>	<b>\$ 8,930,554</b>	<b>\$ 8,116,989</b>	<b>\$ 8,053,841</b>	<b>\$ 8,331,613</b>	<b>\$ 8,619,843</b>
<b>Total Rate Revenue After Rate Increases</b>	<b>\$ 4,824,937</b>	<b>\$ 4,940,178</b>	<b>\$ 6,303,363</b>	<b>\$ 7,692,624</b>	<b>\$ 8,762,206</b>	<b>\$ 9,980,503</b>	<b>\$ 10,150,172</b>	<b>\$ 10,322,725</b>	<b>\$ 10,487,888</b>	<b>\$ 10,655,694</b>	<b>\$ 10,826,185</b>	<b>\$ 10,999,404</b>
<b>Projected Annual Rate Revenue Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>25.00%</b>	<b>20.00%</b>	<b>12.00%</b>	<b>12.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Cumulative Increase from Annual Revenue Increases</b>	<b>0.00%</b>	<b>0.00%</b>	<b>25.00%</b>	<b>50.00%</b>	<b>68.00%</b>	<b>88.16%</b>	<b>88.16%</b>	<b>88.16%</b>	<b>88.16%</b>	<b>88.16%</b>	<b>88.16%</b>	<b>88.16%</b>
<b>Debt Coverage After Rate Increase</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

1. Revenue and expenses for FY 2021/22 through FY 2023/24 provided by the City. Source files: Fund 540 Wastewater Operations & Fund 510 - 580 FY 23-24 Budget Status as of 09-19-2023 .
2. Revenue from rate increases assumes an implementation date of January 1, 2024. For each year thereafter, the assumption is that new rates will be implemented on January 1st of each year.

Selection of Financial Plan Alternative		1											
Financial Plan Alternatives		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
1	Alternative 1 - Full Cost Recovery Rates <sup>1</sup>	0.00%	0.00%	25.00%	20.00%	12.00%	12.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	Alternative 2 - Phased-in Rate Increases <sup>2</sup>	0.00%	0.00%	15.00%	15.00%	15.00%	15.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Alternative 3 - Minimal Rate Increases <sup>3</sup>	0.00%	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4	No Rate Increases	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Alternative 1: Scenario 1 - Rates needed to meet all revenue requirements and meet the target reserve levels (Large increase followed by smaller increases).
2. Alternative 2: Scenario 2 - Large increases phased in over two years, followed by smaller increases (Reserves drop below target level).
3. Alternative 3: Scenario 3 - Smaller increases (Reserves drop below target level).

TABLE 2 : RESERVE FUND SUMMARY

SUMMARY OF CASH ACTIVITY SEWER FUND RESERVES	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Total Beginning Cash<sup>1</sup></b>	<b>\$ 8,702,214</b>											
<b>Unrestricted Reserves:</b>												
<b>Operating Reserve</b>												
Beginning Reserve Balance	\$ 8,314,998	\$ 7,733,712	\$ 5,200,513	\$ 1,677,226	\$ 1,626,000	\$ 1,805,087	\$ 1,579,529	\$ 1,797,000	\$ 1,858,000	\$ 1,922,000	\$ 1,987,000	\$ 2,055,000
Plus: Net Cash Flow (After Rate Increases)	(2,344,574)	(235,099)	(3,157,298)	249,528	357,562	(90,890)	608,423	1,392,171	2,370,899	2,601,853	2,494,572	2,379,561
Plus: Transfer of Debt Reserve Surplus	-	-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	113,583	193,343	130,013	22,911	22,211	24,657	21,576	24,547	25,380	26,255	27,142	28,071
Less: Transfer out to Capacity Fee Reserve (Interfund Loan)	-	(159,325)	(159,325)	(159,325)	(159,325)	(159,325)	(159,325)	(159,325)	(159,325)	(159,325)	(159,325)	-
Less: Transfer Out to Capital Replacement Reserve	(4,629,007)	(4,904,642)	(336,678)	(164,341)	(41,362)	-	(253,205)	(1,196,393)	(2,172,955)	(2,403,783)	(2,294,390)	(2,336,632)
<b>Ending Operating Reserve Balance</b>	<b>\$ 1,455,000</b>	<b>\$ 2,627,989</b>	<b>\$ 1,677,226</b>	<b>\$ 1,626,000</b>	<b>\$ 1,805,087</b>	<b>\$ 1,579,529</b>	<b>\$ 1,797,000</b>	<b>\$ 1,858,000</b>	<b>\$ 1,922,000</b>	<b>\$ 1,987,000</b>	<b>\$ 2,055,000</b>	<b>\$ 2,126,000</b>
<b>Target Ending Balance (90 days of O&amp;M)<sup>2</sup></b>	<b>\$ 1,455,000</b>	<b>\$ 526,000</b>	<b>\$ 1,565,000</b>	<b>\$ 1,626,000</b>	<b>\$ 1,681,000</b>	<b>\$ 2,353,000</b>	<b>\$ 1,797,000</b>	<b>\$ 1,858,000</b>	<b>\$ 1,922,000</b>	<b>\$ 1,987,000</b>	<b>\$ 2,055,000</b>	<b>\$ 2,126,000</b>
<b>Capital Rehabilitation &amp; Replacement Reserve</b>												
Beginning Reserve Balance	\$ 387,216	\$ 145,027	\$ 546,284	\$ 882,962	\$ 1,047,302	\$ 1,088,664	\$ 1,088,664	\$ 1,341,869	\$ 2,527,393	\$ 3,580,955	\$ 4,447,200	\$ 5,116,353
Plus: Grant Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Plus: Transfer of Operating Reserve Surplus	4,629,007	4,904,642	336,678	164,341	41,362	-	253,205	1,196,393	2,172,955	2,403,783	2,294,390	2,336,632
Less: Use of Reserves for Capital Projects	-	-	-	-	-	-	-	(10,869)	(1,119,393)	(1,537,538)	(1,625,237)	(1,715,751)
<b>Ending Capital Rehab &amp; Replacement Reserve Balance</b>	<b>\$ 5,016,223</b>	<b>\$ 5,049,669</b>	<b>\$ 882,962</b>	<b>\$ 1,047,302</b>	<b>\$ 1,088,664</b>	<b>\$ 1,088,664</b>	<b>\$ 1,341,869</b>	<b>\$ 2,527,393</b>	<b>\$ 3,580,955</b>	<b>\$ 4,447,200</b>	<b>\$ 5,116,353</b>	<b>\$ 5,737,234</b>
<b>Target Ending Balance (3% of Assets)<sup>3</sup></b>	<b>\$ 759,000</b>	<b>\$ 852,000</b>	<b>\$ 936,000</b>	<b>\$ 968,000</b>	<b>\$ 1,060,000</b>	<b>\$ 1,156,000</b>	<b>\$ 1,255,000</b>	<b>\$ 1,331,000</b>	<b>\$ 1,408,000</b>	<b>\$ 1,487,000</b>	<b>\$ 1,569,000</b>	<b>\$ 1,655,000</b>
<b>Ending Cash Balance - Excl. Restricted Reserves</b>	<b>\$ 6,471,223</b>	<b>\$ 7,677,658</b>	<b>\$ 2,560,188</b>	<b>\$ 2,673,302</b>	<b>\$ 2,893,751</b>	<b>\$ 2,668,194</b>	<b>\$ 3,138,869</b>	<b>\$ 4,385,393</b>	<b>\$ 5,502,955</b>	<b>\$ 6,434,200</b>	<b>\$ 7,171,353</b>	<b>\$ 7,863,234</b>
<b>Min. Target Ending Cash Balance - Excl. Restricted Reserves</b>	<b>\$ 2,214,000</b>	<b>\$ 1,378,000</b>	<b>\$ 2,501,000</b>	<b>\$ 2,594,000</b>	<b>\$ 2,741,000</b>	<b>\$ 3,509,000</b>	<b>\$ 3,052,000</b>	<b>\$ 3,189,000</b>	<b>\$ 3,330,000</b>	<b>\$ 3,474,000</b>	<b>\$ 3,624,000</b>	<b>\$ 3,781,000</b>
<b>Ending Surplus/(Deficit) Compared to Reserve Targets</b>	<b>\$ 4,257,223</b>	<b>\$ 6,299,658</b>	<b>\$ 59,188</b>	<b>\$ 79,302</b>	<b>\$ 152,751</b>	<b>\$ (840,806)</b>	<b>\$ 86,869</b>	<b>\$ 1,196,393</b>	<b>\$ 2,172,955</b>	<b>\$ 2,960,200</b>	<b>\$ 3,547,353</b>	<b>\$ 4,082,234</b>
<b>Days Cash on Hand</b>	<b>384</b>	<b>529</b>	<b>106</b>	<b>146</b>	<b>135</b>	<b>104</b>	<b>122</b>	<b>182</b>	<b>251</b>	<b>296</b>	<b>319</b>	<b>338</b>
<b>Annual Interest Earnings Rate<sup>4</sup></b>	<b>1.37%</b>	<b>2.50%</b>	<b>2.50%</b>	<b>1.37%</b>								

1. Beginning cash balance for FY 2021/22 and FY 2022/23 provided by City staff. Source file: *Cash Balances - Enterprise Funds.xlsx*.

2. The Operating Reserve target is set equal to 3 months, or 90 days, of operating expenditures.

3. The Capital Rehabilitation & Replacement Reserve target is set to 3% of net assets. Source files: *8 - City of American Canyon Annual Report FYE 2021.pdf*, page 51.

4. Historical interest earning rates are per the average annual yields for funds invested in LAIF (2017-2021). The source is the California State Treasurer's website: <https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp>.

CHART 1

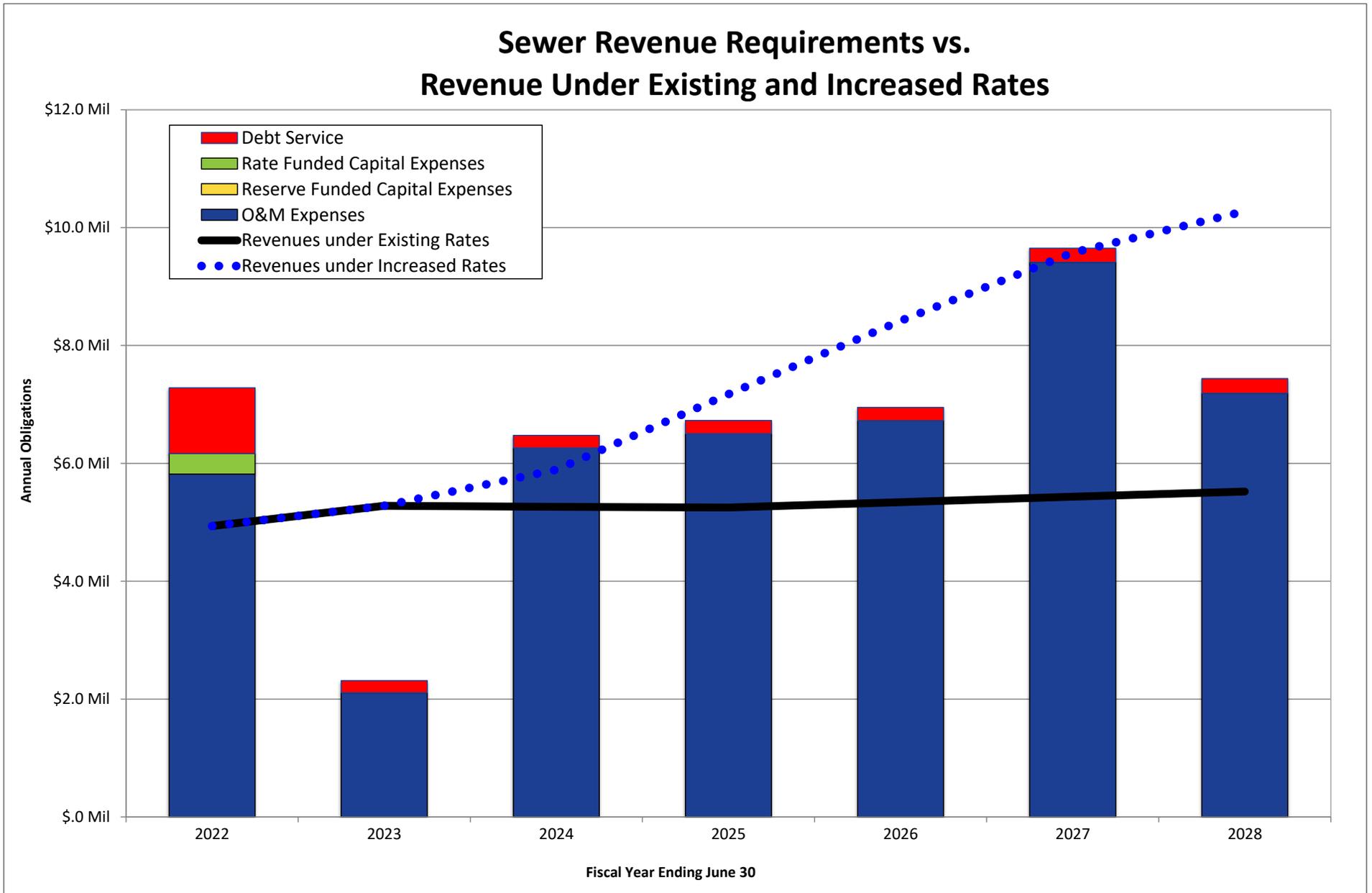


CHART 2

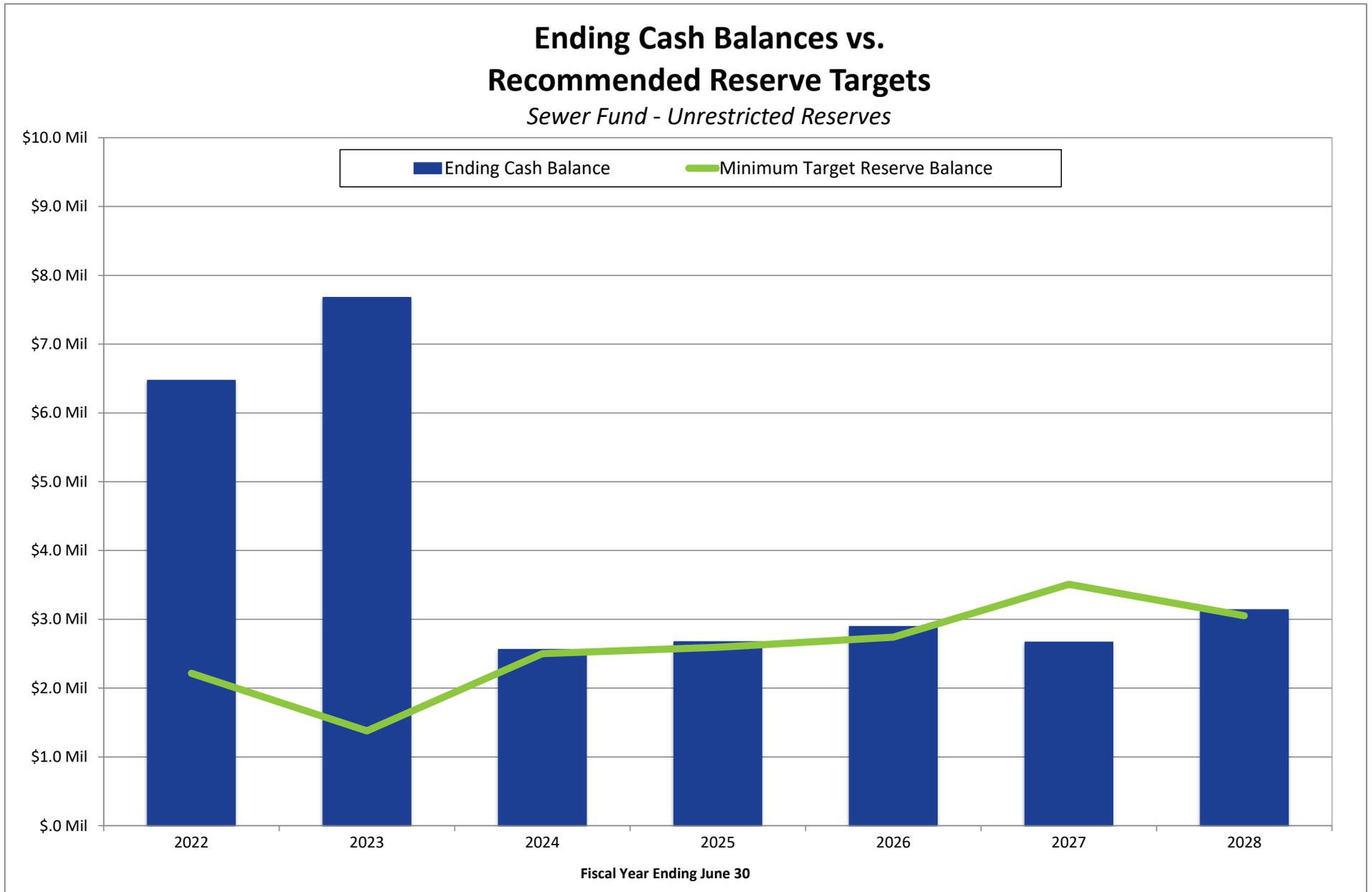


CHART 3

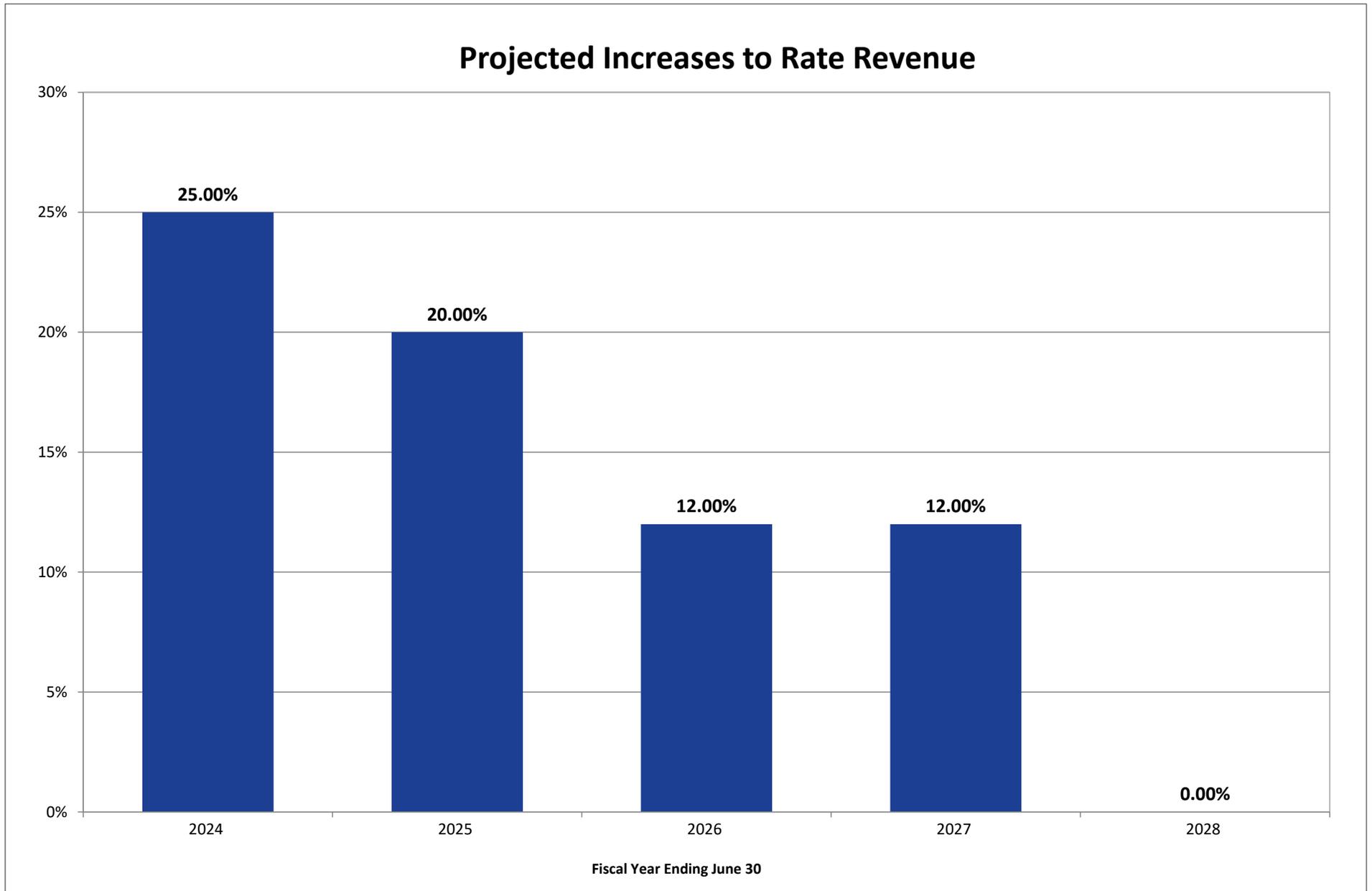


CHART 4

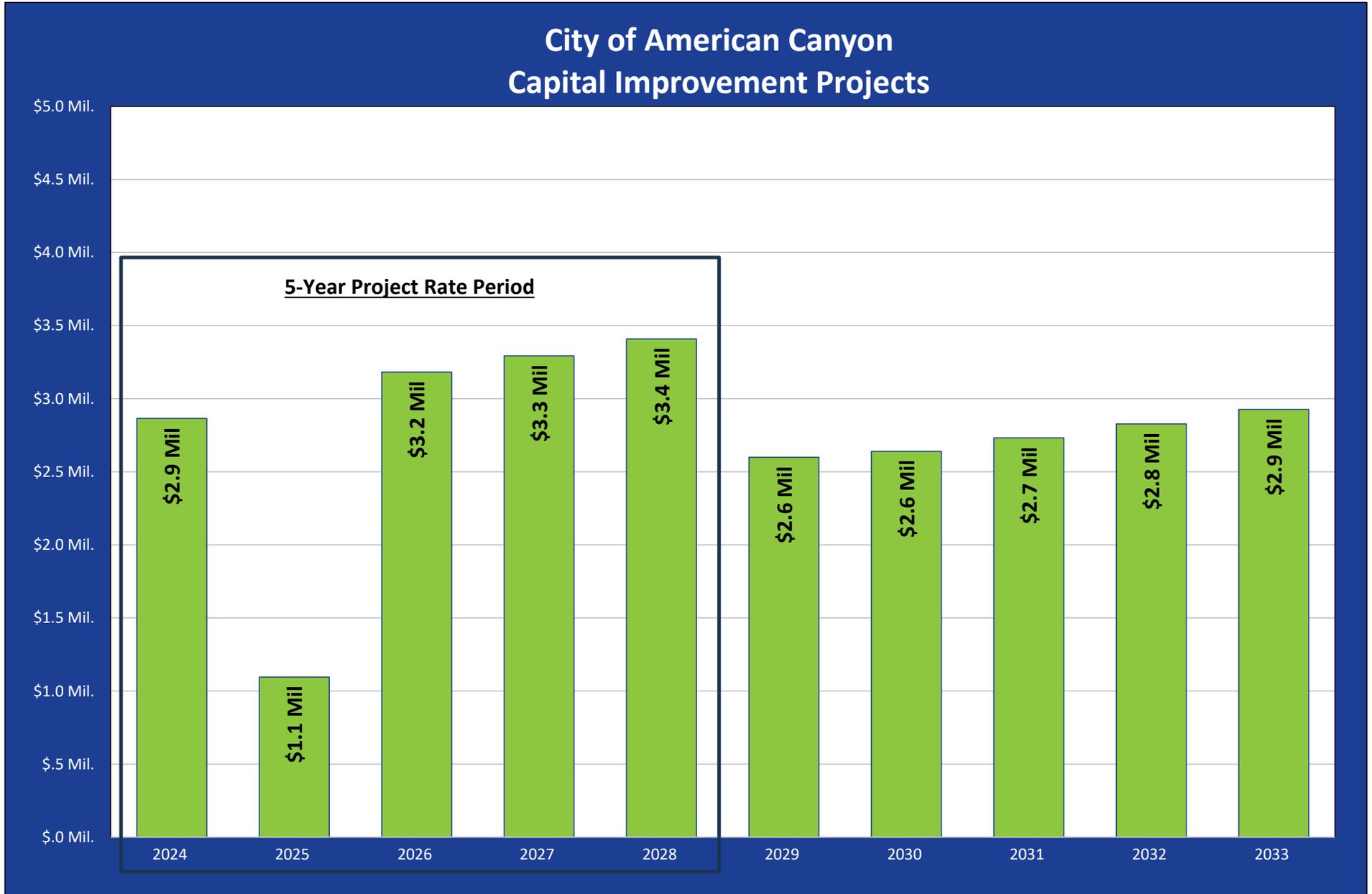


TABLE 3 : REVENUE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Rate Revenue</b>													
Sewer Service Charge	1	\$ 4,824,937	\$ 4,940,178	\$ 5,042,690	\$ 5,128,416	\$ 5,215,599	\$ 5,304,264	\$ 5,394,436	\$ 5,486,142	\$ 5,573,920	\$ 5,663,103	\$ 5,753,713	\$ 5,845,772
<b>Other Revenue</b>													
Misc. Revenues - Other	1	17,936	89,761	8,593	8,739	8,888	9,039	9,192	9,349	9,498	9,650	9,805	9,961
Late Penalties / Interest	1	64,931	81,785	90,000	91,530	93,086	94,668	96,278	97,915	99,481	101,073	102,690	104,333
Interest Income	See FP	28,277	166,693	120,000	-	-	-	-	-	-	-	-	-
<b>Capacity Fee Revenue</b>													
Capacity Fees	1	573,335	235,879	835,413	4,563,228	508,500	517,145	525,936	534,877	543,435	552,130	560,964	569,939
Interfund Transfer In (Loan Repayment)	8	-	-	-	-	453,816	453,816	453,816	453,816	453,816	453,816	453,816	453,816
Interest Income	See FP	26,256	157,984	136,186	198,000	-	-	-	-	-	-	-	-
<b>TOTAL: REVENUE</b>		<b>\$ 5,535,672</b>	<b>\$ 5,672,278</b>	<b>\$ 6,232,882</b>	<b>\$ 9,989,913</b>	<b>\$ 6,279,888</b>	<b>\$ 6,378,931</b>	<b>\$ 6,479,658</b>	<b>\$ 6,582,098</b>	<b>\$ 6,680,150</b>	<b>\$ 6,779,771</b>	<b>\$ 6,880,987</b>	<b>\$ 6,983,822</b>

TABLE 4 : REVENUE SUMMARY

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Rate Revenue</b>													
Sewer Service Charge		\$ 4,824,937	\$ 4,940,178	\$ 5,042,690	\$ 5,128,416	\$ 5,215,599	\$ 5,304,264	\$ 5,394,436	\$ 5,486,142	\$ 5,573,920	\$ 5,663,103	\$ 5,753,713	\$ 5,845,772
<b>Other Revenue</b>													
Interest Income		28,277	166,693	120,000	-	-	-	-	-	-	-	-	-
Other Revenue		82,867	171,545	98,593	100,269	101,974	103,707	105,470	107,263	108,979	110,723	112,495	114,295
<b>Capacity Fee Revenue</b>													
Capacity Fees		573,335	235,879	835,413	4,563,228	508,500	517,145	525,936	534,877	543,435	552,130	560,964	569,939
Interfund Transfer In (Loan Repayment)		-	-	-	-	453,816	453,816	453,816	453,816	453,816	453,816	453,816	453,816
Interest Income		26,256	157,984	136,186	198,000	-	-	-	-	-	-	-	-
<b>TOTAL: REVENUE</b>		<b>\$ 5,535,672</b>	<b>\$ 5,672,278</b>	<b>\$ 6,232,882</b>	<b>\$ 9,989,913</b>	<b>\$ 6,279,888</b>	<b>\$ 6,378,931</b>	<b>\$ 6,479,658</b>	<b>\$ 6,582,098</b>	<b>\$ 6,680,150</b>	<b>\$ 6,779,771</b>	<b>\$ 6,880,987</b>	<b>\$ 6,983,822</b>

TABLE 5 : OPERATING EXPENSE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals	Actuals	5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Fund 540 - Wastewater Operations</b>													
<b>570 - Wastewater Treatment Plant</b>													
Wages - Full time	3	\$ 495,550	\$ 554,877	\$ 602,884	\$ 633,028	\$ 655,184	\$ 678,115	\$ 701,849	\$ 726,414	\$ 751,839	\$ 778,153	\$ 805,388	\$ 833,577
Wages - Overtime	3	13,725	27,777	-	-	-	-	-	-	-	-	-	-
Health Insurance	3	58,890	74,134	77,250	81,112	83,951	86,889	89,931	93,078	96,336	99,708	103,197	106,809
Health-In-Lieu	3	3,200	-	6,840	7,182	7,433	7,694	7,963	8,242	8,530	8,829	9,138	9,457
Cafeteria Plan Section 125	3	18,409	19,246	21,712	22,798	23,596	24,422	25,277	26,161	27,077	28,025	29,006	30,021
Social Security & Medicare	3	8,120	9,039	9,156	9,614	9,950	10,298	10,659	11,032	11,418	11,818	12,231	12,659
Worker Comp Insurance	3	32,204	29,763	39,875	41,869	43,334	44,851	46,421	48,045	49,727	51,467	53,269	55,133
Benefits - Other	3	-	280	1,135	1,192	1,233	1,276	1,321	1,367	1,415	1,465	1,516	1,569
Info Tech Support Services	2	7,478	5,486	73,500	75,705	77,976	80,315	82,725	85,207	87,763	90,396	93,108	95,901
Professional Services	2	34,840	52,991	187,138	192,752	198,535	204,491	210,625	216,944	223,453	230,156	237,061	244,173
Temp Agency Services	2	-	1,066	-	-	-	-	-	-	-	-	-	-
Misc. Contractual Services	2	8,911	8,380	17,900	18,437	18,990	19,560	20,147	20,751	21,374	22,015	22,675	23,355
General Repairs & Maint	2	307,866	145,560	201,500	207,545	213,771	220,184	226,790	233,594	240,602	247,820	255,254	262,912
Postage/Mail/Copy/Printing Svc	2	759	254	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Membership Dues & Subscription	2	21,708	1,315	12,700	13,081	13,473	13,878	14,294	14,723	15,164	15,619	16,088	16,571
Conferences - Training	2	3,357	1,440	14,500	14,935	15,383	15,845	16,320	16,809	17,314	17,833	18,368	18,919
Rentals - Equipment/Space	2	4,193	7,848	11,600	11,948	12,306	12,676	13,056	13,448	13,851	14,267	14,695	15,135
Office Supplies	2	4,298	4,668	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219
Operating Supplies	2	52,947	65,278	56,000	57,680	59,410	61,193	63,028	64,919	66,867	68,873	70,939	73,067
WW Treatment Plant Membranes	2	-	-	-	-	-	\$2,458,636	-	-	-	-	-	-
Utilities - Gas & Elec	5	330,471	300,152	484,200	511,504	540,348	570,818	603,006	637,010	672,931	710,877	750,964	793,311
Util-PhonesPgrsInternetCable	5	16,694	18,326	19,000	20,071	21,203	22,399	23,662	24,996	26,406	27,895	29,468	31,129
Depreciation	2	1,561,144	1,746,613	-	-	-	-	-	-	-	-	-	-
Major Equipment	2	19,460	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay-Contra Account	2	(31,535)	(4,906,869)	-	-	-	-	-	-	-	-	-	-
PERS Retirement	3	103,159	109,251	110,247	115,760	119,811	124,005	128,345	132,837	137,486	142,298	147,279	152,433
<b>Subtotal - Wastewater Treatment Plant</b>		<b>\$ 3,075,847</b>	<b>\$ (1,723,127)</b>	<b>\$ 1,952,137</b>	<b>\$ 2,041,362</b>	<b>\$ 2,121,194</b>	<b>\$ 4,663,008</b>	<b>\$ 2,291,046</b>	<b>\$ 2,381,374</b>	<b>\$ 2,475,521</b>	<b>\$ 2,573,662</b>	<b>\$ 2,675,976</b>	<b>\$ 2,782,656</b>

TABLE 6 : OPERATING EXPENSE FORECAST<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>575 - Wastewater Collections</b>													
Wages - Full time	3	\$ 268,022	\$ 248,676	\$ 411,834	\$ 432,425	\$ 447,560	\$ 463,225	\$ 479,438	\$ 496,218	\$ 513,586	\$ 531,561	\$ 550,166	\$ 569,422
Wages - Overtime	3	7,125	1,721	5,000	5,250	5,434	5,624	5,821	6,024	6,235	6,454	6,679	6,913
Health Insurance	3	41,952	37,937	46,756	49,094	50,812	52,591	54,432	56,337	58,308	60,349	62,461	64,648
Health-In-Lieu	3	4,800	5,700	14,250	14,963	15,486	16,028	16,589	17,170	17,771	18,393	19,036	19,703
Cafeteria Plan Section 125	3	12,646	11,364	19,245	20,208	20,915	21,647	22,404	23,189	24,000	24,840	25,710	26,609
Social Security & Medicare	3	4,244	3,868	6,457	6,780	7,017	7,263	7,517	7,780	8,053	8,335	8,626	8,928
Worker Comp Insurance	3	30,604	32,837	36,753	38,591	39,941	41,339	42,786	44,283	45,833	47,438	49,098	50,816
Benefits - Other	3	1,319	1,471	1,918	2,014	2,084	2,157	2,233	2,311	2,392	2,475	2,562	2,652
Info Tech Support Services	2	302	702	94,600	97,438	100,361	103,372	106,473	109,667	112,957	116,346	119,836	123,432
Professional Services	2	-	4,425	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
Misc. Contractual Services	2	3,852	4,253	5,600	5,768	5,941	6,119	6,303	6,492	6,687	6,887	7,094	7,307
General Repairs & Maint	2	35,466	7,405	24,000	24,720	25,462	26,225	27,012	27,823	28,657	29,517	30,402	31,315
Membership Dues & Subscription	2	2,165	1,606	4,900	5,047	5,198	5,354	5,515	5,680	5,851	6,026	6,207	6,393
Conferences - Training	2	2,303	17,724	5,200	5,356	5,517	5,682	5,853	6,028	6,209	6,395	6,587	6,785
Rentals - Equipment/Space	2	-	-	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Office Supplies	2	1,121	396	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
Operating Supplies	2	27,795	32,450	42,100	43,363	44,664	46,004	47,384	48,805	50,270	51,778	53,331	54,931
Util-PhonesPgrsInternetCable	5	1,498	1,833	1,500	1,585	1,674	1,768	1,868	1,973	2,085	2,202	2,326	2,458
Major Equipment	2	19,460	709,259	-	-	-	-	-	-	-	-	-	-
PERS Retirement	3	44,845	57,704	75,748	79,535	82,319	85,200	88,182	91,268	94,463	97,769	101,191	104,733
<b>Subtotal - Wastewater Collections</b>		<b>\$ 509,518</b>	<b>\$ 1,181,331</b>	<b>\$ 835,861</b>	<b>\$ 873,335</b>	<b>\$ 902,822</b>	<b>\$ 933,308</b>	<b>\$ 964,830</b>	<b>\$ 997,421</b>	<b>\$ 1,031,118</b>	<b>\$ 1,065,960</b>	<b>\$ 1,101,985</b>	<b>\$ 1,139,234</b>

TABLE 7 : OPERATING EXPENSE FORECAST, cont.<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period					Projected				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>585 - Wastewater Environmental Compliance</b>													
Wages - Full time	3	\$ 175,790	\$ 144,748	\$ 194,374	\$ 204,093	\$ 211,236	\$ 218,630	\$ 226,282	\$ 234,202	\$ 242,399	\$ 250,883	\$ 259,664	\$ 268,752
Wages - Overtime	3	-	182	500	525	543	562	582	602	624	645	668	691
Health Insurance	3	16,273	23,843	23,378	24,547	25,406	26,296	27,216	28,168	29,154	30,175	31,231	32,324
Health-In-Lieu	3	3,200	-	2,280	2,394	2,478	2,565	2,654	2,747	2,843	2,943	3,046	3,152
Cafeteria Plan Section 125	3	6,651	6,232	8,828	9,270	9,594	9,930	10,277	10,637	11,009	11,395	11,794	12,206
Social Security & Medicare	3	2,685	2,190	2,980	3,128	3,238	3,351	3,469	3,590	3,716	3,846	3,980	4,120
Worker Comp Insurance	3	5,101	11,826	18,594	19,524	20,208	20,915	21,647	22,404	23,189	24,000	24,840	25,710
Benefits - Other	3	-	559	641	673	696	721	746	772	799	827	856	886
Info Tech Support Services	2	368	-	59,650	61,440	63,283	65,181	67,137	69,151	71,225	73,362	75,563	77,830
Professional Services	2	115,883	108,682	253,000	260,590	268,408	276,460	284,754	293,296	302,095	311,158	320,493	330,108
General Repairs & Maint	2	8,426	9,674	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
Postage/Mail/Copy,Printing Svc	2	103	6,182	13,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962
Membership Dues & Subscription	2	822	11,770	12,600	12,978	13,367	13,768	14,181	14,607	15,045	15,496	15,961	16,440
Conferences - Training	2	275	7,531	21,800	22,454	23,128	23,821	24,536	25,272	26,030	26,811	27,616	28,444
Regulatory Compliance Permits	2	32,062	84,279	157,300	162,019	166,880	171,886	177,043	182,354	187,824	193,459	199,263	205,241
Operating Supplies	2	14,672	20,594	27,000	27,810	28,644	29,504	30,389	31,300	32,239	33,207	34,203	35,229
Major Equipment	2	-	9,918	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619
Intra-fund Transfer Out Wastewater	2	-	-	-	-	-	-	-	-	-	-	-	-
PERS Retirement	3	31,779	41,525	25,730	27,016	27,962	28,941	29,953	31,002	32,087	33,210	34,372	35,575
<b>Subtotal - Wastewater Environmental Compliance</b>		<b>\$ 414,090</b>	<b>\$ 489,734</b>	<b>\$ 856,655</b>	<b>\$ 887,901</b>	<b>\$ 915,994</b>	<b>\$ 944,981</b>	<b>\$ 974,890</b>	<b>\$ 1,005,750</b>	<b>\$ 1,037,594</b>	<b>\$ 1,070,451</b>	<b>\$ 1,104,354</b>	<b>\$ 1,139,337</b>

TABLE 8 : OPERATING EXPENSE FORECAST, cont.<sup>1</sup>

DESCRIPTION	Basis	Actuals		5-Year Projected Rate Period						Projected			
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Fund 80 - Non Departmental</b>													
<b>810 - Non Departmental</b>													
Wages - Full time	3	\$ 113,357	\$ 136,471	\$ 128,293	\$ 134,707	\$ 139,422	\$ 144,302	\$ 149,352	\$ 154,580	\$ 159,990	\$ 165,590	\$ 171,385	\$ 177,384
Wages - Overtime	3	954	178	-	-	-	-	-	-	-	-	-	-
Allowances	3	1,811	1,920	1,920	2,016	2,087	2,160	2,235	2,313	2,394	2,478	2,565	2,655
Health Insurance	3	18,856	20,840	21,244	22,306	23,087	23,895	24,731	25,596	26,492	27,420	28,379	29,373
Cafeteria Plan Section 125	3	4,228	4,452	4,312	4,528	4,686	4,850	5,020	5,196	5,378	5,566	5,761	5,962
Social Security & Medicare	3	1,747	2,069	2,038	2,139	2,214	2,292	2,372	2,455	2,541	2,630	2,722	2,817
Worker Comp Insurance	3	7,901	7,096	9,825	10,316	10,677	11,051	11,438	11,838	12,252	12,681	13,125	13,584
OPEB	3	44,764	44,160	49,726	52,213	54,040	55,931	57,889	59,915	62,012	64,183	66,429	68,754
Pension Expense	3	(163,418)	47,287	-	-	-	-	-	-	-	-	-	-
Benefits - Other	3	1,371	1,421	-	-	-	-	-	-	-	-	-	-
Professional Services	2	-	-	100,000	103,000	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477
Temp Agency Services	2	-	-	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829
Bad Debt Expense	2	(13,591)	9,434	-	-	-	-	-	-	-	-	-	-
Membership Dues & Subscription	2	197	457	1,400	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827
Conferences - Training	2	30	-	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Office Supplies	2	-	625	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Utilities - Water	5	11,868	14,702	14,000	14,789	15,623	16,504	17,435	18,418	19,457	20,554	21,713	22,938
Intra-fund Transfer Out Wastewater	2	605,656	281,641	290,090	298,793	307,757	316,989	326,499	336,294	346,383	356,774	367,478	378,502
Transfer to Gen Fnd Support Sv	2	763,512	985,309	1,123,854	1,157,570	1,192,297	1,228,066	1,264,908	1,302,855	1,341,940	1,382,199	1,423,665	1,466,375
Transfer To General Fund - Other	2	2,394	481	-	-	-	-	-	-	-	-	-	-
Trans to Other Funds	2	-	17,129	-	-	-	-	-	-	-	-	-	-
Services - Other	2	20,296	812	-	-	-	-	-	-	-	-	-	-
Retiree Health Benefits	3	60,317	60,646	78,433	82,355	85,238	88,221	91,309	94,504	97,812	101,235	104,779	108,446
PERS Retirement	3	17,037	18,820	16,257	17,070	17,667	18,286	18,926	19,588	20,274	20,983	21,717	22,478
ISF - Bldg Maint	2	59,800	176,525	262,206	270,072	278,174	286,520	295,115	303,969	313,088	322,480	332,155	342,119
ISF - Fleet	2	138,950	106,843	163,573	168,480	173,535	178,741	184,103	189,626	195,315	201,174	207,209	213,426
ISF - Info Tech	2	93,500	194,110	237,073	244,185	251,511	259,056	266,828	274,833	283,078	291,570	300,317	309,326
ISF - Legal Services	2	28,800	24,347	99,499	102,484	105,558	108,725	111,987	115,347	118,807	122,371	126,042	129,824
<b>Subtotal - Non Departmental</b>		<b>\$ 1,820,335</b>	<b>\$ 2,157,776</b>	<b>\$ 2,615,743</b>	<b>\$ 2,700,825</b>	<b>\$ 2,783,879</b>	<b>\$ 2,869,503</b>	<b>\$ 2,957,779</b>	<b>\$ 3,048,788</b>	<b>\$ 3,142,618</b>	<b>\$ 3,239,356</b>	<b>\$ 3,339,093</b>	<b>\$ 3,441,923</b>
<b>GRAND TOTAL: SEWER EXPENSES</b>		<b>\$ 5,819,790</b>	<b>\$ 2,105,714</b>	<b>\$ 6,260,396</b>	<b>\$ 6,503,425</b>	<b>\$ 6,723,889</b>	<b>\$ 9,410,800</b>	<b>\$ 7,188,544</b>	<b>\$ 7,433,334</b>	<b>\$ 7,686,851</b>	<b>\$ 7,949,428</b>	<b>\$ 8,221,408</b>	<b>\$ 8,503,149</b>

TABLE 9 : FORECASTING ASSUMPTIONS

INFLATION FACTORS <sup>3</sup>	Basis	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Customer Growth <sup>4</sup>	1	--	1.80%	1.80%	1.70%	1.70%	1.70%	1.70%	1.70%	1.60%	1.60%	1.60%	1.60%
General Cost Inflation <sup>5</sup>	2	--	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Labor Cost Inflation <sup>6</sup>	3	--	3.50%	5.00%	5.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Energy <sup>7</sup>	4	--	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%
Electricity <sup>8</sup>	5	--	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%
Fuel & Utilities <sup>9</sup>	6	--	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%	5.24%
Construction Cost Inflation <sup>10</sup>	7	--	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
No Escalation	8	--	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Revenue and expenses for FY 2021/22 through FY 2023/24 provided by the City. Revenues and expenses for all other years are escalated based on the forecasting assumptions located in Table 9 above. Source files: Fund 540 Wastewater Operations Fund 510 - 580 FY 23-24 Budget Status as of 09-19-2023, FY 22 Fund 550 Wastewater Cap Revenue Detail Trial Balance, FY 23 Fund 550 Wastewater Cap Revenue Detail Trial Balance, & REV EXP ACTUALS - FY22 and FY23\_NBS

2. Expenses are inflated each year by the following annual inflation factor categories.
3. Customer growth is based on service area population growth through FY 2039/40. Source file: American Canyon 2015 UWMP.pdf, page 26.
4. General cost inflation is based on the 5-year average annual change in the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-Hayward, CA area.
5. Labor cost inflation is based on the 5-year average annual change in the Quarterly Census of Employment and Wages for San Francisco County, CA.
6. Energy cost inflation is based on the 5-year average annual change in the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-Hayward, CA area.
7. Electricity cost inflation is based on the 5-year average change in the Consumer Price Index for San Francisco County.
8. Fuel & Utilities cost inflation is based on the 5-year average annual change in the Consumer Price Index - Average Price Data for Fuels and related products and power. This factor is used for utility costs other than electricity.
9. Construction cost Inflation is the 10-year average change in the Construction Cost Index for 2012-2022. Source: Engineering News Record website (<http://enr.construction.com>).

TABLE 10 : CAPITAL FUNDING SUMMARY

CAPITAL FUNDING FORECAST	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Funding Sources:</b>												
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Capacity Fee Reserves	-	-	291,480	897,942	2,070,444	3,278,183	1,177,570	1,181,673	1,187,638	1,194,792	1,202,725	1,211,189
SRF Loan Funding	-	-	-	-	-	-	-	-	-	-	-	-
Use of Future Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Use of Capital Rehabilitation and Replacement Reserve	-	-	-	-	-	-	-	10,869	1,119,393	1,537,538	1,625,237	1,715,751
Rate Revenue	345,549	3,201,161	2,573,447	197,942	1,111,368	14,992	2,230,867	1,406,839	332,901	-	-	-
<b>Total Sources of Capital Funds</b>	<b>\$ 345,549</b>	<b>\$ 3,201,161</b>	<b>\$ 2,864,927</b>	<b>\$ 1,095,884</b>	<b>\$ 3,181,812</b>	<b>\$ 3,293,175</b>	<b>\$ 3,408,436</b>	<b>\$ 2,599,381</b>	<b>\$ 2,639,932</b>	<b>\$ 2,732,330</b>	<b>\$ 2,827,961</b>	<b>\$ 2,926,940</b>
<b>Uses of Capital Funds:</b>												
Total Project Costs	\$ 345,549	\$ 3,201,161	\$ 2,864,927	\$ 1,095,884	\$ 3,181,812	\$ 3,293,175	\$ 3,408,436	\$ 2,599,381	\$ 2,639,932	\$ 2,732,330	\$ 2,827,961	\$ 2,926,940
<b>Capital Funding Surplus (Deficiency)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CAPITAL IMPROVEMENT PROGRAM FUNDING OPTIONS

Capital Improvement Program Funding Choice	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Effective Annual Funding Amount	\$ 345,549	\$ 3,201,161	\$ 2,864,927	\$ 1,095,884	\$ 3,181,812	\$ 3,293,175	\$ 3,408,436	\$ 2,599,381	\$ 2,639,932	\$ 2,732,330	\$ 2,827,961	\$ 2,926,940

TABLE 11 : CAPITAL IMPROVEMENT PROGRAM COSTS (in Current-Year Dollars)<sup>1</sup>

Project Description	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Capital Projects</b>												
2020 Annual Pavement Management Project	\$ 42,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TR24-0300 ARPA Rancho Del Mar Paving and Utility Improvements	-	-	1,334,000	-	-	-	-	-	-	-	-	-
WW16-0300 SCADA Improvements	-	250,000	250,000	-	-	-	-	-	-	-	-	-
WW20-0100 SS4 Broadway Sewer Rehabilitation (Crawford to Poco)	-	375,000	1,000,000	250,000	-	-	-	-	-	-	-	-
WW22-0100 UV Disinfection	-	500,000	-	-	-	-	-	-	-	-	-	-
WW22-0200 Blower Replacement	-	500,000	-	-	-	-	-	-	-	-	-	-
WW21-0400 Sanitary Sewer Manhole Rehab	-	100,000	-	-	-	-	-	-	-	-	-	-
UM20-0100 Engie Energy Services Contract	291,856	122,618	-	-	-	-	-	-	-	-	-	-
<b>Master Plan Projects - Wastewater Collection System<sup>2</sup></b>												
SS1 Rio Del Mar Basin	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -
SS2 Napa Logistics and Green Island Pump Station	-	1,140,700	-	-	-	-	-	-	-	-	-	-
SS3 Huntington Way (Rio Del Mar to W American Canyon Road)	-	-	-	-	458,000	458,000	458,000	458,000	458,000	458,000	458,000	458,000
SS5 Summerfield Project	-	-	-	-	37,000	37,000	37,000	37,000	-	-	-	-
SS6 Theresa Avenue and Los Altos Drive	-	-	-	205,000	205,000	205,000	205,000	-	-	-	-	-
SS7 Main Basin Pump Station	-	-	-	-	1,199,000	1,199,000	1,199,000	1,199,000	1,199,000	1,199,000	1,199,000	1,199,000
SS8 Broadway, Cartagena Way to Mobile Home Park Entrance	-	-	-	-	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
SS9 Elliott Drive south of Northampton	-	-	-	-	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000
SS10 Broadway north of Rio Del Mar	-	-	-	-	103,000	103,000	103,000	103,000	103,000	103,000	103,000	103,000
<b>Estimated Future Projects</b>												
Future Projects <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total: Capital Improvement Program Costs (Current-Year Dollars)</b>	<b>\$ 333,864</b>	<b>\$ 2,988,318</b>	<b>\$ 2,584,000</b>	<b>\$ 955,000</b>	<b>\$ 2,679,000</b>	<b>\$ 2,679,000</b>	<b>\$ 2,679,000</b>	<b>\$ 1,974,000</b>	<b>\$ 1,937,000</b>	<b>\$ 1,937,000</b>	<b>\$ 1,937,000</b>	<b>\$ 1,937,000</b>

TABLE 12 : CAPITAL IMPROVEMENT PROGRAM COSTS (in Future-Year Dollars)<sup>4</sup>

Project Description	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Capital Projects</b>												
2020 Annual Pavement Management Project	\$ 43,478	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TR24-0300 ARPA Rancho Del Mar Paving and Utility Improvements	-	-	1,479,030	-	-	-	-	-	-	-	-	-
WW16-0300 SCADA Improvements	-	267,806	277,179	-	-	-	-	-	-	-	-	-
WW20-0100 SS4 Broadway Sewer Rehabilitation	-	401,709	1,108,718	286,881	-	-	-	-	-	-	-	-
WW22-0100 UV Disinfection	-	535,613	-	-	-	-	-	-	-	-	-	-
WW22-0200 Blower Replacement	-	535,613	-	-	-	-	-	-	-	-	-	-
WW21-0400 Sanitary Sewer Manhole Rehab	-	107,123	-	-	-	-	-	-	-	-	-	-
UM20-0100 Engie Energy Services Contract	302,071	131,351	-	-	-	-	-	-	-	-	-	-
<b>Master Plan Projects - Wastewater Collection System<sup>2</sup></b>												
SS1 Rio Del Mar Basin	\$ -	\$ -	\$ -	\$ 573,762	\$ 593,843	\$ 614,628	\$ 636,140	\$ -	\$ -	\$ -	\$ -	\$ -
SS2 Napa Logistics and Green Island Pump Station	-	1,221,946	-	-	-	-	-	-	-	-	-	-
SS3 Huntington Way	-	-	-	-	543,960	562,999	582,704	603,099	624,207	646,054	668,666	692,069
SS5 Summerfield Project	-	-	-	-	43,944	45,482	47,074	48,722	-	-	-	-
SS6 Theresa Avenue and Los Altos Drive	-	-	-	235,242	243,476	251,997	260,817	-	-	-	-	-
SS7 Main Basin Pump Station	-	-	-	-	1,424,036	1,473,877	1,525,463	1,578,854	1,634,114	1,691,308	1,750,504	1,811,771
SS8 Broadway, Cartagena Way to Mobile Home Park Entrance	-	-	-	-	80,763	83,589	86,515	89,543	92,677	95,921	99,278	102,753
SS9 Elliott Drive south of Northampton	-	-	-	-	129,458	133,989	138,678	143,532	148,556	153,755	159,137	164,706
SS10 Broadway north of Rio Del Mar	-	-	-	-	122,332	126,613	131,045	135,631	140,378	145,292	150,377	155,640
<b>Estimated Future Projects</b>												
Future Projects <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total: Capital Improvement Program Costs (Future-Year Dollars)</b>	<b>\$ 345,549</b>	<b>\$ 3,201,161</b>	<b>\$ 2,864,927</b>	<b>\$ 1,095,884</b>	<b>\$ 3,181,812</b>	<b>\$ 3,293,175</b>	<b>\$ 3,408,436</b>	<b>\$ 2,599,381</b>	<b>\$ 2,639,932</b>	<b>\$ 2,732,330</b>	<b>\$ 2,827,961</b>	<b>\$ 2,926,940</b>

TABLE 13 : FORECASTING ASSUMPTIONS

Economic Variables	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Construction Cost Inflation, Per Engineering News Record <sup>5</sup>	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Cumulative Construction Cost Multiplier from FY 2021/22	1.04	1.07	1.11	1.15	1.19	1.23	1.27	1.32	1.36	1.41	1.46	1.51

- Capital project costs were provided by City staff. Source files: 11. CIP Budget vs Expense Report FY 2021-2022 through Oct 2021.pdf & Wastewater FY 2023-2027.xlsx .
- The City's Wastewater Collection System Master Plan projects were scheduled to begin in 2016; however, the study only includes costs from FY 2021/22 through FY 2034/35. Source file: 2016 Sewer Master Plan.pdf , page 52.
- Future project costs beyond FY 2034/35 are calculated based on the City's 10-year average.
- Capital improvement projects are inflated to future year estimated costs with ENR CCI for the region. Source: Engineering News Record website (<http://enr.construction.com>).
- For reference purposes, the annual Construction Cost Inflation percentage is the 10-year average change in the Construction Cost Index for September 2012-2022 (3.50%). Source: Engineering News Record website (<http://enr.construction.com>).

TABLE 14 : SEWER UTILITY EXISTING DEBT OBLIGATIONS

EXISTING DEBT OBLIGATIONS	Actuals		5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Annual Repayment Schedules:</b>												
<u>City National Bank - Loan Amount \$2,004,200<sup>1</sup></u>												
Principal Payment	\$ 155,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payment	1,979	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Annual Debt Service</b>	<b>\$ 157,222</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Coverage Requirement (\$-Amnt above annual payment) <sup>2</sup>	\$ 180,805	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Requirement (total fund balance) <sup>2</sup>	\$ 157,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>SWRCB: Project No. C-06-4666-110 &amp; Agreement No. 99819-550-0<sup>3</sup></u>												
Principal Payment	\$ 722,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payment	-	-	-	-	-	-	-	-	-	-	-	-
Other Charges	19,504	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Annual Debt Service</b>	<b>\$ 741,881</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Coverage Requirement (\$-Amnt above annual payment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Requirement (total fund balance)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Bank of America Public Capital Corp Agreement (ENGIE) - Loan Amount \$5,209,209<sup>4</sup></u>												
Principal Payment	\$ 161,088	\$ 154,345	\$ 165,634	\$ 177,478	\$ 180,996	\$ 199,515	\$ 213,287	\$ 189,719	\$ 202,626	\$ 216,158	\$ 228,580	\$ 241,999
Interest Payment	55,123	52,295	49,440	46,378	43,173	39,781	36,097	32,472	28,971	25,233	21,262	17,061
<b>Subtotal: Annual Debt Service</b>	<b>\$ 216,211</b>	<b>\$ 206,640</b>	<b>\$ 215,074</b>	<b>\$ 223,856</b>	<b>\$ 224,168</b>	<b>\$ 239,297</b>	<b>\$ 249,385</b>	<b>\$ 222,191</b>	<b>\$ 231,597</b>	<b>\$ 241,391</b>	<b>\$ 249,843</b>	<b>\$ 259,060</b>
Coverage Requirement (\$-Amnt above annual payment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Requirement (total fund balance)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Grand Total: Existing Annual Debt Service</b>	<b>\$ 1,115,315</b>	<b>\$ 206,640</b>	<b>\$ 215,074</b>	<b>\$ 223,856</b>	<b>\$ 224,168</b>	<b>\$ 239,297</b>	<b>\$ 249,385</b>	<b>\$ 222,191</b>	<b>\$ 231,597</b>	<b>\$ 241,391</b>	<b>\$ 249,843</b>	<b>\$ 259,060</b>
<b>Grand Total: Existing Annual Coverage Requirement</b>	<b>\$ 180,805</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total: Existing Debt Reserve Target</b>	<b>\$ 157,222</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

TABLE 15 : SEWER UTILITY EXISTING DEBT OBLIGATIONS, cont.

EXISTING DEBT OBLIGATIONS	Actuals	Actuals	5-Year Projected Rate Period					Projected				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Annual Repayment Schedules:</b>												
<b>Interfund Loans (For information only)</b>												
<b>Wastewater Capacity to Wastewater Fund</b>												
Advance from WW Capacity 550 to Wastewater Operations 540												
Original Loan Amount (December 1, 2008)	\$ 1,285,000											
Interest (for budget purposes only)	146,147											
Annual Debt Service <sup>5</sup>		\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ 159,325	\$ -
<b>Wastewater Capacity to Recycled Water Fund</b>												
Advance from WW Capacity 550 to Recycled Water Operations 580												
Original Loan Amount (March 11, 2011)	\$ 1,070,000											
Interest (for budget purposes only)	205,869											
Annual Debt Service <sup>6</sup>		\$ -	\$ -	\$ -	\$ 99,295	\$ 99,295	\$ 99,295	\$ 99,295	\$ 99,295	\$ 99,295	\$ 99,295	\$ 99,295
<b>Wastewater Capacity to Recycled Water Fund</b>												
Advance from WW Capacity 550 to Recycled Water Operations 580												
Original Loan Amount (December 15, 2009)	\$ 304,614											
Interest (for budget purposes only)	58,577											
Annual Debt Service <sup>7</sup>		\$ -	\$ -	\$ -	\$ 28,266	\$ 28,266	\$ 28,266	\$ 28,266	\$ 28,266	\$ 28,266	\$ 28,266	\$ 28,266
<b>Wastewater Capacity to Recycled Water Fund</b>												
Advance from WW Capacity 550 to Recycled Water Operations 580												
Original Loan Amount (December 15, 2009)	\$ 3,532,410											
Interest (for budget purposes only)	659,727											
Annual Debt Service <sup>8</sup>		\$ -	\$ -	\$ -	\$ 326,255	\$ 326,255	\$ 326,255	\$ 326,255	\$ 326,255	\$ 326,255	\$ 326,255	\$ 326,255

1. Loan originally issued between Municipal Finance Corporation, City National Bank, and the City of American Canyon. Source files: 5 - Debt Service Schedules.xlsx & 6 - Wastewater Membrane Agreement.pdf .
2. Coverage and reserve requirements were provided by the City. Source files: 6 - Wastewater Membrane Agreement.pdf , pages 9 & 12.
3. State Revolving Fund Loan issued in September 1999 in that amount of \$10,859,470. Source file: 6 - SWRCB Agreement 99-819-550-0 4666-110 Executed Amendment #2\_11-12-14.pdf .
4. Equipment lease/purchase loan issued by Bank of America for equipment upgrades, replacements and installation to provide energy savings for the City. Sewer utility portion is 59.43%, or \$3,095,832.91 (Principal). Source file: 6 - ENGIE Closing Documents.pdf .
5. Funds advanced for capital projects. Repayment scheduled to begin FY 2022/23.
6. Funds advanced for Green Island Recycled Waterline Project. Repayment scheduled to begin FY 2025/26.
7. Funds advance for Recycled Water Pump Station Upgrade. Repayment scheduled to begin FY 2025/26.
8. Funds advanced for various CIP projects. Repayment scheduled to begin FY 2025/26.

TABLE 16 : EXISTING ANNUAL DEBT OBLIGATIONS TO BE SATISFIED BY SEWER RATES

Annual Obligations	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Existing Annual Debt Service	\$ 1,115,315	\$ 206,640	\$ 215,074	\$ 223,856	\$ 224,168	\$ 239,297	\$ 249,385	\$ 222,191	\$ 231,597	\$ 241,391	\$ 249,843	\$ 259,060
Existing Annual Coverage Requirement	\$ 180,805	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Debt Reserve Target	\$ 157,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TABLE 17 : CURRENT SEWER RATE SCHEDULE

Sewer Rate Schedule <sup>1</sup>	Description	Current Rates Jan. 1, 2023
<b><i>Single-Family Residential - Monthly Fixed Service Charges</i></b>		
Low Winter Water Use	4 units or less	\$56.79
Average Winter Water Use (Standard)	4.1 – 13 units	\$60.48
High Winter Water Use	13.01 units and above	\$62.65
<b><i>All Other Monthly Fixed Service Charges</i></b>		
Multi-Family Residential	Per Dwelling Unit	\$45.36
Commercial	Whichever is greater	\$60.48 or \$5.40 per unit

1. Sewer rates are set according to the average monthly water use for January to March of the previous calendar year. New customers are charged at the average winter use rate (standard) and adjusted the following year, if applicable.

TABLE 18 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Flow	Strength		Customer	Basis of Classification			
	FY 2023/24	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
<b>Fund 540 - Wastewater Operations</b>									
<b>570 - Wastewater Treatment Plant</b>									
Wages - Full time	\$ 602,884	\$ 307,471	\$ 132,634	\$ 132,634	\$ 30,144	51%	22%	22%	5%
Health Insurance	77,250	39,397	16,995	16,995	3,862	51%	22%	22%	5%
Health-In-Lieu	6,840	3,488	1,505	1,505	342	51%	22%	22%	5%
Cafeteria Plan Section 125	21,712	11,073	4,777	4,777	1,086	51%	22%	22%	5%
Social Security & Medicare	9,156	4,669	2,014	2,014	458	51%	22%	22%	5%
Worker Comp Insurance	39,875	20,336	8,772	8,772	1,994	51%	22%	22%	5%
Benefits - Other	1,135	579	250	250	57	51%	22%	22%	5%
Info Tech Support Services	73,500	37,485	16,170	16,170	3,675	51%	22%	22%	5%
Professional Services	187,138	95,440	41,170	41,170	9,357	51%	22%	22%	5%
Misc. Contractual Services	17,900	9,129	3,938	3,938	895	51%	22%	22%	5%
General Repairs & Maint	201,500	102,765	44,330	44,330	10,075	51%	22%	22%	5%
Postage/Mail/Copy/Printing Svc	1,000	510	220	220	50	51%	22%	22%	5%
Membership Dues & Subscription	12,700	6,477	2,794	2,794	635	51%	22%	22%	5%
Conferences - Training	14,500	7,395	3,190	3,190	725	51%	22%	22%	5%
Rentals - Equipment/Space	11,600	5,916	2,552	2,552	580	51%	22%	22%	5%
Office Supplies	4,000	2,040	880	880	200	51%	22%	22%	5%
Operating Supplies	56,000	28,560	12,320	12,320	2,800	51%	22%	22%	5%
WW Treatment Plant Membranes	-	-	-	-	-	51%	22%	22%	5%
Utilities - Gas & Elec	484,200	246,942	106,524	106,524	24,210	51%	22%	22%	5%
Util-PhonesPgrsInternetCable	19,000	9,690	4,180	4,180	950	51%	22%	22%	5%
PERS Retirement	110,247	56,226	24,254	24,254	5,512	51%	22%	22%	5%
<b>Subtotal - Wastewater Treatment Plant</b>	<b>\$ 1,952,137</b>	<b>\$ 995,590</b>	<b>\$ 429,470</b>	<b>\$ 429,470</b>	<b>\$ 97,607</b>	<b>51%</b>	<b>22%</b>	<b>22%</b>	<b>5%</b>

TABLE 19 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Flow	Strength		Customer	Basis of Classification			
	FY 2023/24	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
<b>Fund 540 - Wastewater Operations</b>									
<b>575 - Wastewater Collections</b>									
Wages - Full time	\$ 411,834	\$ 411,834	\$ -	\$ -	\$ -	100%	0%	0%	0%
Wages - Overtime	5,000	5,000	-	-	-	100%	0%	0%	0%
Health Insurance	46,756	46,756	-	-	-	100%	0%	0%	0%
Health-In-Lieu	14,250	14,250	-	-	-	100%	0%	0%	0%
Cafeteria Plan Section 125	19,245	19,245	-	-	-	100%	0%	0%	0%
Social Security & Medicare	6,457	6,457	-	-	-	100%	0%	0%	0%
Worker Comp Insurance	36,753	36,753	-	-	-	100%	0%	0%	0%
Benefits - Other	1,918	1,918	-	-	-	100%	0%	0%	0%
Info Tech Support Services	94,600	94,600	-	-	-	100%	0%	0%	0%
Professional Services	20,000	20,000	-	-	-	100%	0%	0%	0%
Misc. Contractual Services	5,600	5,600	-	-	-	100%	0%	0%	0%
General Repairs & Maint	24,000	24,000	-	-	-	100%	0%	0%	0%
Membership Dues & Subscription	4,900	4,900	-	-	-	100%	0%	0%	0%
Conferences - Training	5,200	5,200	-	-	-	100%	0%	0%	0%
Rentals - Equipment/Space	5,000	5,000	-	-	-	100%	0%	0%	0%
Office Supplies	15,000	15,000	-	-	-	100%	0%	0%	0%
Operating Supplies	42,100	42,100	-	-	-	100%	0%	0%	0%
Util-PhonesPgrsInternetCable	1,500	1,500	-	-	-	100%	0%	0%	0%
PERS Retirement	75,748	75,748	-	-	-	100%	0%	0%	0%
<b>Subtotal - Wastewater Collections</b>	<b>\$ 835,861</b>	<b>\$ 835,861</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

TABLE 20 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Flow	Strength		Customer	Basis of Classification			
	FY 2023/24	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
<b>Fund 540 - Wastewater Operations</b>									
<b>585 - Wastewater Environmental Compliance</b>									
Wages - Full time	\$ 194,374	\$ 99,131	\$ 42,762	\$ 42,762	\$ 9,719	51%	22%	22%	5%
Wages - Overtime	500	255	110	110	25	51%	22%	22%	5%
Health Insurance	23,378	11,923	5,143	5,143	1,169	51%	22%	22%	5%
Health-In-Lieu	2,280	1,163	502	502	114	51%	22%	22%	5%
Cafeteria Plan Section 125	8,828	4,502	1,942	1,942	441	51%	22%	22%	5%
Social Security & Medicare	2,980	1,520	655	655	149	51%	22%	22%	5%
Worker Comp Insurance	18,594	9,483	4,091	4,091	930	51%	22%	22%	5%
Benefits - Other	641	327	141	141	32	51%	22%	22%	5%
Info Tech Support Services	59,650	30,422	13,123	13,123	2,983	51%	22%	22%	5%
Professional Services	253,000	129,030	55,660	55,660	12,650	51%	22%	22%	5%
General Repairs & Maint	10,000	5,100	2,200	2,200	500	51%	22%	22%	5%
Postage/Mail/Copy.Printing Svc	13,000	6,630	2,860	2,860	650	51%	22%	22%	5%
Membership Dues & Subscription	12,600	6,426	2,772	2,772	630	51%	22%	22%	5%
Conferences - Training	21,800	11,118	4,796	4,796	1,090	51%	22%	22%	5%
Regulatory Compliance Permits	157,300	80,223	34,606	34,606	7,865	51%	22%	22%	5%
Operating Supplies	27,000	13,770	5,940	5,940	1,350	51%	22%	22%	5%
Major Equipment	25,000	12,750	5,500	5,500	1,250	51%	22%	22%	5%
PERS Retirement	25,730	13,122	5,661	5,661	1,286	51%	22%	22%	5%
<b>Subtotal - Wastewater Environmental Compliance</b>	<b>\$ 856,655</b>	<b>\$ 436,894</b>	<b>\$ 188,464</b>	<b>\$ 188,464</b>	<b>\$ 42,833</b>	<b>51%</b>	<b>22%</b>	<b>22%</b>	<b>5%</b>

TABLE 21 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Flow	Strength		Customer	Basis of Classification			
	FY 2023/24	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
<b>Fund 80 - Non Departmental</b>									
<b>810 - Non Departmental</b>									
Wages - Full time	\$ 128,293	\$ 65,429	\$ 28,224	\$ 28,224	\$ 6,415	51%	22%	22%	5%
Allowances	1,920	979	422	422	96	51%	22%	22%	5%
Health Insurance	21,244	10,834	4,674	4,674	1,062	51%	22%	22%	5%
Cafeteria Plan Section 125	4,312	2,199	949	949	216	51%	22%	22%	5%
Social Security & Medicare	2,038	1,039	448	448	102	51%	22%	22%	5%
Worker Comp Insurance	9,825	5,011	2,161	2,161	491	51%	22%	22%	5%
OPEB	49,726	25,360	10,940	10,940	2,486	51%	22%	22%	5%
Professional Services	100,000	51,000	22,000	22,000	5,000	51%	22%	22%	5%
Temp Agency Services	6,000	3,060	1,320	1,320	300	51%	22%	22%	5%
Membership Dues & Subscription	1,400	714	308	308	70	51%	22%	22%	5%
Conferences - Training	5,000	2,550	1,100	1,100	250	51%	22%	22%	5%
Office Supplies	1,000	510	220	220	50	51%	22%	22%	5%
Utilities - Water	14,000	7,140	3,080	3,080	700	51%	22%	22%	5%
Intra-fund Transfer Out Wastewater	290,090	147,946	63,820	63,820	14,505	51%	22%	22%	5%
Transfer to Gen Fnd Support Sv	1,123,854	573,166	247,248	247,248	56,193	51%	22%	22%	5%
Retiree Health Benefits	78,433	40,001	17,255	17,255	3,922	51%	22%	22%	5%
PERS Retirement	16,257	8,291	3,577	3,577	813	51%	22%	22%	5%
ISF - Bldg Maint	262,206	133,725	57,685	57,685	13,110	51%	22%	22%	5%
ISF - Fleet	163,573	83,422	35,986	35,986	8,179	51%	22%	22%	5%
ISF - Info Tech	237,073	120,907	52,156	52,156	11,854	51%	22%	22%	5%
ISF - Legal Services	99,499	50,744	21,890	21,890	4,975	51%	22%	22%	5%
<b>Subtotal - Non Department</b>	<b>\$ 2,615,743</b>	<b>\$ 1,334,029</b>	<b>\$ 575,463</b>	<b>\$ 575,463</b>	<b>\$ 130,787</b>	<b>51%</b>	<b>22%</b>	<b>22%</b>	<b>5%</b>
<b>Total: Sewer Operations Expenses</b>	<b>\$ 6,260,396</b>	<b>\$ 3,602,374</b>	<b>\$ 1,193,398</b>	<b>\$ 1,193,398</b>	<b>\$ 271,227</b>	<b>58%</b>	<b>19%</b>	<b>19%</b>	<b>4%</b>

TABLE 22 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses, cont.									
Budget Categories	Total Revenue Requirements	Flow	Strength		Customer	Basis of Classification			
	FY 2023/24	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
<b>Debt Service Payments</b>									
Outstanding Debt	215,074	107,537	53,768	53,768	-	50%	25%	25%	0%
New Debt Issue - SRF Loan	-	-	-	-	-	50%	25%	25%	0%
New Debt Issue - Revenue Bond	-	-	-	-	-	50%	25%	25%	0%
<b>Total Debt Service Payments</b>	<b>\$ 215,074</b>	<b>\$ 107,537</b>	<b>\$ 53,768</b>	<b>\$ 53,768</b>	<b>\$ -</b>	<b>50%</b>	<b>25%</b>	<b>25%</b>	<b>0%</b>
<b>Capital Expenditures</b>									
Rate Funded Capital Expenses	\$ 2,573,447	\$ 1,286,724	\$ 643,362	\$ 643,362	\$ -	50%	25%	25%	0%
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$ 9,048,917</b>	<b>\$ 4,996,634</b>	<b>\$ 1,890,528</b>	<b>\$ 1,890,528</b>	<b>\$ 271,227</b>	<b>55%</b>	<b>21%</b>	<b>21%</b>	<b>3%</b>
<i>Less: Non-Rate Revenues</i>									
<b>Rate Revenue</b>									
Interest Income	\$ (120,000)	\$ (61,200)	\$ (26,400)	\$ (26,400)	\$ (6,000)	51%	22%	22%	5%
Other Revenue	(98,593)	(50,282)	(21,690)	(21,690)	(4,930)	51%	22%	22%	5%
<b>NET REVENUE REQUIREMENTS</b>	<b>\$ 8,830,324</b>	<b>\$ 4,885,152</b>	<b>\$ 1,842,438</b>	<b>\$ 1,842,438</b>	<b>\$ 260,297</b>				
<i>Allocation of Revenue Requirements</i>	<i>100.0%</i>	<i>55.3%</i>	<i>20.9%</i>	<i>20.9%</i>	<i>2.9%</i>				

TABLE 23 : ADJUSTMENT TO CLASSIFICATION OF EXPENSES FOR COST-OF-SERVICE ANALYSIS

Adjustment to Current Rate Level:	Total	(VOL)	(BOD)	(TSS)	(CA)
FY 2023/24 Target Rate Rev. After Rate Increases	\$ 6,303,363				
Projected Rate Revenue at Current Rates	\$ 5,042,690				
FY 2023/24 Projected Rate Increase	25%				
<b>Adjusted Net Revenue Req'ts</b>	<b>\$ 6,303,363</b>	<b>\$ 3,487,175</b>	<b>\$ 1,315,190</b>	<b>\$ 1,315,190</b>	<b>\$ 185,808</b>
<i>Percent of Revenue</i>		<i>55.3%</i>	<i>20.9%</i>	<i>20.9%</i>	<i>2.9%</i>

TABLE 24 : NET REVENUE REQUIREMENTS PER COSA RESULTS - PROPOSED ALTERNATIVE

<b>Net Revenue Requirements (PROPOSED ALTERNATIVE - 45% Fixed / 55% Variable)</b>					
Rate-Design Adjustments to Percentages	100.0%	55.3%	20.9%	20.9%	2.9%
Rate-Design Adjustments to Dollars	\$ 6,303,363	\$ 3,487,175	\$ 1,315,190	\$ 1,315,190	\$ 185,808

TABLE 25 : ADJUSTMENT TO COST OF SERVICE RATES

Ratio of Targeted Rate Revenue to Net Revenue Requirements	Total	(VOL)	(BOD)	(TSS)	(CA)
Actual Total Fixed Costs	\$ 2,788,521	\$ 1,394,261	\$ 697,130	\$ 697,130	\$ -
Adjusted Total Fixed Costs	\$ 1,990,534	\$ 995,267	\$ 497,633	\$ 497,633	\$ -
Total Operating Costs	\$ 6,260,396	\$ 3,602,374	\$ 1,193,398	\$ 1,193,398	\$ 271,227
Less: Non Rate Revenue	\$ (218,593)	\$ (111,482)	\$ (48,090)	\$ (48,090)	\$ (10,930)
Actual Net Operating Costs	\$ 6,041,803	\$ 3,490,891	\$ 1,145,307	\$ 1,145,307	\$ 260,297
Adjusted Net Operating Costs	\$ 4,312,829	\$ 2,491,908	\$ 817,556	\$ 817,556	\$ 185,808
Actual Net Revenue Requirements	\$ 8,830,324	\$ 4,885,152	\$ 1,842,438	\$ 1,842,438	\$ 260,297
Adjusted Net Revenue Requirements	\$ 6,303,363	\$ 3,487,175	\$ 1,315,190	\$ 1,315,190	\$ 185,808

TABLE 26 : DEVELOPMENT OF THE FLOW ALLOCATION FACTOR

Customer Class <sup>1</sup>	Number of Dwelling Units / Accounts <sup>2</sup>	Consumption (hcf/year)	Winter Consumption (Jan-Mar. '22)	Annualized Winter Consumption (hcf)	Adjusted Winter Volume (gallons) <sup>3</sup>	Design Capacity					Total Annual Volume						
						Flow MGD	BOD mg/l	TSS mg/l	BOD lbs/day	TSS lbs/day	Flow MG	BOD mg/l <sup>4</sup>	BOD lbs	% of Total BOD	TSS mg/l <sup>4</sup>	TSS lbs	% of Total TSS
<b>Residential Customers</b>																	
Single Family Residential	4,710	507,339	117,749	470,996	352,328,558	0.97	175	175	1,409	1,409	352	n/a	514,224	69.4%	n/a	514,224	69.8%
Multi-Family Residential	1,265	89,630	20,169	80,676	60,349,682	0.17	175	175	241	241	60	n/a	88,080	11.9%	n/a	88,080	12.0%
<b>All Other Customers</b>																	
Commercial	177	318,808	65,311	261,244	195,423,574	0.13	300	300	335	335	49	n/a	122,237	16.5%	n/a	122,237	16.6%
Industrial <sup>5</sup>																	
Hess Collection Winery	n/a	n/a	n/a	n/a	n/a	0.01	50	30	4	2	3.64	8.6	260	0.0%	2.3	70	0.0%
AmCan Beverage (Coca-Cola)	n/a	n/a	n/a	n/a	n/a	0.13	200	220	209	229	45.63	23.1	8,782	1.2%	5.3	1,998	0.3%
Mezzetta Processing Facility	n/a	n/a	n/a	n/a	n/a	0.04	150	220	51	74	14.82	61.7	7,631	1.0%	81.2	10,035	1.4%
<b>Total:</b>	<b>6,152</b>	<b>915,777</b>	<b>203,229</b>	<b>812,916</b>	<b>608,101,814</b>	<b>1.44</b>			<b>2,248</b>	<b>2,291</b>	<b>526</b>		<b>741,214</b>	<b>100.0%</b>		<b>736,644</b>	<b>100.0%</b>

1. Customer data provided by the City for FY 2021/22. Source file: FY 2021-22 Summary by Rate Code - Detailed v2.xlsx .
2. SFR, MFR, and Industrial customers are based on the number of dwelling units and all other customers are based on the number of accounts.
3. Annual consumption for all customer classes based on average winter water consumption.
4. Annual volume and strength factors provided by the City. Source file: SIU 2 year data.xlsx .
5. Flow for industrial customer is based on wastewater flow. Strength factors are based on input from City staff and lower than expected due to customers' pretreatment process. Source file: INF-001 & SIU Flow.xlsx .

TABLE 27 : DEVELOPMENT OF THE CUSTOMER ALLOCATION FACTOR

Customer Class	Number of Dwelling Units / Accounts <sup>1</sup>	Percent of Total
<b>Residential Customers</b>		
Single Family Residential	4,710	76.5%
Multi-Family Residential	1,265	20.6%
<b>All Other Customers</b>		
Commercial	177	2.9%
Industrial <sup>1</sup>		
Hess Collection Winery	1	0.0%
AmCan Beverage (Coca-Cola)	1	0.0%
Mezzetta Processing Facility	1	0.0%
<b>Total:</b>	<b>6,152</b>	<b>100.0%</b>

1. SFR, MFR, and industrial customers are based on the number of dwelling units and all other customers are based on the number of accounts.

TABLE 28 : ESTIMATED FLOW PER DWELLING UNIT

Customer Class	Est. Annual Wastewater Flow (hcf)	Est. Flow/DU/Day (gallons)	Percent of Total
<b>Residential Customers</b>			
Single Family Residential	470,996	205	--
Multi-Family Residential	80,676	131	63.78%

TABLE 29 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

	Total	(FLOW)	(BOD)	(TSS)	(CA)
Total Fixed Costs	\$ 1,990,534	\$ 995,267	\$ 497,633	\$ 497,633	\$ -
Net Operating Costs	\$ 4,312,829	\$ 2,491,908	\$ 817,556	\$ 817,556	\$ 185,808
Net Revenue Requirements	\$ 6,303,363	\$ 3,487,175	\$ 1,315,190	\$ 1,315,190	\$ 185,808
<b>Capacity Charges to recover Fixed Costs</b>					
		Flow (\$/MGD)	BOD (\$/lbs/day)	TSS (\$/lbs/day)	
Fixed Costs		\$ 995,267	\$ 497,633	\$ 497,633	
Design Capacity		1.44	2,248	2,291	
		\$ 691,132.43	\$ 221.32	\$ 217.18	
<b>User Charges</b>					
		Flow (\$/MG)	BOD (\$/lb)	TSS (\$/lb)	
Net operating Costs		\$ 2,491,908	\$ 817,556	\$ 817,556	
Annual Volumes		526	741,214	736,644	
		\$ 4,740.90	\$ 1.10	\$ 1.11	
					Acct. Charge (\$/yr)
Customer Costs					\$ 185,808
Number of Accounts					6,155
					\$ 30.19

TABLE 30 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

Development of Allocation Factors	Net Revenue Requirements - Design Capacity				
Customer Class	Total	Volume	BOD	TSS	Customer
<b>Residential Customers</b>					
Single Family Residential	\$ 1,284,903	\$ 667,139	\$ 311,800	\$ 305,964	\$ -
Multi-Family Residential	220,089	114,273	53,408	52,408	-
<b>All Other Customers</b>					
Commercial	\$ 239,360	\$ 92,509	\$ 74,119	\$ 72,731	\$ -
Industrial					
Hess Collection Winery	\$ 8,355	\$ 6,892	\$ 920	\$ 542	\$ -
AmCan Beverage (Coca-Cola)	182,346	86,392	46,145	49,809	-
Mezzetta Processing Facility	55,483	28,062	11,242	16,179	-
<b>Total:</b>	<b>\$ 1,990,534</b>	<b>\$ 995,267</b>	<b>\$ 497,633</b>	<b>\$ 497,633</b>	<b>\$ -</b>

TABLE 31 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

Development of Allocation Factors	Net Revenue Requirements - Operating Costs				
Customer Class	Total	Volume	BOD	TSS	Customer
<b>Residential Customers</b>					
Single Family Residential	\$ 2,808,246	\$ 1,670,355	\$ 567,186	\$ 570,705	\$ -
Multi-Family Residential	481,019	286,112	97,152	97,755	-
<b>All Other Customers</b>					
Commercial	\$ 502,112	\$ 231,621	\$ 134,827	\$ 135,664	\$ -
Industrial					
Hess Collection Winery	\$ 17,621	\$ 17,257	\$ 286	\$ 78	\$ -
AmCan Beverage (Coca-Cola)	228,207	216,304	9,687	2,217	-
Mezzetta Processing Facility	89,814	70,260	8,417	11,137	-
<b>Total:</b>	<b>\$ 4,127,020</b>	<b>\$ 2,491,908</b>	<b>\$ 817,556</b>	<b>\$ 817,556</b>	<b>\$ -</b>

TABLE 32 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

Development of Allocation Factors Customer Class	Net Revenue Requirements - Customer Costs				
	Total	Volume	BOD	TSS	Customer
<b>Residential Customers</b>					
Single Family Residential	\$ 142,186	\$ -	\$ -	\$ -	\$ 142,186
Multi-Family Residential	38,188	-	-	-	38,188
<b>All Other Customers</b>					
Commercial	\$ 5,343	\$ -	\$ -	\$ -	\$ 5,343
Industrial					
Hess Collection Winery	\$ 30	\$ -	\$ -	\$ -	\$ 30
AmCan Beverage (Coca-Cola)	30	-	-	-	30
Mezzetta Processing Facility	30	-	-	-	30
<b>Total:</b>	<b>\$ 185,808</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 185,808</b>
<b>Grand Total:</b>	<b>\$ 6,303,363</b>	<b>\$ 3,487,175</b>	<b>\$ 1,315,190</b>	<b>\$ 1,315,190</b>	<b>\$ 185,808</b>

TABLE 33 : ALLOCATION OF NET REVENUE REQUIREMENTS TO CUSTOMER CLASSES - PROPOSED ALTERNATIVE

Customer Class	Cost Classification Components				Cost-of-Service Net Revenue Reqt.s.	% of COS Net Revenue Reqt.s.
	Volume	BOD	TSS	Customer		
<b>Net Revenue Requirements <sup>1</sup></b>	<b>\$ 3,487,175</b>	<b>\$ 1,315,190</b>	<b>\$ 1,315,190</b>	<b>\$ 185,808</b>	<b>\$ 6,303,363</b>	<b>--</b>
	55.3%	20.9%	20.9%	2.9%	100.0%	
<b>Residential Customers</b>						
Single Family Residential	\$ 2,337,493	\$ 878,986	\$ 876,669	\$ 142,186	\$ 4,235,335	67.2%
Multi-Family Residential	400,385	150,560	150,163	38,188	739,296	11.7%
<b>All Other Customers</b>						
Commercial	\$ 324,130	\$ 208,946	\$ 208,395	\$ 5,343	\$ 746,815	11.8%
Industrial						
Hess Collection Winery	\$ 24,149	\$ 1,207	\$ 620	\$ 30	\$ 26,006	0.4%
AmCan Beverage (Coca-Cola)	302,695	55,832	52,026	30	410,583	6.5%
Mezzetta Processing Facility	98,322	19,659	27,316	30	145,327	2.3%
<b>Total:</b>	<b>\$ 3,487,175</b>	<b>\$ 1,315,190</b>	<b>\$ 1,315,190</b>	<b>\$ 185,808</b>	<b>\$ 6,303,363</b>	<b>100%</b>

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.

TABLE 34 : CALCULATION OF PROPOSED SEWER RATES FOR RESIDENTIAL CUSTOMERS

Customer Class	No. of Dwelling Units	Annual Revenue Requirement	Monthly Fixed Charge Per Dwelling Unit
<b>Residential Customers</b>			
Single Family Residential	4,710	\$ 4,235,335	\$74.94
Multi-Family Residential	1,265	739,296	\$48.70
<b>Subtotal: Residential</b>	<b>5,975</b>	<b>\$ 4,974,631</b>	

TABLE 35 : CALCULATION OF PROPOSED SEWER RATES FOR COMMERCIAL CUSTOMERS - PROPOSED ALTERNATIVE

Customer Class	No. of Accounts	Annual Volume (hcf)	Total Annual Revenue Requirement	Monthly Capacity Per Account	Monthly Customer Charge Per Account	Monthly Fixed Charge Per Account <sup>1</sup>	Volumetric Charge Per hcf
<b>Commercial</b>							
Commercial	177	261,244	\$ 746,815	\$112.69	\$ 2.52	\$115.21	\$1.92

1. Monthly fixed charge is the based fixed charge plus the monthly customer charge per the number of accounts.

TABLE 36 : CALCULATION OF PROPOSED SEWER RATES FOR INDUSTRIAL CUSTOMERS

Customer Class	Total Annual Revenue Requirement	Annual Volumes	Proposed Rates
<b>Industrial</b>			
Monthly Fixed Administrative Charge	\$ 91		\$3
<u>Fixed Charges (Design Capacity)</u>			
Flow - per HCF per day	\$ 121,346	235 HCF per day	\$517
BOD - per pound per day	58,307	263 lbs./day	\$221
TSS - per pound per day	66,530	306 lbs./day	\$217
<u>Sewer Use Charges</u>			
Flow - per HCF	\$ 303,821	85,675 HCF	\$3.54
BOD - per pound	18,390	16,673 lbs.	\$1.10
TSS - pound	13,432	12,103 lbs.	\$1.11

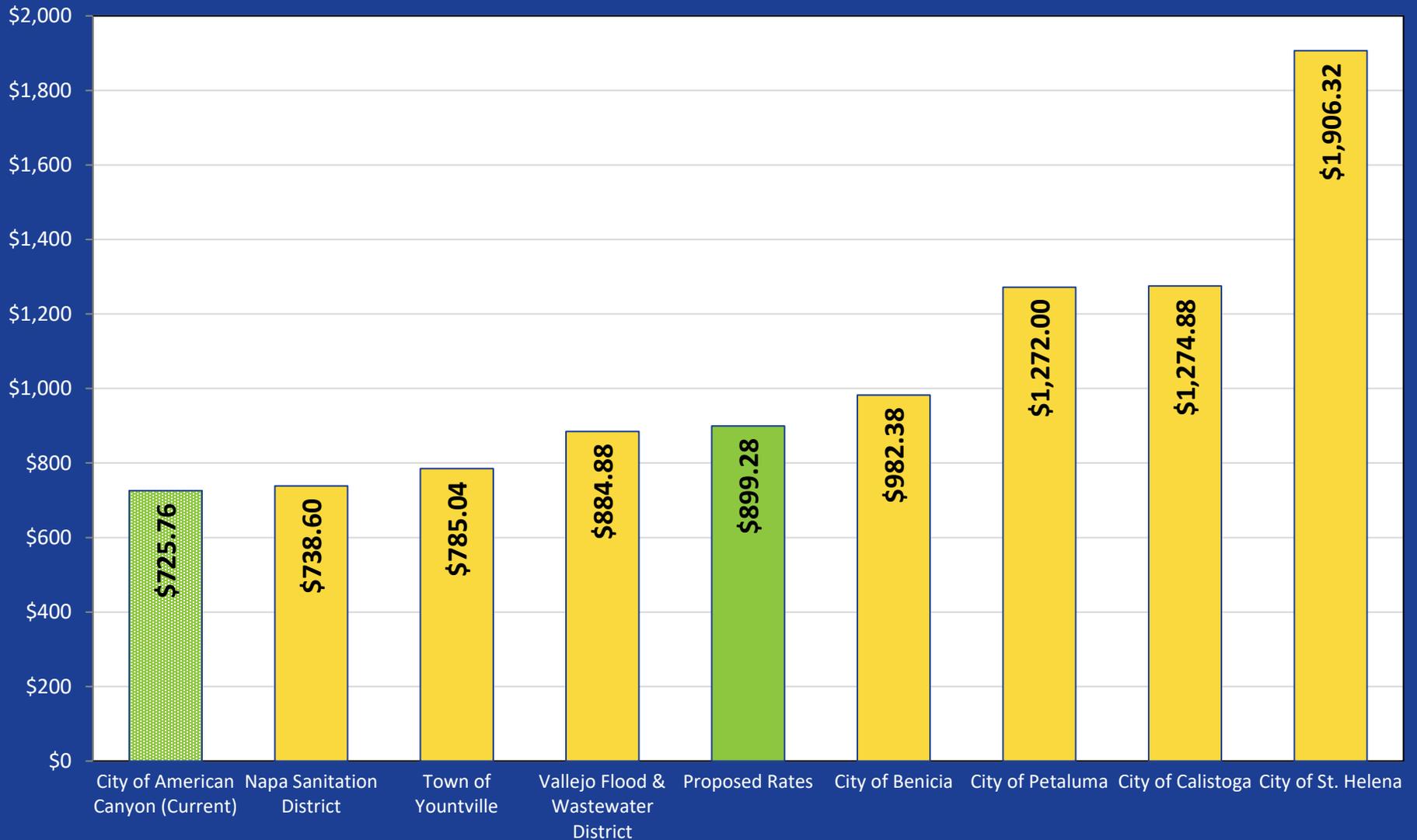
TABLE 37 : CURRENT VS. PROPOSED SEWER RATES

Sewer Rate Schedule <sup>1,2</sup>	Description	Current Rates	Proposed Sewer Rates				
			FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
			25.00%	20.00%	12.00%	12.00%	0.00%
<b>Residential - Monthly Fixed Service Charges</b>							
Single Family Residential	Per Dwelling Unit	\$60.48	\$74.94	\$89.93	\$100.72	\$112.81	\$112.81
Multi-Family Residential	Per Dwelling Unit	\$45.36	\$48.70	\$58.44	\$65.45	\$73.31	\$73.31
<b>Commercial Customers<sup>3</sup></b>							
Monthly Fixed Service Charge	Per Account	\$60.48	\$115.21	\$138.25	\$154.84	\$173.42	\$173.42
Volumetric Rate	Per HCF	\$5.40	\$1.92	\$2.31	\$2.58	\$2.89	\$2.89
<b>Industrial Customers</b>							
Monthly Fixed Administrative Charge	Per Account	n/a	\$2.52	\$3.02	\$3.38	\$3.79	\$3.79
<b>Fixed Charges</b>							
Flow - per HCF per day	Per HCF per day Sewage Flow	n/a	\$517	\$620	\$695	\$778	\$778
BOD - per pound per day	Per pound per day	n/a	\$221	\$266	\$297	\$333	\$333
TSS - per pound per day	Per pound per day	n/a	\$217	\$261	\$292	\$327	\$327
<b>Sewer Use Charges</b>							
Flow - per HCF	Per HCF Sewage Flow	n/a	\$3.54	\$4.24	\$4.75	\$5.32	\$5.32
BOD - per pound	Per pound	n/a	\$1.10	\$1.32	\$1.48	\$1.66	\$1.66
TSS - pound	Per pound	n/a	\$1.11	\$1.33	\$1.49	\$1.67	\$1.67

1. Sewer rates are set according to the average monthly water use for January to March of the previous calendar year. New customers are charged at the average winter water use rate (standard) and adjusted the following year if applicable.
2. The fixed charge includes a monthly customer charge per account.
3. Current rates for commercial customers are charged the higher of the fixed or variable rate. Proposed rates have both a fixed and volumetric charge per commercial customer.

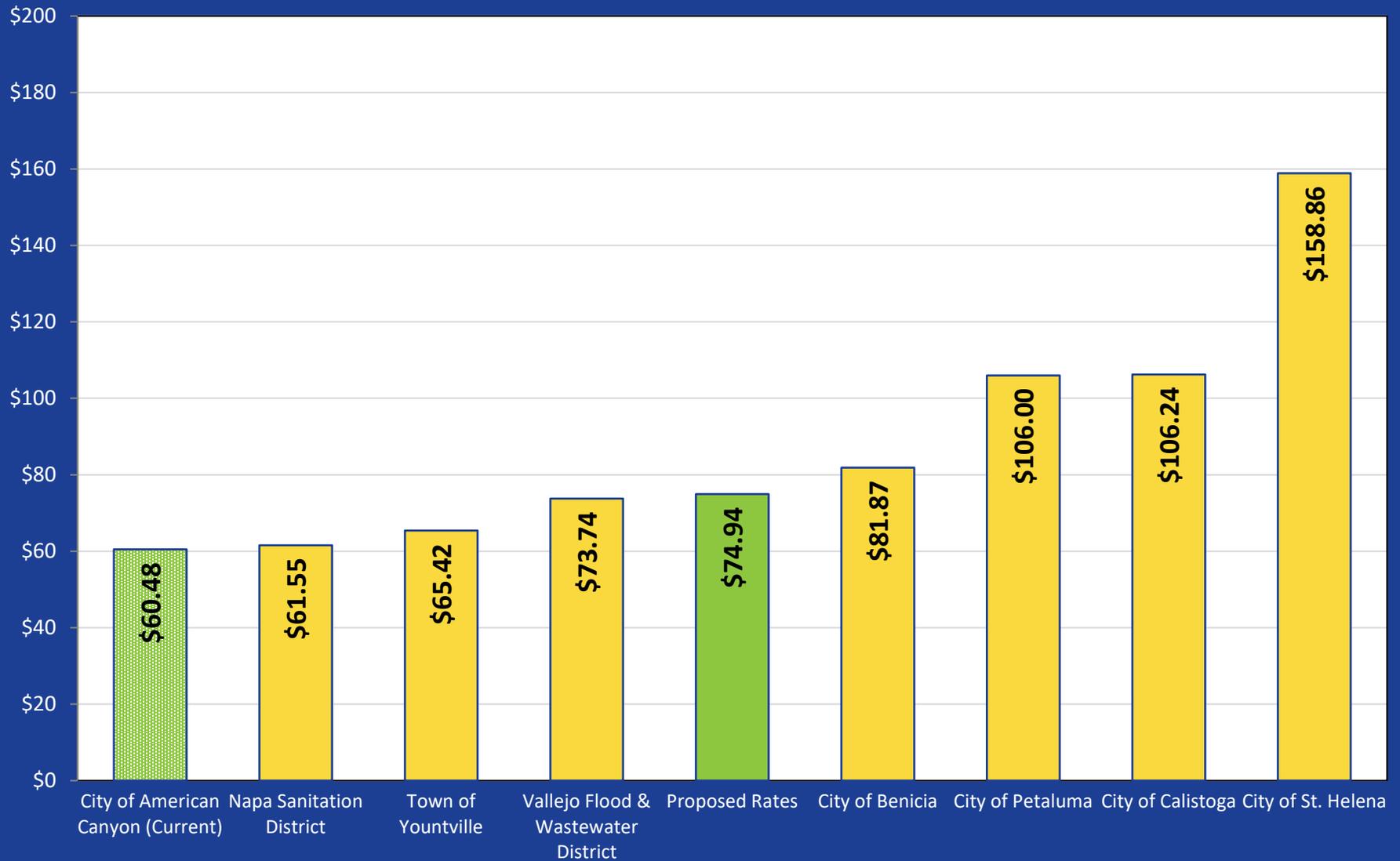
# City of American Canyon (Year 1)

## Annual Sewer Bill Comparison - Single Family Accounts



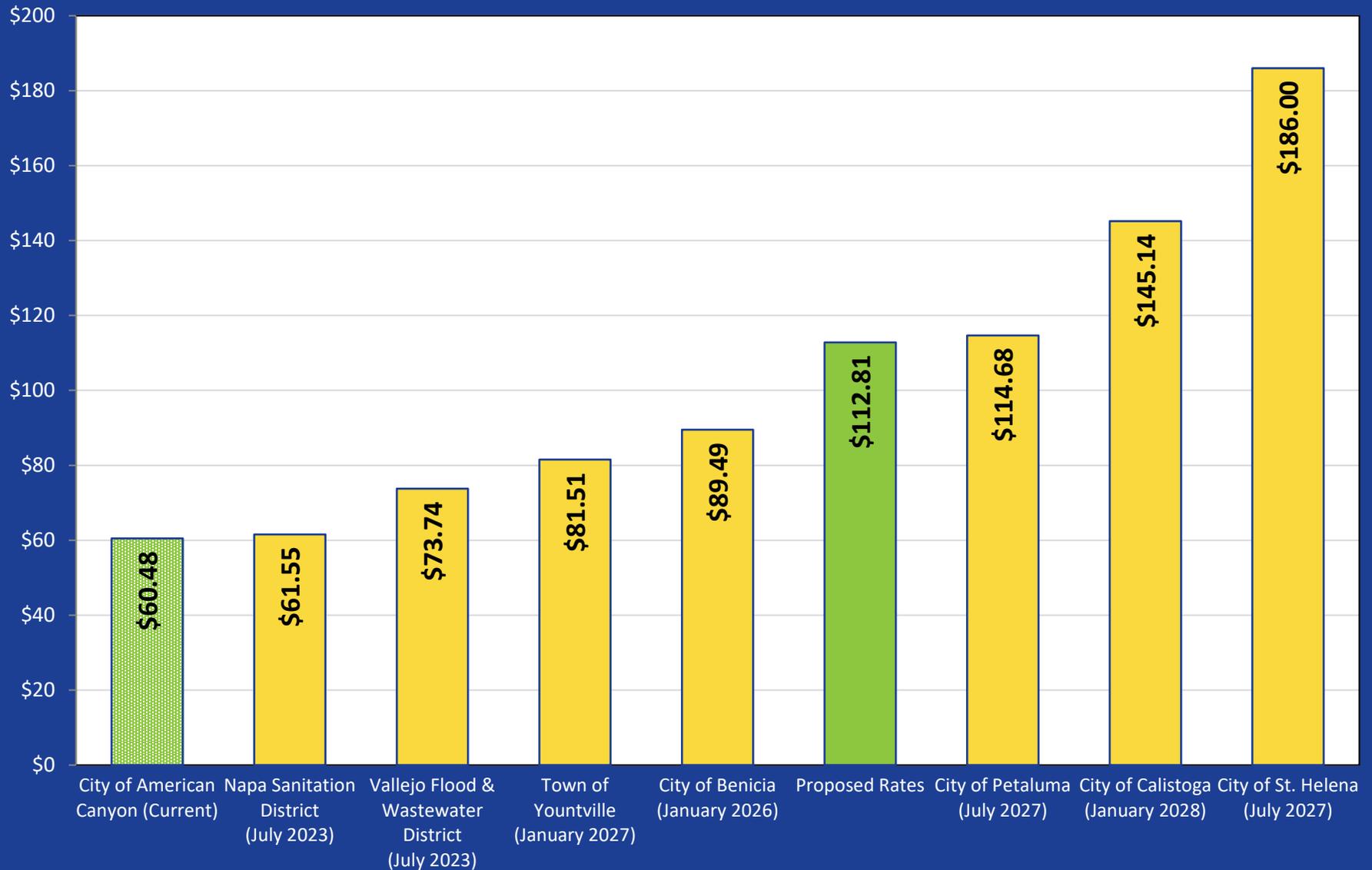
# City of American Canyon (Year 1)

## Monthly Sewer Bill Comparison - Single Family Accounts

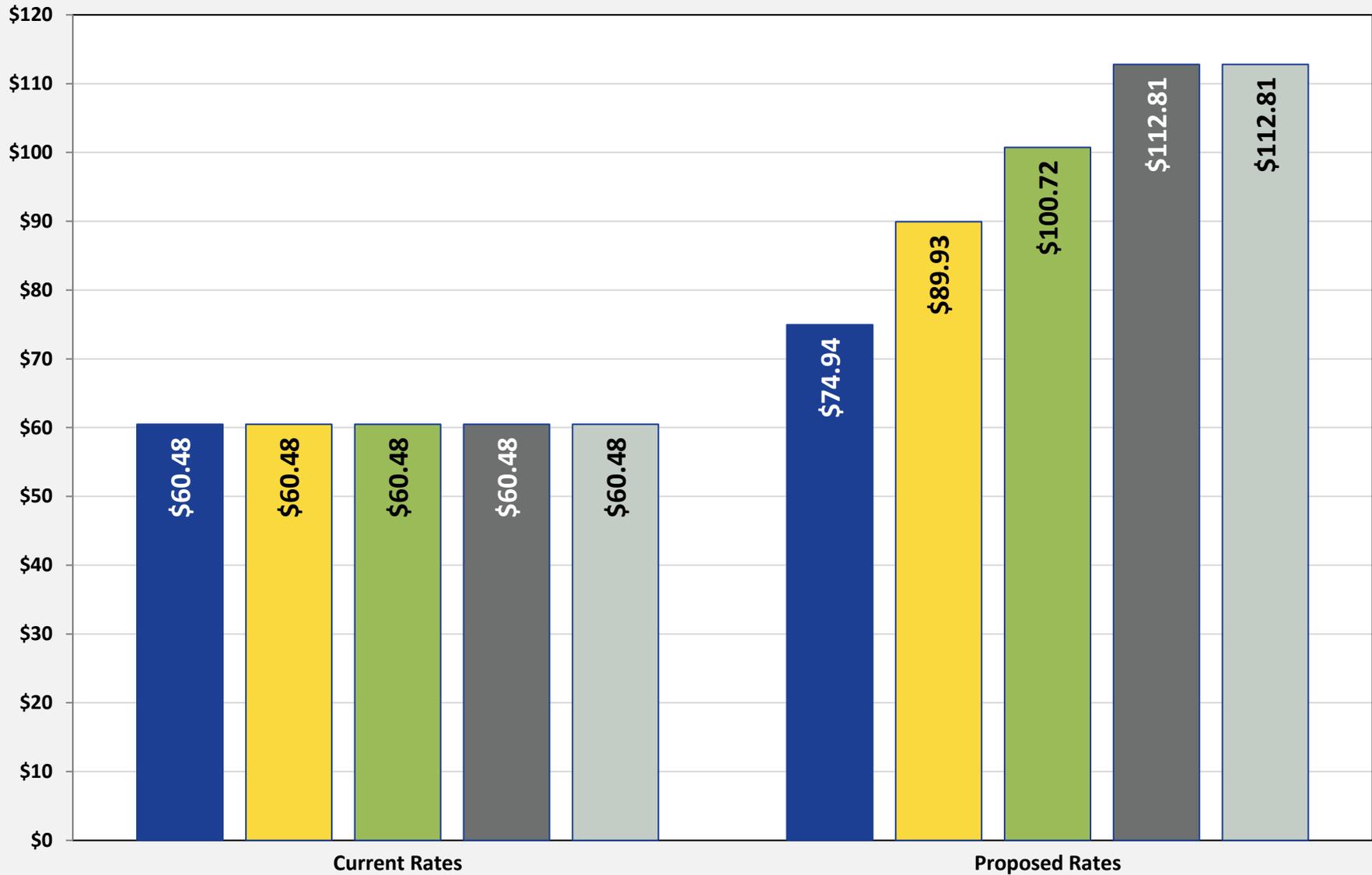


## City of American Canyon (Year 5)

### Monthly Sewer Bill Comparison - Single Family Accounts

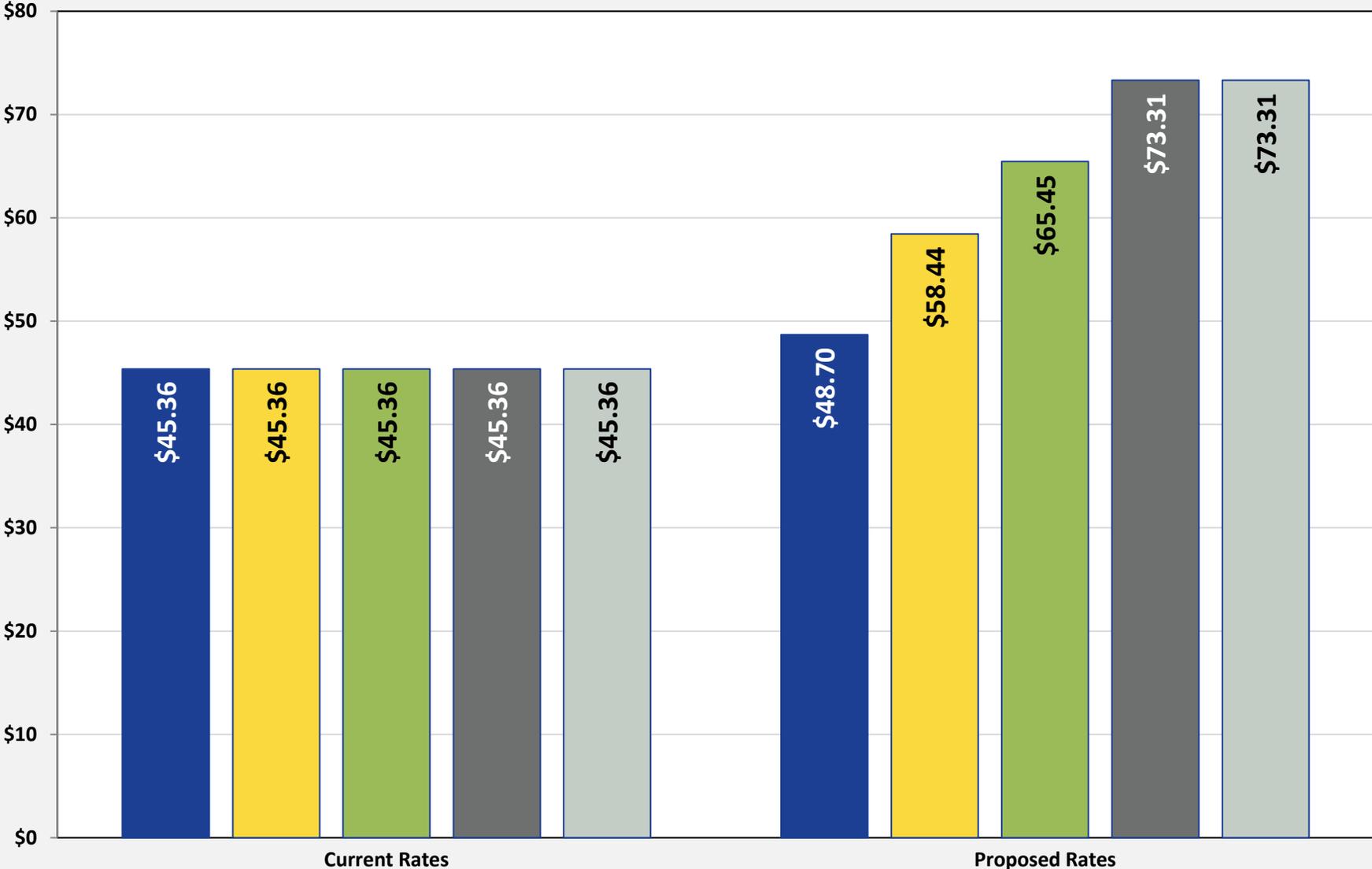


## Single Family Residential Monthly Sewer Bills - 5-Year Projections



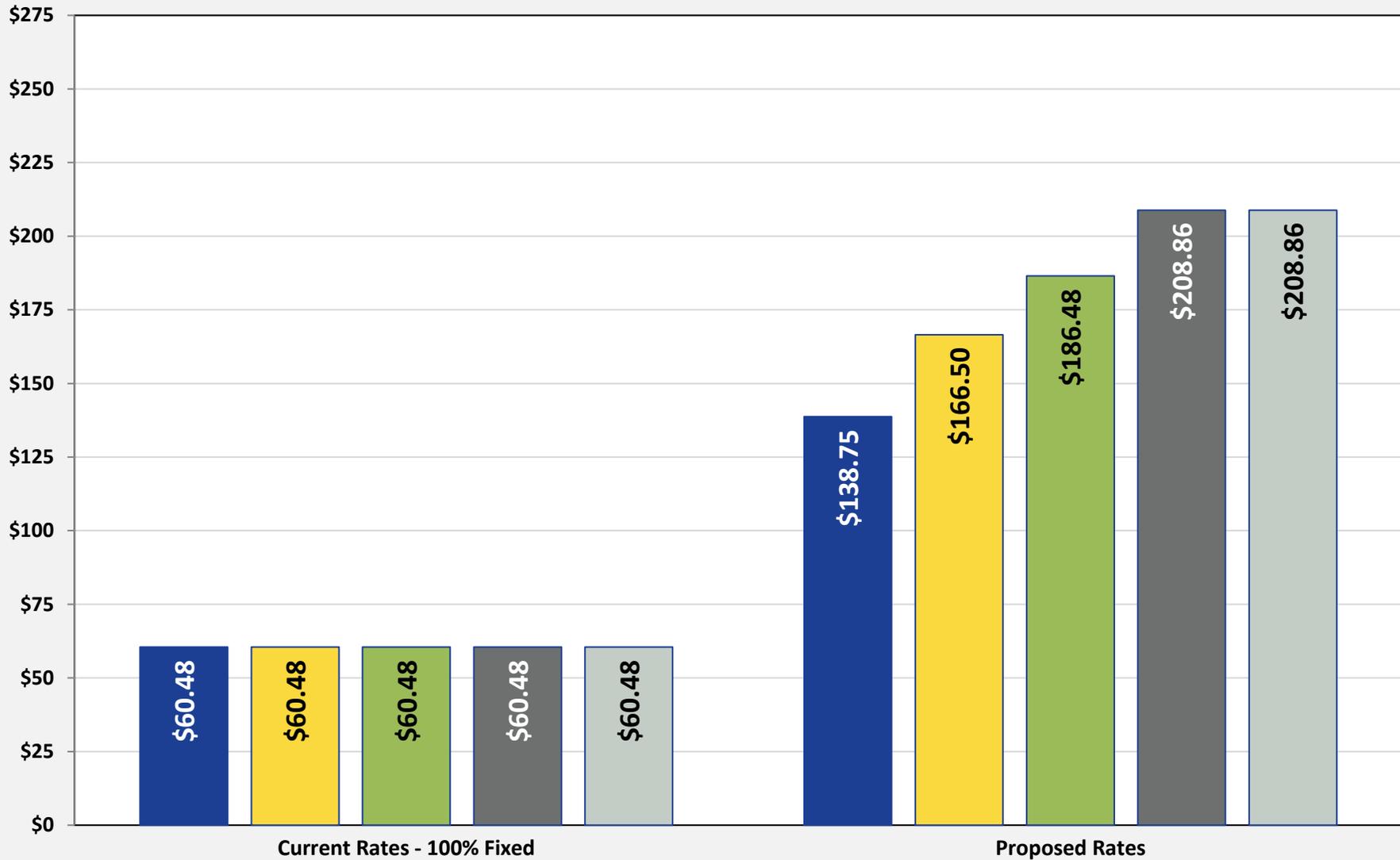
■ FY 2023/24   
 ■ FY 2024/25   
 ■ FY 2025/26   
 ■ FY 2026/27   
 ■ FY 2027/28

# Multi-Family Residential Monthly Sewer Bills - 5-Year Projections

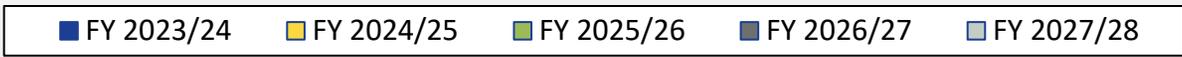


■ FY 2023/24    
 ■ FY 2024/25    
 ■ FY 2025/26    
 ■ FY 2026/27    
 ■ FY 2027/28

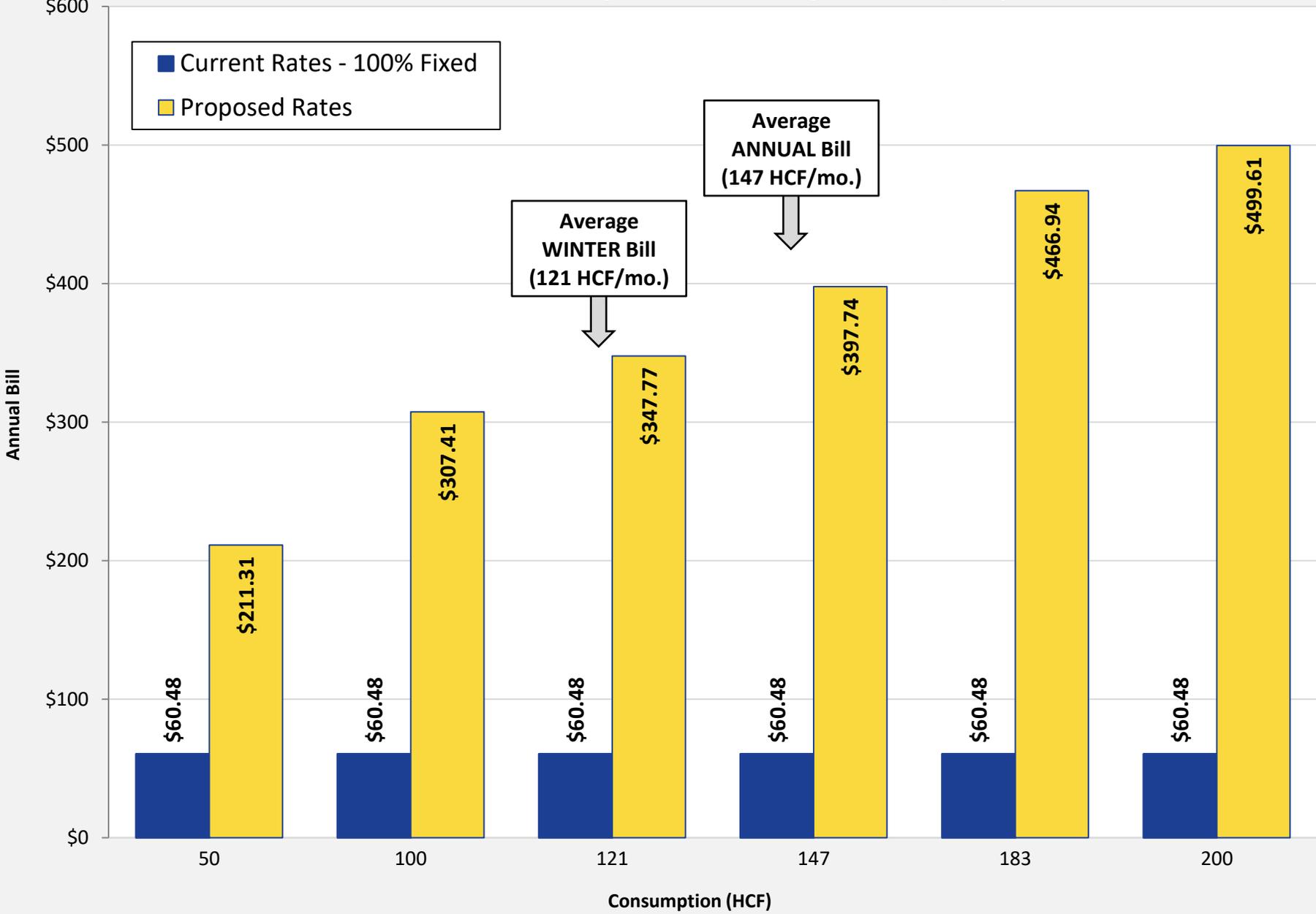
## Commercial Monthly Sewer Bills - 5-Year Projections



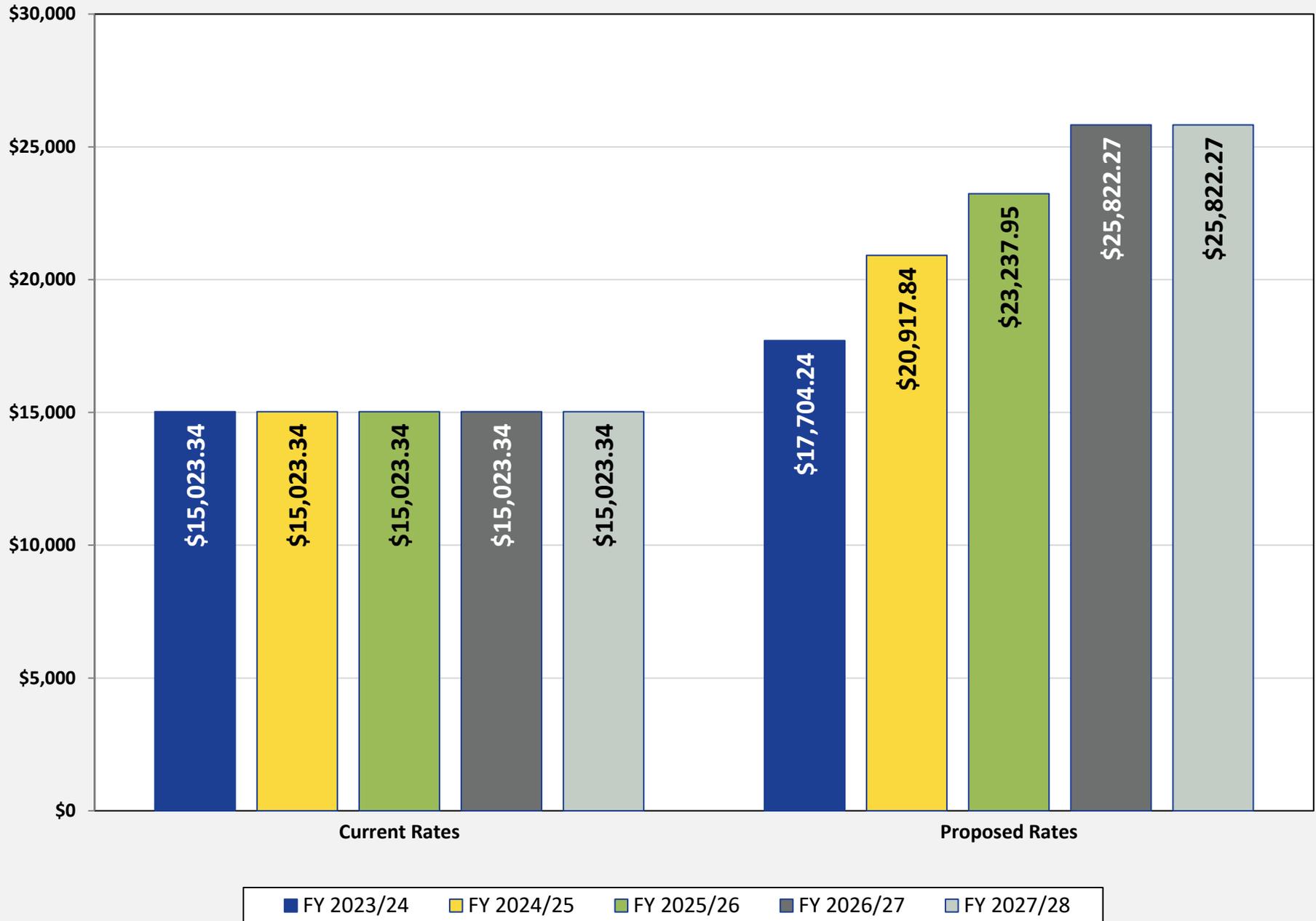
Note: Commercial customer bills are based on average annual consumption of 147 HCF per month.



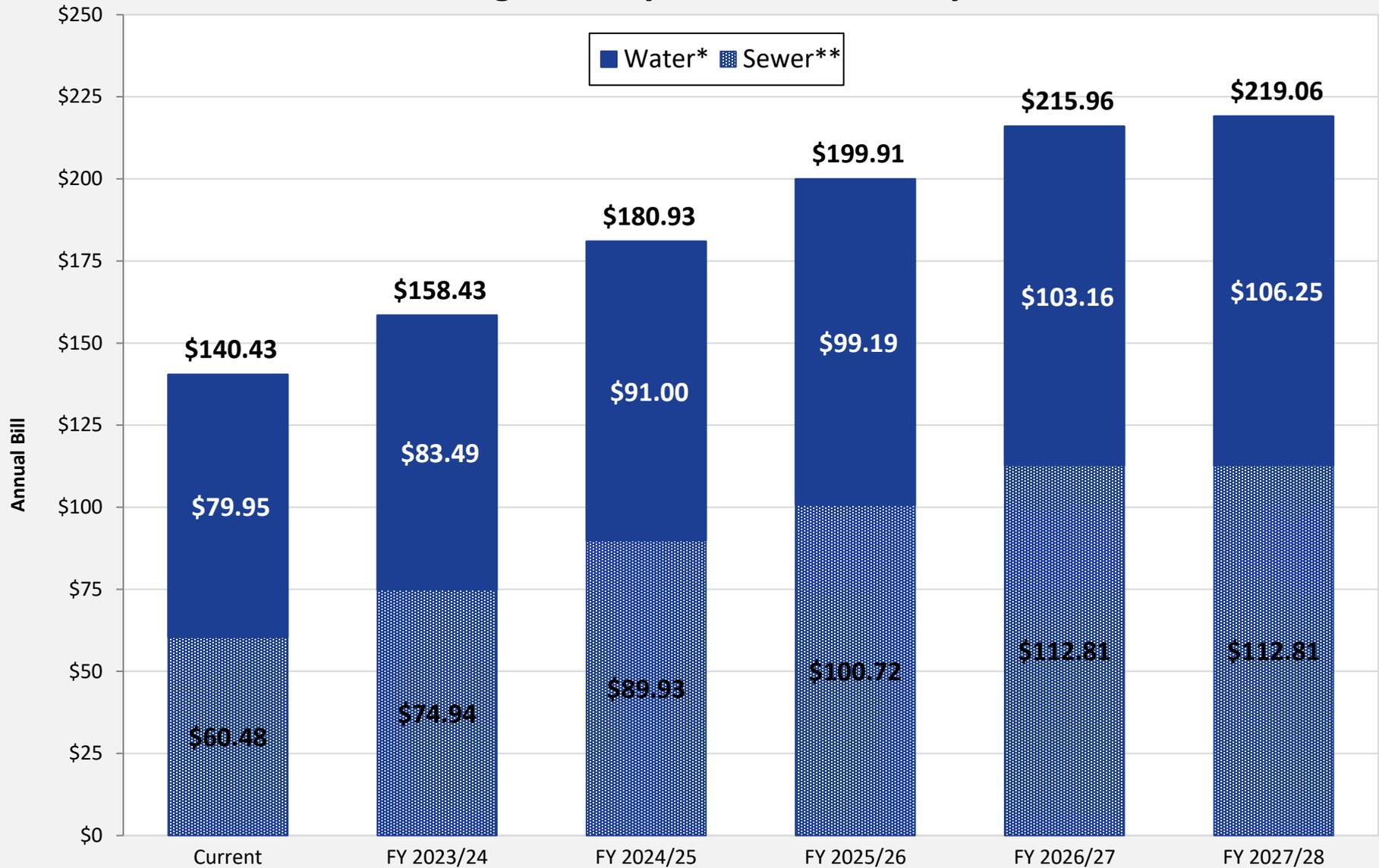
# Commercial Sewer Bill Comparison Current vs. Proposed Rates (FY 2023/24)



## AmCan Beverages Inc. Monthly Sewer Bills - 5-Year Projections



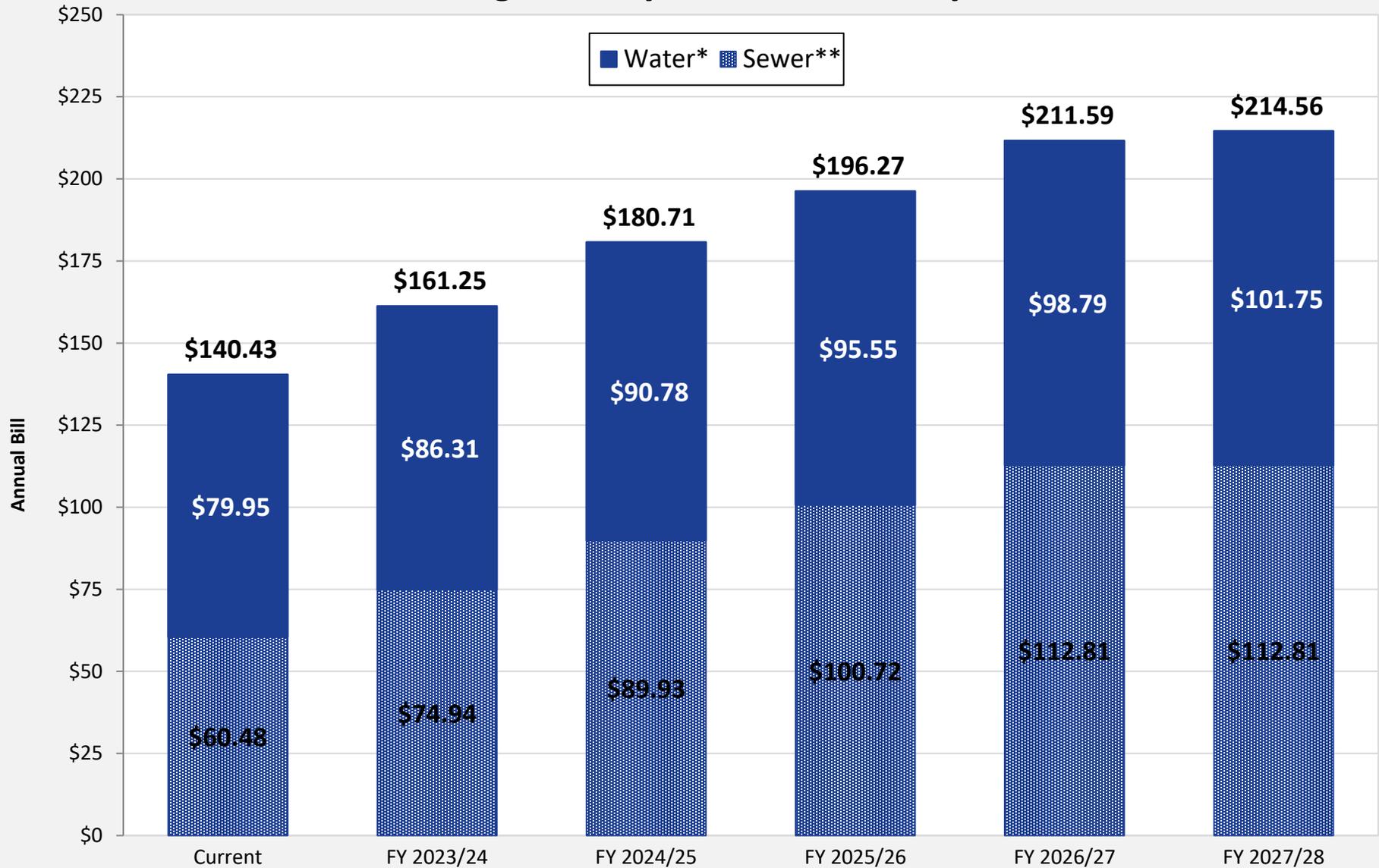
# Single Family Residential Utility Bill



\* Water bill is calculated using a 1" Meter and monthly winter water use of 7 HCF (Alternative 1).

\*\* Sewer bill is based on COSA - 55% Fixed / 45% Variable.

# Single Family Residential Utility Bill



\* Water bill is calculated using a 1" Meter and monthly winter water use of 7 HCF (Alternative 2).

\*\* Sewer bill is based on COSA - 55% Fixed / 45% Variable.



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## TITLE

Proposed Measure U

## RECOMMENDATION

Adopt a Resolution approving the proposed Napa Valley Transportation Authority – Tax Agency’s Measure U – Napa Valley Transportation Improvement Act, for the purpose of improving local streets and roads and investing in regional capital projects.

## CONTACT

Erica Ahmann Smithies, P.E., Public Works Director

## BACKGROUND & ANALYSIS

On February 21, 2024, the Napa Valley Transportation-Tax Agency (NVTA-TA) released a Sales Tax Replacement Measure Draft Ordinance and Expenditure Plan set forth therein, for inclusion on the November 5, 2024 ballot.

NVTA-TA in coordination with each member jurisdiction (Napa County, American Canyon, Calistoga, Napa, St. Helena and Yountville) have developed a proposed Ordinance and Expenditure Plan that would replace Measure T, the Countywide Road Maintenance Act, passed in 2012, so that transportation sales tax revenues work better for residents, visitors, and the workforce by improving roadway conditions and reducing traffic congestion.

The proposed sales tax replacement measure has been discussed extensively by NVTA-TA Board of Directors and technical steering committees made up of jurisdiction public works staff members. On March 19, 2024, NVTA Executive Director, Kate Miller provided City Council a presentation on the Measure. In addition, the Napa Area Manager’s group made up of city/town managers and the county executive have been regularly briefed on the proposed measure.

The following are the highlights of the Sales Tax Replacement Measure (Measure U):

- No tax increase, the sales tax measure would remain a ½ cent
- The measure would be a 30-year measure, from 2025-2055
- Generate approximately \$1.2 billion in transportation funds
- Jurisdictions have the opportunity to bond, to bring revenues forward to complete long-awaited maintenance projects

- 90% of revenues will be dedicated to fund Local Streets and Roads (LSR) countywide
- The LSR distribution formula will be updated every five years to account for actual sales tax revenue generation
- No jurisdiction will receive less than 3% of LSR funds
- There will be some flexibility within a jurisdiction's LSR revenue to use funds on other transportation improvements, including capacity
- Administration costs will be capped at 2%
- The measure requires local jurisdictions to make investments in bike and pedestrian infrastructure, indexed to 7% of measure revenue, but using other eligible fund sources
- To ensure funds are spent locally and responsibly, an Independent Taxpayer Oversight Committee will have oversight of the measure

Staff recommends approving Measure U on the November 2024 ballot.

### **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Transportation: "Improve the transportation network within the City to alleviate congestion and enhance the quality of life for the community."

### **FISCAL IMPACT**

The Recommended Action will have no fiscal impact on the Fiscal Year 23/24 budget.

### **ENVIRONMENTAL REVIEW**

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

### **ATTACHMENTS:**

1. [Resolution Measure U](#)
2. [EXHIBIT A - Napa Valley Transportation Improvement Act Expenditure Plan.pdf](#)
3. [Measure U Fact Sheet](#)

**RESOLUTION NO. 2024- XX**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON, CALIFORNIA APPROVING THE NAPA VALLEY TRANSPORTATION AUTHORITY-TAX AGENCY NAPA VALLEY TRANSPORTATION IMPROVEMENT ACT “MEASURE U” CONTINUING A TRANSACTION AND USE TAX EXPENDITURE PLAN**

**WHEREAS**, on November 15, 2005, the Napa County Board of Supervisors created the Napa Valley Transportation Authority- Tax Agency ("Authority"), a local transportation authority with all the powers and functions set forth in Division 19 (commencing with Section 180000) of the California Public Utilities Code. Among the powers of the Authority is the ability to adopt, upon voter approval, a retail transactions and use tax ordinance to provide a local transportation funding source; and

**WHEREAS**, a component of the tax ordinance is an adopted county transportation Expenditure Plan detailing the purposes for which the tax revenues may be expended; and

**WHEREAS**, prior to Authority adoption of a county transportation expenditure plan, the Expenditure Plan must receive the approval of the Board of Supervisors and of the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of Napa County; and

**WHEREAS**, the continuation of a local transportation funding source in Napa County is critical to address local transportation funding shortfalls, to provide local match funds for state and federal transportation funds, and to maintain Napa County’s quality of life and economic viability by providing funds for local streets and roads maintenance and critical capital infrastructure; and

**WHEREAS**, the Authority is proposing to replace the Countywide Road Maintenance Act, passed in 2012, with the Expenditure Plan attached herein; and

**WHEREAS**, the Authority and member agencies, have devised an Expenditure Plan that works better for residents, workers and visitors in Napa County by improving roadway conditions and reducing traffic congestion without a sales tax increase; and

**WHEREAS**, at its February 21, 2024, meeting the Authority gave approval to circulate the Expenditure Plan to member jurisdictions for approval.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of American Canyon as follows:

1. The foregoing recitals are true and correct.
2. The City Council of the City of American Canyon approves the Authority’s proposed Transportation Improvement Act “Measure U” Expenditure Plan attached hereto as Exhibit A for the purposes of adoption by the Authority as provided in Public Utilities Code section 180206(b).

**PASSED, APPROVED and ADOPTED** at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 16th day of April, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Taresa Geilfuss, CMC, City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney

**NAPA VALLEY TRANSPORTATION IMPROVEMENT ACT EXPENDITURE  
PLAN**

Revenues received by the Authority from the transactions and use tax imposed pursuant to NVTA Ordinance No. 2024-01 shall be used to fund the improvements (including “projects” and “programs”) as described in this Expenditure Plan, after first deducting: (a) the fees charged by the California Department of Tax and Fee Administration (“CDTFA”) to administer and operate the ordinance under Section 180204(b) of the Public Utilities Code; (b) reimbursement to the County of Napa for its cost in conducting the election under Section 180203(a) of the Public Utilities Code ; and (c) only two percent (2.0%) of the net revenues shall be allocated to the Authority to be expended for costs of administration. The remaining revenue shall first be allocated to the Regional Transportation Enhancement Program, and then allocated to the Local Streets and Roads Maintenance Program. All funding and revenues are expressed in 2024 dollars over the thirty-year life of the program.

The revenue allocated to each Agency under this Expenditure Plan may be used for any direct costs of design, materials testing, project required environmental reviews, construction management, inspection, and construction of the projects.

**Local Streets and Roads Maintenance Program**

Description:

After deductions for capital highway improvement and highway operations and emergency evacuation projects, in an amount not to exceed \$56 million dollars and associated debt service expenses, and the Authority’s administration fees of two percent (2.0%), the balance of funds shall be allocated to the Local Streets and Roads Maintenance Program. Under the Ordinance, the funds for the Local Streets and Roads Maintenance Program must be used for maintenance, reconstruction or rehabilitation of local streets, roads, and infrastructure within the public right-of-way as defined. Up to five percent (5%) of Agencies’ Local Streets and Road Maintenance Program can be used on other transportation projects, including capacity projects.

No revenues derived from this Ordinance shall be apportioned to regional projects until bonds are sold, except six million (\$6 million) in pay-go funds to Napa Valley Transportation Authority for capital projects in the first five-years of the Ordinance. Local Agency apportionments will be net of debt service payments associated with the bonds issued to fund regional projects. Debt service associated with bonds issued to fund local projects will be deducted from that Agency’s annual Local Streets and Roads allocation. If for some reason a regional project or program is infeasible and funds remain in the program, funding from the regional program will be distributed to the Local Street and Road Maintenance Program based on the prescribed formula.

The initial estimated distribution of funding for the Local Streets and Maintenance Program is:

Project	Percentage Distribution
American Canyon	8.0%
Calistoga	3.0%
City of Napa	40.2%
Napa County	38.8%
St. Helena	6.6%
Yountville	3.4%
Total	100.0%

The percentage distribution and estimated Transaction and Use Tax is based on Fiscal Years 2020-21, 2021-22, and 2022-23 values and will be updated when the sales tax becomes operative on July 1, 2025 and every successive five years based on the formula established in Section 3, Paragraph A: Local Streets and Roads Maintenance Program.

**Regional Transportation Enhancement Program**

Regional funds may be used on any of the Regional Transportation Enhancement programs and/or projects and may not exceed \$56 million, excluding Low-Income Transit Subsidies, which will be paid for out of the Authority’s administrative allocation.

<u>Project Name</u>	<u>Amount</u>
<u>SR 29/SR 12 – Intersection Improvements at SR 29 and Jameson Canyon/Airport Road and SR 12/Kelly Road</u>	<u>Costs for capital projects funded by the Napa Valley Transportation Improvement Act may not exceed \$56 million.</u>
<u>SR 29-American Canyon – Operational Improvements on SR 29 between Napa Junction and American Canyon Road</u>	
<u>SR 29-SR 12/121 – Intersection Improvements at SR 29/Carneros Highway</u>	
<u>Highway Operations and Emergency Evacuation– may include highway system adaptive messaging signs and Vine Transit emergency evacuation operations, or other transportation projects related to emergency evacuation routes.</u>	
<u>Low Income Transit Subsidies</u>	
<u>Fares for Veterans, Persons with Disabilities, Seniors, and Students</u>	<u>Estimated annual cost of \$10,000 and funded from Authority’s administrative fees or other Authority revenues.</u>

**Amendments**

This Expenditure Plan may be amended to provide for the use of additional federal, state, and local revenues or to account for unexpected revenues by approval of a two-thirds vote of the members of the Authority; the two-thirds must include the City of Napa, the County of Napa, and at least three other jurisdictions. No amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

Amendments constituting expenditures for new programs or new projects that were not a part of the voter approved Expenditure Plan or referred to in the Local Streets and Roads Maintenance Program may only be approved with the subsequent consent of the electorate.

# From Measure T to Measure U



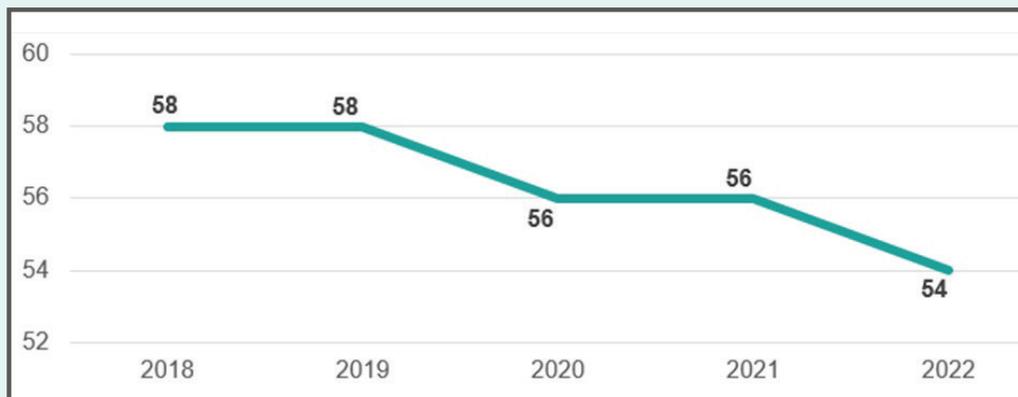
## Measure U: At-A-Glance

- Measure U will replace Measure T, a ½ cent sales tax for local streets and roads
- Generational opportunity to break the last major bottlenecks on Highway 29
- Expands the bike and pedestrian provision to include Class IV bike lanes (current Measure only allows for funding of Class I projects)
- Provides flexibility to bond and bring funding forward to deliver more local streets and road improvements faster

*See reverse side for more information and benefits regarding replacement measure*

## Persistent challenges with Measure T

- Pay-go funding is not enough to keep up with deferred maintenance that is causing pavement conditions to continue to decline
- Pay-go system does not provide the flexibility needed to build costlier projects faster
- Growth in sales tax revenue (4.6% annually) being outpaced by rising construction costs (up 10.7% annually). Over time, this will cut the purchasing power of Measure T
- Narrower focus of current measure does not provide jurisdictions with any flexibility to use local streets and roads money for other transportation priorities



Napa County Pavement Condition Index Scores - 2018 – 2022

# Measure U: Details and Benefits



## Bonding – Regional Capital Improvement Projects

Measure U will set aside up to \$56 million for regional capital improvement projects through the issuance of bonds for the opportunity to achieve long-held transportation priorities: breaking the last remaining bottlenecks on Highway 29 between Napa and American Canyon. This apportionment will position Napa County to be more competitive in securing state and federal grant funding opportunities to bring these projects to fruition.

### Bonding for regional capital improvement projects can help fund:

#### Highway 29 Improvement Projects:

- 1. Airport — SR 29/SR 12 intersection** – Intersection Improvements at Highway 29 and Jameson Canyon/Airport Road and Highway 12/Kelly Road
- 2. Highway 29-American Canyon** – Operational and Multimodal Improvements on Highway 29 between Napa Junction and American Canyon Road
- 3. Carneros — SR 29/SR 12** – Intersection Improvements at Highway 29/Carneros Highway
- 4. Highway Operations and Emergency Evacuations** – To allow proactive management of highway facilities and emergency demands such as natural disasters. It includes adaptive messaging signs and battery storage for Vine Transit.

Regional projects provide benefit to the entire county because workers, residents, and visitors to and from all communities use them.

## Bonding – Local Streets and Roads Funding

Currently, Measure T’s pay-go system provides annual allocations to jurisdictions for local streets and road improvement and rehabilitation projects.

Under Measure U, jurisdictions will receive more funding over the life of the measure and have the option to issue bonds to build costlier road rehabilitation and improvement projects faster. At right is a chart summarizing changes in this funding:

\* The chart at right summarizes differences between Measure T and the proposed Measure U (figures in \$1,000s)

Jurisdiction	Measure T*	Measure U Pay-Go*
City of American Canyon	\$60,574	\$89,131
City of Calistoga	\$21,241	\$28,007
City of Napa	\$317,429	\$447,884
County of Napa	\$311,910	\$432,286
City of St. Helena	\$60,574	\$73,533
Town of Yountville	\$21,241	\$37,881

\*\*Measure T amounts reflect what each jurisdiction is expected to receive between 2025 and 2043, when Measure T sunsets

## Flexibility to Meet Current and Future Needs



### Bonding – Funding Road Repair and Improvement Projects Faster

Measure U will create the flexibility jurisdictions need to get costlier road repair projects funded faster, instead of having to save pay-go allocations over the course of many years to fund priority projects.



### Funding Transportation Projects Not Under LS&R Guidelines

In response to jurisdictional concerns, the replacement measure will provide flexibility to allocate up to 5% of local streets and roads allocations for projects outside the scope of maintenance and rehabilitation. For example, this could include the Newell Drive extension in American Canyon, Silverado five-way intersection in the City of Napa, or bridge replacement in St. Helena.



### Funding to Support Class IV Bike Lanes

While NVTa supports the continued creation of Class I bike lanes like the Napa Valley Vine Trail, in response to jurisdictional input, the replacement measure will also provide funding to create Class IV buffered bike lanes in places where Class I bike lanes are not feasible.



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## TITLE

Amend Terms to Inter-Fund Loans made to the Recycled Water Enterprise from the Water and Sewer Enterprises

## RECOMMENDATION

Adopt a Resolution amending the terms of the Inter-Fund Loans made to the Recycled Water Enterprise Fund by the Water and Sewer Enterprise Funds, setting the interest rate for these Inter-Fund Loans at 1% and extending the total term to thirty years from date of origination.

## CONTACT

Juan Gomez, Finance Director

## BACKGROUND & ANALYSIS

The Recycled Water Enterprise currently has five outstanding loans totaling \$6.5 million, including accrued interest. The loans were made from 2009 through 2023 for the development of a new Recycled Water Distribution System, Pump Stations, the Green Island Road Recycled Waterline Project and the 2023 Recycled Water Expansion Project. The loans were funded by the Water and Sewer Enterprise Systems and approved by City Council as outlined below and in attachment A.

Wastewater Capacity Fund (Fund 550) - \$1,070,000, 15 Year Term - Issued November 2009

Wastewater Capacity Fund (Fund 550) - \$304,614, 15 Year Term - Issued December 2009

Wastewater Capacity Fund (Fund 550) - \$3,532,410, 15 Year Term - Issued December 2009

Water Operations Fund (Fund 510) - \$128,189, 15 Year Term - Issued September 2021

Water Operations Fund (Fund 510) - \$1,136,140, 10 Year Term - Issued June 2023

All the loans carry an interest rate of LAIF (Local Agency Investment Fund). LAIF is an investment fund part of the Pool Money Investment Account managed by the California State Treasurer's Office. It provides government agencies like the City of American Canyon an investment vehicle for interest earnings on pooled cash at a low cost. The LAIF rate at the time the loans issued in 2009, 2011 and 2021 was less than 1%.

Today, the LAIF rate is currently at 4.23%. This is a result of many factors, though primarily as a result of increases to the Federal Funds Rate set by the Federal Open Market Committee in response to high inflation. Based on the terms of the loans approved by City Council, the existing loans now

carry a substantially higher rate than when loans were issued. Staff is proposing amendments to the interest rate and length of term for all loans made to the Recycled Water Enterprise.

The proposal includes setting a fixed interest rate for the loans at 1.00% and revising the length of the loan to a total of thirty-years. The 1.00% interest rate would be in line with the intent of the original loans and provide relief to the newly established Recycled Water Enterprise. Extending the total term of the loans to thirty-years better aligns the loans to the useful life of the assets. The recently completed Rate Study included these proposed loan modifications, staff wanted to ensure the proposed rates were adopted prior to bringing this item for approval.

## **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Organizational Effectiveness: "Deliver exemplary government services."

## **FISCAL IMPACT**

The proposed loan amendments will decrease interest revenue to the Water and Sewer Enterprises and provide relief to the Recycled Water Enterprise. Although interest rates are now historically elevated, they remain volatile long term. Setting a fixed interest rate provides budgetary certainty to the funds. Extending the length of terms provides lower annual debt expense to the Recycled Water Enterprise but will provide higher interest revenue to the Water and Sewer Enterprises due to longer repayment term as opposed to existing terms. The recently developed Rate Study has taken into account the proposed loan modifications.

## **ENVIRONMENTAL REVIEW**

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

## **ATTACHMENTS:**

[1. Resolution -Amendments to Inter-Fund Loans](#)

[Attachment A - Internal Loans to Recycled Water Enterprise Fund](#)

**RESOLUTION NO. 2024-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AMENDING THE TERMS OF THE INTER-FUND LOANS MADE TO THE RECYCLED WATER ENTERPRISE FUND BY THE WATER AND SEWER ENTERPRISE FUNDS, SETTING THE INTEREST RATE FOR THESE INTER-FUND LOANS AT 1% AND EXTENDING THE TOTAL TERM TO THIRTY YEARS FROM DATE OF ORIGATION**

**WHEREAS**, on November 17, 2009, City Council authorized a fifteen-year inter-fund loan in the amount of \$1,070,000 from Fund 550 Wastewater Capacity; and

**WHEREAS**, on December 15, 2009, City Council authorized a fifteen-year inter-fund loan in the amount of \$304,614 from Fund 550 Wastewater Capacity; and

**WHEREAS**, on December 15, 2009, City Council authorized a fifteen-year inter-fund loan in the amount of \$3,532,410 from Fund 550 Wastewater Capacity; and

**WHEREAS**, on September 21, 2021, City Council authorized a fifteen-year inter-fund loan in the amount of \$128,189 from Fund 510 Water Operations; and

**WHEREAS**, on June 20, 2023, City Council authorized a ten-year inter-fund loan in the amount of \$1,136,140 from Fund 510 Water Operations; and

**WHEREAS**, the loans made to the Recycled Water Enterprise were for the development of a new Recycled Water Distribution System, Pump Stations, Green Island Recycled Waterline Project and the Recycled Water Expansion Project; and

**WHEREAS**, all loans outlined above carry an interest rate equal to the Local Agency Investment Fund (LAIF) investment rate; and

**WHEREAS**, due to the current high interest rate environment the LAIF investment rate is 4.23%; and

**WHEREAS**, the Recycled Water Enterprise Fund is a relatively new Enterprise with limited revenues; and

**WHEREAS**, the amended interest rate for loans outlined above shall be set at an interest rate of 1.00%; and

**WHEREAS**, the amended term for loans outlined above shall be set thirty-years from each loan origination date to coincide with the useful life of the assets.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of American Canyon hereby amends the terms of the Inter-Fund loans made by the Water and Sewer Enterprise Funds to the Recycled Water Enterprise Fund setting a fixed interest rate of 1.00% and a term of thirty-years from date of origination for each loan.

**PASSED, APPROVED and ADOPTED** at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 16th day of April, 2024 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

APPROVE AS TO FORM:

\_\_\_\_\_  
Taresa Geilfuss, CMC, City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney

INTER-FUND LOANS  
FY 2023-24

<u>Date</u>	<u>Council</u>	<u>Fund Lending 10390</u>	<u>Fund Receiving Loan 20490</u>	<u>Purpose of Loan</u>	<u>Interest Rate</u>	<u>Loan Amount</u>	<u>Accrued Interest</u>	<u>Principal Payment</u>	<u>Ending Balance 12/31/2023</u>
17-Nov-09		550 - WW Capacity	580 - RW Operations	Green Island Road Recycled Waterline Project	LAIF	1,070,000	161,039	-	1,231,038.91
15-Dec-09		550 - WW Capacity	580 - RW Operations	Recycled Water Pump Station Upgrade	LAIF	304,614	45,846	-	350,459.67
15-Dec-09		550 - WW Capacity	580 - RW Operations	Various CIP Projects (Useful Lives 30 years)	LAIF	3,532,410	207,275	-	3,739,684.75
21-Sep-21		510 - Water Operations	580 - RW Operations	Green Island Road Recycled Waterline Project	LAIF	128,189	6,789	-	134,978.16
20-Jun-23		510 - Water Operations	580 - RW Operations	Recycled Water Expansion Project	LAIF	1,136,140	20,702	(113,614)	1,043,228.08
						<u>\$ 6,171,353</u>	<u>\$ 441,650</u>	<u>\$ (113,614)</u>	<u>\$ 6,499,389.57</u>



**TITLE**

Watson Ranch Lot 8 Subdivision

**RECOMMENDATION**

A Resolution of the City Council of the City of American Canyon approving a Vesting Tentative Subdivision Map for Watson Ranch Lot 8 to create 25 single family home lots on 2.3 acres within the Watson Ranch Specific Plan Medium Density Residential-16 zoning district located north of Cartier Street, Assessor’s Parcel Numbers 059-430-012 and 059-430-037 (File No. PL22-0024)

**CONTACT**

William He, AICP, Senior Planner

**BACKGROUND & ANALYSIS**

**Table 1: Site Information**

General Plan Designation	Watson Ranch Specific Plan (WRSP) - Medium Density Residential 16 (MDR-16)
Zoning District	WRSP - MDR-16
Site Size	2.3 Acres
Present Use	Undeveloped Lot
Surrounding Zoning and Uses	North: WRSP Park / vacant lot South: WRSP MDR-16 / Harvest Subdivision, single-family homes East: WRSP MDR-16 / Promontory Subdivision, vacant lots West: WRSP MDR-16/ vacant lot
Access	Site access is provided from Cartier Street

History: In August 2021, the Planning Commission approved the Watson Ranch Lot 10, Harvest Subdivision Design Permit. In September 2021, the City Council approved the Lot 10 Vesting Tentative Subdivision Map (VTM). The Harvest Subdivision consists of 219 single-family homes and 6 new streets. The Watson Ranch Lot 8 Subdivision is proposed as an extension of Lot 10. A location map is available as Attachment 2.

On September 5, 2023, the City Council approved a technical amendment for the Watson Ranch Specific Plan. Among the changes, the Project Site was redesignated from Public and Park to Medium Density Residential 16 (MDR-16). The MDR-16 zone allows single-family residential lots at up to 16 dwelling units per acre.

Proposed Development: AC-1, LLC proposes to develop the Watson Ranch Lot 8 Subdivision. The project consists of 25 single-family homes on a 2.3-acre site in the WRSP Medium Density Residential 16 Zoning District. The site is located directly north of the Harvest Subdivision, or Watson Ranch Lot 10, and accessible from Cartier Street. The project site is in the WRSP area, which was approved with an Environmental Impact Report in November 2018.

The 25 single-family residential lots range from 3,608 to 5,624 square feet. The lots are all arranged along the north side of Cartier Street. The lots will be supported with wet and dry utilities, with connections already available. As an extension of the Harvest neighborhood, the subdivision will feature homes with 3 to 4 bedrooms, two-car garages, and two-stories. The architecture of the houses will feature farmhouse, ranch, and traditional designs.

The subdivision includes one private Parcel A and two Public parcels B and C. Parcel A is approximately 2,184 square feet and located west of residential lot 1, facing Marcus Road. Parcels B and C are approximately 2,178 square feet each. Parcel B is located between residential lots 4 and 5, and Parcel C is located between residential lots 22 and 23. According to the Applicant, Parcel A will be used as a parcel for utilities, a monument sign, and landscaping buffer to the residential lots. Parcels B and C provide walkways to the park parcel in the north. A condition of approval requires the applicant to provide a landscaping plan for these Parcels similar to the landscaping for landscape/paseo parcels between Pewter Street and Marcus Road in Watson Ranch Lot 10.

The Watson Ranch Lot 8 VTM Resolution, conditions of approval, and civil plans are available as Attachment 1. The approved Architectural designs from Watson Ranch Lot 10 are available as Attachment 3. On March 28, 2024, the Planning Commission recommended approval for the Watson Ranch Lot 8 Subdivision. The Planning Commission staff report is available at [this link](#).

#### Site Specific Issues

*Affordable Housing.* According to APMC Section 19.28.030, residential projects containing 5 or more residential parcels are required to provide 10% of those units as affordable units. The Watson Ranch Specific Plan includes the Lemos Pointe project that provided 186 affordable units in Watson Ranch Large Lot 24. Watson Ranch Lot 8 utilizes the Lemos Pointe Apartments to comply with the affordable housing requirement.

*Aesthetic Enhancement.* The Watson Ranch Specific Plan requires the sides and rear elevations that are visible to the public to have enhanced architectural treatment. Lot 1 is located adjacent to Parcel A which is located next to Marcus Road. The west side and rear of the home at this lot will be highly visible to the public. Lot 25 is located adjacent to the Vine Trail. The east side and rear of this

home will also be highly visible to the public on the Vine Trail. The Planning Commission recommends a condition of approval that requires the side and rear of Lots 1 and 25 to receive an enhanced elevation. The architectural enhancement treatments are shown in Attachment 3.

The remaining homes between Lots 1 and 25 backup onto a future park. While the rear elevations of these homes would be visible to the public, the view would be obscured by a variety of factors: 1) the park will be located at a lower elevation than the homes; 2) the park, being a large space with trees, would provide a somewhat distant public view of the rear home elevations; 3) the rear fence and park landscaping will further obscure views toward the homes. For these reasons, the Planning Commission agreed with staff and did not recommend requiring architectural enhancement to the rear elevations of homes on Lots 2 through 24. A site plan for the subdivision showing the lot locations, future park, and adjacent Marcus Road and Vine Trail is included as Attachment 1.4.

*Standard Conditions.* There has been a significant effort in planning and entitling Watson Ranch. These entitlements include: a General Plan Amendment, Watson Ranch Specific Plan (and related Zoning), Large Lot Vesting Tentative Map, and Development Agreement. The project is subject to the American Canyon Municipal Code, the WRSP policies and mitigation measures, the WRSP Development Agreement, and the AC-1 Master Conditions of Approval.

Given the significant analysis already completed, Standard Conditions for the AC-1 portion of Watson Ranch provides a standard method to ensure each development project will construct its share of physical improvements and environmental mitigation from the Watson Ranch Program Environmental Impact Report. A copy of the AC-1 Master resolution and conditions of approval are available in VTM Exhibit B, Attachment 1.

#### Public Outreach:

City outreach occurred between April 3, 2024 and April 15, 2024. A copy of the public notification addresses and map is included in Attachment 4. Specific events are outlined below:

April 4 – Public Hearing Notice mailed to property owners and residents within 500 feet

April 3 – GovDelivery Notice of Public Hearing Bulletin sent to email subscribers list (4,340 + people)

April 6 – Public Hearing Notice Published in the Vallejo Times Herald

April 12 – Staff Report published on City Website and emailed to GovDelivery Recipients

April 12 – GovDelivery Notice of City Council Agenda emailed to subscribers (4,340 + people)

April 15 – GovDelivery Reminder Notice of Public Hearing emailed to subscribers (4,340 + people)

## **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Community and Sense of Place: "Build on the strength of our local community to develop a clear 'sense of place' and establish our unique identity."

## **FISCAL IMPACT**

The Watson Ranch Lot 8 Vesting Tentative Subdivision Map required a developer deposit for review

and processing, so there is no fiscal impact for staff time. If the Planning Commission and City Council approve the project, the City will gain 25 single-family homes, which provides additional tax revenue.

## **ENVIRONMENTAL REVIEW**

The environmental impacts of the Watson Ranch Specific Plan (WRSP) Project which includes the proposed Watson Ranch Lot 8 Subdivision were adequately considered in the certified Final EIR for the Watson Ranch Specific Plan Project (State Clearinghouse No. 2015022030) which includes findings, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations for the Project. Approval of the proposed Vesting Tentative Subdivision Map is based on the Final EIR and complies with CEQA. Under CEQA, the Watson Ranch Specific Plan Project FEIR is a program EIR and is generally assumed to be used at a "development level." See, e.g., CEQA Guidelines § 15168. There is no substantial evidence of changed circumstances under CEQA Guidelines section 15162 requiring further CEQA review as the whole of the approvals sought are contemplated under the Project FEIR analysis.

## **ATTACHMENTS:**

- 1.0 WR Lot 8 Subdivision - Resolution
- 1.1. WR Lot 8 Exhibit A VTM Specific Conditions
- 1.2. WR Lot 8 Exhibit B AC1 Master Conditions
- 1.3. WR Lot 8 Exhibit C Vesting Tentative Subdivision Map
- 1.4 WR Lot 8 Architectural Enhancement
2. WR Lot 8 Location Map
3. WR Lot 8 and 10 Architecture
4. WR Lot 8 Subdivision Public Outreach

**RESOLUTION NO. 2024- \_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON APPROVING A VESTING TENTATIVE SUBDIVISION MAP FOR WATSON RANCH LOT 8 TO CREATE 25 SINGLE FAMILY HOME LOTS ON 2.3 ACRES WITHIN THE WATSON RANCH SPECIFIC PLAN MEDIUM DENSITY RESIDENTIAL-16 ZONING DISTRICT LOCATED NORTH OF CARTIER STREET, ASSESSOR'S PARCEL NUMBERS 059-430-012 AND 059-430-037 (FILE NO. PL22-0024)**

**WHEREAS**, pursuant to Section 65300 of the State Planning and Zoning Law, the City of American Canyon (City) adopted a General Plan to provide comprehensive long-range planning and a blueprint of the City's future form, including land use and circulation maps that specify the roadway network and the distribution of types and intensities of land; and

**WHEREAS**, the City of American Canyon General Plan land use and zoning designation for the property known as the Watson Ranch Specific Plan property is Town Center, which requires the approval of a specific plan to designate the land uses, range of residential and nonresidential densities and unified design standards within the Watson Ranch Specific Plan property; and

**WHEREAS**, on November 6, 2018, the City Council of the City of American Canyon adopted an Ordinance approving the Watson Ranch Specific Plan that provides for the development of the approximately 309-acre Watson Ranch Specific Plan site with a mixed use community component including a mixed use town center (Napa Valley Ruins and Garden), 1,253 residential units, approximately 23 acres of improved parks, an additional 30 acres of parks, trails and open space, a 10-acre school site, roads and supporting water, wastewater, recycled water and storm drainage infrastructure; and

**WHEREAS**, on June 18, 2019, the City Council approved the Watson Ranch Specific Plan Development Agreement (Ordinance 2019-06, Agreement 2019-A107); and

**WHEREAS**, on August 26, 2021, the Planning Commission approved the Watson Ranch Lot 10 Harvest Subdivision Design Permit for 219 single-family homes (PC Resolution 2021-18); and

**WHEREAS**, on September 21, 2021, the City Council approved the Watson Ranch Lot 10 Harvest Vesting Tentative Subdivision Map for 219 single-family homes (Resolution 2021-75); and

**WHEREAS**, on September 15, 2022, AC-1, LLC "Applicant" submitted the Watson Ranch Lot 8 Vesting Tentative Subdivision Map "Project" as an extension of the Watson Ranch Lot 10 Harvest Subdivision to create 25 single-family home lots, two public parcels, and one private parcel on a 2.3-acre site located north of Cartier Street, Assessor's Parcel Numbers 059-430-012 and 059-430-037 (File No. PL22-0024); and

**WHEREAS**, on September 5, 2023, the City Council approved a Watson Ranch Specific Plan technical amendment (Ordinance 2023-07); and

**WHEREAS**, Chapter 18.22.055 of the Municipal Code sets forth findings required for approval of a tentative subdivision map; and

**WHEREAS**, the proposed map is consistent with the City of American Canyon General Plan, Municipal Code and the Watson Ranch Specific Plan; and

**WHEREAS**, pursuant to the California Environmental Quality Act (CEQA), a final environmental impact report (Final EIR) was prepared for the Watson Ranch Specific Plan, which included the proposed Vesting Tentative Map (VTM), having analyzed the actions contemplated by the VTM and includes required mitigation measures, a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program; and

**WHEREAS**, on March 28, 2024, the City of American Canyon Planning Commission conducted a duly noticed public hearing on the subject application and recommends City Council approval; and

**WHEREAS**, a duly-noticed public hearing was held by the City of American Canyon City Council on April 16, 2024 on the subject application, at which time all those in attendance were given the opportunity to speak on this proposal and to submit comments.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of American Canyon, having considered all the evidence, including any submitted by member of the public, hereby approves the Watson Ranch Lot 8 Vesting Tentative Subdivision Map (PL22-0024), subject to the following Findings and Conditions of Approval.

**SECTION 1: Findings Regarding Environmental Review pursuant to the California Environmental Quality Act (CEQA)**

1. The City of American Canyon makes the following findings and determinations based on substantial evidence in the record as a whole pursuant to the California Environmental Quality Act (Pub. Res. Code §§ 21000 *et seq.*) and its Guidelines (California Code of Regulations, Title 14 §§ 15000, *et seq.*), as each is amended from time to time (“CEQA”).
2. Pursuant to CEQA, an Environmental Impact Report (EIR) was prepared, supplemented, and certified for the Watson Ranch Project (“Project EIR”). The Project EIR considered and analyzed the significant adverse environmental impacts of, related mitigation measures for, and reasonable alternatives to, the planning, development, construction, operation, and maintenance of the proposed uses of the Property implemented through the “Project Approvals” of the “Project,” including without limitation, the General Plan Amendment, Watson Ranch Specific Plan (and related Zoning), Large Lot Vesting Tentative Map, and Development Agreement. In accordance with CEQA, City certified as legally adequate and complete the Project EIR, and approved the development allowed and approved by said existing and future Project Approvals contemplated by the Project EIR and the Development Agreement.
3. The proposed Vesting Tentative Map for that Watson Ranch Lot 8 is a contemplated “Project Approval” under the Project EIR and the Development Agreement. Under CEQA, a Specific Plan EIR, like the Watson Ranch Specific Plan Project EIR, is generally assumed to be used at a "development level." *See, e.g.,* CEQA Guidelines § 15168. Under controlling CEQA law, particularly CEQA Guidelines section 15162, the legal question is whether the Project EIR, itself, needs updating (through a Subsequent or Supplemental EIR) before the City can consider and approve the Watson Ranch Lot 8 VTM, or whether the Project EIR provides the appropriate CEQA compliance work for the City’s consideration and approval of the Watson Ranch Lot 8 VTM. For the following reasons and findings, by law, no such Subsequent or Supplemental EIR can be required by the City, and the Project EIR provides the appropriate CEQA compliance work for the City’s consideration and approval of the Watson Ranch Lot 8 VTM.

First, CEQA Guidelines section 15162 provides as follows [*City responses to the issues raised by Section 15162 are provided in bracketed, italicized text below*]:

(a) When an EIR has been certified . . . for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; [*There is no substantial evidence in the light of the whole record revealing any changes proposed in the Project, let alone changes that will involve involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The Watson Ranch Lot 8 VTM implements the Watson Ranch Specific Plan Project, and no new significant environmental effects or substantial increase in the severity of previously identified significant effects not already addressed by the Project EIR will result from that implementation.*]

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR . . . due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; [*There is no substantial evidence in the light of the whole record revealing circumstances under which the Project is undertaken which require major revisions to the Project EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects: the Watson Ranch Lot 8 VTM is anticipated by, and is the implementation of, the Watson Ranch Specific Plan Project (and Project Approvals), and no new significant environmental effects or a substantial increase in the severity of previously identified significant effects not already addressed by the Project EIR will result from that implementation.*]; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following [*There is no substantial evidence in the light of the whole record revealing any such new information of any kind has been presented*]:

(A) The project will have one or more significant effects not discussed in the previous EIR . . . [*There is no substantial evidence in the light of the whole record revealing that the Watson Ranch Lot 8 VTM will have one or more significant effects not discussed in the Project EIR: Instead, the Watson Ranch Lot 8 VTM is anticipated by, and are the implementation of, the Watson Ranch Specific Plan Project as fully analyzed by the Project EIR*];

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR [*There is no substantial evidence in the light of the whole record revealing that the Watson Ranch Lot 8 VTM will result in a situation where significant effects previously examined in the Project EIR will be substantially more severe than shown and discussed in the Project EIR: Instead, the Watson Ranch Lot 8 VTM are anticipated by, and*

*are the implementation of, the Watson Ranch Specific Plan Project as fully analyzed by the Project EIR];*

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative [*There is no substantial evidence in the light of the whole record supporting a determination that mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the project proponents decline to adopt the mitigation measure or alternative.* ]; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative. [*There is no substantial evidence in the light of the whole record supporting a determination that mitigation measures or alternatives which are considerably different from those analyzed in the Project EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative. No such mitigation measure nor alternatives have been proposed, nor are warranted, and no rejection of such mitigation measure or alternative by the project applicant has taken place.*]

Because there is no substantial evidence in the record to support any of the findings set forth in CEQA Guidelines section 15162, as a matter of law, no additional CEQA work can be required by the City relating to the City's consideration and approval of the Watson Ranch Lot 8 VTM.

Second, similar to CEQA Guidelines section 15162, CEQA Guidelines section 15163 provides that a public agency may choose to prepare a "Supplement" to an EIR - rather than a "Subsequent" EIR - only if (1) any of the findings described in Section 15162 (above) would require the preparation of a Subsequent EIR, yet (2) only minor additions or changes would be necessary to make the Project EIR adequately apply to the changed situation. As stated above, because there is no substantial evidence in the record to support any of the findings set forth in CEQA Guidelines section 15162, then, as a matter of law, no finding can be made under CEQA Guidelines section 15163. Therefore, no additional CEQA work for the Watson Ranch Lot 8 VTM can be required by the City.

Third, and lastly, under the Development Agreement, "to the extent permitted or required by CEQA, City shall use . . . existing environmental assessments, declarations, reports and studies as adequately addressing the environmental impacts of the Project and its Subsequent Approvals without requiring new or supplemental environmental documentation." Development Agreement § 2.04(k). Because CEQA prohibits the City from requiring additional CEQA compliance work for the Watson Ranch Lot 8 VTM approval, for the reasons discussed above, the Development Agreement likewise enforces that CEQA requirement and prohibits additional "new or supplemental environmental documentation." Development Agreement § 2.04(k).

Therefore, the City finds and determines that the Project EIR provides the appropriate CEQA compliance documentation for the City's consideration and approval of the proposed Watson Ranch Lot 8 VTM.

## **SECTION 2. FINDINGS**

1. The proposed map is consistent with the General Plan and the Watson Ranch Specific Plan.

*The subdivision is proposed to delineate parcels that reflect the proposed land uses and street lay out of the Watson Ranch Specific Plan; and*

2. American Canyon Municipal Code (ACMC) Section 18.22.055 provides that the planning commission shall not recommend approval and the city council shall not approve a tentative subdivision map if any of the following findings are made:

- A. That the proposed tentative subdivision map is not consistent with the city's general plan or its elements or other applicable plans;

*The proposed map is consistent with the General Plan because it will provide individual lots with adequate access and utility services to be developed with single family homes.*

- B. That the design or improvement of the proposed subdivision is not consistent with the city's general plan or its elements or any other applicable plans;

*The proposed improvements for the subdivision are consistent with the City's General Plan, Watson Ranch Specific Plan, and the Watson Ranch Development Agreement, including the size of individual lots, as analyzed in the staff report for this project.*

- C. That the site is not physically suitable for the type of development proposed;

*The subdivision site is physically suitable for the type of development because it is adjacent to existing residential development, the subdivision is designed to accommodate the proposed 25 single-family homes.*

- D. That the site is not physically suitable for the proposed density of development proposed;

*The site is physically suitable for the proposed density of development because the density of development will comply with the limits set out in the Watson Ranch Specific Plan and can be improved and provided with necessary utilities to serve the future development.*

- E. That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;

*The subdivision and related improvements would not adversely affect wildlife habitat areas, as described in the Watson Ranch Environmental Impact Report (SCH # 2015022030), approved by the City Council on November 6, 2018.*

- F. That the design of the subdivision or the type of improvements is likely to cause serious public health problems;

*The subdivision improvements are consistent with the improvements provided for other development in the City and are not likely to cause serious health problems.*

- G. That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the city council may approve a tentative subdivision map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to one previously acquired by the public. This subsection shall apply only to easements of record or to

easements established by judgment of a court of competent jurisdiction and no authority is granted to the city council to determine that the public at large has acquired easements for access through or use of property within the proposed subdivision;

*The project poses no conflicts with easements.*

- H. That the discharge of wastewater, including sewage and stormwater runoff, from the proposed subdivision would result in a violation of existing water quality requirements prescribed by the regional water quality control board.

*All wet utilities are already constructed (stubbed) along Cartier Street. There will be no conflicts with the regional water quality board.*

Because none of the findings to disapprove the proposed subdivision can be made, the Vesting Tentative Subdivision Map for Watson Ranch Lot 8 (PL22-0024); is recommended for approval, subject to the following conditions.

**SECTION 3: CONDITIONS OF APPROVAL**

The Watson Ranch Lot 8 VTM incorporates specific conditions of approval included as Exhibit A, and the adopted Master Conditions of Approval for the AC-1 Portion of Watson Ranch (Resolution No. 2020-106) as Exhibit B to this Resolution.

**PASSED, APPROVED and ADOPTED** at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 16<sup>th</sup> day of April, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

\_\_\_\_\_  
Taresa Geilfuss, CMC, City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney

EXHIBITS:

- A. Watson Ranch Lot 8 VTM Conditions of Approval
- B. Master Conditions of Approval for AC-1 Portion of Watson Ranch (Resolution 2020-106)
- C. Vesting Tentative Subdivision Map for Watson Ranch Lot 8 (PL22-0024)

EXHIBIT A

SPECIFIC CONDITIONS – WATSON RANCH LOT 8 VESTING TENTATIVE MAP

Planning Conditions

APPROVAL, EXHIBITS, AND EXPIRATION

<i>Specific Condition</i>	<i>Developer Obligations</i>	<i>Mechanism</i>	<i>Implementation</i>	<i>Status</i>
1.	The Vesting Tentative Subdivision Map for Watson Ranch Phase Lot 8 (PL22-0024; APN 059-430-012 and 059-430-037) (sometimes referred to herein as “Watson Ranch Lot 8 VTM” and sometimes referred to herein as the “Project”) to subdivide Large Lot 8 (approximately) into 25 single-family house lots and 3 parcels, is approved as shown on the Vesting Tentative Map for Watson Ranch Lot 8 prepared by Carlson, Barbee & Gibson, revised through March, 2024, consisting of multiple sheets, marked “Exhibit C” to the Resolution approving Watson Ranch Lot 8 VTM, and on file in the Community Development Department. The final map for Watson Ranch Lot 8 VTM is referred to herein as the “Final Map.”	Watson Ranch Lot 8 VTM	Final Map Recordation	Applicable
2.	The Master Conditions adopted for the AC-1 Portion of the Watson Ranch Specific Plan are attached hereto and incorporated herein by this reference as if set forth herein in full, and shall apply to the Project where relevant, i.e., where such Master Conditions set general principles applicable to all Parcels comprising the AC-1 portion of the Watson Ranch Specific Plan, and/or where such Master Conditions set specific requirements relating to Lot 8, which Lot 8 comprises the land within the Watson Ranch Lot 8 VTM.	SIA (Site Improvement Agreement)	Execution of SIA	Applicable
3.	Development of the subdivision and the individual lots comprising Watson Ranch Lot 8 VTM shall be subject to the Watson Ranch Lot 10 Residential Design Guidelines, on file in the Community Development Department, because Watson Ranch Lot 8 is an extension of Watson Ranch Lot 10.	Design Guidelines	Building Permit	Applicable
4.	WATSON RANCH LOT 8 VTM shall have that life set forth in the Watson Ranch Specific Plan Development Agreement (Development Agreement).	Development Agreement	Final Map	Applicable
5.	Applicant shall defend, indemnify, and hold harmless the City of American Canyon, its elected and appointed officials, employees, volunteers, and legal counsel, as set forth in the Development Agreement.	Development Agreement	Final Map	Applicable

6.	Applicant shall be responsible for paying for charges related to the processing of WATSON RANCH LOT 8 VTM as set forth in the Development Agreement.	Development Agreement	Final Map	Applicable
7.	Compliance of the Project with City’s Inclusionary Housing Requirements is as set forth in the Development Agreement.	Development Agreement	Sale of Parcel 24 (Lemos Pointe Apartments)	Completed
8.	Applicant shall make all public dedications shown on WATSON RANCH LOT 8 VTM through the Final Map, and City shall accept those public dedications.	Final Map	Recordation	Applicable
9.	According to the Watson Ranch Specific Plan Section A.4.2.2, equal concern should be given to side elevations on corner lots and rear elevations where visible to the public. Enhanced aesthetic wrapping shall be provided for the side and rear of homes visible to the public located on Lot 1 and Lot 25. Enhanced elevations do not apply to Lots 2 to 24.	WRSP	Building Permit Issuance	Applicable
10.	Prior to the issuance of the first building permit, the applicant shall provide a landscaping plan for Parcels A, B, and C. Parcels B and C shall be designed similar to the paseo between Pewter St and Marcus Rd in Watson Ranch Lot 10.	City Standards	Building Permit Issuance	Applicable
10a.	Prior to certificate of use and occupancy for Lot 1, the applicant shall landscape Parcel A.	City Standards	Building Permit Final	Applicable

**Public Works Conditions**

**GENERAL CONDITIONS OF APPROVAL**

<i>Specific Condition</i>	<i>Developer Obligations</i>	<i>Mechanism</i>	<i>Implementation</i>	<i>Status</i>
11.	Applicant’s responsibility for fees and costs relating to Final Map check, Improvement Plans check, inspections, and all other related City acts shall be as set forth in the Development Agreement.	Development Agreement	Relevant City Act	Applicable
12.	All improvements shall be designed in accordance with the City’s American Canyon Municipal Code (ACMC), Engineering Standard Plans and Specifications for Public Improvements (City Standards), except as specifically noted otherwise in these Specific Conditions or the Development Agreement.	City Standards	Relevant SIA, Building Permits, Certificates of Occupancy	Applicable
13.	All proposed new utilities to serve the Project, both on-site and along Project frontages, shall be placed underground. Exceptions may be allowed for surface mounted transformers, pedestal mounted terminal boxes, and meter cabinets.	Specific Conditions	SIA	Applicable

14.	Unless otherwise explicitly permitted by the Development Agreement, all existing wells, septic tanks and/or underground fuel storage tanks shall be abandoned under permit and inspection of Napa County Department of Environmental Services or other designated agency. If there are none, the Project engineer shall provide a letter describing the scope of the search done to make this determination.	Development Agreement	Relevant Permit	Applicable
15.	A detailed Soils Investigation/Geotechnical Report shall be prepared and submitted for review. The report shall address, at a minimum, potential for liquefaction, R-values, expansive soils and seismic risk. The improvement plans shall incorporate all design and construction criteria recommended in the Geotechnical Report.	Specific Conditions	Improvement Plans Submittal	Applicable
16.	A Drainage Report prepared by a California Registered Civil Engineer shall be submitted for review with the initial submittal of the Improvement Plans. The Drainage Report shall include hydrologic and hydraulic calculations to support the design and sizing of all public and private drainage facilities including storm drains, detention facilities, and weirs. The report shall include hydraulic grade line profiles for all proposed storm drains for the 10-year, 25-year and 100-year storm events.	Specific Conditions	Improvement Plans Submittal	Applicable
17.	A detailed Post-Construction Stormwater Control Plan (SWCP) that identifies and sizes all permanent post-construction stormwater treatment BMPs shall be prepared and submitted for review approval. The Plan shall be prepared in accordance with the latest edition of the <i>Bay Area Stormwater Management Agencies Association (BASMAA) Post-Construction Manual</i> and the requirements of the State Water Resources Control Board Phase II Municipal Separate Storm Water System (MS4) General Permit (Order 2013-0001 DWQ).	Specific Conditions	Improvement Plans Submittal	Applicable
18.	A Post Construction Stormwater Operations and Maintenance Plan that includes a plan sheet showing all storm drain and water quality infrastructure that is to be maintained, along with detailed instructions and schedules for the ongoing maintenance and operation of all post-construction stormwater BMPs shall be submitted for review and approval by the City Engineer. Once approved, the Applicant shall enter into an agreement (transferable to future Homeowner's Association) with the City that provides the terms,	Specific Conditions	Improvement Plans Submittal	Applicable

	conditions, and security associated with the ongoing requirements of the Post Construction Stormwater Best Management Practices.			
19.	Final Maps, as defined in the Subdivision Map Act, shall be prepared by a licensed surveyor or civil engineer. Final Maps shall show all lots, parcels, rights-of-way, and easement(s), and shall be submitted to the City Engineer for review. Final Maps shall be in substantial conformance with the approved VTM WATSON RANCH LOT 10 and all applicable Conditions of Approval. Final Maps shall be approved by the City and recorded with the Napa County Recorder. Closure calculations shall be provided at the time of each initial Final Map submittal. All calculated points within the Final Maps shall be based upon one common set of coordinates. All information shown on the Final Maps shall be directly verifiable by information shown on the closure calculation printout. The point(s) of beginning shall be clearly defined. All lot acreages shall be shown on the Final Maps and shall be verifiable from information shown on the closure calculation printout. A current title report shall be submitted at the time of each initial Final Map submittal.	Specific Conditions	Final Map Approval and Recordation	Applicable
20.	Where relevant, Applicant shall secure all necessary rights-of-way and public and private easements for both onsite and offsite Public Improvements, pursuant to the Development Agreement. Public rights-of-way and easements shall be dedicated to the City on the Final Map or granted by separate instrument, all pursuant to the Development Agreement. If granted by separate instrument, Applicant shall prepare all necessary legal descriptions and deeds.	Specific Conditions	Final Map Dedication and Recordation	Applicable
21.	To the extent any offsite Public Improvements require the acquisition of property not currently owned by Applicant or the City, the Development Agreement shall apply, and if the Development Agreement does not address the issue, the California Subdivision Map Act shall apply.	Specific Conditions	Final Map Submitted	Applicable
22.	Applicant shall transmit by certified mail a copy of VTM WATSON RANCH LOT 8 (ADJUSTED PARCEL B) to each public entity or public utility that is an easement holder of record on the land comprising the Final Map.	Specific Conditions	Pre Final Map Recordation	Applicable
23.	Applicant shall submit all site Improvement Plans, prepared by a registered Civil Engineer, for review and approval of the City. Please be aware that this is separate submittal from the building permit application. The final plan set shall include all civil, landscape and	Specific Conditions	Improvement Plans Submittal	Applicable

	joint trench drawings under a single cover sheet. Applicant shall submit a Rough Grading Plan for all phases for review and approval of the City. Rough Grading Plan approval and site grading may commence prior to Improvement Plan and Final Map approval. An Encroachment Permit shall be required for any work within City right of way, unless explicitly not required by the City.			
24.	All Public Improvements, including without limitation street, water mains, sewer mains, recycled water facilities, and storm drains shall be clearly labeled as "Public" on the Improvement Plans, along with clear demarcation points where they become Public. Likewise, all Private Improvements, including without limitation, retention basins, shall be clearly labeled as "Private " on the Improvement Plans, along with clear demarcation points.	Specific Conditions	Improvement Plans Submittal	Applicable
25.	Cathodic protection shall be provided for all water valves, fittings, hydrants, meters, backflow devices and other metal appurtenances, regardless of the findings of any soils corrosivity analysis. Cathodic protection details shall be included in the Improvement Plans.	City Standards	During Construction	Applicable
26.	All public water service laterals or services (domestic, recycled and fire water) shall include approved backflow prevention devices.	City Standards	During Construction	Applicable
27.	Applicant shall keep adjoining public streets free and clean of Project dirt, mud, materials, and debris during the construction period, as is found necessary by the City Engineer.	Specific Conditions	During Construction	Applicable
28.	If any hazardous material is encountered during any construction, all construction work shall immediately stop, and the Fire Department, Napa County Department of Environmental Services, or other designated agency, and the City Inspector, shall be notified immediately. Construction work shall not recommence until clearance has been issued by appropriate agencies.	Specific Conditions	During Construction	Applicable
29.	Prior to final preparation of the subgrade and placement of base materials, all underground utilities shall be installed, and service connections stubbed out behind the sidewalk. All public utilities, cable TV, sanitary sewers, and water lines, shall be installed in a manner that, where possible, will not result in disturbing the street pavement, curbs, gutters, and sidewalks when future service connections or extensions are made.	Specific Conditions	During Construction	Applicable

30.	Where soil or geologic conditions encountered in grading operations are different from that anticipated in the soil and/or geologic investigation report, or where such conditions warrant changes to the recommendations contained in the original soil investigation, a revised soil or geologic report shall be submitted for approval by the City Engineer. Additionally, if field conditions warrant installation of any subdrains, the location, size and construction details shall be provided to the City for review and approval prior to construction.	Specific Conditions	During Construction	Applicable
31.	All new fire hydrants shall be covered with burlap coverings until the hydrants have been tested and found to be in conformance with City flow requirements. No storage of combustible materials or construction of building(s) shall be permitted on-site until all hydrants meet City flow requirements, or until alternative fire protection measures are in place, as determined by the City.	Specific Conditions	Pre- and during construction	Applicable
32.	Prior to placing the final lift of asphalt, all public storm drains and sanitary sewer lines shall be video inspected at Applicant's expense. All video tapes shall be submitted to the City. If any inadequacies are found by City, such inadequacies shall be repaired prior to the placement of the final lift of asphalt.	Specific Conditions	Prior to placing the final lift of asphalt	Applicable
33.	All streets, curbs, gutters, sidewalks, or other public facilities damaged in the course of construction associated with the Project shall be the responsibility of Applicant and shall be repaired to the satisfaction of the City, at Applicant's expense.	Specific Conditions	During and post Construction	Applicable
34.	After all of the new underground utilities within public streets have been installed, where necessary, the affected areas shall be milled and repaved to present a neat finished pavement area. Multiple trench patches are not acceptable.	Specific Conditions	SIA	Applicable
35.	All construction stormwater pollution prevention best management practices (BMP's) shall be installed as the first order of work and in accordance with the <i>State Water Resources Control Board's General Construction Permit for Stormwater Discharges Associated with Construction and Land Disturbance Activities (Order 2022-0057-DWQ)</i> and Applicant's Storm Water Pollution Prevention Plan (SWPPP). All stormwater BMP's shall be maintained to the satisfaction of the Qualified SWPPP	Specific Conditions	Pre-Construction	Applicable

	Developer (QSD), Qualified SWPPP Practitioner (QSP), and the City Engineer.			
36.	Construction and grading activities on the site shall be limited to the hours between 7:00 a.m. and 6:00 p.m., Monday through Friday, and 9:00 a.m. and 5:00 p.m. on Saturday. Work on Sunday and holidays shall require approval from the City Engineer. If Sunday and/or holiday work is approved, construction and grading activities on the site shall be limited to the hours between 10:00 a.m. and 6:00 p.m. on Sundays and State and Federal holidays.	Specific Conditions	Any Construction and Grading Activity	Applicable
37.	In accordance with the Development Agreement, City shall execute any and all Will-Serve Letter(s) and Water Supply Report(s) that will quantify the new potable water demand for the proposed development and will identify the necessary mitigation for the development's demands with "wet-water" offsets with one or more of the options set forth in the Development Agreement.	Specific Conditions	Relevant Permit	Applicable
38.	All Public Improvement landscaping shall be designed to use recycled water for irrigation. Recycled water landscaping shall be designed to comply with California Code of Regulations Title 22 and shall include design details to prevent runoff of recycled water. The irrigation system shall include an ET/SMART controller.	Specific Conditions	Improvement Plans Submittal	Applicable
39.	With the exception of water used for loading and testing of potable water lines, all construction water used for the project shall be obtained from a source other than American Canyon potable water sources. The Applicant shall provide verification that an outside source of construction water, e.g., recycled water, has been established and will be available for the duration of the project construction.	Specific Conditions	During Construction	Applicable

**SPECIAL CONDITIONS OF APPROVAL**

<i>Specific Condition</i>	<i>Developer Obligation</i>	<i>Mechanism</i>	<i>Implementation</i>	<i>Status</i>
40.	Prior to RECORDATION OF THE FINAL MAP, the Applicant shall: a. Construct all of the Public and Private Improvements to the satisfaction of the City. Alternatively, the Applicant may enter into a Subdivision Improvement Agreement with the City agreeing to complete all of the Public and Private	Specific Conditions	Final Map	Applicable

	<p>Improvements prior to Occupancy of the first unit. Such an Agreement will require the Applicant to provide bonds, proof of workers compensation insurance, and general liability insurance in the forms and amounts as deemed satisfactory to the City.</p> <p>b. Generally, in substantial conformance with that which is shown on the approved VTM WATSON RANCH LOT 8 (ADJUSTED PARCEL B), convey all easements and dedications, public and private, for the construction, use and/or maintenance of roads or other access, drainage facilities, utilities and post-construction storm water management facilities on the Final Map or by separate instruments. All dedications to the City shall be irrevocable offers of dedication. Specific public offers of dedication include:</p> <ul style="list-style-type: none"> <li>i. Approximately 243 square feet of additional right-of-way for public road and utility purposes for the Cartier Court.</li> <li>ii. Parcels B through C for public purposes.</li> <li>iii. Public utility easements (PUEs) as shown on the VTM WATSON RANCH LOT 8 (ADJUSTED PARCEL B).</li> </ul> <p>c. Furnish proof of the payment of the mapping service fee as required by Napa County Board of Supervisors Resolution No. 92-119.</p>			
41.	<p>Prior to release of Project Bonds, Applicant shall:</p> <ul style="list-style-type: none"> <li>a. Submit an inspector's punch list indicating that all of the improvements are constructed to the satisfaction of the City Engineer.</li> <li>b. Restore all adjacent off-site road surfaces to pre-Project conditions.</li> <li>c. Submit a certification by the Geotechnical Engineer of Record that all the work has been completed in substantial conformance with the recommendations in Soils Investigation/Geotechnical Report.</li> <li>d. Submit testing certification all backflow devices installed.</li> <li>e. Provide a bond and digital copy of the Improvement Plans and Rough Grading Plans that include all as-built or field changes, in digital AutoCAD (.dwg) compatible with the City's current version.</li> </ul>	Specific Condition	Prior to release of project Bonds.	Applicable

	<p>f. Provide proof that all relevant Conditions of Approval have been satisfied.</p> <p>g. Provide a letter from the Civil Engineer of Record certifying that all the site improvements were constructed in substantial conformance with the approved Improvement Plans and City Standards.</p> <p>h. Provide proof from the Architect of Record, Structural Engineer of Record and/or other design professionals who signed the building permit plan submittal indicating that all building improvements have been constructed in substantial conformance with relevant plans.</p> <p>i. Execute Post-Construction Stormwater Operations and Maintenance Agreement with the City.</p> <p>j. Enter into a Recycled Water User’s Agreement with the City.</p>			
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**Fire District Conditions**

**GENERAL - FIRE**

<b><i>Specific Condition</i></b>	<b><i>Developer Obligation</i></b>	<b><i>Mechanism</i></b>	<b><i>Implementation</i></b>	<b><i>Status</i></b>
42.	In accordance with the standard mitigation measures and conditions of approval set forth by the American Canyon Fire Protection District, the developer shall pay the Fire and Paramedic Impact Fee.	Specific Condition	Issuance of Building Permit	Applicable
43.	Fire District plan review shall be based on the information submitted at the time of permit application. Any changes to the approved/permitted scope of work including additions, alterations, demolition, repair or a change in occupancy/use may impact the Project requirements, including but not limited to the installation of additional fire protection systems or components.	Specific Condition	Relevant Permit	Applicable

**ACCESS - FIRE DEPARTMENT**

<i>Specific Condition</i>	<i>Developer Obligation</i>	<i>Mechanism</i>	<i>Implementation</i>	<i>Status</i>
44.	Fire Apparatus Access Roads shall be designed in accordance with provisions set forth in the California Fire Code Chapter 5 and Appendix D as amended by the American Canyon Fire Protection District and the applicable Public Works Standard.	Specific Condition	Pre-Construction	Applicable
45.	Fire apparatus access shall be provided to within 150 feet of the most remote portions of all buildings from an approved exterior route. The final design of fire department access components shall be reviewed and approved by the Fire Chief prior to installation.	Specific Condition	Pre-Construction	Applicable
46.	Fire apparatus access roads shall have an unobstructed minimum width of 20 feet (curb to curb) and a minimum unobstructed vertical clearance of 13' 6". They shall have an all-weather paved surface capable of supporting a GVW of 71,000 pounds.	Specific Condition	Pre-Construction	Applicable
47.	Access roads shall be completed with all-weather surfaces prior to the stockpiling of combustible materials or beginning combustible construction.	Specific Condition	Pre-Construction	Applicable
48.	When required by the chief, fire apparatus access roads shall be designated as Fire Lanes and appropriate signs and/or markings installed in accordance with the California Vehicle Code and approved City standards.	Specific Condition	Pre-Construction	Applicable

**PROTECTION - FIRE**

<i>Specific Condition</i>	<i>Developer Obligation</i>	<i>Mechanism</i>	<i>Implementation</i>	<i>Status</i>
49.	Fire Protection systems shall be installed in accordance with provisions set forth in the California Fire Code as amended by the American Canyon Fire Protection District and the applicable National Fire Protection Association Standard.	Specific Condition	Relevant Permit	Applicable
50.	Plans and calculations for all fire protection systems and features shall be submitted and approved prior to the issuance of a building permit.	Specific Condition	Building Permit	Applicable
51.	An approved water supply capable of supplying the required fire flow for fire protection systems shall be provided to all premises upon which facilities or buildings are hereby constructed or moved into or within the City. Required fire flow	Specific Condition	Relevant Permit	Applicable

	and hydrant distribution shall be in accordance with Appendix B and C of the California Fire Code.			
52.	All required inspection testing and maintenance of the water delivery system including hydrants and valves shall meet the standards adopted by the California State Fire Marshal and the American Canyon Fire Protection District including but not limited to the most current adopted editions of the California Code of Regulations Title 24, Part 9 (California Fire Code) and adopted NFPA Standards.	Specific Condition	SIA	Applicable

**CONSTRUCTION - FIRE**

<i>Specific Condition</i>	<i>Developer Obligation</i>	<i>Mechanism</i>	<i>Implementation; Parcel #</i>	<i>Status</i>
53.	New buildings and additions to existing buildings shall conform to requirements set forth in the currently adopted editions of the California Building Code, California Fire Code, city standards and nationally recognized standards.	Specific Condition	Relevant Permit	Applicable
54.	Buildings undergoing construction shall maintain fire safety at all times. Construction practices shall be in accordance with Chapter 14 of the California Fire Code. Hot work shall be performed in accordance with Chapter 26 of the California Fire Code.	Specific Condition	During Construction	Applicable

**APPLICABLE MITIGATION MEASURES FROM THE WATSON RANCH PROGRAM EIR**

Mitigation Measures with strikethrough text do not apply.

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<b>Section 4.1: Aesthetics</b>					
<p><b>Mitigation Measure 4.1-1: <del>Water Tank Visibility.</del></b> As required by the 2004 <i>Proposed Water Tanks (2) Mitigated Negative Declaration</i>, construction plans for the Zone 3 water tank shall incorporate the following mitigation:</p> <ol style="list-style-type: none"> <li><del>1. A landscaped earthen berm shall be constructed around the tank site to eliminate direct views of the water tank as much as feasible from the areas surrounding the tank site. The earthen berm shall be landscaped with trees and other vegetation suitable to the City, such as evergreen trees, to screen the water tank from surrounding areas, reduce soil erosion, and blend the berm with the surrounding vegetation.</del></li> <li><del>2. The water tank shall be painted a neutral color deemed appropriate by the City so the tank blends with the surrounding hillside vegetation as much as possible.</del></li> </ol>	Approval of water tank plans	Prior to issuance of grading permit	City of American Canyon	3/22/2024	WH
<p><b>Mitigation Measure 4.1-3: <i>Lighting Plan.</i></b> Prior to any site disturbance activities, the Project Applicant shall submit a construction lighting plan to the City for approval. The construction lighting plan shall ensure that the minimum amount of lighting is used to meet safety requirements and to ensure that limited spillover occurs to nearby sensitive uses. All lighting shall be directed downward and away from surrounding land uses.</p>	Approval of construction lighting plan	Prior to any site disturbance activities	City of American Canyon		

Section 4.2: Air Quality and Greenhouse Gas Emissions				
<p><b>Mitigation Measure 4.2-1: Construction Fugitive Dust Emissions.</b> The following Bay Area Air Quality Management District (BAAQMD) Best Management Practices (BMPs) and additional mitigation measures for fugitive dust control shall be required for all construction activities within the project area. These measures would reduce fugitive dust emissions primarily during soil movement and grading, but also during vehicle and equipment movement on unpaved project sites.</p> <p><i>Basic BMPs that Apply to All Construction Sites</i></p> <ol style="list-style-type: none"> <li>1. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.</li> <li>2. All haul trucks transporting soil, sand, or other loose material off site shall be covered.</li> <li>3. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.</li> <li>4. All vehicle speeds on unpaved roads shall be limited to 15 miles per hour (mph).</li> <li>5. All streets, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.</li> <li>6. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to five minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of CCR). Clear signage shall be provided for construction workers at all access points.</li> <li>7. All construction equipment shall be maintained and properly tuned in accordance with manufacturer’s specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.</li> </ol>	<p>Notes on construction plans; site inspections to verify BMPs are implemented</p>	<p>During construction activities</p>	<p>City of American Canyon</p>	

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p>8. A publicly visible sign shall be posted with the telephone number and person to contact regarding dust complaints. This person shall respond and take corrective action, if necessary, within 48 hours. BAAQMD's phone number shall also be visible to ensure compliance with applicable regulations.</p> <p><i>Additional BMPs that Apply to All Construction Sites</i></p> <ol style="list-style-type: none"> <li>1. All exposed surfaces shall be watered at a frequency adequate to maintain minimum soil moisture of 12 percent. Moisture content may be verified by lab samples or moisture probe.</li> <li>2. All excavation, grading, and/or demolition activities shall be suspended when average wind speeds exceed 20 mph.</li> <li>3. Wind breaks (e.g., trees, fences) shall be installed on the windward side(s) of actively disturbed areas of construction. Wind breaks shall have at maximum 50 percent air porosity.</li> <li>4. For areas that are to remain open space (e.g., not a road, building, or otherwise structurally covered area), vegetative ground cover (e.g., fast-germinating native grass seed) shall be planted in disturbed areas as soon as possible and watered appropriately until vegetation is established.</li> <li>5. All trucks and equipment, including their tires, shall be washed off prior to leaving the site.</li> <li>6. Site accesses to a distance of 100 feet from the paved road shall be treated with a 6- to 12-inch compacted layer of wood chips, mulch, or gravel.</li> <li>7. Sandbags or other erosion control measures shall be installed to prevent silt runoff to public roadways from sites with a slope greater than 1 percent.</li> </ol> <p>Before starting on-site construction activities, the contractor or Project Applicant shall submit a site-specific dust control plan (Plan) to the American Canyon Planning Division for review and approval. The Project Applicant shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall state, in reasonable detail, how the Contractor shall meet the requirements above. The Plan shall include a certification statement that the Contractor agrees to comply fully with the Plan.</p>					

<p><b>Mitigation Measure 4.2-2: Operational Emissions Reductions.</b> The total reduction in ROG and NO<sub>x</sub> emissions that would be achieved from implementation of Mitigation Measure 4.2-2a, the TDM program, and Mitigation Measure 4.2-2b, the CAP mitigation strategies, would be calculated at the time the final TDM program and CAP strategies are determined. If the ROG and NO<sub>x</sub> emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-2b are determined by a qualified air quality expert to reduce the project's emissions to below the BAAQMD operational thresholds contained in the 2017 BAAQMD CEQA Air Quality Guidelines, no further mitigation would be required. If the ROG and NO<sub>x</sub> emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-2b do not reduce the project's emissions to below the BAAQMD operational thresholds identified in the 2017 BAAQMD CEQA Air Quality Guidelines, Mitigation Measure 4.2-2c, purchase of emission offsets, would be pursued.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><del>Mitigation Measure 4.2-2a (same as Mitigation Measure 4.12-3a in Section 4.12, Transportation and Traffic): Transportation Demand Management (TDM) Program.</del> Prior to issuance of the first building permit for the non-residential use areas (i.e., Napa Valley Ruins &amp; Gardens [NVR&amp;G] and hotel), the Project Applicant shall develop a TDM program for the non-residential use areas (i.e., NVR&amp;G and hotel) and shall submit the TDM program to the City Department of Public Works for review and approval. A qualified air quality expert shall prepare a calculation of the ROG and NO<sub>x</sub> emissions reductions that would result from implementation of the TDM program. The Project Applicant shall be responsible for funding and overseeing the delivery of trip reduction/TDM proposed programs and strategies, which may include, but are not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. Establishment of carpool, buspool, or vanpool programs;</li> <li>2. Vanpool purchase incentives;</li> <li>3. Cash allowances, passes or other public transit subsidies and purchase incentives;</li> <li>4. Preferential parking locations for ridesharing vehicles;</li> </ol>	<p>Approval of TDM Program</p>	<p>Prior to issuance of first building permit for the nonresidential use area (i.e., NVR&amp;G and hotel)</p>	<p>City of American Canyon</p>	<p>3/21/2024</p>	<p>WH</p>

<ol style="list-style-type: none"> <li>5. Computerized commuter rideshare matching services;</li> <li>6. Guaranteed ride-home program for ridesharing;</li> <li>7. Bicycle programs including bike purchase incentives, storage, and maintenance programs;</li> <li>8. On-site car share and bike share service;</li> <li>9. Preparation of a Parking Management Plan to address parking accommodations for large events;</li> <li>10. Designation of an on-site transportation coordinator for the project;</li> <li>11. Transit and trip planning resources such as commute information kiosk;</li> <li>12. Employer provided showers, changing rooms, and clothing lockers for office employees that commute via active transportation;</li> <li>13. Bicycle route mapping resources;</li> <li>14. Participation in future citywide Transportation Management Association (TMA); and</li> <li>15. Submit annual reports to the City regarding TDM activities.</li> </ol>					
<p><b>Mitigation Measure 4.2-2b: Operational Emissions Reduction Strategies.</b> To reduce ROG and NO<sub>x</sub> emissions within the project site, the project shall include feasible operational emissions reduction strategies as part of its final design. The specific strategies may include, but are not limited to, the measures described below; however, other measures may be implemented:</p> <ul style="list-style-type: none"> <li>o Prior to issuance of the first building permit for each phase of the project, the Project Applicant shall develop operational emissions reduction strategies, which could include the mitigation strategies identified in <b>Table 4.2-8, Summary of Operational CAP Mitigation Strategies</b>, to provide options for reducing ROG and NO<sub>x</sub> emissions from operation of the project. The operational emissions reduction strategies shall be submitted to and approved by the City, prepared by a qualified air quality technical expert, and evaluate the emissions reduction strategies in relation to the project's emissions.</li> </ul>	<p>Recommendations from Air Quality Technical Report that identify updated project emissions calculations and feasible operational emissions reduction strategies</p>	<p>Prior to issuance of the first building permit for the project</p>	<p>City of American Canyon</p>		



Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.2-2c: <i>Purchase Emission Offsets.</i></b> Prior to the issuance of the final Certificate of Occupancy for Phase 1 or prior to the issuance of the first residential building permit in Phase 2, whichever occurs first, the Project Applicant would, partially or wholly, purchase offset credits if determined to be feasible based on information available at the time implementation would be required. To reduce ROG and NO<sub>x</sub> emissions depending on the reductions achieved through Mitigation Measure 4.2-2a and Mitigation Measure 4.2-2b, and if this mitigation is implemented.</p> <ul style="list-style-type: none"> <li>○ The Project Applicant or its designee shall pay a mitigation offset fee to the BAAQMD Bay Area Clean Air Foundation (Foundation)<sup>1</sup> in an amount to be determined at the time of the impact. The fee would offset emissions that exceed the threshold of significance after implementation of Project- Level Reduction Strategies and the TDM Program described above to the extent feasible.</li> <li>○ The Project Applicant would implement Mitigation Measure 4.2-2c through payment of a mitigation offset fee to the BAAQMD’s Foundation in an amount not to exceed \$30,000 per weighted ton per year of ozone precursors per year requiring emissions offsets plus a 5 percent administrative fee to fund one or more emissions reduction projects within the San Francisco Bay Area Air Basin (SFBAAB). The fee shall be determined by the City of American Canyon Planning Division in consultation with the Project Applicant and be based on the type of projects available at the time of the payment. The offset fee is calculated to be “roughly proportional” to the operational air quality impacts. Documentation of payment shall be provided to the City of American Canyon or its designated representative.</li> </ul> <p>The current process for payment of offset fees is detailed above. As required by this mitigation measure, payment of offset fees would proceed according to BAAQMD procedures when initiated. The Project Applicant or its designee would enter into a memorandum of understanding (MOU) with the BAAQMD’s Foundation. The MOU would include details regarding the funds to be paid, the administrative fee, and the timing of the emissions reduction project. Acceptance of this fee by the BAAQMD shall serve as an</p>	<p>Bay Area Air Quality Management District Memorandum of Understanding</p>	<p>Prior to the issuance of the final Certificate of Occupancy for Phase 1 or prior to the issuance of the first residential building permit in Phase 2, whichever occurs first</p>	<p>City of American Canyon</p>		

<sup>1</sup> More information on the Bay Area Clean Air Foundation can be found at Bay Area Air Quality Management District (BAAQMD), Bay Area Clean Air Foundation, 2015, available at <http://www.baaqmd.gov/about-the-air-district/bay-area-clean-air-foundation>.

<p>acknowledgment and commitment by the BAAQMD to (1) implement an emissions reduction project(s) within a timeframe to be determined based on the type of project(s) selected and after receipt of the mitigation fee to achieve the emission reduction objectives specified above, and (2) provide documentation to City of American Canyon or its designated representative and to the Project Applicant describing the amount of and the project(s) funded by the mitigation fee, including the amount of emissions of ROG and NO<sub>x</sub> reduced (tons per year) within SFBAAB from the emissions reduction project(s). If there is any remaining unspent portion of the mitigation offset fee following implementation of the emission reduction project(s), the Project Applicant shall be entitled to a refund in that amount from the BAAQMD. To qualify under this mitigation measure, the specific emissions retrofit project must result in emission reductions within SFBAAB that would not otherwise be achieved through compliance with existing regulatory requirements.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.2-3a: Architectural Coatings.</b> The applicant shall use low-VOC architectural coatings during construction for all buildings, which shall have VOC content that is more stringent than local requirements prescribed in Bay Area Air Quality Management District (BAAQMD) Regulation 8 Organic Compounds, Rule 3 Architectural Coatings as revised on July 1, 2009. Coatings that meet the “super-compliant” VOC standard of less than 10 grams of VOC per liter of paint would qualify.</p>	<p>Notes on construction plans indicating the use of low-VOC architectural coatings during construction of all buildings</p>	<p>Prior to issuance of building permits</p>	<p>City of American Canyon</p>		

<p><b>Mitigation Measure 4.2-3b: Tier 4 Construction Equipment.</b> To reduce construction emissions to below the 2017 BAAQMD CEQA Air Quality Guidelines, prior to start of construction activities after the occupancy of Phase 1, the Project Applicant shall submit to the City either:</p> <ul style="list-style-type: none"> <li>Documentation showing that all off-road construction equipment used prior to the start of construction activities after the occupancy of Phase 1 with greater than 25 hp and operating for more than 20 hours total over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (CARB) Tier 4 off-road emission standards.</li> </ul> <p>or,</p> <ul style="list-style-type: none"> <li>Provide supplemental analysis prepared by a qualified air quality specialist to show that emissions of ROG and NO<sub>x</sub> would not exceed the thresholds from the 2017 BAAQMD CEQA Air Quality Guidelines using other methods.</li> </ul>	<p>Documentation of compliance with the 2017 BAAQMD CEQA Air Quality Guidelines based on the type of construction equipment used or supplemental analysis prepared by a qualified air quality specialist</p>	<p>Prior to the start of construction activities after the occupancy of Phase 1</p>	<p>City of American Canyon</p>		
<p><b>Mitigation Measure 4.2-5: Construction Emissions Minimization.</b> To reduce construction emissions to below the thresholds identified in the 2017 BAAQMD CEQA Air Quality Guidelines, prior to the start of construction of each of the following—Phase 1 area south of the NVR&amp;G and the off-site Rio Del Mar roadway improvements and Phase 4—the Project Applicant shall submit to the City either:</p> <ul style="list-style-type: none"> <li>Documentation showing that all off-road construction equipment used in the southwestern portion of Phase 1 of construction (located directly south of Napa Valley Ruins &amp; Gardens), the entirety of Phase 4 of construction, and the off-site Rio Del Mar roadway improvements with greater than 25 hp and operating for more than 20 hours total over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (CARB) Tier 2 off-road emission standards and have been retrofitted with an CARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement.</li> </ul> <p>or,</p> <ul style="list-style-type: none"> <li>Provide supplemental analysis prepared by a qualified air quality specialist to show health risks at on- and off-site sensitive receptors would not exceed the thresholds from the 2017 BAAQMD CEQA Air Quality Guidelines using other methods.</li> </ul>	<p>Documentation of compliance with the 2017 BAAQMD CEQA Air Quality Guidelines based on the type of construction equipment used or supplemental analysis prepared by a qualified air quality specialist</p>	<p>Prior to the start of construction of the Phase 1 area south of the NVR&amp;G and the off-site Rio Del Mar roadway improvements and Phase 4</p>	<p>City of American Canyon</p>		

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.2-7: GHG Emissions Reductions.</b> The total reduction in GHG emissions that would be achieved from implementation of Mitigation Measure 4.2-2a, the TDM program, and Mitigation Measure 4.2-7a, the GHG reduction strategies, would be calculated at the time the final TDM program and GHG reduction strategies are determined. If the GHG emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-7a are determined by a qualified air quality expert to reduce the project’s emissions to below the operational thresholds of 2.67 MT CO<sub>2</sub>e per service population per year, no further mitigation would be required. If the GHG emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-7a do not reduce the project’s emissions to below this threshold, Mitigation Measure 4.2-7b, purchase of GHG emission offsets, would be pursued.</p>					

<p><b>Mitigation Measure 4.2-7a: GHG Reduction Strategies.</b> To reduce greenhouse gas (GHG) emissions within the project site and to maximize the project’s ability to achieve the GHG operational threshold of 2.67 MT CO<sub>2e</sub> per service population per year, the project shall include feasible operational GHG emissions reduction strategies as part of its final design. The specific strategies of the program may include, but are not limited to, the measures described below; however, other measures may be implemented:</p> <ul style="list-style-type: none"> <li>○ All development shall, at a minimum, meet the Title 24, Part 6 (2016), standards, or the most current Title 24, Part 6, standard, whichever is more conservative. All residences shall meet the anticipated 2019 Title 24 Standards to achieve Zero Net Electricity. The GHG emissions benefit from residential Zero Net Electricity was included in the unmitigated inventory.</li> <li>○ Prior to issuance of the first building permit for each phase of the project, the Project Applicant shall identify operational GHG emissions reduction strategies that could include the strategies identified in <b>Table 4.2-14, Summary of Operational GHG Mitigation Strategies</b>, which provides options for reducing GHG emissions from project operation. The operational GHG emissions reduction strategies shall be submitted to and approved by the City, developed by a qualified air quality technical expert, and evaluate the emissions reduction strategies in relation to the project’s emissions.</li> </ul>	<p>Calculations from a GHG technical expert based on specific strategies incorporated into the project</p>	<p>Prior to issuance of building permits for each phase</p>	<p>City of American Canyon</p>																		
<p><b>Table 4.2-14 Summary of Operational GHG Mitigation Strategies</b></p>																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: right;">Approximate Reduction MT CO<sub>2e</sub>/year<sup>a</sup></th> </tr> </thead> <tbody> <tr> <td>Exceed 2016 Title 24 (15%)</td> <td style="text-align: right;">354</td> </tr> <tr> <td>Exceed 2016 Title 24 (15%, electricity only, non-residential only)</td> <td style="text-align: right;">27</td> </tr> <tr> <td>High-efficiency lighting</td> <td style="text-align: right;">126</td> </tr> <tr> <td>Purchase 100% renewable electricity (non-residential benefit only, as residences assumed to achieve zero net electricity)</td> <td style="text-align: right;">709</td> </tr> <tr> <td>Zero net electricity—non-residential</td> <td style="text-align: right;">709</td> </tr> <tr> <td>Solar water heating</td> <td style="text-align: right;">317</td> </tr> <tr> <td>Solar panels</td> <td style="text-align: right;">484</td> </tr> </tbody> </table>						Description	Approximate Reduction MT CO <sub>2e</sub> /year <sup>a</sup>	Exceed 2016 Title 24 (15%)	354	Exceed 2016 Title 24 (15%, electricity only, non-residential only)	27	High-efficiency lighting	126	Purchase 100% renewable electricity (non-residential benefit only, as residences assumed to achieve zero net electricity)	709	Zero net electricity—non-residential	709	Solar water heating	317	Solar panels	484
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
Residential electric vehicles					
Non-residential EV charging (5% of spaces; 54 total)					
Preferential parking locations for ridesharing vehicles; computerized commuter rideshare matching services; and/or guaranteed ride-home program for ridesharing					
On-site car share and bike share service					
Unbundled parking; shared parking; eliminate on-street parking					
Bicycle and pedestrian network					
Reduce distance to transit station					
Expand transit coverage					
Other traffic reductions (for every 1%)					
Smart traffic signals (or traffic signal synchronization)					
Institute recycling and composting services (additional 50% diversion)					
Solar swimming pool heating					
Planting trees					
Electrify landscaping equipment					
<hr/> <p>SOURCE: Refer to Tables Ops-14 through Ops-21 in EIR Appendix B2.</p> <p>NOTE:</p> <p>a. Measures are not all additive. See detailed assumptions and magnitudes assumed for each measure in source above.</p>					

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.2-7b: Purchase GHG Emission Offsets.</b> In order to determine whether or to what extent the purchase of GHG emissions offsets is necessary to reduce greenhouse gas (GHG) emissions for each year that the GHG emissions exceed the threshold of 2.67 MT CO<sub>2</sub>e per service population per year for the lifetime of the project (assumed to be 30 years), the operational GHG emissions reduction program described above in Mitigation Measure 4.2-7a will include a plan for the purchase of GHG offsets. The amount of offsets needed will take into account the GHG emissions reductions associated with the TDM program and the operational GHG emissions reduction program. Additionally, the feasibility of offsets shall be evaluated at the time implementation would be required. If feasible, the plan shall include:</p> <ul style="list-style-type: none"> <li>○ The plan for the purchase of GHG offsets shall include timing requirements, which take into account calculations showing actual emissions of the project, which could take into account phase-in of occupancy, reductions in vehicle emissions, as well as other factors that affect emissions.</li> <li>○ GHG emission offsets could include any of the following sources: (1) the California Air Resources Board (CARB) quarterly allowance auctions held as part of its Cap-and-Trade Program; (2) the Greenhouse Gas Reduction Exchange (GHG Rx); or (3) Approved Registries recognized by the State of California, which currently include the Climate Action Reserve (CAR), American Carbon Registry (ACR), and Verra (formerly Verified Carbon Standard).</li> <li>○ The amount of offsets purchased shall depend on the cost per annual metric ton of CO<sub>2</sub>e reductions, the overall cost feasibility of this measure, which shall be determined based on information available at the time implementation would be required, and the on-site GHG reduction measures.</li> <li>○ To demonstrate compliance, the Project Applicant or its designee would provide the following documentary evidence to City’s Planning Division: An attestation from an Approved Registry or other source described above that the Project Applicant or its designee has retired a given quantity of carbon offsets. Offsets from the approved</li> </ul>	<p>Calculations from a GHG technical expert based on specific strategies incorporated into the project and, if necessary and feasible, attestation from an Approved Registry or other source described above regarding the purchase of required carbon offsets</p>	<p>Evaluated prior to issuance of building permits for each phase</p>	<p>City of American Canyon</p>		

<p>sources above satisfy defined standards and incorporate principles of GHG emissions reduction accounting. These principles ensure the offsets use relevant methodologies and assumptions, represent additional reductions that would not otherwise be achieved by law, do not double count reductions, and are enforceable.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<b>Section 4.3: Biological Resources</b>					
<p><b>Mitigation Measure 4.3-1a: Protocol-Level Surveys.</b> Prior to issuance of a grading permit, written proof shall be submitted that a qualified botanist conducted preconstruction CDFW protocol-level surveys during the appropriate blooming periods for the 19 special-status plants (listed above in Table 4.3-1, Special Status Species Potentially Occurring in the Study area) within the WRSP site, off-site water improvement area (OSWA) and other off-site areas.</p> <p>The qualified botanist shall conduct surveys to following performance standards. Typically, two surveys are required to capture the blooming periods of all the species. These surveys would be conducted in early spring between March and April and in summer between June and August to capture the flowering times of all species. Individual flowering times for these 19 species are included in the species accounts above. These surveys should be performed in compliance with CDFW (2018b) and USFWS (2002) published survey guidelines. A technical report prepared by the botanist describing the results of the survey shall be provided to the City for review and approval prior to issuance of a grading permit.</p> <p>If no special-status plants are found during focused surveys, then these plants would be assumed to be absent from the WRSP site, OSWA, and other off-site areas. The botanist would document the findings in a technical memorandum to the lead agency, as appropriate, and no further mitigation would be required. If special-status plants are found during focused surveys, Mitigation Measure 4.3-1b shall be implemented.</p>	Submittal of technical memorandum	Prior to issuance of a grading permit	City of American Canyon		
<p><b>Mitigation Measure 4.3-1b: Measures to Implement if Special-Status Plants Are Found.</b> If special-status plants are found during focused surveys, prior to issuance of a grading permit, written proof shall be submitted that the following measures were implemented:</p>	Issuance of a Biology Report and	Prior to issuance of grading permit	City of American Canyon,		

<p>a. Information regarding the special-status plant populations shall be reported to the California Natural Diversity Database (CNDDDB).</p> <p>b. The Project Applicant in consultation with City, CDFW, and/or the USFWS (as appropriate) shall assess if any individual or population can be avoided during project implementation. If any viable populations can be avoided, the avoided areas shall be clearly marked in the field by a qualified botanist and avoided during construction activities. Construction activities shall be set back a minimum of 100 feet or further in accordance with the recommendation of the qualified botanist. A qualified botanist shall monitor the avoided areas throughout the time that construction activities occur adjacent to the avoided areas where special-status plants occur and document the successful avoidance in a report to the City, and CDFW and/or the USFWS as appropriate. Before ground clearing or ground disturbance, all on-site construction personnel shall be instructed as to the species' presence and the importance of avoiding impacts to this species and its habitat.</p> <p>c. If special-status plant populations are present and cannot be avoided or are found to have been impacted by project construction and operation activities, resulting in their mortality despite implementing the avoidance measures under the preceding Item b, consultations with the CDFW and/or the USFWS shall be required. A mitigation plan to compensate for the loss of special-status plant species shall be prepared and submitted for review and approval of the CDFW or the USFWS, as applicable. This plan shall be developed by a qualified botanist in consultation with the appropriate agencies, prior to the start of local construction activities in the area where the special-status plant populations are found. The mitigation plan shall conform to the following specific performance standards. The plan shall detail appropriate replacement ratios, which shall be a minimum of 1:1 based on area and number of plants and may be increased based on the recommendation of the botanist or the relevant resource agency to achieve no net</p>	<p>Mitigation Plan, if necessary</p>		<p>CDFW, and/or USFWS, as necessary</p>		
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p>loss of habitat. The plan shall describe the location of the mitigation site, methods for implementation (e.g., construction techniques, timing and sequencing, watering, soil properties, and other necessary specifications), success criteria (e.g., minimum 75 percent plant survival after 5 years, 75 percent vegetative cover by desirable species or comparable to existing conditions, and a viable, self-sustaining plant community), monitoring and reporting protocols, and contingency measures that shall be implemented if the initial mitigation fails. The mitigation plan may include the collection of seeds, propagules, and top soils under the supervision of a qualified botanist from the WRSP site for installation at the mitigation site. The mitigation site may be located on the WRSP site or in close proximity to the WRSP site. If on-site options are not available, off-site areas may be considered if the qualified biologist in consultation and the agencies agree that potentially impacted plants can be planted and/or propagated successfully. The mitigation plan shall be submitted to the City for approval prior to the issuance of permits that would affect the special-status plant population(s).</p> <p>d. If mitigation is required for loss of special-status plant populations, the Project Applicant shall establish, maintain, and monitor the mitigation area identified in the plan for 5 years following the completion of construction and restoration activities. Annual monitoring reports shall be submitted to the City and, if required, the resource agencies at the completion of restoration and for 5 years following restoration implementation. Monitoring reports shall include photo-documentation, planting specifications, a site layout map, descriptions of materials used, and justification for any deviations from the mitigation plan.</p>					
<p><b>Mitigation Measure 4.3-1c: Biological Resources Awareness Training Program.</b> A USFWS-approved biologist shall conduct a biological resources awareness training session for all construction personnel prior to any ground-disturbing activities such as grading or vegetation removal. The performance standards for the training shall include a description of special-status species and their habitats, their status and regulatory protection, general protection measures to be implemented to protect special-status species and minimize take, and a delineation of limits of the work area as established by an approved biologist. General protection from project permits shall be included, to include construction speed limits, trash</p>	Completion of a biological resources awareness training session	Prior to any ground disturbing activities	City of American Canyon		

containment and removal, restriction of pets and firearms, and fueling setbacks from sensitive habitats.					
<p><b>Mitigation Measure 4.3-1d: <i>Preconstruction Surveys for California Red-Legged Frogs.</i></b>                  Preconstruction surveys for California red-legged frogs shall be conducted prior to grading or earth-moving activities within the WRSP site and within the OSWA to ensure project activities do not result in direct take of dispersing or entrapped California red-legged frog individuals. The performance standards for the preconstruction survey are as follows. USFWS-approved biologist shall conduct preconstruction surveys at least 24 hours prior to any grading or earth-moving activities within the WRSP site and within the OSWA. Any California red-legged frogs that are found during these surveys shall be salvaged and relocated by a USFWS-approved biologist under an incidental take permit issued by the USFWS to suitable California redlegged frog habitat as determined in coordination with USFWS and CDFW. The nearby California redlegged frog preserve, also known as the NVUSD Open Space, located to the southeast of the study area, can serve as suitable relocation habitat. All observed and relocated California red-legged frogs shall be reported to USFWS and CDFW within 5 days, and records of any special-status species or natural communities detected should be entered into the California Natural Diversity Database (CNDDDB).</p>	Submittal of documentation to verify surveys were completed and frogs relocated, if found	Prior to any ground disturbing activities	City of American Canyon, CDFW, and/or USFWS, as necessary		

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-1e: <i>Procedures if California Red-Legged Frogs Are Identified.</i></b> If individual California red-legged frogs are identified during construction activities within the WRSP or OSWA, all work within 200 feet of the frog shall immediately stop and a biologist approved by the USFWS to relocate California red-legged frogs shall be consulted immediately (see Mitigation Measure 4.3-1g for additional requirements). Work shall not commence within 200 feet of the frog’s location until an approved biologist has cleared the area of California red-legged frogs.</p>	Submittal of documentation from a qualified biologist regarding work stoppage and relocation efforts, as necessary	During construction activities	City of American Canyon and/or USFWS, as necessary		

<p><b>Mitigation Measure 4.3-1f: California Red-Legged Frog and Western Pond Turtle Exclusion Fencing.</b> Prior to any ground-disturbance activities, suitable exclusion fencing shall be installed along the outside edge of the off-site water storage tank and connecting pipeline and roadway construction footprint to ensure that western pond turtles and migrating California red-legged frogs are precluded from being able to move into designated work areas. A USFWS-approved biologist shall delineate the fence line and be present during initial installation to ensure that California red-legged frogs and western pond turtles are not trapped within the fence. This fence shall remain in good condition throughout the duration of construction activities and be checked by a USFWS-approved biological monitor. Exclusion fencing shall consist of a 3-foot wall of 0.25-inch mesh and be attached by welded galvanized wire (or equivalent USFWS-approved fencing such as Ertek™ fencing). The fence shall be buried along the bottom margin for 4 inches into the ground, or if soils are not stable, shall be landscape stapled with 7-inch staples every 3 inches along the bottom of the fence. The approximate 3 feet of fencing above the ground should be anchored to metal T-posts installed every 8 feet along the length of the fence.</p>	<p>Submittal of documentation verifying that exclusion fencing was installed and other mitigation requirements were met</p>	<p>Documentation shall be submitted prior to any ground disturbing activities within off-site water improvement area; site inspections shall occur during construction</p>	<p>City of American Canyon and/or USFWS, as necessary</p>		
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-1g: Construction Monitoring for California Red-Legged Frog.</b> A USFWS approved biologist shall monitor all construction activities within designated California red-legged frog critical habitat, which includes the entire off-site water improvement area. The following measures shall be implemented to avoid and minimize impacts to California red-legged frogs:</p> <ul style="list-style-type: none"> <li>a. During site grading and construction of the off-site water storage tank and pipeline, a biological monitor shall be on site at all times during ground-disturbing activities;</li> <li>b. A biologist approved by USFWS to relocate frogs shall be available for consultation as needed;</li> <li>c. If a California red-legged frog individual is identified, all work within 200 feet of the frog shall stop and the on-site biological monitor shall observe the frog until it has been relocated off site by a USFWS approved biologist; relocation habitat shall be determined in coordination with USFWS;</li> <li>d. In the event that red-legged frogs are identified and must be relocated, the following performance standards shall apply: <ul style="list-style-type: none"> <li>1. Capture and relocation of California red-legged frogs may only be authorized pursuant to an incidental take authorization issued by the USFWS. Project applicants shall provide the City with proof of incidental take authorization prior to any relocation of California red-legged frogs.</li> <li>2. Individuals shall only be relocated into USFWS approved locations where habitat has a full complement of existing and/or expanded habitat features that are required for the species' life history (i.e., foraging habitat, burrows, aquatic habitat, etc.);</li> <li>3. Releasing individuals into habitats, where mortality is higher than reproduction, shall be avoided; and</li> <li>4. Prevalence of disease or competition by non-native species (e.g., chytrid fungus presence in aquatic California red-legged frog habitat) shall be evaluated before animals are relocated.</li> </ul> </li> <li>e. All observed and relocated California red-legged frogs shall be reported to USFWS within 5 days.</li> </ul>	<p>Submittal of documentation to verify monitoring occurred and other mitigation requirements were met</p>	<p>During construction within off-site water improvement area</p>	<p>City of American Canyon and/or USFWS, as necessary</p>		
<p><b>Mitigation Measure 4.3-1h: Mitigation for the California Red-Legged Frog.</b> The Project Applicant shall mitigate for all permanent and temporary impacts to California red-legged</p>	<p>Compensation agreement with</p>	<p>Prior to any ground</p>	<p>City of American</p>		

<p>frog habitat in compliance with the following minimum performance standards. For the permanent loss of California red-legged frog habitat, the Project Applicant shall provide compensation with an equivalent amount of acreage at a minimum ratio of 1:1 (estimated at 309 acres), through the preservation of suitable mitigation lands approved by the USFWS and the City. The habitat mitigation may be achieved through (1) establishment of a permittee responsible habitat management lands (see discussion on AC-1's proposed Mitigation Area, Draft EIR pp. 4.3-49 and 4.3-50) or (2) purchase of credits from a USFWS-approved conservation bank such as the Ridgetop Conservation Bank near Benicia. Areas that are temporarily disturbed in the OSWA shall be reestablished to similar topographic conditions and replanted with native vegetation to mitigate temporary impacts to California red-legged frog habitat.</p> <p>Any permittee-responsible mitigation property shall be protected in perpetuity under a conservation easement (CE), management plan, habitat establishment plans, and funding mechanism approved by the City and USFWS. Funding for management shall include direct costs for initial establishment of the site, interim management, and establishment of a non-depleting endowment for the long-term maintenance, management, and monitoring of the CE.</p>	<p>USFWS, including compensatory mitigation and replanting for temporary disturbance</p>	<p>disturbing activities on the WRSP or off-site water improvement area sites</p>	<p>Canyon and/or USFWS, as necessary</p>		
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-1i: <i>Preconstruction Surveys for Western Pond Turtle.</i></b></p> <p>a. The Project Applicant shall enlist the services of a qualified biologist to conduct preconstruction surveys 14 days before and 24 hours prior to any ground-disturbing activities within 300 feet of the quarry pond or within 300 feet of drainages within the off-site water improvement area to ensure these activities do not result in direct take of western pond turtles. If western pond turtles are identified within work areas, the California Department of Fish and Wildlife (CDFW) shall be notified regarding the presence of the western pond turtles and all work shall stop until additional exclusion measures have been defined and authorization to proceed is obtained from CDFW. In general, the exclusion fencing described under Mitigation Measure 4.3-1f will provide appropriate exclusion.</p> <p>b. No person shall handle or otherwise harass any individual western pond turtle encountered during construction, with the exception of handling by the qualified biologist. If western pond turtles or their nests are observed during pre-construction surveys, a qualified biologist shall be on site to monitor construction in suitable western pond turtle habitat. Any western pond turtles found within the construction area shall be allowed to leave of its own volition, or if authorized by CDFW, western pond turtles shall be captured by a qualified biologist and relocated out of harm's way to the approved relocation sites. A plan shall be developed in consultation with and approved by CDFW to relocate the western pond turtle individuals to the nearest protected suitable pond turtle habitat. If a nest is located within a work area (typically nesting occurs between mid-June and mid-July), a qualified biologist shall delineate a 300-foot no-disturbance buffer between the nest and any areas of potential disturbance. Buffers shall be clearly marked with temporary fencing. Construction shall not be allowed to commence in the exclusion area until hatchlings have emerged from the nest, or the nest is deemed inactive by a qualified biologist. If a nest cannot be avoided, CDFW approval shall be needed to gather eggs, house them at a suitable facility for incubation, and release hatchlings into the pond or nearby creek system (Newell Creek or American Canyon Creek) as determined in coordination with CDFW.</p> <p>c. In the event that western pond turtles are identified and must be relocated, the following protocols and performance standards shall be addressed in the relocation plan:</p>	<p>Submittal of documentation to verify surveys were completed and turtles were relocated, if found</p>	<p>Prior to any ground disturbing activities near the quarry pond or drainages within the off-site water improvement area</p>	<p>City of American Canyon and/or CDFW, as necessary</p>		

<p>1. Individuals shall only be relocated into habitat that has a full complement of existing and/or expanded habitat features that are required for the species' life history (i.e., foraging habitat, aquatic habitat, basking structures, etc.);</p> <p>2. Releasing individuals into habitats, where mortality is higher than reproduction, would be avoided; and</p> <p>3. Prevalence of disease or competition by non-native species (e.g., red-eared slider [<i>Trachemys scripta elegans</i>] presence in western pond turtle habitat) shall be evaluated before animals are relocated.</p> <p>d. Information regarding western pond turtle occurrences shall be reported to the CNDDB.</p>					
<p><b>Mitigation Measure 4.3-1j: Preconstruction Surveys for Breeding Birds, Including Raptors and Tricolored Blackbird.</b> The following performance standards shall be followed:</p> <p>1. For construction activities that occur between February 1 and August 31, preconstruction breeding bird surveys shall be conducted by a qualified biologist familiar with bird behavior and knowledge of nest types prior to and within 10 days of any initial ground-disturbance activities. Surveys shall be conducted within all suitable nesting habitat within 250 feet for passerines and 0.5 mile for raptors (see additional detailed performance standards for special-status raptors in Mitigation Measures 4.3-1k and 4.3-1l,</p>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation</p>	<p>Prior to construction activities that occur between February 1 and August 31; recurring for time</p>	<p>City of American Canyon, CDFW, and/or USFWS, as necessary</p>		

	Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
					Date	Initial
2.	below), to the extent land is accessible. Raptor surveys shall include a ground survey for nesting golden eagles following USFWS guidelines. <sup>2</sup> The survey also shall include searching for ground nesting raptors, such as short-eared owl and Northern harrier, following CDFW recommendations.	requirements were met	lapses greater than 14 days between project activities			
3.	If nesting raptors are detected, the qualified biologist shall establish buffers around nests that are sufficient to ensure that breeding is not likely to be disrupted or adversely impacted by construction. Buffers around active raptor nests shall be 500 feet for non-listed raptors, unless the qualified biologist determines that larger or smaller buffers are necessary to avoid impacts to nesting raptors. Factors to be considered for determining buffer size shall include the presence of natural buffers provided by vegetation or topography; nest height; locations of foraging territory; and baseline levels of noise and human activity. Buffers shall be maintained until the qualified biologist has determined					
4.	that young have fledged and are no longer reliant upon the nest or parental care for survival.					
5.	If known nesting trees (used for raptor nesting within the last 5 years) or tricolored blackbird colony nest sites are to be removed during construction activities, removal shall take place outside of the nesting season or until the nest or colony has been determined to be inactive. The Project Applicant in consultation with the CDFW shall develop a plan to replace known nest trees at a ratio of 3:1. If replacement planting is implemented, monitoring shall be conducted annually for 5 years to assess the mitigation's effectiveness. The performance standard for the mitigation shall be 65 percent survival of all replacement plantings.					
	Construction activity, including vegetation removal within designated buffer zones, shall occur only outside the typical breeding season for raptors (September 16 to December 31), if raptors are determined to be present.  The following considerations apply to this mitigation measure:					

<sup>2</sup> Pagel, J.E., D.M. Whittington, and G.T. Allen. 2010. Interim Golden Eagle inventory and monitoring protocols; and other recommendations. Division of Migratory Bird Management, U.S. Fish and Wildlife Service.

<p>a) Survey results are valid for 14 days from the survey date. Should ground disturbance commence later than 14 days from the survey date, surveys shall be repeated. If no breeding birds are encountered, then work may proceed as planned.</p> <p>b) After commencement of work, if there is a period of no work activity of 14 days or longer during the bird breeding season, surveys shall be repeated to ensure birds have not established nests during inactivity. If new nests are encountered, buffers shall be established.</p> <p>c) Exclusion buffers sizes may vary, depending on habitat characteristics, project disturbance levels, and species, and are generally larger for raptors and colonial nesting birds. Exclusion buffers may be adjusted by a qualified biologist in coordination with USFWS and CDFW. Each exclusion buffer shall remain in place until the nest has successfully fledged or is otherwise inactive as determined by a qualified biologist.</p> <p>d) If birds establish nesting sites during work activities, it is assumed those birds are habituated to project disturbances and exclusion buffers may be adjusted by a qualified biologist. Disturbance activities within a minimum of 50 feet of the nest shall be postponed until a qualified biologist can determine to reduce the exclusion zone or the nest has successfully fledged.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial

<p><b>Mitigation Measure 4.3-1k: Preconstruction Surveys for Swainson’s Hawk, Golden Eagle, and White-Tailed Kite.</b> The following performance standards shall be followed:</p> <ol style="list-style-type: none"> <li>1. If construction activities occur between February 1 and August 31, the Project Applicant shall retain a qualified biologist to conduct surveys for Swainson’s hawk, golden eagle, and white-tailed kite in accordance with the Swainson’s Hawk Technical Advisory Committee 2000 guidelines (SHTAC 2000), or current species specific guidance. Surveys shall cover a minimum of a 0.5-mile radius around the construction area. If nesting Swainson’s hawks, golden eagle, or white-tailed kites are detected, the qualified biologist shall establish a 0.5-mile no-disturbance buffer, although buffer widths may be adjusted, consistent with the performance standards in Mitigation Measure 4.3-1j, Item 5.c. Buffers shall be maintained until the qualified biologist has determined that the young have fledged and are no longer reliant upon the nest or parental care for survival.</li> <li>2. If known nesting trees are to be removed during construction activities, removal shall take place outside of Swainson’s hawk, golden eagle, and white tailed kite nesting season and the Project Applicant shall develop a plan to replace known nest trees at a ratio of 3:1. If replacement planting is implemented, monitoring shall be conducted annually for 5 years to assess the mitigation’s effectiveness. The performance standard for the mitigation shall be 65 percent survival of all replacement plantings.</li> <li>3. In addition, the following mitigation measures shall be required to mitigate for the loss of raptor foraging habitat. The replacement ratios shall be consistent with the performance standards for Swainson’s Hawk foraging habitat, identified in the CDFW staff report Regarding Mitigation for Impacts to Swainson’s Hawk (<i>Buteo swainsoni</i>) in the Central Valley of California (1994): <ol style="list-style-type: none"> <li>a. Construction activity, including vegetation removal, shall only occur outside the typical breeding season for raptors (September 16 to December 31), if nesting raptors are determined to be present.</li> <li>b. For projects within 1 mile of an active nest tree (the Swainson’s Hawk Staff report defines an active nest tree as used during one or more of the last 5 years), the Project Applicant shall provide 1 acre of preserved Swainson’s hawk foraging habitat for each acre of development authorized (1:1 ratio).</li> <li>c. For projects within 5 miles of an active nest tree, but greater than 1 mile from the nest tree, the Project Applicant shall provide 0.75 acre of preserved Swainson’s hawk foraging habitat for each acre of development authorized (0.75:1 ratio). For projects within 10 miles of an active nest tree, but greater than 5 miles from the nest tree, the Project Applicant shall provide 0.5 acre of preserved Swainson’s hawk foraging habitat for each acre of development authorized (0.5:1 ratio).</li> </ol> </li> </ol>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>Prior to ground disturbing activities that occur between February 1 and August 31</p>	<p>City of American Canyon and/or CDFW, as necessary</p>	<p>6.1.20 22</p>	<p>WH</p>
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<p>Mitigation lands shall be protected in perpetuity under a conservation easement and include an endowment fund for long-term resource management for raptor habitat. Preservation and management of Swainson’s hawk foraging habitat under this criterion will also serve to mitigate the reduction of foraging habitat for golden eagle, white-tailed kite, and other grassland-associated raptors. The AC-1 proposed mitigation site for the California red-legged frog at the 321-acre Jaeger Conservation Area provides suitable foraging habitat mitigation (see Applicant Proposed Mitigation Area discussion above).</p>					
<p><b>Mitigation Measure 4.3-11: <i>Preconstruction Surveys for Burrowing Owls.</i></b> Burrowing owl Take Avoidance          Surveys shall be conducted according to the methodologies and performance standards prescribed by the CDFW in the 2012 <i>Staff Report on Burrowing Owl Mitigation</i> (CDFW 2012). Take Avoidance Surveys shall be conducted 14 days prior or less to initiating ground disturbance. As burrowing owls may recolonize a site after only a few days, time lapses greater than 14 days between project activities require subsequent</p>	<p>Submittal of documentation to verify that survey(s) have been conducted</p>	<p>Prior to any ground disturbing activities; recurring for time lapses greater than</p>	<p>City of American Canyon and/or</p>	<p>6.1.20 22</p>	<p>WH</p>

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p>surveys including but not limited to a final survey conducted within 24 hours prior to ground disturbance to</p> <p>a. ensure absence. The following guidelines pertain to burrowing owl surveys:                      Burrowing owl Take Avoidance Surveys shall be conducted by walking the entire WRSP site and (where possible) in accessible areas within 660 feet of the project disturbance footprint. The 660-foot buffer zone is surveyed to identify burrows and owls outside of the study area, which may be impacted by factors such as noise and vibration (heavy equipment) during project construction. Pedestrian survey transects shall be spaced to allow 100 percent visual coverage of the ground surface. The distance between transect center lines shall be 20 feet to 65 feet and shall be reduced to account for differences in terrain, vegetation density, and ground surface visibility. Poor weather may affect the surveyor’s ability to detect burrowing owls thus, avoid conducting surveys when wind speed is greater than</p> <p>b. 20 kilometers per hour and there is precipitation or dense fog. To avoid impacts to owls from surveyors, owls and/or occupied burrows shall be avoided by a minimum of 160 feet wherever practical to avoid flushing owls from occupied burrows. Disturbance to occupied burrows shall be avoided during all seasons.</p> <p>If burrowing owls are detected on the site, the following restricted activity dates and setback distances derived from the 2012 Staff Report on Burrowing Owl Mitigation (CDFW 2012), or as otherwise coordinated with the CDFW:</p> <p>c. <input type="checkbox"/> Occupied burrows shall not be disturbed during the nesting season, from February 1 through August 31;</p> <p><input type="checkbox"/> No disturbance shall occur within 50 meters (approximately 160 feet) of occupied burrows during October 16 through March 31 or within 200 meters (approximately 660 feet) April 1 through October 15;</p> <p>d. <input type="checkbox"/> No earth-moving activities or other disturbance shall occur within the aforementioned buffer zones of occupied burrows. These buffer zones shall be well-marked or fenced as well. If burrowing owls were found in the study area, a qualified biologist shall also delineate the extent of burrowing owl habitat on the site; and</p>	<p>and other mitigation requirements were met</p>	<p>14 days between project activities</p>	<p>CDFW, as necessary</p>		

<p>o Buffers may be modified by a qualified western burrowing owl biologist that is knowledgeable enough to establish buffer sizes that are commensurate with the acclimation of western burrowing owls to disturbance. These buffers if modified over that prescribed above, shall be coordinated with the CDFW.</p> <p>Finally, in accordance with the 2012 Staff Report, if burrowing owls were found nesting on site and must be passively removed in the non-nesting season (October 1 to February 1) to accommodate the project, suitable artificial burrows shall be established within appropriate habitat for western burrowing owls to minimize the potential for mortality of burrowing owls due to stress, lack of resources, or predation. The habitat enhancement plan shall be developed in coordination with the CDFW and the City of American Canyon.</p> <p>Information regarding the occurrence of burrowing owls at the WRSP site shall be reported to the CNDDDB.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-1m: Preconstruction Surveys for Callippe Silverspot Butterfly Host Plant (Johnny Jump Up).</b> Prior to construction a qualified botanist shall survey the off-site water improvement area (OSWA) for the host plant of the Callippe silverspot butterfly (Johnny jump up [<i>Viola pedunculata</i>]) during the plants blooming period of February to April in accordance with the performance standards provided in Mitigation Measures 4.3-1m through 4.3-1o. A qualified botanist is a person who has at least an undergraduate degree in entomology or a related field, has a minimum of 2 years’ field experience, and is knowledgeable of identification of adult, egg, and larval life stages of butterflies. The botanist shall clearly demarcate the boundary of Johnny jump ups where this species occurs within the proposed OSWA on project plan maps. The Project Applicant shall avoid removal and disturbance to all identified Johnny jump ups and install orange construction fencing between any identified plant populations and construction activities to ensure that construction activities do not impact any host plants and/or life stages of the Callippe</p>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>Prior to construction activities in the offsite water improvement area that occur between February and April</p>	<p>City of American Canyon</p>		

<p>silverspot butterfly. If Johnny jump up plants are not identified within the OSWA or all identified Johnny jump up plants shall be avoided and protected from project disturbance, breeding Callippe silverspot butterflies will not be impacted, and further mitigation is not needed.</p>					
<p><b>Mitigation Measure 4.3-1n: Presence Surveys for Callippe Silverspot Butterfly.</b> If Johnny jump ups are found in the area of disturbance and cannot be avoided, presence surveys for Callippe silverspot shall be conducted three times during the peak flight season in May and June the year prior to site disturbance by a qualified biologist. A qualified biologist is a person with at least an undergraduate degree in entomology or a related field with a minimum of 2 years’ field experience and who is knowledgeable of identification of adult, egg, and larval life stages of butterflies. Walking transects spaced to allow 100 percent coverage of the off-site water improvement area (OSWA) area shall be conducted during the last week of May, second week of June, and last week of June. Surveys shall be conducted during times of warm, calm weather when butterflies are most active and shall not occur during precipitation, heavy fog, or wind speeds greater than 10 mph. If any life stage of Callippe silverspot butterfly is not identified during presence surveys, it is expected the survey area does not support breeding butterflies and Johnny jump up plants may be removed by hand from construction areas within the OSWA and further mitigation is not needed.</p>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>During May and June the year prior to any ground disturbing activities in the off-site water improvement area (if Johnny jump ups are found)</p>	<p>City of American Canyon</p>		

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-1a: <i>Protocols if Callippe Silverspot Butterflies Are Found.</i></b> If any life stage of Callippe silverspot butterfly is found during presence surveys, it is expected the survey area does support breeding butterflies. Prior to issuance of a grading permit, the Project Applicant shall submit written proof that the following measures were implemented:</p> <ul style="list-style-type: none"> <li>a. Information regarding the Callippe silverspot sightings shall be reported to the CNDDB.</li> <li>b. If federally listed species are present, consultation with the USFWS shall be required to determine the need for an incidental take permit and coordinate mitigation (see Item d, below). The applicant/entity constructing the facilities in the OSWA shall provide proof to the City prior to any ground disturbance that an incidental take permit has been obtained or written correspondence from the USFWS that no incidental take permit is required.</li> <li>c. If any individual Johnny jump up plant or population can be avoided during project implementation, it shall be clearly marked in the field by a qualified botanist and avoided during construction activities. Before ground clearing or ground disturbance, all on-site construction personnel shall be instructed as to Callippe silverspot identification, this species' host plant presence and the importance of avoiding impacts to this species and its habitat.</li> <li>d. If occupied breeding habitat or nectar food sources for Callippe silverspot butterfly would be directly impacted by the project, a mitigation plan shall be developed by a qualified biologist in consultation with the USFWS prior to the start of local construction activities. The plan shall detail appropriate habitat replacement ratios, which shall be a minimum of 1:1 based on breeding habitat area and anticipated number of host plants and 3:1 for native nectar plants, location of the mitigation site, methods for implementation, success criteria, monitoring and reporting protocols, and contingency measures that shall be implemented if the initial mitigation fails. The mitigation site may be located on the WRSP site or in occupied habitat in proximity to the WRSP site. If on-site options are not available, off-site areas may be considered (e.g., Jaeger Conservation Area). The success criteria and monitoring requirements for Callippe silverspot butterfly mitigation areas shall be as described in Mitigation Measure 4.3-1b, Item c. The mitigation</li> </ul>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>Prior to issuance of grading permit for the off-site water improvement area</p>	<p>City of American Canyon</p>		

<p>plan shall include continuing presence surveys, seeding or plantings of Callippe silverspot host and nectar plants, and invasive plant species removal to enhance butterfly habitat.</p> <p>e. If mitigation is required for incidental take of Callippe silverspot butterflies or their habitat, the Project Applicant shall establish, maintain, and monitor the mitigation area identified in the plan for 5 years following the completion of construction and restoration activities. Monitoring reports shall be submitted to the USFWS at the completion of restoration and for 5 years following restoration implementation. Monitoring reports shall include photo-documentation, a site layout map, presence survey results, and justification for any deviations from the mitigation plan.</p> <p>f. In lieu of the above prescribed mitigation, requirements may be satisfied via the purchase of qualified mitigation credits or the preservation of off-site habitat in coordination with the USFWS, as appropriate.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-1p: Preconstruction Surveys and Avoidance Measures for the American Badger.</b> Performance standards for preconstruction surveys and avoidance measures for badger are:</p> <p>a. Preconstruction surveys shall be conducted for the American badger within 7 days prior to ground-disturbing activities in grassland habitats within the study area and off-site water improvement area (OSWA). Surveys shall be conducted by a qualified wildlife biologist with experience and knowledge in identifying badger burrows and include walking parallel transects looking for badger burrows and sign. Any badger burrows identified shall be mark and mapped on WRSP site maps.</p> <p>b. If active badger dens are identified within the study are or OSWA a no-work buffer of 200 feet shall be established around the den and associated occupied areas. If avoidance is not feasible, a biologist shall determine if the burrow is being used as an active maternity den through utilization of remote cameras. If young are determined to be present, the burrow shall be avoided until the young have vacated the burrow as determined by a qualified biologist. If the burrow is determined not to be an active maternity den and young are not present, in coordination with the CDFW (CDFW), a one-way eviction door shall be installed between September 1 and January 1 to passively relocate the badger and to avoid impacts during the breeding season. If the badger digs back into the burrow, CDFW staff may allow the use of live traps to relocate badgers to suitable habitat away from the area of project impact.</p> <p>c. If capture/active or passive relocation of American badgers is determined to be necessary in consultation with CDFW, the Applicant shall prepare a relocation plan for review and approval by CDFW and the City prior to any relocation. The Relocation Plan shall address measure to minimize potential for mortality due to stress, predation, or lack of available burrows. If active relocation is deemed appropriate and approved by CDFW, the relocation plan shall address the following protocols:</p> <ol style="list-style-type: none"> <li>1. Individuals shall only be actively relocated into habitat that has a full complement of existing and/or expanded habitat features that are required for the species' life history (i.e., foraging habitat, burrows, aquatic habitat, etc.);</li> <li>2. Finally, prevalence of disease or competition by non-native species shall be evaluated before animals are actively relocated; and</li> <li>3. Prevalence of disease or competition by non-native species shall be evaluated before animals are actively relocated.</li> </ol>	<p>Submittal of documentation that surveys have been conducted, and burrows have been avoided, or badgers have been relocated in coordination with CDFW</p>	<p>Prior to ground disturbing activities in grassland habitats within the WRSP site and the off-site water improvement area</p>	<p>City of American Canyon and/or CDFW, as necessary</p>		

<p><b>Mitigation Measure 4.3-2a: CDFW Streambed Alteration Agreement.</b> The Project Applicant shall be required to obtain a Lake and Streambed Alteration Agreement (LSAA) from the California Department of Fish and Wildlife (CDFW). Subject to the final terms of the LSAA, the following performance standards shall be implemented:</p> <ul style="list-style-type: none"> <li>• Construction activities and equipment staging shall be designed to avoid and minimize direct and indirect impacts to wetlands and riparian habitat;</li> <li>• Construction occurring in the vicinity of riparian areas shall be delimited with a minimum 20-foot setback to avoid intrusion of construction activities into sensitive habitat;</li> <li>• Construction areas within 500 feet of riparian habitat shall be subject to best management practices under the General National Pollutant Discharge Elimination System Permit; and</li> <li>• To offset temporary and permanent impacts to riparian habitats, mitigation at a minimum ratio of 1:1 shall be provided, or as required by the LSAA.</li> </ul>	<p>Submittal of documentation, including copy of LSAA, verifying permit has been obtained and mitigation measures have been implemented</p>	<p>Prior to construction activities</p>	<p>City of American Canyon and CDFW</p>	<p>6.1.2022</p>	<p>WH</p>
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.3-2b: Protocol-Level Surveys.</b> Prior to issuance of a grading permit, the Project Applicant shall submit written proof that a qualified biologist conducted preconstruction CDFW protocol-level surveys during the appropriate blooming periods for occurrence of sensitive natural communities, especially purple needlegrass grasslands) within the footprint of the construction activities at the WRSP site, off-site water improvement area (OSWA), and other off-site project features. These surveys should be performed in compliance with the most recent CDFW survey protocol, currently 2018. If no sensitive vegetation communities are found during focused surveys of the project footprint, then sensitive vegetation communities would be assumed to be absent from OSWA. The botanist shall document the findings in a technical memorandum to the lead agency, as appropriate, and no further mitigation would be required. If sensitive vegetation communities are found within the footprint of the project activities during focused surveys, Mitigation Measure 4.3-2c shall be implemented.</p>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>Prior to issuance of a grading permit for the off-site water improvement area</p>	<p>City of American Canyon and/or CDFW, as necessary</p>		

<p><b>Mitigation Measure 4.3-2c: Measures to Implement if Sensitive Natural Vegetation Communities Are Found.</b> If a sensitive vegetation community is found during focused surveys, prior to issuance of a grading permit, the Project Applicant shall submit written proof that the following measures were implemented in compliance with the following performance standards:</p> <ol style="list-style-type: none"> <li>a. Information regarding the sensitive vegetation community shall be reported to the CNDDDB.</li> <li>b. If any sensitive vegetation community can be avoided during project implementation, it shall be clearly marked in the field by a qualified botanist and avoided during construction activities. Before ground clearing or ground disturbance, all on-site construction personnel shall be instructed as to the community's presence and the importance of avoiding impacts to this sensitive vegetation community.</li> <li>c. If sensitive vegetation communities are present and cannot be avoided, consultations with the CDFW and/or the USFWS shall be required. A mitigation plan to compensate for the loss of the sensitive vegetation community could be required. This plan may be developed by a qualified botanist in consultation with the appropriate agencies prior to the start of local construction activities. The plan shall detail appropriate replacement ratios, which shall be a minimum of 1:1 based on area and number of plants and may be increased based on the recommendation of the botanist or the relevant resource agency to achieve no net loss of habitat. The plan shall describe the location of the mitigation site, methods for implementation (e.g., construction techniques, timing and sequencing, watering, soil properties, and other necessary specifications), success criteria (e.g., minimum 75 percent plant survival after 5 years, 75 percent vegetative cover by desirable species or comparable to existing conditions, and a viable, self-sustaining plant community), monitoring and reporting protocols, and contingency measures that shall be implemented if the initial mitigation fails. The mitigation plan may include the collection of seeds, propagules, and top soils under the supervision of a qualified botanist from the WRSP site for installation at the mitigation site. The mitigation site may be located on the WRSP site, such as within the pipeline disturbance corridor, or in close proximity to the WRSP site. If on-site options are not available, off-site areas may be considered. The mitigation plan shall be submitted to the City for approval prior to the issuance of permits that would affect the respective sensitive vegetation communities.</li> <li>d. If mitigation is required for loss of sensitive vegetation communities, the Project Applicant shall establish, maintain, and monitor the mitigation area identified in the plan for 5 years following the completion of construction and restoration activities. Annual monitoring reports shall be submitted to the City and the resource agencies at</li> </ol>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>Prior to issuance of a grading permit</p>	<p>City of American Canyon and/or CDFW, as necessary</p>	<p>6-1-2022</p>	<p>WH</p>
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<p>the completion of restoration and for 5 years following restoration implementation. Monitoring reports shall include photo documentation, planting specifications, a site layout map, descriptions of materials used, and justification for any deviations from the mitigation plan.</p>					
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<p><b>Mitigation Measure 4.3-3a: Wetlands and Other Waters Avoidance and Minimization Effects.</b> Final project design shall avoid and minimize the fill of wetlands and other waters to the greatest practicable extent. Areas that are avoided shall be subject to best management practices under the National Pollutant Discharge Elimination System Permit Construction General Permit, as described in Mitigation Measure 4.7-1. To minimize indirect effects, the Project Applicant shall design and implement a wetland management plan and stormwater management system to maintain a minimum normal inflow equivalent (roughly equivalent to the 2-year storm event) to the into each avoided wetland system. Any stormwater from impervious surfaces shall be pretreated prior discharge into the avoided wetlands. The management plan shall include a minimum 5-year monitoring plan to document performance and conditions in the avoided wetlands. The minimum performance standard shall be no reduction in avoided wetland acreage. If the project fails to achieve performance standards, remedial actions to correct deficiencies shall be implemented and additional mitigation shall be provided to offset temporal losses. The Plan shall be developed in consultation with the U.S. Army Corps of Engineers and San Francisco Bay Regional Water Quality Control Board and approved by the City.</p>	<p>Preparation and implementation of a Wetland Management Plan and Stormwater Management System</p>	<p>Prior to construction activities in areas near wetlands and other waters</p>	<p>City of American Canyon, U.S. Army Corps of Engineers, and/or San Francisco Bay Regional Water Quality Control Board, as necessary</p>	<p>6.1.2022</p>	<p>WH</p>
<p><b>Mitigation Measure 4.3-3b: Invasive Species Management.</b> Where perennial or seasonal water features are maintained outside of the quarry pond, invasive species, such as non-native fish, bullfrogs, and plants, could cause significant adverse impacts to populations of special-status species utilizing adjacent habitats and downstream reaches. To reduce these potentially significant impacts, an invasive species management plan shall be developed for seasonal wetlands, ditches, and detention basins. This plan shall include intermittent surveys for invasive species and potential actions to manage these species, such as draining basins or actively capturing bullfrogs. The plan shall also include adaptive measures to be implemented should the above actions fail to adequately manage bullfrogs and other non-native invasive species. Note: This mitigation measure does not</p>	<p>Preparation and implementation of an Invasive Species Management Plan</p>	<p>Implementation of an Invasive Specific Management Plan</p>	<p>City of American Canyon</p>		

apply to Quarry Pond, which cannot be effectively drained and cannot be effectively managed to remove invasive fish and bullfrogs without other potential significant effects.					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><del><b>Mitigation Measure 4.3-3c: Mitigation for Wetlands and Other Waters.</b></del> Where jurisdictional wetlands and other waters cannot be avoided, to offset temporary and permanent impacts that would occur as a result of the project, mitigation for preservation, restoration, and creation shall be provided through the following mechanisms and subject to the following performance standards:</p> <ol style="list-style-type: none"> <li>1. Purchase or dedication of land to provide wetland preservation, restoration or creation. If restoration is available and feasible, then a ratio of at least 2:1 shall be used. Where practical and feasible, on-site mitigation shall be implemented whenever possible.</li> <li>2. If on-site mitigation is used, a wetland mitigation and monitoring plan shall be developed by a qualified biologist in coordination with the California Department of Fish and Wildlife, U.S. Army Corps of Engineers, and/or Regional Water Quality Control Board that details mitigation and monitoring obligations for temporary and permanent impacts to wetlands and other waters as a result of construction activities. The plan shall quantify the total acreage lost to jurisdictional areas and describe mitigation ratios for lost habitat. The plan shall also include:               <ol style="list-style-type: none"> <li>a. Annual success criteria, including plant survivorship and vigor to be determined by counting individuals of each species and comparing the counts to the numbers originally planted for that species. A minimum survival rate of 75 percent of installed plants is required for all years including at least 2 years' post-irrigation;</li> <li>b. Means for controlling invasive species near plantings; and</li> <li>c. A description of mitigation areas and monitoring and reporting requirements.</li> </ol> </li> </ol>	Submittal of documents verifying restoration and compensatory mitigation has been implemented, if needed	Prior to construction activities in areas near wetlands and other waters	City of American Canyon, CDFW, U.S. Army Corps of Engineers, and/or San Francisco Regional Water quality Control Board, as necessary	6.1.2022	WH

<p>3. The mitigation and monitoring plan shall be submitted to the appropriate regulatory agencies for approval.</p> <p>If monitoring suggests that the performance standards outlined above are not being met, corrective actions shall be implemented. Possible contingency measures include, but are not limited to:</p> <ul style="list-style-type: none"><li>4. Replanting of native trees and shrubs;</li><li>5. Adjusting the quantity and timing of irrigation to develop a schedule that better meets the characteristics of the site and the needs of the plants;</li><li>6. Installing additional protective wire cages around plants to minimize damage from wildlife or other sources;</li><li>7. Incorporating additional monitoring events in an attempt to address site deficiencies proactively; or</li><li>8. Adjusting the weed maintenance methods or schedule to address specific problems that arise.</li></ul>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
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<p><b>Mitigation Measure 4.3-4: Preconstruction Surveys for Bats.</b> A qualified biologist shall conduct a passive habitat assessment for bat use and habitat a minimum of 6 months prior to project construction activities in known or potential bat roosting habitat in the ruins and trees in the WRSP area which shall conform to the performance standards below. If the habitat assessment reveals bat activity, then a qualified bat biologist shall conduct a presence absence survey during peak activity periods. Survey methods, timing, duration, and species shall be provided for review and approval by the lead agency prior to habitat disturbance. Human intrusion into an active roost could be damaging to a population, particularly during the maternity season, March 15 through September 15, when females are aggregated and rearing defenseless young. To reduce potentially significant impacts to sensitive bat species during surveys by the qualified biologist, the following shall be verified:</p> <ul style="list-style-type: none"> <li>a. Qualifications to determine adequate knowledge and experiences with the particular species for which they are surveying; and</li> <li>b. Demonstrable experience with bat surveys in specific roost types for project specific conditions. Should bat species be confirmed on site either through the habitat assessment or during surveys, then at minimum the following shall be implemented: <ul style="list-style-type: none"> <li>a. Species-specific avoidance methods to avoid disturbance;</li> <li>b. Evaluate the impact, including the length of time of disturbance, equipment noise, and the type of habitat present within the project footprint;</li> <li>c. Develop work windows for building demolition, tree trimming, or tree removal (typically August 31 through October 15 when young would be self-sufficiently volant and prior to hibernation and March 1 to April 15 to avoid hibernating or maternity colonies);</li> <li>d. Identify appropriate buffers outside of this work window;</li> <li>e. Outline specific timing of building demolition, renovation, or tree trimming or removal; and</li> <li>f. Incorporate and implement mitigation measures to offset any impacts to bat roosts on site through bat friendly design and integrated bat roost construction. When designing new or renovated buildings, architects can include safe and</li> </ul> </li> </ul>	<p>Submittal of documentation to verify that survey(s) have been conducted and other mitigation requirements were met</p>	<p>Within six month of the demolition of onsite structures</p>	<p>City of American Canyon</p>	<p>3-21-2024</p>	<p>WH</p>

<p>attractive roosting opportunities for bats such as wall cavities in buildings. This includes the construction of connected bat boxes or design of other artificial bat roost habitat in remodeled structures (see Erickson et al. 2002) to enhance roosting opportunities on structures.</p>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<b>Section 4.4: Cultural Resources</b>					
<p><b>Mitigation Measure 4.4-2: <i>Unanticipated Discovery of Archaeological Resources.</i></b> If prehistoric or historic-era archaeological resources are encountered by construction personnel during project implementation, all construction activities within 100 feet shall halt and the contractor shall notify the City of American Canyon. Prehistoric archaeological materials might include obsidian and chert flaked-stone tools (e.g., projectile points, knives, scrapers) or toolmaking debris; culturally darkened soil (“midden”) containing heat-affected rocks, artifacts, or shellfish remains; and stone milling equipment (e.g., mortars, pestles, handstones, or milling slabs); battered stone tools, such as hammerstones and pitted stones. Historic-era materials might include stone, concrete, or adobe footings and walls; filled wells or privies; and deposits of metal, glass, and/or ceramic refuse. The Project Applicant shall retain a Secretary of the Interior-qualified archaeologist to inspect the findings within 24 hours of discovery and inform the City of American Canyon. If it is determined that the project may damage a historical resource or a unique archaeological resource (as defined pursuant to CEQA and the CEQA Guidelines), construction shall cease in an area determined by the archaeologist until a mitigation plan has been prepared in accordance with PRC § 21083.2 and CEQA Guidelines § 15126.4; approved by the City; and implemented to the satisfaction of the archaeologist. In consultation with the City, the archaeologist shall determine when construction may commence. Consistent with § 15126.4(b)(3), the mitigation plan shall recommend preservation in place, as a preference, or, if preservation in place is not feasible, data recovery through excavation. If preservation in place is feasible, this may be accomplished through one of the following means: (1) modifying the construction plan to avoid the resource; (2)</p>	<p>Submit documentation of findings and mitigation plan, if resources are encountered</p>	<p>During grading activities</p>	<p>City of American Canyon</p>		

<p>incorporating the resource within open space; (3) capping and covering the resource before building appropriate facilities on the resource site; or (4) deeding resource site into a permanent conservation easement. If preservation in place is not feasible, a qualified archaeologist shall prepare and implement a detailed treatment plan to recover the scientifically consequential information from and about the resource, which shall be reviewed and approved by the City prior to any excavation at the resource site. Treatment of archaeological resources shall follow the requirements of PRC § 21083.2. Treatment for most resources shall consist of (but would not necessarily be not limited to) sample excavation, artifact collection, site documentation, and historical research, with the aim to target the recovery of important scientific data contained in the portion(s) of the significant resource to be impacted by the project. The treatment plan shall include provisions for analysis of data in a regional context, reporting of results within a timely manner, curation of artifacts and data at an approved facility, and dissemination of reports to local and state repositories, libraries, and interested professionals.</p>					
<p><b>Mitigation Measure 4.4-3: <i>Unanticipated Discovery of Paleontological Resources.</i></b> If paleontological resources, such as fossilized bone, teeth, shell, tracks, trails, casts, molds, or impressions are encountered by construction personnel during project implementation, all construction activities within 100 feet shall halt and the contractor shall notify the City of American Canyon. The Project Applicant shall retain a qualified paleontologist to inspect the findings within 24 hours of discovery. The paleontologist shall assess the nature and importance of the find and, if necessary, develop appropriate treatment measures in conformance with Society of Vertebrate Paleontology standards, and in consultation with the City of American Canyon. The Project Applicant shall implement the final treatment measures.</p>	<p>Submit documentation of findings and verification of treatment measures, if resources are encountered</p>	<p>During grading activities</p>	<p>City of American Canyon</p>		

Mitigation Measures	Method of Verification	Timing of Verification	Responsible	Verification of Completion
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			for Verification	Date	Initial
<p><b>Mitigation Measure 4.4-4: <i>Unanticipated Discovery of Human Remains.</i></b> If human remains are encountered by construction personnel during project implementation, all construction activities within 100 feet shall halt and the contractor shall notify the City of American Canyon. The City shall contact the Napa County Coroner to affirmatively indicate to the City that no investigation of the cause of death is required. The Native American Heritage Commission (NAHC) shall be contacted within 24 hours if the Coroner determines that the remains are Native American. The NAHC shall then identify the person or persons it believes to be the most likely descendant from the deceased Native American (PRC § 5097.98), who in turn shall make recommendations to the City of American Canyon for the appropriate means of treating the human remains and any associated funerary objects (CEQA Guidelines § 15064.5(d)).</p>	Submit documentation of findings and treatment measures, if remains are encountered	During grading activities	City of American Canyon		
<b>Section 4.5: Geology, Soils, and Seismicity</b>					
<p><del><b>Mitigation Measure 4.5-4: <i>Geotechnical Requirements for the Quarry Pond.</i></b></del> Prior to issuance of any building permits, the Project Applicant shall submit to the City plans that are consistent with the geotechnical recommendations of a minimum setback of 3:1 (horizontal:vertical) from the toe of the existing quarry pond bank. Any proposed plans inside of the 3:1 setback, shall be the subject of a detailed slope stability analysis by a current California registered Geotechnical Engineer or Engineering Geologist where proposed slopes must meet minimum factor of safety requirements as determined by the most recent California Building Code for both static and dynamic (earthquake) conditions. Graded cut and fill slopes over 15 feet shall be no steeper than 3:1 with slopes up to 15 feet no steeper than 2:1. Other measures, such as use of retaining walls and geogrid reinforcement or corrective grading, shall be implemented as necessary in accordance with the specific geotechnical recommendation informed by the aforementioned detailed slope stability analysis and outlined in the design level geotechnical report.</p>	Submit grading plans for Quarry Lake Pond	Prior to issuance building permits	City of American Canyon	9.15.2022	WH
<b>Section 4.6: Hazards and Hazardous Materials</b>					

<p><del><b>Mitigation Measure 4.6-1a: Evaluation for Lead-Based Paint or Coatings, Asbestos-Containing Materials, or Polychlorinated Biphenyls.</b></del> The Project Applicant shall submit documentation to the City to verify that all proposed areas for demolition or modification have been assessed by California state licensed contractors for the potential presence of lead-based paint or coatings, asbestos-containing materials, and polychlorinated biphenyl-containing equipment prior to issuance of a demolition permit.</p>	<p>Submit documentation of findings</p>	<p>Prior to demolition activities</p>	<p>City of American Canyon</p>	<p>9.15.2022</p>	<p>WH</p>
<p><b>Mitigation Measure 4.6-1b: Health and Safety Plan.</b> If the assessment required by Mitigation Measure 4.6-1a finds presence of lead-based paint, asbestos, and/or polychlorinated biphenyls, prior to any construction or demolition activities on the project site, the Project Applicant shall submit to the City for approval and shall implement a health and safety plan to protect workers from risks associated with hazardous materials during abatement, demolition or renovation of affected structures.</p>	<p>Submit and receive approval of Health and Safety Plan</p>	<p>Prior to demolition of structures containing lead-based paint, asbestos, and/or polychlorinated biphenyls</p>	<p>City of American Canyon</p>		

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.6 1c: Lead-Based Paint Removal Plan.</b> If the assessment required by Mitigation Measure 4.6-1a finds presence of lead-based paint, prior to any demolition of structures containing lead-based paint, the Project Applicant shall submit to the City for approval and shall implement a lead-based paint removal plan in accordance with City and California Code of Regulations Title 8, §§ 1532.1 et seq., requirements. The plan shall specify, but not be limited to, the following elements for implementation:</p> <ul style="list-style-type: none"> <li>• Develop a removal specification approved by a Certified Lead Project Designer;<sup>3</sup></li> <li>• Ensure that all removal workers are properly trained;</li> <li>• Contain all work areas to prohibit off-site migration of paint chip debris;</li> <li>• Remove all peeling and stratified lead-based paint on building and non-building surfaces to the degree necessary to safely and properly complete demolition activities according to recommendations of the survey. The demolition contractor shall be responsible for the proper containment and disposal of intact lead-based paint on all equipment to be cut and/or removed during the demolition;</li> <li>• Provide on-site personnel and area air monitoring during all removal activities to ensure that workers and the environment are adequately protected by the control measures used;</li> <li>• Clean-up and/or vacuum paint chips with a high efficiency particulate air (HEPA) filter;</li> <li>• Collect, segregate, and profile waste for disposal determination; or</li> <li>• Properly dispose of all waste.</li> </ul>	Submit and receive approval of LeadBased Paint Removal Plan	Prior to demolition of structures containing leadbased paint	City of American Canyon	9.15.2022	WH
<p><b>Mitigation Measure 4.6 1d: Asbestos Abatement.</b> If the assessment required by Mitigation Measure 4.6-1a finds asbestos, prior to undertaking demolition or construction activities involving asbestos disturbance, the Project Applicant shall demonstrate to the City that asbestos abatement shall be conducted by a California state licensed contractor prior to building demolition. Abatement of known or suspected asbestos-containing materials shall occur prior to demolition or construction activities that would disturb those</p>	Submit documentation that abatement has been completed	Prior to demolition of structures containing asbestos	City of American Canyon	9.15.2022	WH

<sup>3</sup> A Lead Project Designer is defined in CCR Title 17, Division 1, Chapter 8.

<p>materials. Pursuant to an asbestos abatement plan developed by a state-certified asbestos consultant and approved by the City, all asbestos-containing materials shall be removed and appropriately disposed of by a state-certified asbestos contractor in accordance with Caltrans transportation requirements and any requirements of the receiving facility.</p>					
<p><b>Mitigation Measure 4.6-1e: Polychlorinated Biphenyl Abatement.</b> If the assessment required by Mitigation Measure 4.6-1a finds polychlorinated biphenyls (PCBs), prior to undertaking demolition or construction activities that could disturb potential PCBs, the Project Applicant shall ensure that PCB abatement shall be conducted prior to building demolition or renovation. The Project Applicant shall demonstrate to the satisfaction of the City that PCBs shall be removed by a qualified contractor and transported in accordance with Caltrans requirements.</p>	<p>Submit documentation of PCB abatement</p>	<p>Prior to demolition of structures containing PCBs</p>	<p>City of American Canyon</p>	<p>9.15.2022</p>	<p>WH</p>

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.6-2a: Phase I Recommendations.</b> Prior to commencement of construction, the Project Applicant shall contract a qualified environmental consulting firm with state registered professionals (Professional Engineers or Geologists) to carry out the recommendations contained in the April 14, 2015, Phase I Environmental Site Assessment report by ENGEO Incorporated pertaining to the potential environmental concerns. The Phase I report included recommendations for collection of surface soil samples for laboratory analysis and oversight of other earthwork activities. The findings of the soil sampling effort shall be submitted to the Napa County Environmental Health Division (NCEHD) prior to initiating any earthwork activities on the project site for direction on whether any further sampling or remediation may be necessary.</p>	<p>Submit documentation that recommendations of the Phase I Environmental Site Assessment have been implemented, as necessary</p>	<p>Prior to commencement of construction</p>	<p>City of American Canyon</p>	<p>6.1.2022</p>	<p>WH</p>
<p><b>Mitigation Measure 4.6-2b: Soil Management Plan.</b> The project shall submit and obtain approval of a Soil Management Plan from the Napa County Environmental Health Division (NCEHD) prior to initiating any earthwork activities on the project site. During construction, the contractor shall cease any earthwork activities upon discovery of any suspect soils or groundwater (e.g., petroleum odor and/or discoloration) during construction in accordance with a Soil Management Plan prepared for the project by a qualified environmental consultant and approved by the NCEHD. The contractor shall notify the NCEHD upon discovery of suspect soils or groundwater and retain a qualified environmental firm to collect soil samples to confirm the level of contamination that may be present. If contamination is found to be present, any further proposed groundbreaking activities within areas of identified or suspected contamination shall be conducted according to a site specific health and safety plan, prepared by a California state licensed professional. The contractor shall follow all procedural direction given by NCEHD and in accordance with the Soil Management Plan prepared for the site to ensure that suspect soils are isolated, protected from runoff, and disposed of in accordance with transportation laws and the requirements of the licensed receiving facility.</p>	<p>Submit NCEHD-approved Soil Management Plan and Health and Safety Plan, as necessary</p>	<p>Prior to grading and during construction</p>	<p>City of American Canyon and/or Napa County Environmental Health Division, as necessary</p>	<p>6.1.2022</p>	<p>WH</p>

<p><b>Mitigation Measure 4.6-2c: Removal of Contaminated Soil or Groundwater.</b> If contaminated soil or groundwater is encountered and identified constituents exceed human health risk levels, the Project Applicant shall submit documentation to the City to verify that it has been delineated, removed, and disposed of off site in compliance with the receiving facilities’ requirements prior to construction of any building foundation.</p>	<p>Submit documentation of removal of contaminated soil or groundwater, if encountered</p>	<p>Prior to construction of any building foundation</p>	<p>City of American Canyon</p>		
<p><b>Mitigation Measure 4.6-4: Development within 50 Feet of the Pacific Gas &amp; Electric (PG&amp;E) Pipeline/Easement.</b> Prior to issuance of building or grading permits, Project Applicant shall submit documentation to the City to verify that development plans located within 50 feet of the existing PG&amp;E pipeline/easement, including utilities that may intersect the existing PG&amp;E pipeline, have been submitted to PG&amp;E Gas Transmission Integrity Management and PG&amp;E Land Development for review and approval. Project Applicant plans for all proposed improvements located within this zone shall adhere to the requirements of PG&amp;E Gas Transmission Integrity Management and PG&amp;E Land Development, including without limitation, setback requirements, depth of cover over pipeline, location of trees and maintenance requirements, minimum separation of crossing utilities, trail location, as well as any relocation requirements, if applicable.</p>	<p>Submit development plans for any activities within 50 feet of the existing PG&amp;E pipeline/easement</p>	<p>Prior to issuance of building or grading permits for any activities within 50 feet of the existing PG&amp;E pipeline/easement.</p>	<p>City of American Canyon and/or PG&amp;E, as necessary</p>		

Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<b>Section 4.7: Hydrology and Water Quality</b>					
<p><b>Mitigation Measure 4.7-1: <i>Stormwater Pollution Prevention Plan (SWPPP)</i>.</b> Prior to issuance of grading permits for the project, the Project Applicant shall submit documentation to the City to verify that a Storm Water Pollution Prevention Plan (SWPPP) has been prepared in accordance with the requirements of the statewide National Pollutant Discharge Elimination System (NPDES) Construction General Permit. The SWPPP shall be designed, without limitation, to address the following objectives: (1) all pollutants and their sources, including sources of sediment associated with construction, construction site erosion, and all other activities associated with construction activity are controlled; (2) where not otherwise required to be under a Regional Water Quality Control Board permit, all non-stormwater discharges are identified and either eliminated, controlled, or treated; (3) site best management practices (BMPs) are effective and result in the reduction or elimination of pollutants in stormwater discharges and authorized non-stormwater discharges from construction activity; and (4) stabilization BMPs are installed to reduce or eliminate pollutants after construction is completed. The SWPPP shall be prepared by a qualified SWPPP developer and included as part of construction specifications. The SWPPP shall include the minimum BMPs required for the identified Risk Level in accordance with NPDES Construction General Permit requirements. BMPs could include, but are not necessarily limited to the use of straw bales, silt fences, fiber rolls, hydroseeding, preservation of existing vegetation, straw mulch, washing of truck tires prior to exiting site, protection of existing storm drain inlets, dedicated refueling areas with secondary containment, and on-site storage of spill prevention kits. BMP implementation shall be consistent with the BMP requirements in the most recent version of the California Stormwater Quality Association Stormwater Best Management Handbook-Construction or the Caltrans <i>Stormwater Quality Handbook Construction Site BMPs Manual</i>.</p>	Submit Stormwater Pollution Prevention Plan	Prior to issuance of grading permits	City of American Canyon		

<p><b>Mitigation Measure 4.7-2: <i>Water Discharge Requirements for Dewatering.</i></b> For areas that may encounter groundwater during excavation activities, the Project Applicant shall incorporate San Francisco Regional Water Quality Control Board (SFRWQCB) discharge requirements into construction specifications for any dewatering activities that may be necessary. The Project Applicant shall provide all requested plans and protocols and incorporate any SFRWQCB additional comments or requests into project specifications for construction activities. Dewatering plans shall include, without limitation, an assessment of water quality, protocols for containment, and thresholds for discharge. No discharge of pumped water for dewatering shall occur prior to approval from SFRWQCB.</p>	<p>Submittal of dewatering plans</p>	<p>During excavation and grading activities</p>	<p>City of American Canyon</p>		
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<p><b>Mitigation Measure 4.7-3a: Post-Construction Stormwater Controls.</b> Prior to approval of tentative maps or issuance of building permits for the project, the Project Applicant shall submit documentation to the City to verify that post-construction stormwater controls have been included in the site design in accordance with the requirements of the National Pollutant Discharge Elimination System (NPDES) Phase II Small Municipal Separate Storm Sewer Systems (MS4) Permit and the Bay Area Stormwater Management Agencies Association (BASMAA) Post-Construction Manual. The Project Applicant shall prepare the final Stormwater Control Plan (SCP) and any necessary changes by the City or the SFRWQCB shall be incorporated into project design plans to ensure the required controls are in place and adhere to the requirements of the NPDES Phase II Small MS4 Permit and consistent with the BASMAA manual. At a minimum, the SCP shall demonstrate how the following measures shall be incorporated into the project:</p> <ul style="list-style-type: none"> <li>• Low-impact development (LID) site design principles (e.g., preserving natural drainage channels, treating stormwater runoff at its source rather than in downstream centralized controls);</li> <li>• Source control best management practices (BMPs) in the form of design standards and structural features for all proposed areas of development;</li> <li>• Source control BMPs for landscaped areas shall be documented in the form of a Landscape Management Plan that relies on Integrated Pest Management and also includes pesticide and fertilizer application guidelines designed to minimize any off-site discharge; and</li> <li>• Treatment control measures (e.g., bioretention, porous pavement, vegetated swales) targeting any potential pollutants such as sediment, pathogens, metals, nutrients (nitrogen and phosphorus compounds), oxygen-demanding substances, organic compounds (e.g., PCBs, pesticides), oil and grease, and trash and debris. The SCP shall demonstrate that the project has the land area available to support the proposed BMP facilities sized per the required water quality design storm.</li> </ul>	<p>Submit documentation of compliance with the NPDES Phase II Small Municipal Separate Storm Sewer Systems Permit and the Bay Area Stormwater management Agencies Association Postconstruction Manual</p>	<p>Prior to approval of tentative maps or issuance of building permits</p>	<p>City of American Canyon</p>		

<p><b>Mitigation Measure 4.7-3b: Compliance with the MS4 Permit.</b> Prior to issuance of any building permits, the Project Applicant shall submit documentation to the City to demonstrate adherence to Provision E.12.h of the Municipal Separate Storm Sewer Systems (MS4) Permit, which requires that an Operation and Maintenance Program is implemented for post-construction stormwater management features. Responsible parties and funding for long-term maintenance of all Best Management Practices (BMPs) must be specified within the Operation and Maintenance Plan. This Plan shall specify a regular inspection schedule of stormwater treatment facilities in accordance with the requirements of the National Pollutant Discharge Elimination System (NPDES) MS4 Permit. Reports documenting inspections and any remedial action conducted shall be submitted regularly to the City for review and approval.</p>	<p>Submit documentation that an Operation and Maintenance Program has been implemented for post-construction stormwater management features</p>	<p>Prior to issuance of building permits</p>	<p>City of American Canyon</p>		
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<b>Section 4.9: Noise</b>					
<p><b>Mitigation Measure 4.9-1: Construction Noise.</b> To reduce the potential for noise impacts due to construction of the project, the Project Applicant shall require construction contractors to implement the following measures:</p> <ul style="list-style-type: none"> <li>Stationary construction noise sources shall not be located within 200 feet of residence. If necessary to locate this equipment within 200 of existing residences, stationary equipment shall be shielded by temporary noise barriers or acoustic enclosures that are long and tall enough to break line of sight.</li> <li>Noise barriers or shielding shall be erected for construction work associated with on-site construction activities that involves heavy construction equipment and occurs within 200 feet of residences for an extended period of time (i.e., more than 2 weeks). The barriers shall be long enough to break line of sight and at least 8 feet in height.</li> </ul>	<p>Submit documentation verifying implementation of mitigation implementation, including construction Noise Management Plan</p>	<p>During construction activities</p>	<p>City of American Canyon</p>		

<ul style="list-style-type: none"> <li>• Equipment warm up areas and equipment storage areas shall not be located closer than 500 feet of adjacent residences.</li> <li>• All heavy construction equipment and all stationary noise sources (such as diesel generators) shall have properly functioning manufacturer-installed mufflers.</li> <li>• Stationary noise sources, such as temporary generators and pumps, shall be positioned as far from nearby receivers as possible, within temporary enclosures and shielded by barriers (which could reduce construction noise by as much as 5 dB), or other measures, to the extent feasible.</li> <li>• Use “quiet” models of air compressors and other stationary equipment where such technology exists. • Prohibit unnecessary idling of internal combustion engines.</li> <li>• To further reduce the potential for impacts, a Construction Noise Management Plan shall be prepared and shall include the following:             <ul style="list-style-type: none"> <li>○ A process by which to provide a minimum of 2 weeks’ advance notice to all residences located within 200 feet of construction activities that are expected to occur for a period of 2 weeks or longer within a defined area, including the approximate start and end dates of such activities.</li> <li>○ Signs shall be posted at all project entrances upon commencement of construction for the purposes of informing all contractors/subcontractors, their employees, agents, material haulers, and all other persons at the project of the basic requirements of Mitigation Measure 4.9-1.</li> <li>○ Publicly visible signs shall be posted on security fencing at multiple locations around the perimeter of the project construction boundary that include:                 <ul style="list-style-type: none"> <li>■ Permitted construction days and hours.</li> <li>■ A telephone number and designated person to contact for registering noise complaints. The designated person shall be available to respond to, and if necessary through complaint verification, take corrective action to ensure that noise emissions from the offending equipment or activity is addressed. Corrective action shall be applied immediately if feasible, and within no later than 48 hours after receipt of the noise complaint. The designated person shall track complaints and corrective actions taken to resolve noise complaint issues.</li> </ul> </li> </ul> </li> </ul>					
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Mitigation Measures	Method of Verification	Timing of Verification	Responsible for Verification	Verification of Completion	
				Date	Initial
<b>Section 4.12: Transportation and Traffic</b>					
<p><del>Mitigation Measure 4.12-3a (same as Mitigation Measure 4.2-2a in Section 4.2, Air Quality and Greenhouse Gas Emissions): Transportation Demand Management (TDM) Program.</del> Prior to issuance of the first building permit for the non-residential use areas (i.e., Napa Valley Ruins &amp; Gardens [NVR&amp;G] and hotel), the Project Applicant shall develop a TDM program for the non-residential use areas (i.e., NVR&amp;G and hotel) and shall submit the TDM program to the City Department of Public Works for review and approval. The Project Applicant shall be responsible for funding and overseeing the delivery of trip reduction/TDM proposed programs and strategies, which may include, but are not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. Establishment of carpool, buspool, or vanpool programs;</li> <li>2. Vanpool purchase incentives;</li> <li>3. Cash allowances, passes or other public transit subsidies and purchase incentives;</li> <li>4. Preferential parking locations for ridesharing vehicles;</li> <li>5. Computerized commuter rideshare matching services;</li> <li>6. Guaranteed ride home program for ridesharing;</li> <li>7. Bicycle programs including bike purchase incentives, storage, and maintenance programs;</li> <li>8. On-site car share and bike share service;</li> <li>9. Preparation of a Parking Management Plan to address parking accommodations for large events;</li> <li>10. Designation of an on-site transportation coordinator for the project;</li> <li>11. Transit and trip planning resources such as commute information kiosk;</li> <li>12. Employer provided showers, changing rooms, and clothing lockers for office employees that commute via active transportation;</li> <li>13. Bicycle route mapping resources;</li> <li>14. Participation in future citywide Transportation Management Association (TMA); and</li> <li>15. Submit annual reports to the City regarding TDM activities.</li> </ol>	Approval of TDM program	Prior to issuance of first building permit for the nonresidential use area (i.e., NVR&G and hotel)	City of American Canyon	3.21.2024	WH

RESOLUTION NO. 2020-106

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON APPROVING THE MASTER CONDITIONS OF APPROVAL FOR AC-1 PORTION OF WATSON RANCH**

**WHEREAS**, pursuant to Section 65300 of the State Planning and Zoning Law, the City of American Canyon (City) has adopted a General Plan to provide comprehensive long-range planning and a blueprint of the City's future form, including land use and circulation maps that specify the roadway network and the distribution of types and intensities of land; and

**WHEREAS**, the City of American Canyon General Plan land use and zoning designation for the property known as the Watson Ranch Specific Plan property is Town Center, which requires the approval of a specific plan to designate the land uses, range of residential and nonresidential densities and unified design standards within the Watson Ranch Specific Plan property; and

**WHEREAS**, on November 6, 2018, the City Council of the City of American Canyon adopted an Ordinance approving the Watson Ranch Specific Plan that provides for the development of the approximately 309-acre Watson Ranch Specific Plan site with a mixed use community component including a mixed use town center (NVRG), 1253 residential units, approximately 23 acres of improved parks, an additional 30 acres of parks, trails and open space, a 10 acre school site, roads and supporting water, wastewater, recycled water and storm drainage infrastructure; and

**WHEREAS**, on June 18, 2019, the City Council approved the Watson Ranch Specific Plan Development Agreement (Ordinance 2019-06, Agreement 2019-A107); and

**WHEREAS**, pursuant to the California Environmental Quality Act (CEQA), a final environmental impact report (Final EIR) was prepared for the Watson Ranch Specific Plan, and includes required Mitigation Measures; and

**WHEREAS**, on November 19, 2020, the City of American Canyon Planning Commission conducted a duly-noticed public hearing and unanimously recommended City Council approval of the Master Conditions of Approval for AC-1 Portion of Watson Ranch; and

**WHEREAS**, a duly-noticed public hearing was held by the City Council of the City of American Canyon on December 15, 2020 on the subject application, at which time all those in attendance were given the opportunity to speak on this proposal and to submit comments.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of American Canyon, having considered all the evidence, including any submitted by member of the public, hereby approves the Master Conditions of Approval for AC-1 Portion of Watson Ranch as attached hereto as Exhibit A.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of American Canyon, having considered all the evidence, including any submitted by member of the public, hereby makes the following findings consistent with the California Environmental Quality Act (CEQA).

**SECTION 1: Findings Regarding Environmental Review pursuant to the California Environmental Quality Act (CEQA).**

1. The City of American Canyon makes the following findings and determinations based on substantial evidence in the record as a whole pursuant to the California Environmental Quality Act (Pub. Res. Code §§ 21000 *et seq.*) and its Guidelines (California Code of Regulations, Title 14 §§ 15000, *et seq.*), as each is amended from time to time (“CEQA”).
2. Pursuant to CEQA, an Environmental Impact Report was prepared, supplemented, and certified for the Watson Ranch Project (“Project EIR”). The Project EIR considered and analyzed the significant adverse environmental impacts of, related mitigation measures for, and reasonable alternatives to, the planning, development, construction, operation, and maintenance of the proposed uses of the Property implemented through the “Project Approvals” of the “Project,” including without limitation, the General Plan Amendment, Watson Ranch Specific Plan (and related Zoning), Large Lot Vesting Tentative Map, and Development Agreement. In accordance with CEQA, City certified as legally adequate and complete the Project EIR, and approved the development allowed and approved by said existing and future Project Approvals contemplated by the Project EIR and the Development Agreement.
3. The proposed Master Conditions of Approval for AC-1 Portion of Watson Ranch is a contemplated “Project Approval” under the Project EIR and the Development Agreement. Under CEQA, a Specific Plan EIR, like the Watson Ranch Specific Plan Project EIR, is generally assumed to be used at a “development level.” *See, e.g.*, CEQA Guidelines § 15168. Under controlling CEQA law, particularly CEQA Guidelines section 15162, the legal question is whether the Project EIR, itself, needs updating (through a Subsequent or Supplemental EIR) before the City can consider and approve the Master Conditions of Approval for AC-1 Portion of Watson Ranch, or whether the Project EIR provides the appropriate CEQA compliance work for the City’s consideration and approval of the Master Conditions of Approval for AC-1 Portion of Watson Ranch. For the following reasons and findings, by law, no such Subsequent or Supplemental EIR can be required by the City, and the Project EIR provides the appropriate CEQA compliance work for the City’s consideration and approval of the Master Conditions of Approval for AC-1 Portion of Watson Ranch.

First, CEQA Guidelines section 15162 provides as follows [*City responses to the issues raised by Section 15162 are provided in bracketed, italicized text below*]:

(a) When an EIR has been certified . . . for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; [*There is no substantial evidence in the light of the whole record revealing any changes proposed in the Project, let alone changes that will involve involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The Master Conditions of Approval for AC-1 Portion of Watson Ranch implement the Watson Ranch Specific Plan Project, and no new significant environmental effects or substantial increase in the severity of previously identified significant effects not already addressed by the Project EIR will result from that implementation.*]

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR . . . due to the involvement of

new significant environmental effects or a substantial increase in the severity of previously identified significant effects. *[There is no substantial evidence in the light of the whole record revealing circumstances under which the Project is undertaken which require major revisions to the Project EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects: the Master Conditions of Approval for AC-1 Portion of Watson Ranch are anticipated by, and are the implementation of, the Watson Ranch Specific Plan Project (and Project Approvals), and no new significant environmental effects or a substantial increase in the severity of previously identified significant effects not already addressed by the Project EIR will result from that implementation.];* or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following *[There is no substantial evidence in the light of the whole record revealing any such new information of any kind has been presented]:*

(A) The project will have one or more significant effects not discussed in the previous EIR . . . *[There is no substantial evidence in the light of the whole record revealing that the Master Conditions of Approval for AC-1 Portion of Watson Ranch will have one or more significant effects not discussed in the Project EIR: Instead, the Master Conditions of Approval for AC-1 Portion of Watson Ranch are anticipated by, and are the implementation of, the Watson Ranch Specific Plan Project as fully analyzed by the Project EIR];*

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR *[There is no substantial evidence in the light of the whole record revealing that the Master Conditions of Approval for AC-1 Portion of Watson Ranch will result in a situation where significant effects previously examined in the Project EIR will be substantially more severe than shown and discussed in the Project EIR: Instead, the Master Conditions of Approval for AC-1 Portion of Watson Ranch are anticipated by, and are the implementation of, the Watson Ranch Specific Plan Project as fully analyzed by the Project EIR];*

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative *[There is no substantial evidence in the light of the whole record supporting a determination that mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the project proponents decline to adopt the mitigation measure or alternative. ];* or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative. *[There is no substantial evidence in the light of the whole record supporting a determination that mitigation measures or alternatives which are considerably different from those analyzed in the Project EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative. No such mitigation measure nor alternatives have been proposed,*

*nor are warranted, and no rejection of such mitigation measure or alternative by the project applicant has taken place.]*

Because there is no substantial evidence in the record to support any of the findings set forth in CEQA Guidelines section 15162, as a matter of law, no additional CEQA work can be required by the City relating to the City's consideration and approval of the Master Conditions of Approval for AC-1 Portion of Watson Ranch.

Second, similar to CEQA Guidelines section 15162, CEQA Guidelines section 15163 provides that a public agency may choose to prepare a "Supplement" to an EIR - rather than a "Subsequent" EIR - only if (1) any of the findings described in Section 15162 (above) would require the preparation of a Subsequent EIR, yet (2) only minor additions or changes would be necessary to make the Project EIR adequately apply to the changed situation. As stated above, because there is no substantial evidence in the record to support any of the findings set forth in CEQA Guidelines section 15162, then, as a matter of law, no finding can be made under CEQA Guidelines section 15163. Therefore, no additional CEQA work for the Master Conditions of Approval for AC-1 Portion of Watson Ranch can be required by the City.

Third; and lastly, under the Development Agreement, "to the extent permitted or required by CEQA, City shall use . . . existing environmental assessments, declarations, reports and studies as adequately addressing the environmental impacts of the Project and its Subsequent Approvals without requiring new or supplemental environmental documentation." Development Agreement § 2.04(k). Because CEQA prohibits the City from requiring additional CEQA compliance work for the Master Conditions of Approval for AC-1 Portion of Watson Ranch approvals, for the reasons discussed above, the Development Agreement likewise enforces that CEQA requirement and prohibits additional "new or supplemental environmental documentation." Development Agreement § 2.04(k).

Therefore, the City finds and determines that the Project EIR provides the appropriate CEQA compliance documentation for the City's consideration and approval of the proposed Master Conditions of Approval for AC-1 Portion of Watson Ranch.

**PASSED, APPROVED and ADOPTED** at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 15<sup>th</sup> day of December, 2020, by the following vote:

AYES: Council Members Aboudamous, Joseph, Washington, Vice Mayor Oro, Mayor Garcia  
NOES: None  
ABSTAIN: None  
ABSENT: None



Leon Garcia, Mayor

ATTEST:



Cherri Walton, Interim City Clerk

APPROVED AS TO FORM:



William D. Ross, City Attorney

EXHIBITS:

A. Master Conditions of Approval for AC-1 Portion of Watson Ranch

**MASTER CONDITIONS OF APPROVAL  
FOR AC-1 PORTION OF WATSON RANCH**

**A. MASTER CONDITIONS - GENERALLY**

<i>Master COA #</i>	<i>Developer Obligations</i>	<i>Mechanism</i>	<i>Implementation; Parcel #</i>	<i>Status</i>
1.	These Master Conditions of Approval (“Master Conditions”) adopted by the City of American Canyon (“City”) relate only to the American Canyon I, LLC portion of the City’s Watson Ranch project (“Project”). American Canyon I, LLC shall also be referred to herein as “AC-1,” “Master Developer,” “Developer,” and/or “Applicant,” and shall include successors, as explained and controlled by the Development Agreement between the City and AC-1 (“Development Agreement”). Unless otherwise defined in these Master Conditions, terms and phrases used in these Master Conditions shall have that meaning set forth in the Development Agreement. The Development Agreement, as amended over time, shall control over these Master Conditions and any subsequent “Specific Conditions,” as described herein. These Master Conditions provide certain provisions of the Development Agreement. However, regardless of whether present or not in these Master Conditions, the entire Development Agreement, as amended over time, shall apply to, and control over, these Master Conditions.	Relevant Subsequent Approvals	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable or Satisfied
2.	The Project’s “Large Lot Vesting Tentative Map” was approved and later recorded as the “Large Lot Final Map,” producing twenty four (24) lots/parcels (“Large Lot Parcels”). Each of those Large Lot Parcels will be further subdivided over time creating additional lots/parcels. These Master Conditions apply to the Project, the large Lot Parcels, and all such subsequent subdivision map approvals. The idea behind these Master Conditions is to establish a consistent set of “rules” (Conditions of Approval) that can be used throughout the implementation of the Project, thereby ensuring certainty and efficiency.	Relevant Subsequent Approvals	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
3.	These Master Conditions also express certain requirements from the Watson Ranch Specific Plan.	Relevant Subsequent Approvals	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
4.	These Master Conditions also contain the relevant Mitigation Measures relating to the Project, including without limitation, the EIR’s Mitigation Monitoring and Reporting Program, as clarified, updated and refined by these Master Conditions to reflect implementation progress.	Relevant Subsequent Approvals	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
5.	These Master Conditions also contain requirements from the City’s standard Subdivision Improvement Agreement (“SIA”) in order to streamline the future SIA process. Subsequent subdividing of the Project will involve SIAs, which SIAs will employ these Master Conditions.	SIA	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

**MASTER CONDITIONS OF APPROVAL  
FOR AC-1 PORTION OF WATSON RANCH**

<p>6.</p>	<p>In addition to these Master Conditions, “Specific Conditions of Approval” (also referred to as “Specific Conditions”) resulting from the subsequent subdivision map approvals, Design Permit/Guidelines approvals, and/or other development approvals may be drafted and imposed on a Large Lot Parcel’s subsequent development. Such Specific Conditions may stand alone and be imposed in addition to these Master Conditions, and/or may be added to these Master Conditions over time. Any and all such Specific Conditions shall be subject to and controlled by these Master Conditions, which Master Conditions shall be subject to, and controlled by, the Development Agreement. If a conflict arises between these Master Conditions, and/or any Specific Conditions and the express and/or implied provisions of the Development Agreement, as amended over time, the Development Agreement shall control.</p> <p>Where possible, these Master Conditions describe the “Mechanism” for satisfying the Master Condition (for example, subdivision map approval, adopted Design Guidelines, etc.), the “Implementation” timing of the Master Condition (for example, Building Permit issuance), and the “Status” of such Master Condition performance (whether the requirement is still “Applicable, whether it has been “Completed,” etc.). Additionally, through subsequent “mapping” of a particular Large Lot Parcel pursuant to the Subdivision Map Act, listed Master Conditions applicable to that Parcel may be further organized into relevant Phases (phased final maps) of that Parcel, if applicable.</p> <p>As used in these Master Conditions, a reference to “All” or “All Parcels” shall mean that the Master Condition is setting a general rule that applies to the development of any and all Large Lot Parcels. When these Master Conditions provide that the Master Condition in question shall apply to “Applicable Parcels,” that means that each Parcel over which the Master Backbone Infrastructure (MBI) in question lies and/or abuts (and therefore the Parcel is responsible for the “Parcel’s MBI Portion”) is one of the “Applicable Parcels.”</p>	<p>Relevant Subsequent Approvals</p>	<p>Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit</p>	<p>Applicable</p>
<p>7.</p>	<p>As used in these Master Conditions, the following definitions shall apply. “SIA” shall mean the relevant/applicable “Subdivision Improvement Agreement.” “Major Backbone Infrastructure” work or “MBI” shall have that meaning provided by the Development Agreement. “Public Improvements” work shall mean infrastructure improvements to be constructed by Developer, and then dedicated to, accepted by, and operated and maintained by, City. “Private Improvements” shall mean infrastructure improvements that shall be constructed by Developer and not be dedicated to, accepted by, and operated and maintained by, City. “Improvement Plans” shall mean those improvement plans and specifications relating to MBI, Public Improvements, and/or Private Improvements. Developer shall obtain City approval of all Improvement Plans for the relevant MBI, Public Improvements, and/or Private Improvements work. All work on the relevant MBI, Public Improvements, and/or Private Improvements shall be performed by Developer at the places, at the grades, with the materials, and in the manner as shown on the City-approved Improvement Plans. Additionally, the phrase: “Pre-Final Map, Final Map Recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit” shall mean that the timing of performance of the particular Master Condition will be satisfied at one of those performance events, as will be determined by the Subsequent Approval.</p>	<p>Relevant Subsequent Approvals</p>	<p>Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit</p>	<p>Applicable</p>

**MASTER CONDITIONS OF APPROVAL  
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8.	<p>Unless otherwise set forth in these Master Conditions, or unless otherwise agreed to by City and Developer, each Parcel shall be responsible for the entirety of the design and construction of the “Master Backbone Infrastructure” (also “MBI”) of the Public Improvement for the geographic distance of the Parcel’s entire frontage on such MBI, and/or the entire geographic distance that such MBI traverses such Parcel (“Parcel’s MBI Portion”). For example, if the MBI in question is Rio Del Mar, then the Parcel in question shall be responsible for the design and construction of all of that portion of Rio Del Mar that traverses and/or abuts such Parcel, i.e., the “Parcel’s MBI Portion.” Such Parcel MBI Portion design and construction shall be to the “ultimate design” of the MBI in question, including without limitation, ultimate width, depth, curb, gutter, sidewalk, street lighting, landscaping, etc. City, Developer, and the owner/builder of the relevant Parcel (if different than Developer) may by mutual agreement refine the requirements of this Master Condition. Therefore, if the Master Conditions provide that the Master Condition in question shall apply to “Applicable Parcels,” that means that each Parcel over which the MBI in question lies and/or abuts (and therefore the Parcel is responsible for the “Parcel’s MBI Portion”) is one of the “Applicable Parcels.” If the MBI in question traverse and/or abuts more than one Parcel, then the responsibility of each such Parcels shall be determined (“Proportional Share”) and the first Parcel (of such Parcels) to develop shall be responsible for the design and construction of all of that portion of MBI and that traverses and/or abuts such first Parcel (i.e., the “Parcel’s MBI Portion”) and such first Parcel shall have the right to secure a Reimbursement Agreement from the City so that such first Parcel is reimbursed by such other Parcels for such other Parcels’ Proportional Share at such time when such other Parcel(s) would have otherwise been responsible to provide such MBI, or at such other time/or by such means as is mutually agreed to by City and Developer.</p>	<p>Applicable Parcels  Parcel’s MBI Portion  Reimburse</p>	<p>Pre-Final Map, final map recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit</p>	<p>Applicable</p>
9.	<p>When Parcel-necessary infrastructure has not yet been brought to the physical (geographic) location of the Parcel in question to be developed (the “Relevant Parcel”), then the development of such Relevant Parcel shall require (unless otherwise agreed between City and Developer) that such Relevant Parcel shall provide and construct all of the MBI otherwise required of other Parcels (the Parcel MBI Portion of all such other Large Lot Parcels) over which the MBI is needed to traverse and/or abut in order to access the Relevant Parcel and bring and provide such Parcel-necessary infrastructure to the Relevant Parcel. In such a case, the Relevant Parcel shall have the right to secure a Reimbursement Agreement from the City so that the costs of such additional provision and construction by the Relevant Parcel of the MBI otherwise required of such other Parcels is reimbursed to the Relevant Parcel at such time as such other Parcel(s) would have otherwise been responsible to provide such infrastructure, or at such other time/or by such means as is mutually agreed to by City and Master Developer.</p>	<p>Relevant Parcels  Parcel’s MBI Portion  Reimburse</p>	<p>Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit</p>	<p>Applicable</p>
10.	<p>When a Large Lot Parcel is further subdivided, it shall have its own separate SIA and attached Exhibit(s) containing relevant Master Conditions and any other Specific Conditions, as described herein.</p>	<p>SIA</p>	<p>Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit</p>	<p>Applicable</p>

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11.	These Master Conditions apply to Developer, and Developer’s successors, as more specifically set forth in the Development Agreement, as amended over time.	Relevant Subsequent Approvals	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
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**B. MASTER CONDITIONS - SPECIFIC PLAN**

<i>Master COA #</i>	<i>Developer Obligations</i>	<i>Mechanism</i>	<i>Implementation; Parcel #</i>	<i>Status</i>
12.	PHASING OF PRIVATE DEVELOPMENT NVR&G is a development priority in the Specific Plan. Development of the NVR&G may commence pursuant to the phasing plan as part of phase 1. If not initiated during phase 1 of the residential development, the NVR&G must commence development in conjunction with the start of phase 2 of the residential development. Developer shall have the right to commence development of any portion of the NVR&G at any time provided necessary MBI and other Public Improvements are constructed and operational before or at the time of occupancy of such portion of the NVR&G.	Relevant Subsequent Approvals	Relevant Parcel	Applicable

**C. MASTER CONDITIONS – DEVELOPMENT AGREEMENT**

<i>Master COA #</i>	<i>Section and Page</i>	<i>Developer Obligations</i>	<i>Mechanism</i>	<i>Implement.</i>	<i>Status</i>
13.		The entire Development Agreement, as amended, shall apply. Any reference in these Master Conditions to “Development Agreement” shall mean the Development Agreement by and between AC-1 and City, as amended over time. The following Master Conditions provide certain terms and conditions set forth in the Development Agreement, and shall automatically be amended as the Development Agreement is amended over time. Not all Development Agreement terms and conditions are set forth below; however, all terms and conditions of the Development Agreement, as amended over time, shall nonetheless apply to the Project, the Project Approvals, these Master Conditions, and any Specific Conditions, regardless of whether or not set forth herein.	Relevant Subsequent Approvals	Pre-Final Map, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
14.	§§ 2.06 through 2.07 Page 32	As more particularly described in the Development Agreement, if chosen by Master Developer in its sole and exclusive discretion, Master Developer shall be responsible for the design and construction of the “Phase 1 Newell Drive Initial Access.” The Phase 1 Newell Drive Initial Access shall begin (commence) from the existing terminus of Newell Drive,	Relevant Subsequent Approvals  Certain proceeds	As set forth in Development Agreement (e.g., Pre-Final Map,	Applicable

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		northward to the intersection of Newell Drive and Rio Del Mar then westward on Rio Del Mar to the intersection of Rio Del Mar and Loop Road, then northward on Loop Road to include “Loop Road Segment 1,” as that term is defined in Section 2.07 of the Development Agreement, and as shown on <i>Exhibit B</i> to the Development Agreement, and <i>Exhibit A</i> to these Master Conditions.	from State of California will help fund portions of the Newell Drive Initial Access	SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit)	
15.	§ 2.06(c)(1) Page 32	As more particularly described in the Development Agreement, if chosen by Master Developer in its sole and exclusive discretion, Master Developer shall be responsible for the design and construction of the “Phase 2 Newell Drive Initial Access.” The Phase 2 Newell Drive Initial Access shall include the extension of Rolling Hills Drive from the Phase 1 terminus of Rolling Hills Drive northward to the intersection of Rolling Hills Drive and Rio Del Mar, and the extension of Loop Road from the Phase 1 terminus of Loop Road, to the northward edge of Loop Road Segment 2, as both are shown on <i>Exhibit B</i> to the Development Agreement, and <i>Exhibit A</i> to these Master Conditions.	Applicable Parcels	As set forth in Development Agreement	Applicable
16.	§ 2.06(c)(1) Page 32	As more particularly described in the Development Agreement, before the 743 <sup>rd</sup> building permit for a residential structure on the Project can be issued by the City, Developer, at Developer’s sole and exclusive discretion, shall construct one of the following roadway improvements (all shown on <i>Exhibit B</i> to the Development Agreement and <i>Exhibit A</i> to these Master Conditions.):  A. Commencing from the intersection of Loop Road and Rio Del Mar westward on Rio Del Mar to the intersection of Rio Del Mar and SR 29, as shown on Exhibit B to the Development Agreement.  B. Commencing from the intersection of Loop Road and Rio Del Mar westward on Rio Del Mar, then southward as Rio Del Mar becomes South Napa Junction, to the intersection of South Napa Junction and SR 29, as shown on <i>Exhibit B</i> to the Development Agreement, and <i>Exhibit A</i> to these Master Conditions.  Any and all affordable residential housing units built in the Watson Ranch Specific Plan shall be exempt from, and therefore shall not be included, in determining the 743 residential housing unit count or any other residential unit cap.	Applicable Parcels	As set forth in Development Agreement	Applicable
17.	§ 2.07(a) Page 34	Developer shall not be responsible for any fees and costs related to the City Attorney, and/or any City Special Legal Counsel regarding any railroad crossing, roadway, and/or other MBI.	Applicable Parcels	Pre-Final Map, SIA, Grading Permit,	Applicable

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				Construction Permit, Building Permit, Occupancy Permit	
18.	§ 2.07(c)(1) Page 34	At the time of Building Permit issuance for a “Model Plan Review” (model home plan review) residential unit, Developer shall pay to City Processing Fees in the amount designated for that size/type of model home residential unit set forth in <i>Exhibit C</i> to the Development Agreement. Said amount of Processing Fees shall be considered to be in Calendar Year 2019 dollars, and, commencing in 2020, that amount shall be increased each year by the relevant year’s percentage amount set forth in the Construction Cost Index for the San Francisco Region.	Applicable Parcels	Building Permit	Applicable
19.	§ 2.07(c)(2) Page 34	At the time of Building Permit issuance for an “After Model Plan Review” residential unit, Developer shall pay to City Processing Fees in the amount designated for that size/type of After Model Plan Review residential unit set forth in Exhibit C to the Development Agreement. Said amount of Processing Fees shall be considered to be in Calendar Year 2019 dollars, and, commencing in 2020, that amount shall be increased each year by the relevant year’s percentage amount set forth in the Construction Cost Index for the San Francisco Region.	Applicable Parcels	Building Permit	Applicable
20.	§ 2.07(c) Page 34	Processing of project approvals shall be performed pursuant to the Development Agreement.	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
21.	§ 2.07(c)(3) Pages 34-35	Developer shall pay, one or some combination of the following options, in Developer’s sole and exclusive discretion:  A. To City, those Processing Fees that at the time Processing Fees are due to City reflects the amount that City actually expends to provide such processing services, which City actual expenditures shall not include any administrative fees, charges, and/or assessments; and/or  B. To a third-party consultant (“Processing Consultant”) acceptable to City and contracted directly with Developer the amount that the Processing Consultant and Developer contract for such processing services. Should	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<p>Developer desire to contract with a particular Processing Consultant, prior to entering into such contract, Developer shall provide written notice to City at least thirty (30) days prior to Developer entering into such Processing Consultant contract (the “30-day period”), which notice to City shall address such intended contract, including without limitation, naming the intended Processing Consultant. Within thirty (30) days of receipt of such notice from Developer, City shall indicate its consent or objections, in writing. If City fails to raise objection to Developer within such 30-day period, City consent shall be deemed provided. If City raises objection to such Developer-noticed Processing Consultant within said 30-day period, then the Resolution Process set forth in the Development Agreement shall apply. City and Developer shall maintain and update a list of Processing Consultants acceptable to City. And/or,</p> <p style="padding-left: 40px;">C. To a Processing Consultant acceptable to City and contracted directly with Developer and City (a three-party agreement) the amount that the Processing Consultant and Developer contract for such processing services. Again, City and Developer shall maintain and update a list of Processing Consultants acceptable to City.</p>			
22.	§ 2.07(d) Pages 35-36	<p>In Developer’s sole and exclusive discretion, Developer shall pay Inspection Fees for residential development, MBI, in-tract infrastructure, NVRG and Hotel, and/or any other Project construction requiring inspection, in either or some combination of the following options:</p> <p style="padding-left: 40px;">1. To City, those Inspection Fees that at the time Inspection Fees are due to City reflects the amount that City actually expends to provide such inspection services, which City actual expenditures shall not include any administrative fees, charges, and/or assessments; and/or;</p> <p style="padding-left: 40px;">2. To a third-party consultant acceptable to City and contracted directly with Developer (“Inspection Consultant”) the amount that the Inspection Consultant and Developer contract for such inspection services. Should Developer desire to contract with a particular Inspection Consultant, prior to entering into such contract, Developer shall provide written notice to City at least thirty (30) days prior to Developer entering into such Inspection Consultant contract (the “30-day period”), which notice to City shall address such intended contract, including without limitation, naming the intended Inspection Consultant. Within thirty (30) days of receipt of such notice from Developer, City shall indicate its consent or objections, in writing. If City fails to raise objection to Developer within such 30-day period, City consent shall be deemed provided. If City raises objection to</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<p>such Developer-noticed Inspection Consultant within said 30-day period, then the Resolution Process set forth in the Development Agreement shall apply. City and Developer shall maintain and update a list of Inspection Consultants acceptable to City. And/or,</p> <p>3. To an Inspection Consultant acceptable to City and contracted directly with Developer and City (a three-party agreement) the amount that the Inspection Consultant and Developer contract for such inspection services. Again, City and Developer shall maintain and update a list of Inspection Consultants acceptable to City.</p>			
23.	§ 2.07(f) Page 37	<p>During the Term of the Development Agreement, Developer shall not pay any past, current and/or future City development fees, impact fees, mitigation fees and/or any and all other impact fees imposed on development in the City in any and all categories (collectively, “City Impact Fees”). Such City Impact Fees that Developer shall not pay during the Term of the Agreement include, without limitation, Civic Facility Fees, Wastewater Capacity Fees, Water Capacity Fees, Traffic Impact Fees, Parks &amp; Recreation Fees, and/or General Plan Update Fees, and any other present or future City Impact Fee imposed on development to mitigate Project impacts and provide funding for public infrastructure, services and/or facilities.</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
24.	§ 2.07(h)(1)(D) Page 39	<p>Developer shall improve and construct the relevant portions of Newell Drive, including and excluding, as follows: Newell Drive Segment 1, with the exception that the portion of such Newell Drive Segment 1 improvements located on the Newell Property that Developer shall improve and construct shall be limited to one-half (1/2) width of a typical roadway section (as shown in the Specific Plan), which provides for a single travel lane in each direction.</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
25.	§ 2.07(h)(1)(E) Page 39	<p>Developer’s commencement of Watson Ranch Specific Plan’s Phase 4 of residential development shall be conditioned upon Developer’s commencement of “Developer’s Newell Drive Obligations,” provided the relative/relevant “City Precursors” (prerequisites) to each such Developer’s Newell Drive Obligations have been satisfied by City, all as provided in the Development Agreement.</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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26.	§ 2.07(h)(1)(E) Page 40	If at Developer’s planned commencement of Watson Ranch Specific Plan’s Phase 4 of residential development, the City Precursors are not fully satisfied and in place, then Developer may commence development of the Watson Ranch Specific Plan’s Phase 4 of residential development and shall no longer be responsible for Developer’s Newell Drive Obligation. The status of the City Precursors shall be addressed in the Annual Review of the Development Agreement in order to keep the Parties apprised of status.	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
27.	§ 2.07(h)(2) Page 40	Regarding Rio Del Mar With an At-Grade Railroad Crossing. A railroad crossing at Rio Del Mar is anticipated for the Project by the General Plan and Specific Plan. The Parties generally desire that the railroad crossing at Rio Del Mar be an “at-grade” crossing. However, the Parties also recognize that time, money, and the authority of others, including without limitation governmental agencies such as the California Public Utilities Commission (“PUC”), have influence and authority over such at-grade crossing options. Further, the Parties recognize that time savings, certain Developer financial obligation reductions, and other factors may make a grade-separated crossing at Rio Del Mar more attractive and achievable. Lastly, the Parties recognize that should an at-grade or grade-separated railroad crossing at Rio Del Mar prove unsuccessful, there exists a private at-grade railroad crossing at South Napa Junction that is the subject of a previous settlement agreement. Therefore, which railroad crossing to pursue will be an evolving analysis by the Parties as they work through the many issues. At any time period during which an at-grade railroad crossing is being pursued, Developer, exercising its sole and exclusive discretion, shall have the right to assert to City that such an at-grade application should be abandoned and/or otherwise put aside and that a grade-separated railroad crossing at Rio Del Mar shall be pursued. If such an assertion is made, then such at-grade application will be abandoned and/or otherwise put aside and a grade-separated railroad crossing at Rio Del Mar shall be pursued by the Parties.	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
28.	§ 2.07(h)(2)(C) Pages 42-43	When Developer or City is required by the Development Agreement (below) to construct (or cause the financing and/or construction of) At-Grade Rio Del Mar improvements, such improvements shall be constructed and improved at such time as set forth in the Project’s relevant subdivision map approval. That being stated, general construction and improvement obligations regarding At-Grade Rio Del Mar are as follows:  i. Developer shall be responsible for the construction and improvement of At-Grade Rio Del Mar Segment	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit,	Applicable

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		<p>I at such time as set forth in the Project's relevant subdivision map approval, provided that Developer shall be reimbursed by City for Developer's full costs related to such construction and improvement of such At-Grade Rio Del Mar Segment 1, and provided that such full reimbursement by City to Developer shall occur the earlier of the following events: Within thirty (30) days of the date of the recording of any final subdivision map regarding the "Adobe Property," or within thirty (30) days of the date of the City's issuance of any Building Permit regarding the Adobe Property. For the purposes of the Development Agreement, the "Adobe Property" shall mean that property depicted on <i>Exhibit A</i> to the Development Agreement. Further, for the purposes of the Development Agreement, Developer's full costs (including without limitation, a reasonable construction management fee in an amount consistent with practices within the trades for such roadway construction, and every other task required) related to such construction and improvement of such At-Gracie Rio Del Mar Segment 1 shall be referred to as "Developer's At-Grade Rio Del Mar Segment 1 Costs";</p> <p>ii. Developer shall be responsible for the construction and improvement of At-Grade Rio Del Mar Segment 2 at such time as set forth in the Project's relevant subdivision map approval, provided that Developer shall be reimbursed by City for Developer's full costs related to such construction and improvement of such At-Grade Rio Del Mar Segment 2, with such reimbursement being a priority, and coming from funds City secures through City's imposition on other development in the City some form of fees, charges, assessments and/or other means, and further provided that such City reimbursement obligation to Developer shall continue until such time as- Developer is fully so reimbursed, or the Development Agreement's Term concludes, whichever occurs first. For the purposes of the Development Agreement, Developer's full costs related to such construction and improvement of such At-Grade Rio Del Mar Segment 2 shall be referred to as "Developer's At-Grade Rio Del Mar Segment 2 Costs";</p> <p>iii. The details of the "At-Grade Rio Del Mar Railroad Crossing Segment" are addressed in subdivision</p>		Occupancy Permit	
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		<p>(h)(4) of the Section 2.07 of the Development Agreement;</p> <p>iv. Developer shall be responsible for the construction and improvement of At-Grade Rio Del Mar Segment 3 at such time as set forth in the Project's relevant subdivision map approval;</p> <p>v. Developer shall be responsible for the construction and improvement of At-Grade Rio Del Mar Segment 4 at such time as set forth in the Project's relevant subdivision map approval; and,</p> <p>vi. Developer shall be responsible for the construction and improvement of At-Grade Rio Del Mar Segment 5 at such time as set forth in the Project's relevant subdivision map approval.</p>			
29.	<p>§ 2.07(h)(3)(B) Pages 44-45</p>	<p>It is understood by the Parties that all such right-of-way dedications shall reflect the right-of-way requirements of the General Plan and Specific Plan, and that if City is responsible for securing the dedication, that City shall secure the dedication at City's sole cost and expense and at such time as the Parties agree is necessary to ensure the absence of Developer construction delay on the Rio Del Mar Improvements. City shall coordinate the acquisition of right-of-way from the relevant property owner, with the goal being the full dedication of Grade-Separated Segment A and Grade-Separated Segment B, and Grade-Separated E at no cost to the Parties. The Parties recognize that if eminent domain or other City actions are necessary to acquire the right-of-way from the relevant property owner(s) needed for the construction of Grade-Separated Segment A, Grade-Separated Segment B, and Grade-Separated E, delays may occur and shall be allowed. Should eminent domain be required, acquisition shall be by, and at the sole and exclusive cost and expense of, City. Regarding the dedication of the relevant Segments of Grade-Separated Rio Del Mar, the following shall apply:</p> <p>i. City shall secure the dedication of Grade-Separated Rio Del Mar Segment A;</p> <p>ii. City shall secure the dedication of Grade-Separated Rio Del Mar Segment B;</p> <p>iii. The details of the "Grade-Separated Rio Del Mar Railroad Crossing Segment" are addressed below in subdivision (h)(4) of the Section 2.07 of the Development Agreement;</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<ul style="list-style-type: none"> <li>iv. Developer shall dedicate to City, upon the Project’s first recorded subdivision map (e.g., the final map relating to the Large Lot Vesting Tentative Map), Grade-Separated Rio Del Mar Segment C;</li> <li>v. Developer shall dedicate to City, upon the Project’s first recorded subdivision map (e.g., the final map relating to the Large Lot Vesting Tentative Map), Grade-Separated Rio Del Mar Segment D; and</li> <li>vi. City secured the dedication of Grade-Separated Rio Del Mar Segment E through the recordation of the Newell Parcel Map.</li> </ul>			
30.	<p>§ 2.07(h)(3)(C) Pages 45-46</p>	<p>It is understood by the Parties that when Developer or City is required by the Development Agreement (below) to construct (or cause the financing and/or construction of) Grade-Separated Rio Del Mar improvements, such improvements shall be constructed and improved at such time as set forth in the Project’s relevant subdivision map approval. That being stated, general construction and improvement obligations regarding Grade-Separated Rio Del Mar are as follows:</p> <ul style="list-style-type: none"> <li>i. Developer shall be responsible for the construction and improvement of Grade-Separated Rio Del Mar Segment A at such time as set forth in the Project’s relevant subdivision map approval, provided that the portion of the costs to Developer of constructing and improving Grade-Separated Rio Del Mar Segment A that is equal to “Developer’s At-Grade Rio Del Mar Segment 1 Costs” shall be reimbursed by City to Developer, and provided that such reimbursement by City to Developer (for the dollar amount of the portion of the costs to Developer of constructing and improving Grade-Separated Rio Del Mar Segment A that is equal to “Developer’s At-Grade Rio Del Mar Segment 1 Costs”) shall occur the earlier of the following events: Within 30 days of the date of the recording of any final subdivision map regarding the Adobe Property, or within 30 days of the date of any City issuance of any Building Permit regarding the Adobe Property.</li> <li>ii. Developer shall be responsible for the construction and improvement of Grade-Separated Rio Del Mar Segment B at such time as set forth in the Project’s relevant subdivision map approval, provided that the portion of the costs to Developer of constructing and improving Grade-Separated Rio Del Mar Segment B that is equal to “Developer’s At-Grade Rio Del Mar</li> </ul>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<p>Segment 2 Costs” shall be reimbursed by City to Developer, and provided that such reimbursement by City to Developer (for the dollar amount of the portion of the costs to Developer of constructing and improving Grade-Separated Rio Del Mar Segment B that is equal to “Developer’s At-Grade Rio Del Mar Segment 2 Costs”) shall be a priority, and shall come from funds City secures through City’s imposition on other development in the City some form of fees, charges, assessments and/or other means, and further provided that such City reimbursement obligation to Developer shall continue until such time as Developer is fully so reimbursed, or the Development Agreement’s Term concludes, whichever occurs first.</p> <p>iii. The details of the “Grade-Separated Rio Del Mar Railroad Crossing Segment” are addressed in the Development Agreement;</p> <p>iv. Developer shall be responsible for the construction and improvement of Grade-Separated Rio Del Mar Segment C at such time as set forth in the Project’s relevant subdivision map approval;</p> <p>v. Developer shall be responsible for the construction and improvement of Grade-Separated Rio Del Mar Segment D at such time as set forth in the Project’s relevant subdivision map approval; and</p> <p>vi. Developer shall be responsible for the construction and improvement of Grade-Separated Rio Del Mar Segment E at such time as set forth in the Project’s relevant subdivision map approval.</p>			
31.	<p>§ 2.07(h)(3)(E) Page 47</p>	<p>It is understood by the Parties that right-of-way dedications shall reflect the right-of-way requirements of the General Plan and Specific Plan, and that if City is responsible for securing the dedication under the Development Agreement, that City shall secure the dedication at City’s sole cost and expense and at such time as the Parties agree is necessary to ensure the absence of Developer construction delay on South Napa Junction. City shall coordinate the acquisition of right-of-way from the relevant property owner, with the goal being the full dedication of South Napa Junction Segment 1 and/or South Napa Junction Segment 2 at no cost to the Parties. The Parties recognize that if <i>eminent domain</i> or other City actions are necessary to acquire the right-of-way from the relevant property owner(s) needed for the construction South Napa Junction Segment 1 and/or South Napa Junction Segment 2,</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<p>delays may occur and shall be allowed. Should <i>eminent domain</i> be required, acquisition shall be by, and at the sole and exclusive cost and expense of, City. Regarding the dedication of the relevant Segments of South Napa Junction, the following shall apply:</p> <p style="padding-left: 40px;">i. City shall secure the dedication of South Napa Junction Segment 1;</p> <p style="padding-left: 40px;">ii. City shall secure the dedication of South Napa Junction Segment 2;</p> <p style="padding-left: 40px;">iii. The details of the “South Napa Junction Railroad Crossing” are addressed in subdivision (h)(4) of the Section 2.07 of the Development Agreement;</p> <p style="padding-left: 40px;">The details of the “South Napa Junction Railroad Crossing” are addressed in subdivision (h)(4) of the Section 2.07 of the Development Agreement.</p>			
32.	<p>§ 2.07(h)(3)(F) Page 48</p>	<p>General construction and improvement obligations regarding South Napa Junction are as follows:</p> <p style="padding-left: 40px;">i. Developer shall be responsible for the construction and improvement of South Napa Junction Segment 1 at such time as set forth in the Project’s relevant subdivision map approval, provided that Developer shall be reimbursed by City for Developer’s full costs related to such construction and improvement of such South Napa Junction Segment 1, and provided that such full reimbursement by City to Developer shall occur the earlier of the following events: The recording of any final subdivision map regarding the “Adobe Property,” or the City issuance of any Building Permit regarding the Adobe Property. For the purposes of the Development Agreement, the “Adobe Property” shall mean that property depicted on <i>Exhibit A</i> to the Development Agreement. Further, for the purposes of the Development Agreement, Developer’s full costs related to such construction and improvement of such South Napa Junction Segment 1 shall be referred to as “Developer’s South Napa Junction Segment 1 Costs”;</p> <p style="padding-left: 40px;">ii. Developer shall be responsible for the construction and improvement of South Napa Junction Segment 2 at such time as set forth in the Project’s relevant subdivision map approval, provided that Developer shall be reimbursed by City for Developer’s full costs related to such construction and improvement of such South Napa Junction Segment 2, with such reimbursement being a priority, and coming from funds City secures through City’s imposition on other development in the City some form of fees, charges, assessments and/or other means, and further provided that such</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<p>City reimbursement obligation to Developer shall continue until such time as Developer is fully so reimbursed, or the Development Agreement’s Term concludes, whichever occurs first;</p> <p>iii. The details of the “South Napa Junction Railroad Crossing” are addressed in subdivision (h)(4) of the Section 2.07 of the Development Agreement;</p> <p>iv. Developer shall be responsible for the construction and improvement of South Napa Junction Segment 3 at such time as set forth in the Project’s relevant subdivision map approval;</p> <p>v. Developer shall be responsible for the construction and improvement of South Napa Junction Segment 4 at such time as set forth in the Project’s relevant subdivision map approval; and,</p> <p>vi. Developer shall be responsible for the construction and improvement of South Napa Junction Segment 5 at such time as set forth in the Project’s relevant subdivision map approval.</p>			
33.	§ 2.07(h)(4)(B)  Page 49	<p>City shall be responsible for making any and all application(s) to such relevant public agencies including without limitation the PUC for any and all such rail crossing(s), and Developer shall be responsible for coordinating and paying for the consultants needed to support that effort. Developer shall be responsible for all City Staff costs and fees relating to whichever/all railroad crossings pursued, which City Staff costs and fees reflect the amount that City actually expends for such City Staff costs and fees, which City actual expenditures shall not include any administrative fees, charges, and/or assessments; Developer shall not be responsible for the City costs and fees relating to the City Attorney, and any additional City-hired special legal counsel, regarding whichever/all railroad crossings are pursued.</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
34.	§ 2.07(h)(4)(C)  Pages 49-50	<p>If Developer, in its sole and exclusive discretion, determines to pursue the At-Grade Railroad Crossing, then the following shall apply:</p> <p>i. Developer shall provide City written notice that Developer has determined to pursue the At-Grade Railroad Crossing; and</p> <p>ii. Developer shall be responsible for the costs and fees related to such At-Grade Railroad Crossing Segment. Developer shall be responsible for all costs related to the SR 29/Rio Del Mar Tie-in, up to a maximum of \$2.5 million. Any amount beyond such \$2.5 million shall be subject to the “Resolution Process” requirements of Section 2.03 of the Development Agreement, where the Parties will endeavor to resolve the amount in excess of \$2.5 million dollars. City shall</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		<p>be responsible for making application to all relevant public agencies - including without limitation, the California Department of Transportation (“CalTrans”) - to secure encroachment Permits required to build that SR 29 Tie-In Developer decides to pursue (either the SR 29/Rio Del Mar Tie-In or the SR 29/South Napa Junction Tie-In). Developer shall be responsible for the costs and fees related to such City cooperation, coordination and application, including the costs and fees related to City Staff, which City Staff costs and fees reflect the amount that City actually expends for such City Staff costs and fees, which City actual expenditures shall not include any administrative fees, charges, and/or assessments; time; however, Developer shall not be responsible for any costs and fees relating to the City Attorney and/or Special Counsel hired by City to assist. Developer shall be reimbursed by City for Developer’s costs (up to a maximum of \$2.5 million - any amount beyond such \$2.5 million shall be subject to the “Resolution Process” requirements of Section 2.03 of the Development Agreement) related to such construction and improvement of such SR 29/Rio Del Mar Tie-in in two ways: First, the first fifty percent (50%) of Developer’s costs related to such construction and improvement of such SR 29/Rio Del Mar Tie-shall be reimbursed by City to Developer at the earlier of the following events: Within 30 days of the date of the recording of any final subdivision map regarding the Adobe Property, or within 30 days of the date of City’s issuance of any Building Permit regarding the Adobe Property; and Second, the second and final 50% of Developer’s costs related to such construction and improvement of such SR 29/Rio Del Mar Tie-shall be reimbursed by City to Developer, with such reimbursement being given priority, and such reimbursement coming from funds City secures through City’s imposition on other development in the City some form of fees, charges, assessments and/or other means, and further provided that such City reimbursement obligation to Developer shall continue until such time as Developer is fully so reimbursed, or the Development Agreement’s Term concludes, whichever occurs first.</p>			
35.	<p>§ 2.07(h)(2)(D) Pages 50-51</p>	<p>If Developer, in its sole and exclusive discretion, determines to pursue the Grade-Separated Railroad Crossing, then the following shall apply:</p> <ul style="list-style-type: none"> <li>i. Developer shall provide City written notice that Developer has determined to pursue the Grade-Separated Crossing at Rio Del Mar.</li> <li>ii. Developer shall be responsible for all costs and fees related to the Grade-Separated Railroad Crossing Segment, including the costs and fees related to City Staff time, which City Staff time costs and fees reflect the amount that City</li> </ul>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		actually expends for such City Staff costs and fees, which City actual expenditures shall not include any administrative fees, charges, and/or assessments; however, Developer shall not be responsible for any costs and fees relating to the City Attorney and/or Special Counsel hired by City to assist.			
36.	§ 2.07(h)(2)(E) Pages 51-52	<p>If neither the At-Grade Railroad Crossing Segment nor the Grade-Separated Railroad Crossing Segment is pursued by Developer and/or either or both are pursued but denied by the PUC (and/or others), and/or either or both are pursued but abandoned by Developer, then if Developer, in its sole and exclusive discretion, determines to pursue the existing at-grade railroad crossing at South Napa Junction, then the following shall apply:</p> <p style="padding-left: 40px;">i. Developer shall provide City written notice that Developer has determined to pursue the at-grade railroad crossing at South Napa Junction; and</p> <p style="padding-left: 40px;">ii. Developer shall be responsible for the costs and fees related to such South Napa Junction Railroad Crossing Segment.</p> <p style="padding-left: 40px;">iii. Developer shall be responsible for all costs and fees related to the SR 29/South Napa Junction Tie-In, up to a maximum of \$2.5 million. Any amount beyond such \$2.5 million shall be subject to the “Resolution Process” requirements of Section 2.03 of the Development Agreement, where the Parties will endeavor to resolve the amount in excess of \$2.5 million dollars. City shall be responsible for making application to all relevant public agencies - including without limitation, the California Department of Transportation (“CalTrans”) - to secure encroachment Permits required to build that SR 29 Tie-In Developer decides to pursue (either the SR 29/Rio Del Mar Tie-In or the SR 29/South Napa Junction Tie-In). Developer shall be responsible for the costs and fees related to such City cooperation, coordination and application, including the costs and fees related to City Staff time, which City Staff costs and fees reflect the amount that City actually expends for such City Staff costs and fees, which City actual expenditures shall not include any administrative fees, charges, and/or assessments; however, Developer shall not be responsible for any costs and fees relating to the City Attorney and/or Special Counsel hired by City to assist. Developer shall be reimbursed by City for Developer’s costs (up to a maximum of \$2.5 million - any amount beyond such \$2.5 million shall be subject to the “Resolution Process” requirements of Section 2.03 of the Development Agreement) related to such construction and improvement of such SR 29/South Napa Junction Tie-In in two ways: First, the first fifty percent (50%) of Developer’s costs related to such construction and improvement of such SR 29/South Napa Junction Tie-In shall</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		be reimbursed by City to Developer at the earlier of the following events: The recording of any final subdivision map regarding the Adobe Property, or the City issuance of any Building Permit regarding the Adobe Property; and Second, the second and final 50% of Developer’s costs related to such construction and improvement of such SR 29/South Napa Junction Tie-In shall be reimbursed by City to Developer, with such reimbursement being a priority, and coming from funds City secures through City’s imposition on other development in the City some form of fees, charges, assessments and/or other means, and further provided that such City reimbursement obligation to Developer shall continue until such time as Developer is fully so reimbursed, or the Development Agreement’s Term concludes, whichever occurs first.			
37.	§ 2.07(h)(5)(B)  Page 52	City and Developer shall cooperate and coordinate their efforts to secure approval of the SR 29 Tie-In that Developer decides to pursue (either the SR 29/Rio Del Mar Tie-In or the SR 29/South Napa Junction Tie-In) in a manner to ensure the absence of Developer construction delay on either the At-Grade Rio Del Mar, Grade-Separated Rio Del Mar improvements, or South Napa Junction improvements.	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
38.	§ 2.07(h)(6)  Page 52	<p>Relating to the Loop Road Improvements:</p> <p style="padding-left: 40px;">A. Developer shall dedicate to City at such relevant Project subdivision map recordation date, that land described in <i>Exhibit B</i> to the Development Agreement.</p> <p style="padding-left: 40px;">B. Developer shall construct (or cause the finance and construction of) at such time as set forth in the Specific Plan (and such relevant Project subdivision map approval), those roadway improvements described in Exhibit C to the Development Agreement (collectively, the “Loop Road Improvements”). The Loop Road Improvements are comprised of “Loop Road Segment 1,” “Loop Road Segment 2,” and “Loop Road Segment 3,” as shown on <i>Exhibit B</i> to the Development Agreement , and <i>Exhibit A</i> to these Master Conditions.</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
39.	§ 2.07(h)(7)  Pages 52-53	<p>Relating to the Rolling Hills Drive Improvements:</p> <p style="padding-left: 40px;">A. Developer shall dedicate to City at such relevant Project subdivision map recordation date, that land described in <i>Exhibit B</i> to the Development Agreement, and <i>Exhibit A</i> to these Master Conditions (collectively, the “Rolling Hills Drive Improvements”).</p>	Applicable Parcels	Pre-Final Map, SIA, Grading Permit, Construction Permit, Building Permit,	Applicable

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		<p>B. Developer Developer shall construct (or cause the finance and construction of) at such time as the commencement of Watson Ranch Specific Plan’s Phase 2 of residential development (and such relevant Project subdivision map approval) or sooner if required to meet secondary access requirements for residential development, those roadway improvements described in <i>Exhibit B</i> to the Development Agreement.</p>		Occupancy Permit	
40.	<p>§ 2.07(h)(8) Page 53</p>	<p>Relating to Underground Utilities:</p> <p>A. Developer shall dedicate to City at such relevant Project subdivision map recordation date those underground utility and storm drain infrastructure improvements within the Project subdivision map required by the Project subdivision map’s development.</p> <p>B. Developer shall construct (or cause the finance and construction of) at such time as set forth in such relevant Project subdivision map approval, those underground utility and storm drain infrastructure improvements within the Project required by the Project’s development.</p>	Applicable Parcels	Pre-Final Map; Final Map Recordation	Applicable
41.	<p>§ 2.07(k) Page 53</p>	<p>Developer shall dedicate to City at such relevant Project subdivision map recordation date and improve at such time as set forth in the Specific Plan and such relevant Project subdivision map approval, approximately three and fifty-five/one hundredths (3.55) acres of the Property for use as “Park A,” as more particularly set forth in Exhibit B to the Development Agreement. Developer shall be obligated to contribute no more than five million six hundred thousand (\$5,600,000) for the improvement of Park A; said \$5,600,000 maximum shall include any and all Processing Fees, Building Permit Fees, User Fees, and/or Inspection Fees. Notwithstanding the forgoing, the \$5,600,000 amount (for the improvement of Park A) shall be considered to be in Calendar Year 2019 dollars, and, commencing in 2020, that amount shall be increased each year by the relevant year’s percentage amount set forth in the Construction Cost Index for the San Francisco Region, until such Park A improvements are completed. Consistent with the foregoing, the Parties shall work together to secure that portion of Park A that sits on the Newell Property, including seeking to have the controlling owners of the Newell Property dedicate such portion to the City through existing and/or future subdivision maps. Developer’s obligation to improve/construct Park A shall commence only after both fee title to that portion of Park A that sits on the Newell Property has been secured and is in City</p>	Applicable Parcels	Pre-Final Map; Final Map Recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		possession, and the Specific Plan’s Phase 2 of development of the Project has commenced.			
42.	§ 2.07(l) Page 53-54	Developer shall dedicate to City at such relevant Project subdivision map recordation date and improve at such time as set forth in at such relevant Project subdivision map approval, approximately five and fifty-seven/one hundredths (5.57) acres for use as “Park B,” as more particularly set forth in <i>Exhibit B</i> to the Development Agreement. Developer shall be obligated to contribute no more than two million eight hundred thousand dollars (\$2,800,000) for the improvement of Park B; said \$2,800,000 maximum shall include any and all Processing Fees, and/or Inspection Fees. Notwithstanding the forgoing, the \$2,800,000 amount (for the improvement of Park B) shall be considered to be in Calendar Year 2019 dollars, and, commencing in 2020, that amount shall be increased each year by the relevant year’s percentage amount set forth in the Construction Cost Index for the San Francisco Region, until such Park B improvements are completed. Consistent with the foregoing, the Parties shall work together to secure that portion of Park B that sits on the Newell Property, including seeking to have the controlling owners of the Newell Property dedicate such portion to the City through existing and/or future subdivision maps. Developer’s obligation to improve/construct Park B shall commence only after both: fee title to that portion of Park B that sits on the Newell Property has been secured and is in City possession; and the Specific Plan’s Phase 3 of development of the Project has commenced.	Applicable Parcels	Pre-Final Map; Final Map Recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
43.		Developer shall dedicate to the City, at such relevant Project subdivision map recordation date, and improve at such time as set forth in such relevant Project subdivision map approval, approximately sixty-seven one hundredths (.67) acres for use as the “Napa Valley Vine Trail,” as more particularly set forth in Exhibit B to the Development Agreement. Developer shall be obligated to contribute no more than four hundred sixty thousand dollars (\$460,000) for the improvement of the Napa Valley Vine Trail; said \$460,000 maximum shall include any and all Processing Fees, and/or Inspection Fees. Notwithstanding the forgoing, the \$460,000 amount (for the improvement of the Napa Valley Vine Trail) shall be considered to be in Calendar Year 2019 dollars, and, commencing in 2020, that amount shall be increased each year by the relevant year’s percentage amount set forth in the Construction Cost Index for the San Francisco Region, until such Napa Valley Vine Trail improvements are completed. Consistent with the foregoing, the Parties shall work together to secure that portion of the Napa Valley Vine Trail that sits on the Newell Property, including seeking to have the controlling owners of the Newell Property dedicate such portion to the	Applicable Parcels	Pre-Final Map; Final Map Recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		City through existing and/or future subdivision maps. Said Developer’s obligation to improve the Napa Valley Vine Trail shall commence only after fee title to that portion of the Napa Valley Vine Trail that sits on the Newell Property has been secured and is in City possession. The Parties recognize the City has exercised its discretion in requiring the Developer to construct various Class I trails including the Napa Valley Vine Trail and the River to Ridge Trail. The Parties shall coordinate and cooperate, including without limitation, the entering into of any necessary or desirous “Measure T Funding Equivalent Set-Aside Agreement,” regarding the accounting procedures used to memorialize the Developer’s costs in dedicating and improving said Class I trails with express purpose of maximizing the amount of “Measure T Funding Equivalent Set-Aside” defined by that certain Napa Valley Transportation Authority – Tax Authority Measure T Ordinance, and that certain Measure T Funding Agreement by and between the City and the Napa Valley Transportation Authority – Tax Authority.			
44.	§ 2.07(n) Page 54-55	Developer shall dedicate to the City at such relevant Project subdivision map recordation date approximately two (2) acres of the Property for use as the “Community Plaza and Community Center Site” (which includes the required parking for the use), as more particularly set forth in <i>Exhibit B</i> to the Development Agreement. The Parties recognize that Developer, in Developer’s sole and exclusive discretion, may save the “Silos” depicted in the Specific Plan, and if Developer determines to so save the Silos, then Developer may move the location of the Community Plaza and Community Center Site further south to accommodate the Silos preservation. City shall complete the improvements to the Community Plaza and the Community Center Site as set forth in the Specific Plan.	Applicable Parcels	Pre-Final Map; Final Map Recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable
45.	§ 2.07(o) Page 55	Developer shall dedicate an easement to the City, at such relevant Project subdivision map recordation date, and improve at such time as set forth in at such relevant Project subdivision map approval, approximately six and seventy one hundredths (6.7) acres of the Property for use as the “Quarry Lake Park,” as more particularly set forth in Exhibit B to the Development Agreement. Developer shall be obligated to contribute no more than one million six hundred thousand dollars (\$1,600,000) for the improvement of the Quarry Lake Park; said \$1,600,000 maximum shall include any and all Processing Fees, and/or Inspection Fees. Developer may, in Developer’s sole and exclusive discretion, further improve the Quarry Lake Park with additional uses that complement the “Napa Valley Ruins & Gardens” (described herein). The \$1,600,000 maximum (for the improvement of Quarry Lake Park) shall be considered to be in Calendar Year 2019 dollars, and,	Applicable Parcels	Pre-Final Map; Final Map Recordation, Grading Permit, Construction Permit, Building Permit, Occupancy Permit	Applicable

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		commencing in 2020, that amount shall be increased each year by the relevant year's percentage amount set forth in the Construction Cost Index for the San Francisco Region, until such Quarry Lake Park improvements are completed.			
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**D. MASTER CONDITIONS – SUBDIVISION IMPROVEMENT AGREEMENTS**

<i>Master COA #</i>	<i>Developer Obligations</i>	<i>Mechanism</i>	<i>Implement.</i>	<i>Status</i>
46.	At Developer's expense, in a good and workmanlike manner, Developer shall furnish all required materials and labor for all of the relevant MBI, Public Improvements, and/or Private Improvements work shown on all Improvement Plans prepared by Developer's engineer of record, and submitted to and approved by City.	SIA	SIA	Applicable
47.	Developer shall do all work and furnish all materials necessary to complete the relevant MBI, Public Improvements, and/or Private Improvements work in accordance with the approved Improvement Plans for the relevant MBI, Public Improvements, and/or Private Improvements work, or with any changes required or ordered by said City's Engineer for the relevant MBI, Public Improvements, and/or Private Improvements work, which, in his/ her reasonable opinion, are necessary or required to complete the relevant MBI, Public Improvements, and/or Private Improvements work. All construction work on the relevant MBI, Public Improvements, and/or Private Improvements work must be performed solely by licensed contractors, and the word "Developer" when used in this Agreement shall mean and include all such licensed contractors performing such construction on Developer's behalf or account.	SIA	SIA	Applicable
48.	Completion of the relevant MBI, Public Improvements, and/or Private Improvements work shall be accomplished within 24 months of the execution of the relevant SIA, subject to the Developer protections provided by the Development Agreement, and subject to extensions granted by City-. Additionally, to the extent greater than the Developer protections provided by the Development Agreement, City shall extend the relevant SIA, as needed, in the event "good cause" is shown by Developer.	SIA	SIA	Applicable
49.	Developer shall replace or have replaced, repair or have repaired, as the case may be, or pay to the City, the entire cost of replacements or repairs, of any and all public and/or private (non-Developer) property damaged or destroyed by reason of any work done on the relevant MBI, Public Improvements, and/or Private Improvements work under the relevant SIA, whether such public property be owned by the United States or any agency thereof, or the State of California, or any agency or political subdivision thereof, or by the City or by any public or private corporation, partnership or association, or by any person whomsoever, or by any combination of such owners. Such replacement and/or repair cost shall not exceed the cost of such property damage or destruction suffered.	SIA	SIA	Applicable

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50.	Developer shall, at Developer's sole expense, obtain all necessary permits and licenses for the approval and construction of the relevant MBI, Public Improvements, and/or Private Improvements work, give all necessary notices, and pay all fees and taxes required. Developer shall furnish to City proof of having obtained required workers' compensation insurance coverage prior to commencing any relevant MBI, Public Improvements, and/or Private Improvements work.	SIA	SIA	Applicable
51.	Developer shall ensure competent supervision of all relevant MBI, Public Improvements, and/or Private Improvements work at all times. The Developer, at Developer's expense, shall have a registered civil engineer establish the horizontal and vertical control survey, if necessary, to construct the relevant MBI, Public Improvements, and/or Private Improvements work in accordance with the plans and specifications for such relevant MBI, Public Improvements, and/or Private Improvements work.	SIA	SIA	Applicable
52.	Developer shall at all times maintain proper facilities and provide safe access for inspection to all parts of the work on the relevant MBI, Public Improvements, and/or Private Improvements work, and to the shops wherein the work is in preparation, to assure that the relevant MBI, Public Improvements, and/or Private Improvements work shall be done in accordance with the approved Improvement Plans for such relevant MBI, Public Improvements, and/or Private Improvements work.	SIA	SIA	Applicable
53.	<p>Developer shall furnish to City all of the following:</p> <ul style="list-style-type: none"> <li>a) A surety bond or bonds in the amount equal to 100% of the estimated cost of the on the relevant MBI, Public Improvements, and/or Private Improvements work, as security for the faithful performance of all the provisions of the relevant SIA, including without limitation, the repair and reconstruction of defective work on the relevant MBI, Public Improvements, and/or Private Improvements work. Such surety bond shall remain in effect at a minimum of thirty-five (35) days beyond the date of Notice of Completion of the relevant MBI, Public Improvements, and/or Private Improvements work</li> <li>b) A surety bond or bonds in the amount equal to 50% of the estimated cost of the relevant MBI, Public Improvements, and/or Private Improvements work, as security to guarantee payment in full of all persons who perform labor upon or furnish materials to be used in construction of the relevant MBI, Public Improvements, and/or Private Improvements work. Such surety bond shall remain in effect at a minimum of thirty-five (35) days beyond the date of Notice of Completion of the relevant MBI, Public Improvements, and/or Private Improvements work.</li> <li>c) A surety bond in the amount of 10% of the estimated cost of the relevant MBI, Public Improvements, and/or Private Improvements work as security for the warrantee of all the provisions of the relevant SIA, including without limitation the repair and reconstruction of defective work provisions of such Agreement. Such surety bond shall remain in effect at a minimum of thirty-five (35) days beyond the date of Notice of</li> </ul>	SIA	SIA	Applicable

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	<p>Completion of the relevant MBI, Public Improvements, and/or Private Improvements work.</p> <p>d) All surety bonds referenced shall be prepared on the standard forms provided by City and available from City's Engineer.</p> <p>e) Consistent with the Development Agreement, other forms of surety – such as irrevocable letters of credit, cash deposits, savings account(s), certificate(s) payable to City, etc. - in a form equivalent to each said surety bonds may be proposed by Developer, and shall be accepted by City in place of such surety bonds described herein, provided such other form of surety is satisfactory to City's City Attorney, and provided that all legal expenses incurred by City in reviewing and approving said other forms of surety be paid by Developer.</p> <p>f) Developer shall maintain such surety bonds and/or approved other form of surety in full force and effect consistent with the terms of the relevant SIA, including any extensions of time to such relevant SIA.</p> <p>In the event Developer fails to meet the Developer obligation(s) for which the relevant surety bond or other form of approved surety was provided, then, contingent upon City having properly followed and exhausted the requirements of the Development Agreement, City shall have the right to call upon each such relevant surety bond or other approved form of surety to satisfy the Developer obligation(s) for which such relevant surety bond or other approved form of surety was provided to City.</p>			
54.	Title to, and ownership of, all relevant MBI and/or Public Improvements which are to be delivered to City as shown on the Improvement Plans shall vest absolutely in City upon completion and acceptance of such relevant MBI and/or Public Improvements by City, which City shall accept.	SIA	SIA	Applicable
55.	If, within a period of one (1) year after final acceptance by City of any MBI and/or Public Improvements work performed under the applicable SIA, any such MBI and/or Public Improvement work fails to fulfill any of the requirements of such applicable SIA or the Improvement Plans referred to therein, Developer shall, without delay and without any cost to City, repair or replace or reconstruct any such failure regarding such MBI and/or Public Improvements work. Any dispute between City and Developer on this topic shall be addressed through the provisions of the Development Agreement. City may, at its option, make the necessary repairs or replacements or perform the necessary work, again, with the provisions of the Development Agreement applying regarding the resolution of such City payment and actions. Likewise, City may, but shall not be required to and without limitation, draw upon the applicable surety bond or other approved form of security deposited by Developer and/or take such action as authorized under the relevant SIA and the Development Agreement.	SIA	SIA	Applicable
56.	Notwithstanding any other provision of an applicable SIA, neither Developer nor any of Developer's agents or contractors are or shall be considered to be agents of City in connection with the performance of Developer's obligations under the applicable SIA.	SIA	SIA	Applicable

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57.	Inspections, Improvement Plans review, and other services performed shall be pursuant to the Development Agreement.	SIA	SIA	Applicable
58.	The Development Agreement shall apply regarding all inspection, Improvement Plan review, and other services performed by City or others chosen by Developer after the execution of the relevant SIA.	SIA	SIA	Applicable
59.	In the event any such notice of breach is given and surety is present, Developer's surety shall have the duty to take over and complete the work and the Public Improvements; provided, however, that if the surety, within ten (10) days after serving upon it such notice of breach, does not give City written notice of its intention to take over and complete the performance of the contract, and does not commence performance thereof within ten (10) days after notice to City of such election, City may take over the work and prosecute the same to completion by contract or any other method City may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to City for any direct costs or damages occasioned City thereby, and, in such event, City without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefor.	SIA	SIA	Applicable
60.	Developer shall not commence work under this contract until Developer shall have obtained all insurance required under this section and such insurance shall have been reasonably approved by City as to form, amount, and carrier. A lapse in any required insurance coverage during this Agreement shall be a breach of this Agreement. Developer agrees that if the aforesaid insurance is not kept in full force and effect, City may terminate this Agreement upon ten (10) days prior notice to Developer, unless Developer delivers evidence of insurance to City within such ten (10) day period.	SIA	SIA	Applicable
61.	Developer shall take out and maintain during the life of this contract such insurance as shall protect City, its elected and appointed officials, officers, directors, attorneys, agents (including outside consultants), and employees and each of them,, and Developer and any agents and employees performing work covered by this contract from claims for damages for personal injury, including death, as well as from claims for property damage which may arise from Developer's or any sub-contractor's operations under this contract, whether such operations be by Developer or by anyone directly or indirectly employed by Developer.	SIA	SIA	Applicable
62.	The certificate or policy of insurance shall name the City (and such, other entities or individuals of the City as are indemnified under the contract, such as "... its elected and appointed officials, officers, directors, attorneys, agents, and employees...") as additional, or co-insureds with the Developer. The amounts of such insurance shall be as follows:  a) <u>Public Liability Insurance</u> . In an amount not less than \$1,000,000 for injuries, including, but not limited to, death to any one person and subject to the same limit for each person in an amount not less than <u>\$1,000, 000</u> on account of any one occurrence;	SIA	SIA	Applicable

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	<p>b) <u>Property Damage Insurance</u>. In an amount of not less than \$1,000,000 for damage to the property of each person on account of any one occurrence;</p> <p>c) <u>Comprehensive Automobile Liability</u>. Bodily injury liability coverage of \$1,000,000 for each person in any one accident and \$1,000,000 for injuries sustained by two or more persons in any one accident. Property damage liability of \$1,000,000 for each accident.</p> <p>d) <u>Worker's Compensation Insurance</u>. In the amounts required by law.</p>			
63.	<p>City shall not, nor shall any officer, agent or employee thereof, be liable or responsible for any accident, loss or damage happening or occurring in the work specified in this Agreement prior to the completion, approval and/ or acceptance of the same; nor shall the City, nor any of its elected and appointed officials, officers, directors, attorneys, agents ( including outside consultants), and employees and each of them, thereof, be liable for any persons or property injured by reason of said work or by reason of the acts or omissions of the Developer, its officers, agents or employees, in the performance of said work. Prior to the completion, approval, or acceptance of the work, the Developer agrees to indemnify, defend and save harmless the City, its elected and appointed officials, officers, directors, attorneys, agents (including outside consultants), and employees and each of them, from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from the Developer's operations or its services hereunder, including any workers' compensation suits, liability, or expense, arising from or connected with services by any person pursuant to this Agreement, whether arising from activities of Developer or any of Developer's contractors, subcontractors or by persons directly or indirectly employed by or acting as agent for Developer or arising out of the use of any patent or patented article in the construction of said work. Developer agrees to, and shall upon request, promptly and fully defend City and its elected and appointed officials, officers, directors, attorneys, agents (including outside consultants), and employees and each of them,, from any suits or actions at law or equity for damages caused, or alleged to have been caused, by reason of the activities hereinabove identified as being the responsibility of Developer.</p>	SIA	SIA	Applicable
64.	<p>Developer shall comply with all applicable provisions of the California Labor Code.</p>	SIA	SIA	Applicable
65.	<p>Developer shall at all times from the effective date of this Agreement to the completion and acceptance of the Public Improvements by the City, give good and adequate warning of each and every dangerous condition caused by the construction of said Public Improvements and will protect the traveling public therefrom.</p>	SIA	SIA	Applicable
66.	<p>Developer warrants that it has control of the real property reserved, or needed for the installation of the Public Improvements, and the streets in which it is to be placed, as is necessary to allow it to carry out its obligations under this Agreement.</p>	SIA	SIA	Applicable

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67.	The acquisition price and costs and all other expenses of obtaining all easements required for the Public Improvements shall be, paid by Developer. All necessary easements for the Public Improvements to be dedicated to City, if not already conveyed to City, shall be granted to City concurrently with the inspection and acceptance by the City of the relevant MBI, an/or Public Improvements.	SIA	SIA	Applicable
68.	All service connection charges for the Public Improvements to be constructed to serve said parcel(s) of real property shall be the amounts described in the Development Agreement.	SIA	SIA	Applicable
69.	Upon the provision of reasonable notice, the City, its officers, agents, and employees and the Surety upon any bond shall have the right from and after the date of the execution of the relevant SIA to enter upon said parcel of real property and any property where appurtenant easements are located for purposes of inspection and investigation at any and all reasonable times.	SIA	SIA	Applicable
70.	When relevant to the MBI and/or Public Improvements work, Developer shall retain and pay the cost of the Geotechnical Engineer of Record to perform all testing and reporting of items including but not limited to, rough grading, sub-grade preparation and compaction, concrete testing, and asphalt testing and compaction. Such reports shall be made available to City upon City's request.	SIA	SIA	Applicable
81.	Developer shall retain and pay the cost of the Engineer of Record to certify the Private Improvements are constructed to their satisfaction and at the places, at the grades, with the materials and in the manner shown upon the plans and specifications therefor approved by the City's Engineer.	SIA	SIA	Applicable

**E. MASTER CONDITIONS – MITIGATION MEASURES**

<i>Master COA #</i>	<i>Mitigation Measures</i>	<i>Method of Verification Timing; Parcel #</i>	<i>Status</i>
82.	<b>Mitigation Measure 4.1-1: Water Tank Visibility.</b> As required by the 2004 <i>Proposed Water Tanks (2) Mitigated Negative Declaration</i> , construction plans for the Zone 3 water tank shall incorporate the following mitigation: <ol style="list-style-type: none"> <li>1. A landscaped earthen berm shall be constructed around the tank site to eliminate direct views of the water tank as much as feasible from the areas surrounding the tank site. The earthen berm shall be landscaped with trees and other vegetation suitable to the City, such as evergreen trees, to screen the water tank from surrounding areas, reduce soil erosion, and blend the berm with the surrounding vegetation.</li> <li>2. The water tank shall be painted a neutral color deemed appropriate by the City so the tank blends with the surrounding hillside vegetation as much as possible.</li> </ol>	Approval of water tank plans	Prior to issuance of grading permit
83.	<b>Mitigation Measure 4.1-3: Lighting Plan.</b> Prior to any site disturbance activities, the Project Applicant shall submit a construction lighting plan to the City for approval. The construction lighting plan shall ensure that the minimum amount of lighting is used to meet safety requirements and to ensure that limited spillover occurs to nearby sensitive uses. All lighting shall be directed downward and away from surrounding land uses.	Design Guidelines	Complete upon Design Guidelines approval
84.	<b>Mitigation Measure 4.2-1: Construction Fugitive Dust Emissions.</b> The following Bay Area Air Quality Management District (BAAQMD) Best Management Practices (BMPs)	Notes on construction plans; site	During construction activities

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<p>and additional mitigation measures for fugitive dust control shall be required for all construction activities within the project area. These measures would reduce fugitive dust emissions primarily during soil movement and grading, but also during vehicle and equipment movement on unpaved project sites.</p> <p><i>Basic BMPs that Apply to All Construction Sites</i></p> <ol style="list-style-type: none"> <li>1. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.</li> <li>2. All haul trucks transporting soil, sand, or other loose material off site shall be covered.</li> <li>3. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.</li> <li>4. All vehicle speeds on unpaved roads shall be limited to 15 miles per hour (mph).</li> <li>5. All streets, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.</li> <li>6. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to five minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of CCR). Clear signage shall be provided for construction workers at all access points.</li> <li>7. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.</li> <li>8. A publicly visible sign shall be posted with the telephone number and person to contact regarding dust complaints. This person shall respond and take corrective action, if necessary, within 48 hours. BAAQMD's phone number shall also be visible to ensure compliance with applicable regulations.</li> </ol> <p><i>Additional BMPs that Apply to All Construction Sites</i></p> <ol style="list-style-type: none"> <li>1. All exposed surfaces shall be watered at a frequency adequate to maintain minimum soil moisture of 12 percent. Moisture content may be verified by lab samples or moisture probe.</li> <li>2. All excavation, grading, and/or demolition activities shall be suspended when average wind speeds exceed 20 mph.</li> <li>3. Wind breaks (e.g., trees, fences) shall be installed on the windward side(s) of actively disturbed areas of construction. Wind breaks shall have at maximum 50 percent air porosity.</li> <li>4. For areas that are to remain open space (e.g., not a road, building, or otherwise structurally covered area), vegetative ground cover (e.g., fast-germinating native grass seed) shall be planted in disturbed areas as soon as possible and watered appropriately until vegetation is established.</li> <li>5. All trucks and equipment, including their tires, shall be washed off prior to leaving the site.</li> <li>6. Site accesses to a distance of 100 feet from the paved road shall be treated with a 6- to 12-inch compacted layer of wood chips, mulch, or gravel.</li> <li>7. Sandbags or other erosion control measures shall be installed to prevent silt runoff to public roadways from sites with a slope greater than 1 percent.</li> </ol> <p>Before starting on-site construction activities, the contractor or Project Applicant shall submit a site-specific dust control plan (Plan) to the American Canyon Planning Division for review and approval. The Project Applicant shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall state, in</p>	<p>inspections to verify BMPs are implemented</p>	
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	reasonable detail, how the Contractor shall meet the requirements above. The Plan shall include a certification statement that the Contractor agrees to comply fully with the Plan.		
85.	<b>Mitigation Measure 4.2-2: Operational Emissions Reductions.</b> The total reduction in ROG and NO <sub>x</sub> emissions that would be achieved from implementation of Mitigation Measure 4.2-2a, the TDM program, and Mitigation Measure 4.2-2b, the CAP mitigation strategies, would be calculated at the time the final TDM program and CAP strategies are determined. If the ROG and NO <sub>x</sub> emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-2b are determined by a qualified air quality expert to reduce the project's emissions to below the BAAQMD operational thresholds contained in the 2017 BAAQMD CEQA Air Quality Guidelines, no further mitigation would be required. If the ROG and NO <sub>x</sub> emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-2b do not reduce the project's emissions to below the BAAQMD operational thresholds identified in the 2017 BAAQMD CEQA Air Quality Guidelines, Mitigation Measure 4.2-2c, purchase of emission offsets, would be pursued.	Contingent on future conditions.	Applicable
86.	<b>Mitigation Measure 4.2-2a (same as Mitigation Measure 4.12-3a in Section 4.12, Transportation and Traffic): Transportation Demand Management (TDM) Program.</b> Prior to issuance of the first building permit for the non-residential use areas (i.e., Napa Valley Ruins & Gardens ("NVRG") and hotel), the Project Applicant shall develop a TDM program for the non-residential use areas (i.e., NVRG and hotel) and shall submit the TDM program to the City Department of Public Works for review and approval. A qualified air quality expert shall prepare a calculation of the ROG and NO <sub>x</sub> emissions reductions that would result from implementation of the TDM program. The Project Applicant shall be responsible for funding and overseeing the delivery of trip reduction/TDM proposed programs and strategies, which may include, but are not limited to, the following: <ol style="list-style-type: none"> <li>1. Establishment of carpool, buspool, or vanpool programs;</li> <li>2. Vanpool purchase incentives;</li> <li>3. Cash allowances, passes or other public transit subsidies and purchase incentives;</li> <li>4. Preferential parking locations for ridesharing vehicles;</li> <li>5. Computerized commuter rideshare matching services;</li> <li>6. Guaranteed ride-home program for ridesharing;</li> <li>7. Bicycle programs including bike purchase incentives, storage, and maintenance programs;</li> <li>8. On-site car share and bike share service;</li> <li>9. Preparation of a Parking Management Plan to address parking accommodations for large events;</li> <li>10. Designation of an on-site transportation coordinator for the project;</li> <li>11. Transit and trip planning resources such as commute information kiosk;</li> <li>12. Employer-provided showers, changing rooms, and clothing lockers for office employees that commute via active transportation;</li> <li>13. Bicycle route mapping resources;</li> <li>14. Participation in future citywide Transportation Management Association (TMA); and</li> <li>15. Submit annual reports to the City regarding TDM activities.</li> </ol>	Approval of TDM Program	Prior to issuance of first building permit for the non-residential use area (i.e., NVRG and hotel)
87.	<b>Mitigation Measure 4.2-2b: Operational Emissions Reduction Strategies.</b> To reduce ROG and NO <sub>x</sub> emissions within the Project Site, the Project shall include feasible operational emissions reduction strategies as part of its final design. The specific strategies may include, but are not limited to, the measures described below; however, other measures may be implemented:	Recommendations from Air Quality Technical Report that identify updated project emissions	Prior to issuance of the first building

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	<ul style="list-style-type: none"> <li>○ Prior to issuance of the first building permit for each phase of the Project, the Applicant shall develop operational emissions reduction strategies, which could include the mitigation strategies identified in <b>Table 4.2-8, Summary of Operational CAP Mitigation Strategies</b>, to provide options for reducing ROG and NO<sub>x</sub> emissions from operation of the project. The operational emissions reduction strategies shall be submitted to and approved by the City, prepared by a qualified air quality technical expert, and evaluate the emissions reduction strategies in relation to the project's emissions.</li> </ul>	calculations and feasible operational emissions reduction strategies	permit for the project
88.	<p><b>Mitigation Measure 4.2-2c: Purchase Emission Offsets.</b> Prior to the issuance of the final Certificate of Occupancy for Phase 1 or prior to the issuance of the first residential building permit in Phase 2, whichever occurs first, the Applicant would, partially or wholly, purchase offset credits if determined to be feasible based on information available at the time implementation would be required. To reduce ROG and NO<sub>x</sub> emissions depending on the reductions achieved through Mitigation Measure 4.2-2a and Mitigation Measure 4.2-2b, and if this mitigation is implemented.</p> <ul style="list-style-type: none"> <li>○ The Applicant or its designee shall pay a mitigation offset fee to the BAAQMD Bay Area Clean Air Foundation (Foundation)<sup>1</sup> in an amount to be determined at the time of the impact. The fee would offset emissions that exceed the threshold of significance after implementation of Project-Level Reduction Strategies and the TDM Program described above to the extent feasible.</li> <li>○ The Project Applicant would implement Mitigation Measure 4.2-2c through payment of a mitigation offset fee to the BAAQMD's Foundation in an amount not to exceed \$30,000 per weighted ton per year of ozone precursors per year requiring emissions offset. The fee shall be determined by the City of American Canyon Planning Division in consultation with the Applicant and be based on the type of projects available at the time of the payment. The offset fee is calculated to be "roughly proportional" to the operational air quality impacts. Documentation of payment shall be provided to the City of American Canyon or its designated representative.</li> </ul> <p>The current process for payment of offset fees is detailed above. As required by this mitigation measure, payment of offset fees would proceed according to BAAQMD procedures when initiated. The Applicant or its designee would enter into a memorandum of understanding (MOU) with the BAAQMD's Foundation. The MOU would include details regarding the funds to be paid, the administrative fee, and the timing of the emissions reduction project. Acceptance of this fee by the BAAQMD shall serve as an acknowledgment and commitment by the BAAQMD to (1) implement an emissions reduction project(s) within a timeframe to be determined based on the type of project(s) selected and after receipt of the mitigation fee to achieve the emission reduction objectives specified above, and (2) provide documentation to City of American Canyon or its designated representative and to the Project Applicant describing the amount of and the project(s) funded by the mitigation fee, including the amount of emissions of ROG and NO<sub>x</sub> reduced (tons per year) within SFBAAB from the emissions reduction project(s). If there is any remaining unspent portion of the mitigation offset fee following implementation of the emission reduction project(s), the Project Applicant shall be entitled to a refund in that amount from the BAAQMD. To qualify under this mitigation measure, the specific emissions retrofit project must result in emission reductions within SFBAAB that would not otherwise be achieved through compliance with existing regulatory requirements.</p>	Bay Area Air Quality Management District Memorandum of Understanding	Prior to the issuance of the final Certificate of Occupancy for Phase 1 or prior to the issuance of the first residential building permit in Phase 2, whichever occurs first

<sup>1</sup> More information on the Bay Area Clean Air Foundation can be found at Bay Area Air Quality Management District (BAAQMD), Bay Area Clean Air Foundation, 2015, available at <http://www.baaqmd.gov/about-the-air-district/bay-area-clean-air-foundation>.

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89.	<p><b>Mitigation Measure 4.2-3a: Architectural Coatings.</b> The applicant shall use low-VOC architectural coatings during construction for all buildings, which shall have VOC content that is more stringent than local requirements prescribed in Bay Area Air Quality Management District (BAAQMD) Regulation 8 Organic Compounds, Rule 3 Architectural Coatings as revised on July 1, 2009. Coatings that meet the “super-compliant” VOC standard of less than 10 grams of VOC per liter of paint would qualify.</p>	Notes on construction plans indicating use of low-VOC architectural coatings during construction of all buildings	Prior to issuance of building permits
90.	<p><b>Mitigation Measure 4.2-3b: Tier 4 Construction Equipment.</b> To reduce construction emissions to below the 2017 BAAQMD CEQA Air Quality Guidelines, prior to start of construction activities after the occupancy of Phase 1, the Project Applicant shall submit to the City either:</p> <ul style="list-style-type: none"> <li>• Documentation showing that all off-road construction equipment used prior to the start of construction activities after the occupancy of Phase 1 with greater than 25 hp and operating for more than 20 hours total over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (CARB) Tier 4 off-road emission standards.</li> </ul> <p>or,</p> <ul style="list-style-type: none"> <li>• Provide supplemental analysis prepared by a qualified air quality specialist to show that emissions of ROG and NO<sub>x</sub> would not exceed the thresholds from the 2017 BAAQMD CEQA Air Quality Guidelines using other methods.</li> </ul>	Documentation of compliance with the 2017 BAAQMD CEQA Air Quality Guidelines based on the type of construction equipment used or supplemental analysis prepared by a qualified air quality specialist	Prior to the start of construction activities after the occupancy of Phase 1
91.	<p><b>Mitigation Measure 4.2-5: Construction Emissions Minimization.</b> To reduce construction emissions to below the thresholds identified in the 2017 BAAQMD CEQA Air Quality Guidelines, prior to the start of construction of each of the following— Phase 1 area south of the NVRG and the off-site Rio Del Mar roadway improvements and Phase 4—the Project Applicant shall submit to the City either:</p> <ul style="list-style-type: none"> <li>• Documentation showing that all off-road construction equipment used in the southwestern portion of Phase 1 of construction (located directly south of Napa Valley Ruins &amp; Gardens), the entirety of Phase 4 of construction, and the off-site Rio Del Mar roadway improvements with greater than 25 hp and operating for more than 20 hours total over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (CARB) Tier 2 off-road emission standards and have been retrofitted with an CARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement.</li> </ul> <p>or,</p> <ul style="list-style-type: none"> <li>• Provide supplemental analysis prepared by a qualified air quality specialist to show health risks at on- and off-site sensitive receptors would not exceed the thresholds from the 2017 BAAQMD CEQA Air Quality Guidelines using other methods.</li> </ul>	Documentation of compliance with the 2017 BAAQMD CEQA Air Quality Guidelines based on the type of construction equipment used or supplemental analysis prepared by a qualified air quality specialist	Prior to the start of construction of the Phase 1 area south of the NVR&G and the off-site Rio Del Mar roadway improvements and Phase 4
92.	<p><b>Mitigation Measure 4.2-7: GHG Emissions Reductions.</b> The total reduction in GHG emissions that would be achieved from implementation of Mitigation Measure 4.2-2a, the TDM program, and Mitigation Measure 4.2-7a, the GHG reduction strategies, would be calculated at the time the final TDM program and GHG reduction strategies are determined. If the GHG emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-7a are determined by a qualified air quality expert to reduce the project’s emissions to below the operational thresholds of 2.67 MT CO<sub>2</sub>e per service population per year, no further mitigation would be required. If the GHG emissions reduction from implementation of Mitigation Measures 4.2-2a and 4.2-7a do not reduce the project’s</p>	Contingent	Applicable

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	emissions to below this threshold, Mitigation Measure 4.2-7b, purchase of GHG emission offsets, would be pursued.		
93.	<p><b>Mitigation Measure 4.2-7a: GHG Reduction Strategies.</b> To reduce greenhouse gas (GHG) emissions within the project site and to maximize the Project’s ability to achieve the GHG operational threshold of 2.67 MT CO<sub>2</sub>e per service population per year, the project shall include feasible operational GHG emissions reduction strategies as part of its final design. The specific strategies of the program may include, but are not limited to, the measures described below; however, other measures may be implemented:</p> <ul style="list-style-type: none"> <li>○ All development shall, at a minimum, meet the Title 24, Part 6 (2016), standards, or the most current Title 24, Part 6, standard, whichever is more conservative. All residences shall meet the anticipated 2019 Title 24 Standards to achieve Zero Net Electricity. The GHG emissions benefit from residential Zero Net Electricity was included in the unmitigated inventory.</li> <li>○ Prior to issuance of the first building permit for each phase of the project, the Project Applicant shall identify operational GHG emissions reduction strategies that could include the strategies identified in <b>Table 4.2-14, Summary of Operational GHG Mitigation Strategies</b>, which provides options for reducing GHG emissions from project operation. The operational GHG emissions reduction strategies shall be submitted to and approved by the City, developed by a qualified air quality technical expert, and evaluate the emissions reduction strategies in relation to the project’s emissions.</li> </ul>	Calculations from a GHG technical expert based on specific strategies incorporated into the project	Prior to issuance of building permits for each phase
94.	<p><b>Mitigation Measure 4.2-7b: Purchase GHG Emission Offsets.</b> In order to determine whether or to what extent the purchase of GHG emissions offsets is necessary to reduce greenhouse gas (GHG) emissions for each year that the GHG emissions exceed the threshold of 2.67 MT CO<sub>2</sub>e per service population per year for the lifetime of the project (assumed to be 30 years), the operational GHG emissions reduction program described above in Mitigation Measure 4.2-7a will include a plan for the purchase of GHG offsets. The amount of offsets needed will take into account the GHG emissions reductions associated with the TDM program and the operational GHG emissions reduction program. Additionally, the feasibility of offsets shall be evaluated at the time implementation would be required. If feasible, the plan shall include:</p> <ul style="list-style-type: none"> <li>○ The plan for the purchase of GHG offsets shall include timing requirements, which take into account calculations showing actual emissions of the project, which could take into account phase-in of occupancy, reductions in vehicle emissions, as well as other factors that affect emissions.</li> <li>○ GHG emission offsets could include any of the following sources: (1) the California Air Resources Board (CARB) quarterly allowance auctions held as part of its Cap-and-Trade Program; (2) the Greenhouse Gas Reduction Exchange (GHG Rx); or (3) Approved Registries recognized by the State of California, which currently include the Climate Action Reserve (CAR), American Carbon Registry (ACR), and Verra (formerly Verified Carbon Standard).</li> <li>○ The amount of offsets purchased shall depend on the cost per annual metric ton of CO<sub>2</sub>e reductions, the overall cost feasibility of this measure, which shall be determined based on information available at the time implementation would be required, and the on-site GHG reduction measures.</li> </ul> <p>To demonstrate compliance, the Project Applicant or its designee would provide the following documentary evidence to City’s Planning Division: An attestation from an Approved Registry or other source described above that the Project Applicant or its designee has retired a given quantity of carbon offsets. Offsets from the approved sources</p>	Calculations from a GHG technical expert based on specific strategies incorporated into the project and, if necessary and feasible, attestation from an Approved Registry or other source described above regarding the purchase of required carbon offsets	Evaluated prior to issuance of building permits for each phase

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	above satisfy defined standards and incorporate principles of GHG emissions reduction accounting. These principles ensure the offsets use relevant methodologies and assumptions, represent additional reductions that would not otherwise be achieved by law, do not double count reductions, and are enforceable.		
95.	<b>Mitigation Measure 4.3-1a through Mitigation Measure 4.3-41c: <i>Special-Status Plants, California Red-Legged Frogs, Western Pond Turtle, Breeding Birds, Including Raptors and Tri-colored Blackbird, Swainson’s Hawk, Golden Eagle, and White-Tailed Kite, Burrowing Owls, Callippe Silverspot Butterfly Host Plant (Johnny Jump Up), Callippe Silverspot Butterfly, American Badger, CDFW Streambed Alteration Agreement, Wetlands and Other Waters, Bats.</i></b> Developer shall be responsible for conducting all applicable studies, and obtaining any and all permits required by any and all State and/or Federal agencies. If such permits require the Developer to provide studies, reports, mitigation or other actions or measures, then the Developer shall provide such reports, mitigation or other actions or measures to the satisfaction of such governing State and/or Federal agencies. When requested by City, Developer shall send a letter to the City explaining such Developer compliance, and shall send City copies of compliance permits, letters, and/or other authorizations received by Developer from any such State and/or Federal agencies.	Compliance prior to issuance of applicable permit	Satisfied
96.	<b>Mitigation Measure 4.4-2: <i>Unanticipated Discovery of Archaeological Resources.</i></b> If prehistoric or historic-era archaeological resources are encountered by construction personnel during project implementation, all construction activities within 100 feet shall halt and the contractor shall notify the City of American Canyon. Prehistoric archaeological materials might include obsidian and chert flaked-stone tools (e.g., projectile points, knives, scrapers) or toolmaking debris; culturally darkened soil (“midden”) containing heat-affected rocks, artifacts, or shellfish remains; and stone milling equipment (e.g., mortars, pestles, handstones, or milling slabs); battered stone tools, such as hammerstones and pitted stones. Historic-era materials might include stone, concrete, or adobe footings and walls; filled wells or privies; and deposits of metal, glass, and/or ceramic refuse.  The Project Applicant shall retain a Secretary of the Interior-qualified archaeologist to inspect the findings within 24 hours of discovery and inform the City of American Canyon. If it is determined that the project may damage a historical resource or a unique archaeological resource (as defined pursuant to CEQA and the CEQA Guidelines), construction shall cease in an area determined by the archaeologist until a mitigation plan has been prepared in accordance with PRC § 21083.2 and CEQA Guidelines § 15126.4; approved by the City; and implemented to the satisfaction of the archaeologist. In consultation with the City, the archaeologist shall determine when construction may commence.  Consistent with § 15126.4(b)(3), the mitigation plan shall recommend preservation in place, as a preference, or, if preservation in place is not feasible, data recovery through excavation. If preservation in place is feasible, this may be accomplished through one of the following means: (1) modifying the construction plan to avoid the resource; (2) incorporating the resource within open space; (3) capping and covering the resource before building appropriate facilities on the resource site; or (4) deeding resource site into a permanent conservation easement. If preservation in place is not feasible, a qualified archaeologist shall prepare and implement a detailed treatment plan to recover the scientifically consequential information from and about the resource, which shall be reviewed and approved by the City prior to any excavation at the resource site. Treatment of archaeological resources shall follow the requirements of PRC § 21083.2. Treatment for most resources shall consist of (but would not necessarily be not limited to) sample excavation, artifact collection, site documentation, and historical research, with the aim to target the recovery of important scientific data contained in the portion(s) of the	Submit documentation of findings and mitigation plan, if resources are encountered	During grading activities

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	significant resource to be impacted by the project. The treatment plan shall include provisions for analysis of data in a regional context, reporting of results within a timely manner, curation of artifacts and data at an approved facility, and dissemination of reports to local and state repositories, libraries, and interested professionals.		
97.	<b>Mitigation Measure 4.4-3: <i>Unanticipated Discovery of Paleontological Resources.</i></b> If paleontological resources, such as fossilized bone, teeth, shell, tracks, trails, casts, molds, or impressions are encountered by construction personnel during project implementation, all construction activities within 100 feet shall halt and the contractor shall notify the City of American Canyon. The Project Applicant shall retain a qualified paleontologist to inspect the findings within 24 hours of discovery. The paleontologist shall assess the nature and importance of the find and, if necessary, develop appropriate treatment measures in conformance with Society of Vertebrate Paleontology standards, and in consultation with the City of American Canyon. The Project Applicant shall implement the final treatment measures.	Submit documentation of findings and verification of treatment measures, if resources are encountered	During grading activities
98.	<b>Mitigation Measure 4.4-4: <i>Unanticipated Discovery of Human Remains.</i></b> If human remains are encountered by construction personnel during project implementation, all construction activities within 100 feet shall halt and the contractor shall notify the City of American Canyon. The City shall contact the Napa County Coroner to affirmatively indicate to the City that no investigation of the cause of death is required. The Native American Heritage Commission (NAHC) shall be contacted within 24 hours if the Coroner determines that the remains are Native American. The NAHC shall then identify the person or persons it believes to be the most likely descendant from the deceased Native American (PRC § 5097.98), who in turn shall make recommendations to the City of American Canyon for the appropriate means of treating the human remains and any associated funerary objects (CEQA Guidelines § 15064.5(d)).	Submit documentation of findings and treatment measures, if remains are encountered	During grading activities
99.	<b>Mitigation Measure 4.5-4: <i>Geotechnical Requirements for the Quarry Pond.</i></b> Prior to issuance of any building permits, the Project Applicant shall submit to the City plans that are consistent with the geotechnical recommendations of a minimum setback of 3:1 (horizontal:vertical) from the toe of the existing quarry pond bank. Any proposed plans inside of the 3:1 setback, shall be the subject of a detailed slope stability analysis by a current California registered Geotechnical Engineer or Engineering Geologist where proposed slopes must meet minimum factor of safety requirements as determined by the most recent California Building Code for both static and dynamic (earthquake) conditions. Graded cut-and-fill slopes over 15 feet shall be no steeper than 3:1 with slopes up to 15 feet no steeper than 2:1. Other measures, such as use of retaining walls and geogrid reinforcement or corrective grading, shall be implemented as necessary in accordance with the specific geotechnical recommendation informed by the aforementioned detailed slope stability analysis and outlined in the design level geotechnical report.	Submit grading plans for Quarry Lake Pond	Prior to issuance building permits
100.	<b>Mitigation Measure 4.6-1a: <i>Evaluation for Lead-Based Paint or Coatings, Asbestos-Containing Materials, or Polychlorinated Biphenyls.</i></b> The Project Applicant shall submit documentation to the City to verify that all proposed areas for demolition or modification have been assessed by California state licensed contractors for the potential presence of lead-based paint or coatings, asbestos containing materials, and polychlorinated biphenyl-containing equipment prior to issuance of a demolition permit.	Submit documentation of findings	Prior to demolition activities
101.	<b>Mitigation Measure 4.6-1b: <i>Health and Safety Plan.</i></b> If the assessment required by Mitigation Measure 4.6-1a finds presence of lead-based paint, asbestos, and/or polychlorinated biphenyls, prior to any construction or demolition activities on the project site, the Project Applicant shall submit to the City for approval and shall implement a health and safety plan to protect workers from risks associated with hazardous materials during abatement, demolition or renovation of affected structures.	Submit and receive approval of Health and Safety Plan	Prior to demolition of structures containing lead-based paint, asbestos, and/or

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			polychlorinated biphenyls
102.	<p><b>Mitigation Measure 4.6-1c: Lead-Based Paint Removal Plan.</b> If the assessment required by Mitigation Measure 4.6-1a finds presence of lead-based paint, prior to any demolition of structures containing lead based paint, the Project Applicant shall submit to the City for approval and shall implement a lead-based paint removal plan in accordance with City and California Code of Regulations Title 8, §§ 1532.1 et seq., requirements. The plan shall specify, but not be limited to, the following elements for implementation:</p> <ul style="list-style-type: none"> <li>● Develop a removal specification approved by a Certified Lead Project Designer;<sup>2</sup></li> <li>● Ensure that all removal workers are properly trained;</li> <li>● Contain all work areas to prohibit off-site migration of paint chip debris;</li> <li>● Remove all peeling and stratified lead-based paint on building and non-building surfaces to the degree necessary to safely and properly complete demolition activities according to recommendations of the survey. The demolition contractor shall be responsible for the proper containment and disposal of intact lead-based paint on all equipment to be cut and/or removed during the demolition;</li> <li>● Provide on-site personnel and area air monitoring during all removal activities to ensure that workers and the environment are adequately protected by the control measures used;</li> <li>● Clean up and/or vacuum paint chips with a high efficiency particulate air (HEPA) filter;</li> <li>● Collect, segregate, and profile waste for disposal determination; or</li> <li>● Properly dispose of all waste.</li> </ul>	Submit and receive approval of Lead-Based Paint Removal Plan	Prior to demolition of structures containing lead-based paint
103.	<p><b>Mitigation Measure 4.6-1d: Asbestos Abatement.</b> If the assessment required by Mitigation Measure 4.6-1a finds asbestos, prior to undertaking demolition or construction activities involving asbestos disturbance, the Project Applicant shall, demonstrate to the City that asbestos abatement shall be conducted by a California state licensed contractor prior to building demolition. Abatement of known or suspected asbestos-containing materials shall occur prior to demolition or construction activities that would disturb those materials. Pursuant to an asbestos abatement plan developed by a state-certified asbestos consultant and approved by the City, all asbestos-containing materials shall be removed and appropriately disposed of by a state certified asbestos contractor in accordance with Caltrans transportation requirements and any requirements of the receiving facility.</p>	Submit documentation that abatement has been completed	Prior to demolition of structures containing asbestos
104.	<p><b>Mitigation Measure 4.6-1e: Polychlorinated Biphenyl Abatement.</b> If the assessment required by Mitigation Measure 4.6-1a finds polychlorinated biphenyls (PCBs), prior to undertaking demolition or construction activities that could disturb potential PCBs, the Project Applicant shall ensure that PCB abatement shall be conducted prior to building demolition or renovation. The Project Applicant shall demonstrate to the satisfaction of the City that PCBs shall be removed by a qualified contractor and transported in accordance with Caltrans requirements.</p>	Submit documentation of PCB abatement	Prior to demolition of structures containing PCBs
105.	<p><b>Mitigation Measure 4.6-2a: Phase I Recommendations.</b> Prior to commencement of construction, the Project Applicant shall contract a qualified environmental consulting firm with state registered professionals (Professional Engineers or Geologists) to carry out the recommendations contained in the April 14, 2015, Phase I Environmental Site Assessment report by ENGEIO Incorporated pertaining to the potential environmental concerns. The Phase I report included recommendations for collection of surface soil samples for laboratory analysis and oversight of other earthwork activities. The findings of the soil sampling effort shall be submitted to the Napa County Environmental Health</p>	Submit documentation that recommendations of the Phase I Environmental Site Assessment have been	Prior to commencement of construction

<sup>2</sup> A Lead Project Designer is defined in CCR Title 17, Division 1, Chapter 8.

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	Division (NCEHD) prior to initiating any earthwork activities on the project site for direction on whether any further sampling or remediation may be necessary.	implemented, as necessary	
106.	<b>Mitigation Measure 4.6-2b: Soil Management Plan.</b> The project shall submit and obtain approval of a Soil Management Plan from the Napa County Environmental Health Division (NCEHD) prior to initiating any earthwork activities on the project site. During construction, the contractor shall cease any earthwork activities upon discovery of any suspect soils or groundwater (e.g., petroleum odor and/or discoloration) during construction in accordance with a Soil Management Plan prepared for the project by a qualified environmental consultant and approved by the NCEHD. The contractor shall notify the NCEHD upon discovery of suspect soils or groundwater and retain a qualified environmental firm to collect soil samples to confirm the level of contamination that may be present. If contamination is found to be present, any further proposed groundbreaking activities within areas of identified or suspected contamination shall be conducted according to a site specific health and safety plan, prepared by a California state licensed professional. The contractor shall follow all procedural direction given by NCEHD and in accordance with the Soil Management Plan prepared for the site to ensure that suspect soils are isolated, protected from runoff, and disposed of in accordance with transportation laws and the requirements of the licensed receiving facility.	Submit NCEHD-approved Soil Management Plan and Health and Safety Plan, as necessary	Prior to grading and during construction
107.	<b>Mitigation Measure 4.6-2c: Removal of Contaminated Soil or Groundwater.</b> If contaminated soil or groundwater is encountered and identified constituents exceed human health risk levels, the Project Applicant shall submit documentation to the City to verify that it has been delineated, removed, and disposed of off site in compliance with the receiving facilities' requirements prior to construction of any building foundation.	Submit documentation of removal of contaminated soil or groundwater, if encountered	Prior to construction of any building foundation
108.	<b>Mitigation Measure 4.6-4: Development within 50 Feet of the Pacific Gas &amp; Electric (PG&amp;E) Pipeline/Easement.</b> Prior to issuance of building or grading permits, Project Applicant shall submit documentation to the City to verify that development plans located within 50 feet of the existing PG&E pipeline/easement, including utilities that may intersect the existing PG&E pipeline, have been submitted to PG&E Gas Transmission Integrity Management and PG&E Land Development for review and approval. Project Applicant plans for all proposed improvements located within this zone shall adhere to the requirements of PG&E Gas Transmission Integrity Management and PG&E Land Development, including without limitation, setback requirements, depth of cover over pipeline, location of trees and maintenance requirements, minimum separation of crossing utilities, trail location, as well as any relocation requirements, if applicable.	Submit development plans for any activities within 50 feet of the existing PG&E pipeline/easement	Prior to issuance of building or grading permits for any activities within 50 feet of the existing PG&E pipeline/easement.
109.	<b>Mitigation Measure 4.7-1: Stormwater Pollution Prevention Plan (SWPPP).</b> Prior to issuance of grading permits for the project, the Project Applicant shall submit documentation to the City to verify that a Storm Water Pollution Prevention Plan (SWPPP) has been prepared in accordance with the requirements of the statewide National Pollutant Discharge Elimination System (NPDES) Construction General Permit. The SWPPP shall be designed, without limitation, to address the following objectives: (1) all pollutants and their sources, including sources of sediment associated with construction, construction site erosion, and all other activities associated with construction activity are controlled; (2) where not otherwise required to be under a Regional Water Quality Control Board permit, all non-stormwater discharges are identified and either eliminated, controlled, or treated; (3) site best management practices (BMPs) are effective and result in the reduction or elimination of pollutants in stormwater discharges and authorized non-stormwater discharges from construction activity; and (4) stabilization BMPs are installed to reduce or eliminate pollutants after construction is completed. The SWPPP shall be prepared by a qualified SWPPP developer and included as part of	Submit Stormwater Pollution Prevention Plan	Prior to issuance of grading permits

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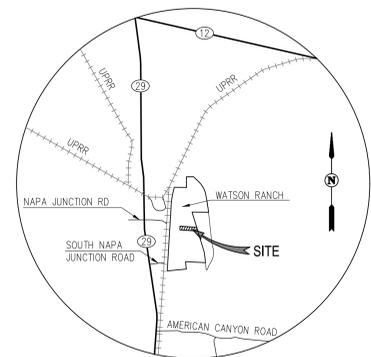
	<p>construction specifications. The SWPPP shall include the minimum BMPs required for the identified Risk Level in accordance with NPDES Construction General Permit requirements. BMPs could include, but are not necessarily limited to the use of straw bales, silt fences, fiber rolls, hydroseeding, preservation of existing vegetation, straw mulch, washing of truck tires prior to exiting site, protection of existing storm drain inlets, dedicated refueling areas with secondary containment, and on-site storage of spill prevention kits. BMP implementation shall be consistent with the BMP requirements in the most recent version of the California Stormwater Quality Association Stormwater Best Management Handbook-Construction or the Caltrans <i>Stormwater Quality Handbook Construction Site BMPs Manual</i>.</p>		
110.	<p><b>Mitigation Measure 4.7-2: Water Discharge Requirements for Dewatering.</b> For areas that may encounter groundwater during excavation activities, the Project Applicant shall incorporate San Francisco Regional Water Quality Control Board (SFRWQCB) discharge requirements into construction specifications for any dewatering activities that may be necessary. The Project Applicant shall provide all requested plans and protocols and incorporate any SFRWQCB additional comments or requests into project specifications for construction activities. Dewatering plans shall include, without limitation, an assessment of water quality, protocols for containment, and thresholds for discharge. No discharge of pumped water for dewatering shall occur prior to approval from SFRWQCB.</p>	<p>Submittal of dewatering plans</p>	<p>During excavation and grading activities</p>
111.	<p><b>Mitigation Measure 4.7-3a: Post-Construction Stormwater Controls.</b> Prior to approval of tentative maps or issuance of building permits for the project, the Project Applicant shall submit documentation to the City to verify that post-construction stormwater controls have been included in the site design in accordance with the requirements of the National Pollutant Discharge Elimination System (NPDES) Phase II Small Municipal Separate Storm Sewer Systems (MS4) Permit and the Bay Area Stormwater Management Agencies Association (BASMAA) Post-Construction Manual. The Project Applicant shall prepare the final Stormwater Control Plan (SCP) and any necessary changes by the City or the SFRWQCB shall be incorporated into project design plans to ensure the required controls are in place and adhere to the requirements of the NPDES Phase II Small MS4 Permit and consistent with the BASMAA manual. At a minimum, the SCP shall demonstrate how the following measures shall be incorporated into the project:</p> <ul style="list-style-type: none"> <li>● Low-impact development (LID) site design principles (e.g., preserving natural drainage channels, treating stormwater runoff at its source rather than in downstream centralized controls);</li> <li>● Source control best management practices (BMPs) in the form of design standards and structural features for all proposed areas of development;</li> <li>● Source control BMPs for landscaped areas shall be documented in the form of a Landscape Management Plan that relies on Integrated Pest Management and also includes pesticide and fertilizer application guidelines designed to minimize any off-site discharge; and</li> <li>● Treatment control measures (e.g., bioretention, porous pavement, vegetated swales) targeting any potential pollutants such as sediment, pathogens, metals, nutrients (nitrogen and phosphorus compounds), oxygen-demanding substances, organic compounds (e.g., PCBs, pesticides), oil and grease, and trash and debris. The SCP shall demonstrate that the project has the land area available to support the proposed BMP facilities sized per the required water quality design storm.</li> </ul>	<p>Submit documentation of compliance with the NPDES Phase II Small Municipal Separate Storm Sewer Systems Permit and the Bay Area Stormwater management Agencies Association Post-construction Manual</p>	<p>Prior to approval of tentative maps or issuance of building permits</p>
112.	<p><b>Mitigation Measure 4.7-3b: Compliance with the MS4 Permit.</b> Prior to issuance of any building permits, the Project Applicant shall submit documentation to the City to demonstrate adherence to Provision E.12.h of the Municipal Separate Storm Sewer Systems (MS4) Permit, which requires that an Operation and Maintenance Program is implemented for post-construction stormwater management features. Responsible parties and funding for long-term maintenance of all Best Management Practices (BMPs) must be</p>	<p>Submit documentation that an Operation and Maintenance Program has been</p>	<p>Prior to issuance of building permits</p>

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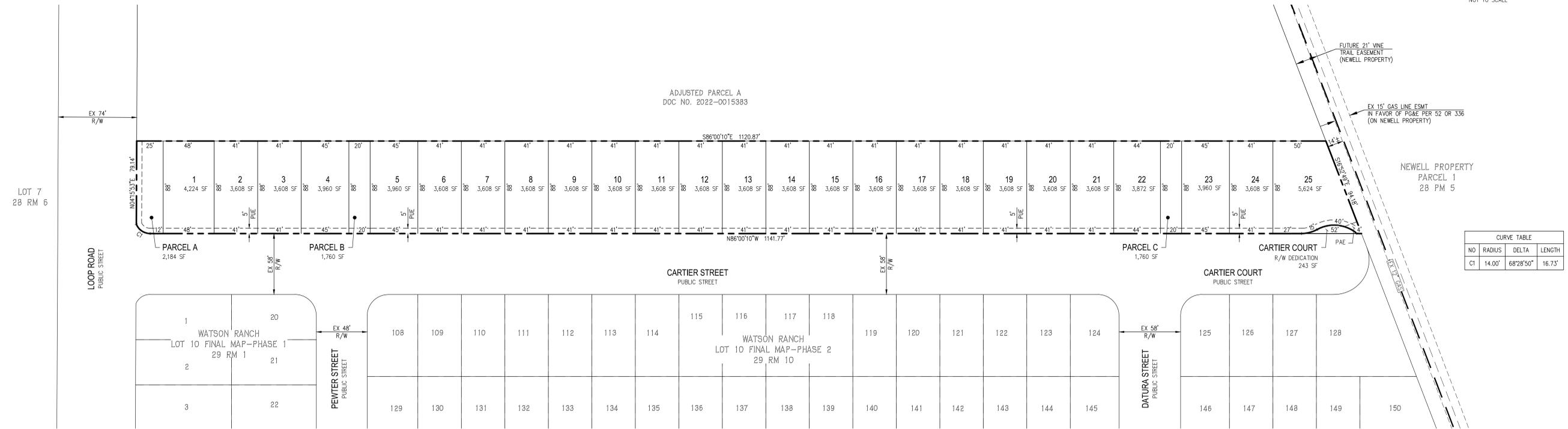
	specified within the Operation and Maintenance Plan. This Plan shall specify a regular inspection schedule of stormwater treatment facilities in accordance with the requirements of the National Pollutant Discharge Elimination System (NPDES) MS4 Permit. Reports documenting inspections and any remedial action conducted shall be submitted regularly to the City for review and approval.	implemented for post-construction stormwater management features	
113.	<p><b>Mitigation Measure 4.9-1: Construction Noise.</b> To reduce the potential for noise impacts due to construction of the project, the Project Applicant shall require construction contractors to implement the following measures:</p> <ul style="list-style-type: none"> <li>● Stationary construction noise sources shall not be located within 200 feet of residence. If necessary to locate this equipment within 200 of existing residences, stationary equipment shall be shielded by temporary noise barriers or acoustic enclosures that are long and tall enough to break line of sight.</li> <li>● Noise barriers or shielding shall be erected for construction work associated with on-site construction activities that involves heavy construction equipment and occurs within 200 feet of residences for an extended period of time (i.e., more than 2 weeks). The barriers shall be long enough to break line of sight and at least 8 feet in height.</li> <li>● Equipment warm up areas and equipment storage areas shall not be located closer than 500 feet of adjacent residences.</li> <li>● All heavy construction equipment and all stationary noise sources (such as diesel generators) shall have properly functioning manufacturer-installed mufflers.</li> <li>● Stationary noise sources, such as temporary generators and pumps, shall be positioned as far from nearby receivers as possible, within temporary enclosures and shielded by barriers (which could reduce construction noise by as much as 5 dB), or other measures, to the extent feasible.</li> <li>● Use “quiet” models of air compressors and other stationary equipment where such technology exists.</li> <li>● Prohibit unnecessary idling of internal combustion engines.</li> <li>● To further reduce the potential for impacts, a Construction Noise Management Plan shall be prepared and shall include the following: <ul style="list-style-type: none"> <li>○ A process by which to provide a minimum of 2 weeks’ advance notice to all residences located within 200 feet of construction activities that are expected to occur for a period of 2 weeks or longer within a defined area, including the approximate start and end dates of such activities.</li> <li>○ Signs shall be posted at all project entrances upon commencement of construction for the purposes of informing all contractors/subcontractors, their employees, agents, material haulers, and all other persons at the project of the basic requirements of Mitigation Measure 4.9-1.</li> <li>○ Publicly visible signs shall be posted on security fencing at multiple locations around the perimeter of the project construction boundary that include: <ul style="list-style-type: none"> <li>■ Permitted construction days and hours.</li> <li>■ A telephone number and designated person to contact for registering noise complaints. The designated person shall be available to respond to, and if necessary through complaint verification, take corrective action to ensure that noise emissions from the offending equipment or activity is addressed. Corrective action shall be applied immediately if feasible, and within no later than 48 hours after receipt of the noise complaint. The designated person shall track complaints and corrective actions taken to resolve noise complaint issues.</li> </ul> </li> </ul> </li> </ul>	Submit documentation verifying implementation of mitigation implementation, including construction Noise Management Plan	During construction activities
114.	<p><b>Mitigation Measure 4.12-3a (same as Mitigation Measure 4.2-2a in Section 4.2, Air Quality and Greenhouse Gas Emissions): Transportation Demand Management (TDM) Program.</b> Prior to issuance of the first building permit for the non-residential use areas (i.e.,</p>	TDM program	Prior to issuance of first

**MASTER CONDITIONS OF APPROVAL  
FOR AC-1 PORTION OF WATSON RANCH**

	<p>Napa Valley Ruins &amp; Gardens [NVR&amp;G] and hotel), the Project Applicant shall develop a TDM program for the non-residential use areas (i.e., NVR&amp;G and hotel) and shall submit the TDM program to the City Department of Public Works for review and approval. The Project Applicant shall be responsible for funding and overseeing the delivery of trip reduction/TDM proposed programs and strategies, which may include, but are not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. Establishment of carpool, buspool, or vanpool programs;</li> <li>2. Vanpool purchase incentives;</li> <li>3. Cash allowances, passes or other public transit subsidies and purchase incentives;</li> <li>4. Preferential parking locations for ridesharing vehicles;</li> <li>5. Computerized commuter rideshare matching services;</li> <li>6. Guaranteed ride-home program for ridesharing;</li> <li>7. Bicycle programs including bike purchase incentives, storage, and maintenance programs;</li> <li>8. On-site car share and bike share service;</li> <li>9. Preparation of a Parking Management Plan to address parking accommodations for large events;</li> <li>10. Designation of an on-site transportation coordinator for the project;</li> <li>11. Transit and trip planning resources such as commute information kiosk;</li> <li>12. Employer-provided showers, changing rooms, and clothing lockers for office employees that commute via active transportation;</li> <li>13. Bicycle route mapping resources;</li> <li>14. Participation in future citywide Transportation Management Association (TMA); and</li> <li>15. Submit annual reports to the City regarding TDM activities.</li> </ol>		<p>building permit for the non-residential use area (i.e., NVR&amp;G and hotel)</p>
<p>115.</p>	<p><b>Mitigation Measure 4.12-9: Construction Management Plan.</b> The Project Applicant shall develop and submit a Construction Management Plan (CMP) to the City of American Canyon prior to commencement of any construction activities, including construction activities associated with the transportation mitigation measures. The provisions of a CMP shall specifically address the characteristics of construction-related traffic associated with development. Such plans identify construction phasing and the level and type of construction-related traffic. The CMP shall identify construction truck routes to access the WRSP site, lane closures on existing public streets (if needed) including a plan for any necessary traffic control measures, and on-site staging requirements, and other information as required by the City.</p> <p>Once the construction truck routes have been approved, but before construction has started, the Project Applicant shall conduct a survey of existing conditions of pavement along the approved truck routes and submit documentation of the results to the City. When construction has been substantially completed such that there would be no further construction truck trips, the Project Applicant shall re-survey the construction truck routes. The Project Applicant shall be responsible for repairing damage to roadways used for construction vehicle access to the site and attributable to the project so that the roadway conditions are returned to their pre-construction conditions (or better) as documented in the pre-construction survey along the truck routes following the construction of the project.</p>	<p>Construction Management Plan</p>	<p>Prior to construction activities</p>



VICINITY MAP  
NOT TO SCALE



**GENERAL NOTES**

- OWNER/DEVELOPER: AMERICAN CANYON I, LLC  
1001 42ND STREET, SUITE 200  
OAKLAND, CA 94608  
CONTACT: TERENCE M. McGRATH  
PHONE: (510) 273-2001
- CIVIL ENGINEER: CARLSON, BARBEE, & GIBSON, INC.  
2633 CAMINO RAMON, SUITE 350  
SAN RAMON, CA 94583  
CONTACT: WILLIAM P. CARLSON, PE 89309  
PHONE: (925) 866-0322
- GEOTECHNICAL ENGINEER: ENGeo INCORPORATED  
2010 CROW CANYON PLACE, SUITE 250  
SAN RAMON, CA 94583  
CONTACT: TED P. BAYHAM, GE 2480  
PHONE: (925) 866-9000
- TOPOGRAPHIC SOURCE: EXISTING TOPOGRAPHY PREPARED BY AEROMETRIC SURVEYS, DATED OCTOBER 20, 2005.
- BENCHMARK: NAPA COUNTY BENCHMARK BM 834C, STATE WELL MONUMENT STAMPED B-55 IN CUL DE SAC AT NORTH END OF LOMBARD ROAD.  
EL = 58.37' NGVD 29  
(TO CONVERT TO NAVD88 = NGVD29 + 2.44')

- A.P.N.: 059-430-044
- EXISTING LAND USE: VACANT/UNDEVELOPED OPEN SPACE
- PROPOSED LAND USE: RESIDENTIAL & OPEN SPACE
- SITE AREA: 2.30± ACRES (GROSS)  
0.05± ACRES (PARCEL A (PRIVATE))  
0.08± ACRES (PARCELS B-C (PUBLIC))  
0.001± ACRES (STREET DEDICATION (PUBLIC))  
2.17± ACRES (NET)
- RESIDENTIAL UNITS: 25 LOTS & 3 PARCELS
- GENERAL PLAN: TOWN CENTER (TC)
- ZONING: MEDIUM DENSITY RESIDENTIAL - 16 (TC-1 MDR-16)
- DENSITY: 10.9± DU/ACRE (GROSS)  
11.5± DU/ACRE (NET)
- WATER: CITY OF AMERICAN CANYON
- SANITARY SEWER: CITY OF AMERICAN CANYON
- STORM DRAIN: CITY OF AMERICAN CANYON

- GAS & ELECTRIC: PACIFIC GAS AND ELECTRIC (PG&E)
- TELEPHONE: AT&T
- CABLE TV: COMCAST
- FLOOD ZONE: FEMA FLOOD ZONE X - UNSHADED (AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).  
MAP NUMBER: 06055C0650E
- DIMENSIONS: ALL DIMENSIONS ARE PRELIMINARY AND SUBJECT TO THE FINAL CONSTRUCTION DOCUMENTS.
- EASEMENTS: EXISTING EASEMENTS MAY REQUIRE VACATION OR RELOCATION TO FACILITATE DEVELOPMENT. ALL PROPOSED, EXISTING, RELOCATED AND VACATED EASEMENTS TO BE SHOWN ON THE FINAL MAP OR PROVIDED BY SEPARATE INSTRUMENT.
- STREETS: ALL STREETS TO BE PUBLIC STREETS, OWNED AND MAINTAINED BY THE CITY OF AMERICAN CANYON.
- STORMWATER/DETENTION: ALL STORMWATER QUALITY TREATMENT AND DETENTION NEEDS FOR THE SITE WILL BE PROVIDED ON WATSON RANCH LARGE LOT 9 (APN: 059-430-017). SEE WATSON RANCH BACKBONE IMPROVEMENT PLANS - PHASE 1A FOR

**ABBREVIATIONS**

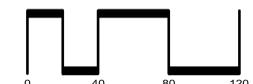
- AC ACRES
- BD BOUNDARY
- ESMT EASEMENT
- EX EXISTING
- PAE PEDESTRIAN ACCESS EASEMENT
- PR PROPOSED
- PUE PUBLIC UTILITY EASEMENT
- R RADIUS
- RM RECORDED MAP
- R/W RIGHT-OF-WAY
- SF SQUARE FOOT
- TYP TYPICAL

**LEGEND**

- | EXISTING | PROPOSED | DESCRIPTION          |
|----------|----------|----------------------|
| ---      | ---      | SUBDIVISION BOUNDARY |
| ---      | ---      | LOT LINE             |
| ---      | ---      | RIGHT OF WAY         |
| ---      | ---      | EASEMENT LINE        |

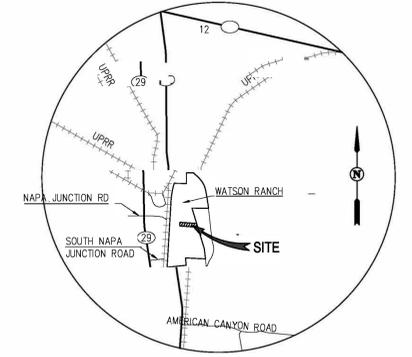
# VESTING TENTATIVE MAP WATSON RANCH LOT 8 (ADJUSTED PARCEL B)

CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA  
SCALE: 1" = 40' DATE: MARCH 21, 2024



SAN RAMON (925) 866-0322  
ROSEVILLE (916) 788-4456  
WWW.CBANDG.COM  
CIVIL ENGINEERS SURVEYORS PLANNERS

SHEET NO.  
**TM-1**  
OF 1 SHEET

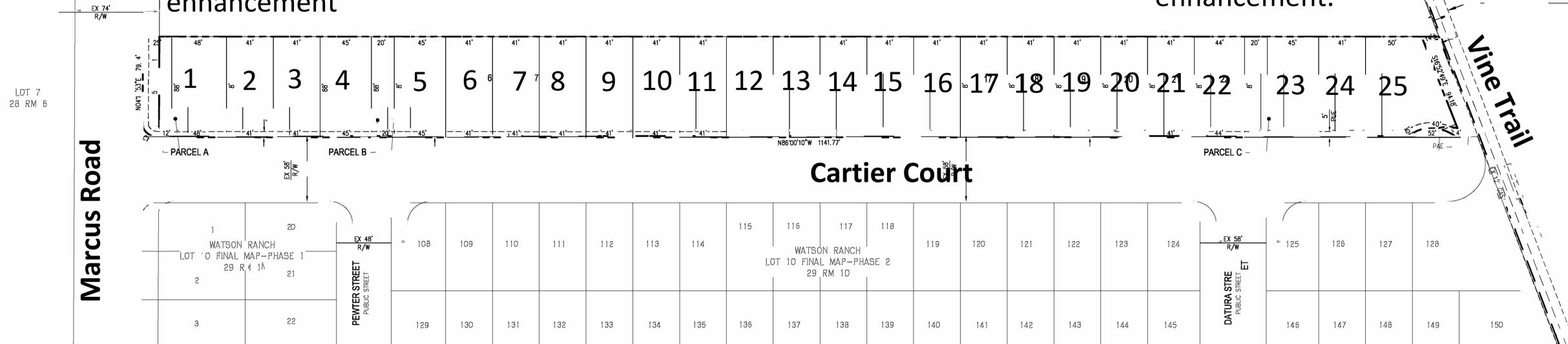


VICINITY MAP  
NOT TO SCALE

# Future Park

Lot 1 receives west side and rear elevation enhancement

Lot 25 receives east side and rear elevation enhancement.



CURVE TABLE			
NO	RADIUS	DELTA	LENGTH
C1	14.00'	68°28'50"	

**GENERAL NOTES**

- OWNER/DEVELOPER:
- CIVIL ENGINEER:
- GEOTECHNICAL ENGINEER:
- TOPOGRAPHIC SOURCE:
- BENCHMARK:
- A.P.N.:
- EXISTING LAND USE:
- PROPOSED LAND USE:

- GAS & ELECTRIC:
- TELEPHONE:
- CABLE TV:
- FLOOD ZONE:
- DIMENSIONS:
- EASEMENTS:
- STREETS:
- STORMWATER/DETENTION:

**ABBREVIATIONS**

- AC ACRES
- BD BOUNDARY
- ESMT EASEMENT
- EX EXISTING
- PAE PEDESTRIAN ACCESS EASEMENT
- PR PROPOSED
- PUE PUBLIC UTILITY EASEMENT
- R RADIUS
- RM RECORDED MAP
- R/W RIGHT-OF-WAY
- SF SQUARE FOOT
- TYP TYPICAL

**LEGEND**

- EXISTING
- PROPOSED
- DESCRIPTION
- SUBDIVISION BOUNDARY
- LOT LINE
- RIGHT OF WAY
- EASEMENT LINE

## VESTING TENTATIVE MAP WATSON RANCH LOT 8 (ADJUSTED PARCEL B)

CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA

SCALE: 1" = 40' DATE: MARCH 21, 2024



**cbg**  
CIVIL ENGINEERS • SURVEYORS • PLANNERS

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ROSEVILLE • (916) 788-4456  
WWW.CBANDG.COM

SHEET NO.  
**TM-1**  
OF 1 SHEET

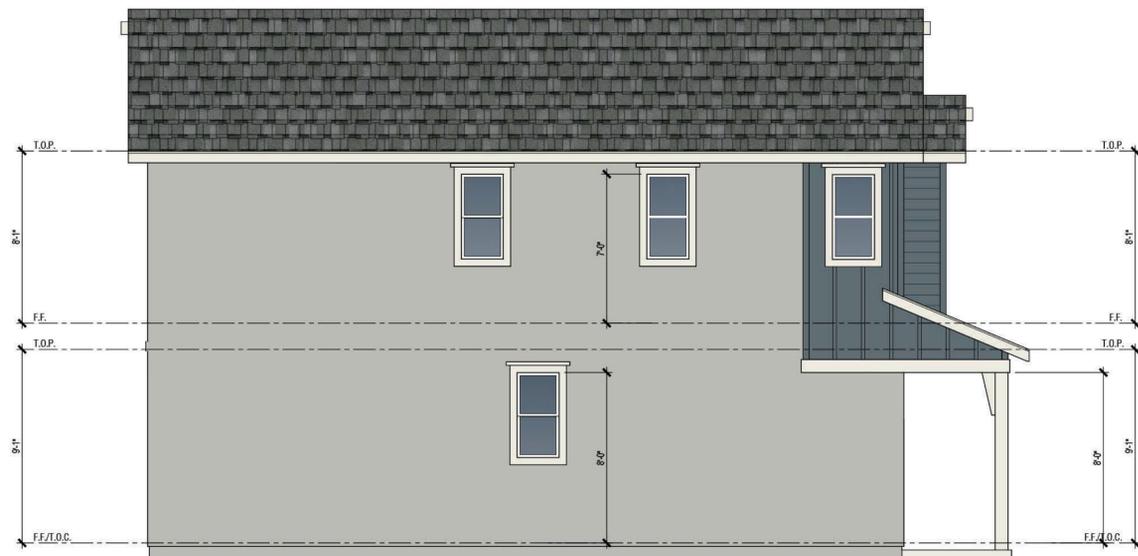




Right



Rear



Left



Front

**PLAN 1583**  
Elevation C - Farmhouse

**WATSON RANCH**  
AMERICAN CANYON, CA

8/4/23 Updates:  
 -Two Tone Color @ Belly Band w/ Siding Added



Right



Rear



Left



Front

**PLAN 1583**  
 Elevation C - Farmhouse

**WATSON RANCH**  
 AMERICAN CANYON, CA



Right



Rear



Left



Front

**PLAN 1799**  
Elevation B - Traditional

**WATSON RANCH**  
AMERICAN CANYON, CA

8/4/23 Updates:  
 -Two Tone Color @ Belly Band w/ Siding Added



Right



Rear



Left



Front

**PLAN 1799**  
 Elevation B - Traditional

**WATSON RANCH**  
 AMERICAN CANYON, CA

8/4/23 Updates:  
-Two Tone Color @ Belly Band w/ Siding Added



Right Elevation



Rear Elevation



Left Elevation



Front Elevation

## PLAN 1874

Elevation A - Ranch

### WATSON RANCH

AMERICAN CANYON, CA

**CITY OF AMERICAN CANYON CITY COUNCIL**

**NOTICE OF PUBLIC HEARING**

On **Tuesday, April 16, 2024**, at the hour of 6:30 p.m., at **4381 Broadway, Suite 201** (in the American Canyon City Council Chambers), a public hearing will be held by the City Council of the City of American Canyon to consider the following application:

**APPLICATION:** Consider a Resolution to approve a Vesting Tentative Subdivision Map for develop of 25 single-family residential units on a 2.3-acre site within the Watson Ranch Specific Plan, Medium Density Residential 16 Zoning District, APNs 059-430-012 and 059-430-037 (File Number PL22-0024).

**PROJECT DESCRIPTION:** The project is located north of Cartier Street in Watson Ranch, north of the Harvest Subdivision. The site consists of 25 single-family residential (SFR) lots, 2 public parcels, and 1 private parcel. The SFR lots range from 3,608 SF to 5,624 SF in gross area. The subdivision is an extension of the Harvest Subdivision that the City Council approved in September of 2021.

**ENVIRONMENTAL REVIEW:** The proposed subdivision for Phase 1A of the Watson Ranch Specific Plan (“Design Guidelines”) and the Vesting Tentative Map for that Phase 1A (“VTM 1A”) are both contemplated “Project Approvals” analyzed under the Project FEIR and the Watson Ranch Specific Plan Development Agreement. Under CEQA, the Watson Ranch Specific Plan Project FEIR is a program EIR and is generally assumed to be used at a "development level." See, e.g., CEQA Guidelines § 15168. There is no substantial evidence of changed circumstances under CEQA Guidelines section 15162 requiring further CEQA review as the whole of the approvals sought are contemplated under the Project FEIR analysis.

**PROJECT LOCATION:** Vacant lot north of Cartier Street (APNs 059-430-012 and 059-430-037)

**APPLICANT:** AC 1 LLC, c/o Terry McGrath

**All interested persons are invited to attend the meeting and be heard on this matter. Copies of all documents that relate to the above-described project may be examined at the Community Development Department office prior to the hearing. The meeting will be conducted in person and by teleconference via a Zoom connection where the City Council and staff will participate with both audio and video presence. The meeting will be accessible for all members of the public to attend via the City’s website, YouTube, and Cable TV Channel 28 and public comments enabled via email and phone.**

Written comments may be submitted to Taresa Geilfuss, CMC, City Clerk by email at [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org). Hardcopy comments may be delivered to City Hall at 4381 Broadway, Suite 201, American Canyon, CA 94503, prior to the public hearing or to the City Council meeting.

If you challenge the particular proceedings in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City prior to the public hearing.

Public meetings/events sponsored or conducted by the City of American Canyon are held in accessible sites. Requests for accommodations may be made by calling (707) 647-5310 (voice) or 711 for the California Relay Service or by e-mailing the ADA Coordinator, Cherri Walton, at [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org) at least 72 hours in advance of the event. Copies of documents distributed at the meeting are available in alternative formats upon request.

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Taresa Geilfuss, CMC City Clerk

Date: April 2, 2024

Publication Date: April 6, 2024

059-430-006-000  
CITY OF AMERICAN CANYON  
4381 BROADWAY STE 201  
AMERICAN CANYON, CA 94503

059-430-019-000  
AMERICAN CANYON PACIFIC  
ASSOCIATES LP  
3351 M STREET SUITE 100  
MERCED, CA 95348

059-430-043-000  
CITY OF AMERICAN CANYON  
4381 BROADWAY STE  
AMERICAN CANYON, CA 94503

059-430-046-000  
WATSON RANCH OWNERS ASSOCIATION  
6683 OWENS DR  
PLEASANTON, CA 945888

059-471-002-000  
[REDACTED]  
291 PEWTER ST  
AMERICAN CANYON, CA 94503

059-471-005-000  
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261 PEWTER ST  
AMERICAN CANYON, CA 94503

059-471-008-000  
[REDACTED]  
231 PEWTER ST  
AMERICAN CANYON, CA 94508

059-471-011-000  
[REDACTED]  
201 PEWTER ST  
AMERICAN CANYON, CA 94503

059-471-050-000  
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180 MARCUS RD  
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220 MARCUS RD  
AMERICAN CANYON, CA 94503

059-430-008-000  
CITY OF AMERICAN CANYON  
4381 BROADWAY STE 201  
AMERICAN CANYON, CA 94503

059-430-031-000  
AMERICAN CANYON PACIFIC  
ASSOCIATES LP  
3351 M STREET SUITE 100  
MERCED, CA 95348

059-430-044-000  
MCGRATH PROPERTIES AMERICAN  
CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-030-007-000  
[REDACTED]  
533 SOSCOL AVE #100  
NAPA, CA 94559

059-471-003-000  
[REDACTED]  
281 PEWTER ST  
AMERICAN CANYON, CA 94503

059-471-006-000  
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251 PEWTER ST  
AMERICAN CANYON, CA 94503

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221 PEWTER ST  
AMERICAN CANYON, CA 94508

059-471-012-000  
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607 BERRYESSA RD  
SAN JOSE, CA 95112

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200 MARCUS RD  
AMERICAN CANYON, CA 94503

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230 MARCUS RD  
AMERICAN CANYON, CA 94503

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1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-430-036-000  
1625 CLAY LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-430-045-000  
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CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-471-001-000  
[REDACTED]  
290 MARCUS RD  
AMERICAN CANYON, CA 94503

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241 PEWTER ST  
AMERICAN CANYON, CA 94503

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211 PEWTER ST  
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171 PEWTER ST  
AMERICAN CANYON, CA 94503

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AMERICAN CANYON, CA 94503

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AMERICAN CANYON, CA 94503

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AMERICAN CANYON, CA 94503

059-472-001-000  
MCGRATH PROPERTIES AMERICAN  
CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-472-002-000  
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CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-472-003-000  
MCGRATH PROPERTIES AMERICAN  
CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-472-004-000  
D R HORTON BAY INC  
3000 EXECUTIVE PKWY STE 100  
SAN RAMON, CA 94583-4356

059-472-005-000  
D R HORTON BAY INC  
3000 EXECUTIVE PKWY STE 100  
SAN RAMON, CA 94583-4356

059-472-006-000  
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059-472-014-000  
D R HORTON BAY INC  
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1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

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CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

059-473-002-000  
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4381 BROADWAY STE 201  
AMERICAN CANYON, CA 94503

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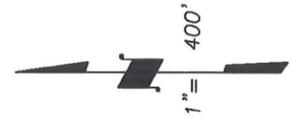
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CANYON LLC ETAL  
1001 42<sup>ND</sup> ST STE 200  
OAKLAND, CA 94608

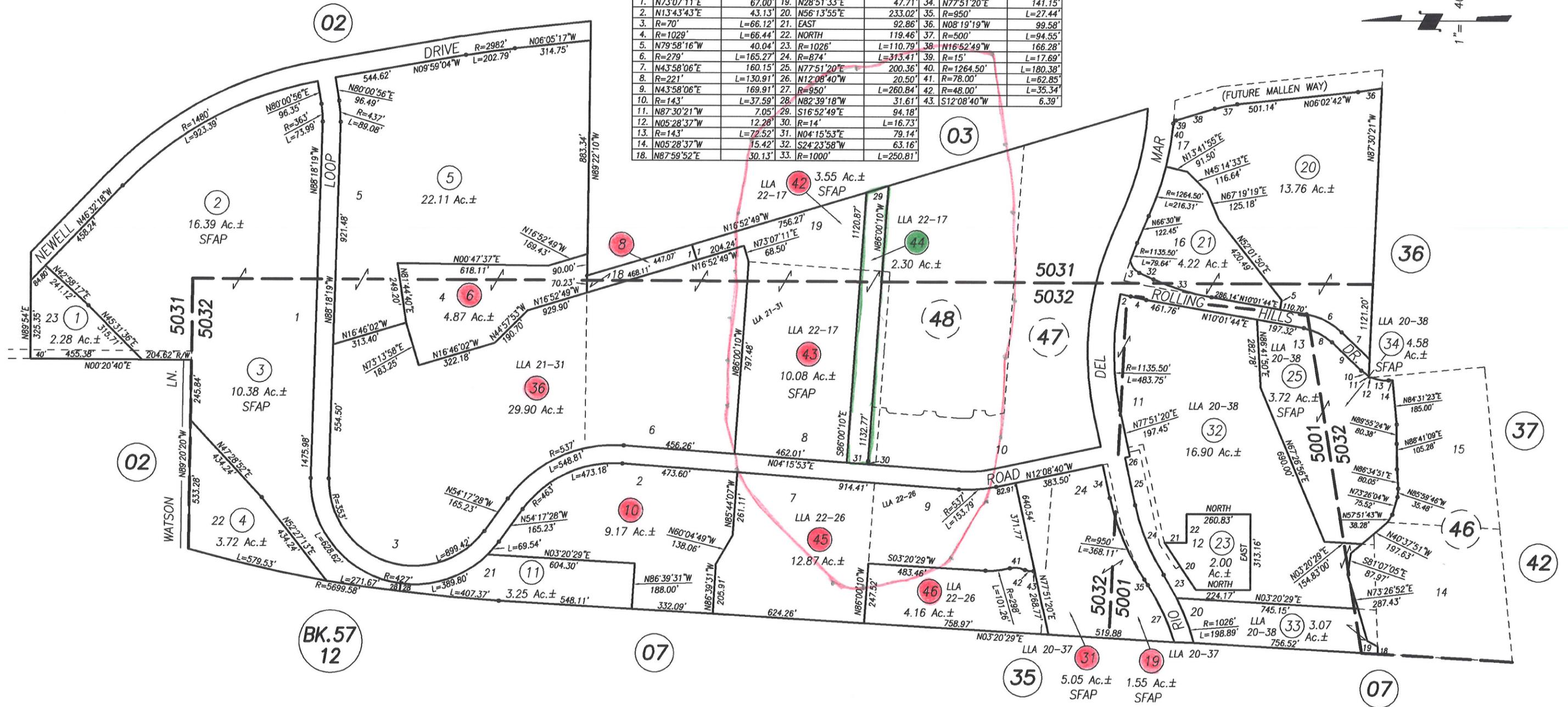
# COUNTY ASSESSOR'S PARCEL MAP

Tax Area Code  
5001  
5031  
5032

59-43  
59-02



1. N73°07'11"E	67.00'	19. N28°51'33"E	47.71'	34. N77°51'20"E	141.15'
2. N13°43'43"E	43.13'	20. N56°13'55"E	233.02'	35. R=950'	L=27.44'
3. R=70'	L=66.12'	21. EAST	92.86'	36. N08°19'19"W	99.58'
4. R=1029'	L=66.44'	22. NORTH	119.46'	37. R=500'	L=94.55'
5. N79°58'16"W	40.04'	23. R=1026'	L=110.79'	38. N16°52'49"W	166.28'
6. R=279'	L=165.27'	24. R=874'	L=313.41'	39. R=15'	L=17.69'
7. N43°58'06"E	160.15'	25. N77°51'20"E	200.36'	40. R=1264.50'	L=180.38'
8. R=221'	L=130.91'	26. N12°08'40"W	20.50'	41. R=78.00'	L=62.85'
9. N43°58'06"E	169.91'	27. R=950'	L=260.84'	42. R=48.00'	L=35.34'
10. R=143'	L=37.59'	28. N82°39'18"W	31.61'	43. S12°08'40"W	6.39'
11. N87°30'21"W	7.05'	29. S16°52'49"E	94.18'		
12. N05°28'37"W	12.28'	30. R=14'	L=16.73'		
13. R=143'	L=72.52'	31. N04°15'53"E	79.14'		
14. N05°28'37"W	15.42'	32. S24°23'58"W	63.16'		
18. N87°59'52"E	30.13'	33. R=1000'	L=250.81'		



NOTE: This Map Was Prepared For Assessment Purposes Only , No Liability Is Assumed For The Accuracy Of The Data Delineated Hereon.

430-38 & 39 TO PG 48 3-21-22	
430-42,43 & 44 LLA	8-12-22
430-21 PTN TO RD	11-30-22
430-19,31 PTN TO RD	11-30-22
430-20 PTN TO RD	11-30-22
430-45 & 46 LLA	12-5-22
REVISION	DATE

LARGE LOT FINAL MAP WATSON RANCH R.M. BK. 28, PG. 6-13

# COUNTY ASSESSOR'S PARCEL MAP

PTN. SEC'S. 17, 18, 19, 20 T.4N., R.3W., M.D.B.&M.

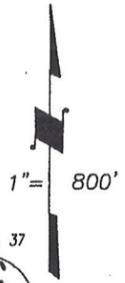
Tax Area Code  
5031,72001

59-03

01

18  
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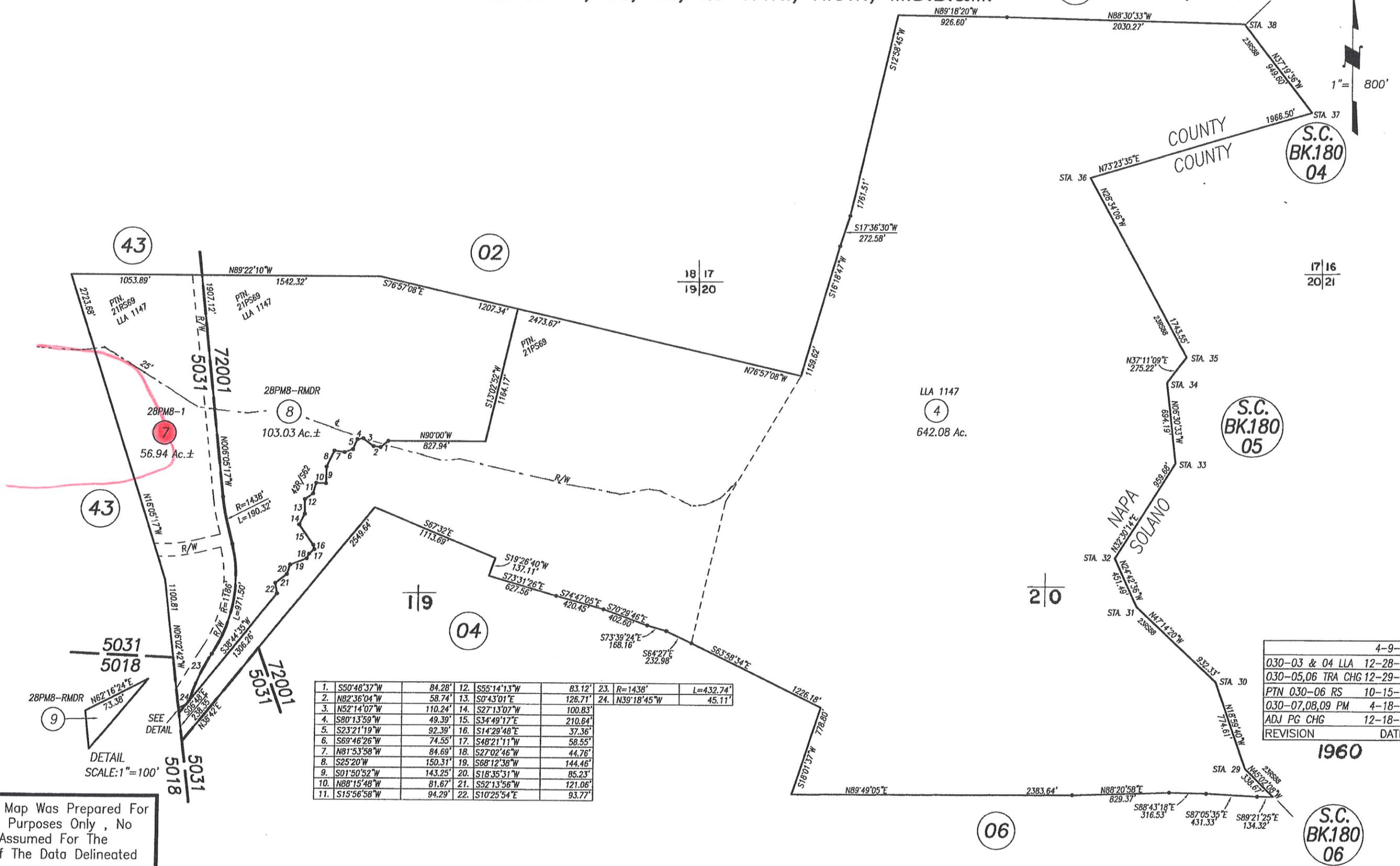
S.C.  
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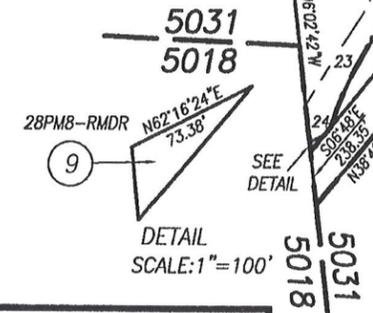
4-9-93
030-03 & 04 LLA 12-28-99
030-05,06 TRA CHG 12-29-11
PTN 030-06 RS 10-15-13
030-07,08,09 PM 4-18-19
ADJ PG CHG 12-18-19
REVISION DATE

1960

S.C.  
BK.180  
06



1. S50°48'37\"/>
2. N82°36'04\"/>
3. N52°14'07\"/>
4. S80°13'59\"/>
5. S23°21'19\"/>
6. S69°46'26\"/>
7. N81°53'58\"/>
8. S25°20\"/>
9. S01°50'52\"/>
10. N88°15'48\"/>
11. S15°56'58\"/>
12. S55°14'13\"/>
13. S0°43'01\"/>
14. S27°13'07\"/>
15. S34°49'17\"/>
16. S14°29'48\"/>
17. S48°21'11\"/>
18. S27°02'46\"/>
19. S68°12'38\"/>
20. S18°35'31\"/>
21. S52°13'56\"/>
22. S10°25'54\"/>
23. R=1438' L=432.74'
24. N39°18'45\"/>



NOTE: This Map Was Prepared For Assessment Purposes Only , No Liability Is Assumed For The Accuracy Of The Data Delineated Hereon.







## TITLE

Proposed Staffing FY 24/25 and Beyond

## RECOMMENDATION

Receive a presentation on employee satisfaction surveys, organizational assessments and proposed staffing for Fiscal Year FY 24/25 and beyond.

## CONTACT

Jason Holley, City Manager

## BACKGROUND & ANALYSIS

Staff and consultants conducted various employee satisfaction surveys and organizational assessments in preparation for the Fiscal Year 24/25 Budget. Generally, the identified needs are staffing (full-time or part-time), outside resources (ie. consultants, contractors, etc.), training, and/or technology & equipment.

### Employee Satisfaction Survey

An Employee Satisfaction Survey was undertaken by Pollco in Fall 2023. The results present the opinions of City employees regarding their job satisfaction, engagement, and key characteristics of their work environment (Attachment 1).

A total of 69 employees completed surveys (78% response rate). American Canyon's results compare favorably to the benchmarks of more than 25,000 other local government employees surveyed across the U.S.

A summary is below:

- Employee development is valued by American Canyon employees and exceeded the national average in many areas.
- Although employees appreciate the work environment and benefits provided, there is some concern surrounding resources provided.
- American Canyon employees are satisfied with their jobs and plan to continue working for American Canyon.
- American Canyon is making positive strides in the areas of inclusivity and equity.

### Organizational Assessment - Public Works and Maintenance and Utilities Departments

The assessment of the Public Works and the Maintenance and Utilities Departments was extensive. It includes an analysis of organizational structures, management systems and use of best practices by Baker Tilly, one of the nation's preeminent municipal advisory firms. The report (Attachment 2) provides a roadmap for some changes - other changes are proposed independently by the City Manager.

The following methods were used:

- Individual Interviews: Fifteen (15) individual staff interviews. These meetings will be confidential with only the consultants and staff member participating.
- Focus Groups: Four (4) focus group meetings. One (1) each at the Corporation Yard, Water Reclamation Facility, Water Treatment Plant and City Hall. All employees of each Department were invited to attend these group meetings. This included the Utility Billing team because of their critical role.
- Survey: a confidential employee survey for each Department.
- Peer cities review: Comparison of four (4) peer cities for their organization structures and how functions are aligned.

The City Manager and Baker Tilly share the following key findings:

- Merge into single department.
- Recruit for leadership position over utilities only (not maintenance).
- Address confusion/efficiency Capital program
- Build analytical capacity.
- Separate construction inspection from design
- Supervisory needs for building maintenance & fleet.
- Narrow the focus of park maintenance group
- Technology, technology, technology
- Training & succession planning
- Utilize contractors and consultants

The following changes are underway:

- Combine into a single Public Works Department.
- Recruit for Assistant Public Works Director – Utilities and Environmental position
- Change Streets & Drainage Division to report to PWD Superintendent (instead of Public Works Director)
- Change work location for Corp Yard staff

The following changes are proposed for Fiscal Year 24/25:

- Create "Site Supervisor" role for each treatment plant
- New Management Analyst position reporting to PWD Director
- New Project Manager position
- Utilize contractor for pool maintenance

- Utilize sheep contractor for vegetation management

The following changes are under consideration for the future:

- Change work location of utility field staff
- Create Field Inspection Division
- Create a leadership position to oversee Engineering Divisions (City Engineer)
- New full-time Maintenance Worker position for Parks Division
- New Maintenance Supervisor for Facility/Fleet Division
- New permanent part-time Maintenance Worker position(s)
- Additional clerical support

#### Organizational Assessment - Parks and Recreation Department

Municipal Resources Group (MRG) was hired to perform an assessment of the Parks and Recreation Department. Their work is all-encompassing and includes one-on-one interviews, group interviews and mentoring and leadership developments.

The assessment focusses on the following positions and how their job classifications are utilized:

- Recreation Manager
- Administrative Technician
- Recreation Supervisor
- Recreation Coordinator
- Program Coordinator

Key finding includes:

- Organizational Structure: Consider adding two Recreation Supervisor positions to supervise the Recreation Coordinators and other recreation program positions.
- Recreation Manager: The position is classified correctly; however, the class specification should be updated.
- Administrative Technician: The position is classified correctly, and no changes to the class specification are recommended.
- Recreation Supervisor: Revise the class specification to: (1) identify the classification as a full supervisor over permanent, full-time staff; (2) identify it as an FLSA-exempt management classification; and (3) update the minimum qualifications and other sections, especially pertaining to supervisory functions.
- Recreation Coordinator: Revise the class specification to clearly differentiate it from Recreation Supervisor.
- Program Coordinator: Establish a new Recreation Specialist classification and reclassify the Program Coordinators in the Parks and Recreation Department to Recreation Specialist. Keep the Program Coordinator classification to be used in other departments.

MRG's assessment provides a roadmap for some changes - other changes are proposed independently by the City Manager. The following changes are underway, but will require Council

approval prior to becoming effective:

- Revise the Recreation Coordinator class specification to clearly differentiate it from Recreation Supervisor.
- Revise the Recreation Supervisor class specification to a FLSA-exempt management classification.
- Update the Recreation Manager class specification.

Professional development work focusing specifically on enhancing team dynamics and maximizing strengths and talents remains ongoing; topics include:

- Strategic program planning and development
- Recreation career and leadership strategy
- Team development and communication
- Goal setting and implementation
- Increasing the use of the community centers, the pool, and community-wide program planning
- Managing program and event planning and implementation
- Enhancing budget and funding practices
- Supporting current projects
- Time management

No additional full-time staff positions are proposed as part of the FY 24/25 Budget, but others are under consideration for the future.

#### Organizational Assessment - Police Department

Chief Greenberg continues to assess the needs of American Canyon Police Department (ACPD) continues to provide a high level of service to the community. Council previously approved supervisory positions of Lieutenant and Sergeant, in preparation to add future additional officers.

Currently, ACPD consists of 26 sworn officers, including 1 Chief, 1 Lieutenant, 5 Sergeants, and 19 officers. But as American Canyon grows, additional law enforcement staffing is needed.

Of the current 19 officers, one (1) officer is assigned as the full-time community resource officer (CRO), two (2) are assigned as full-time traffic enforcement and vehicle collision investigators, and two (2) are assigned as School Resource Officers (SRO's) at the high school and middle school respectively.

By January 2027, the recommendation is to increase total sworn staffing to 30 officers. The recommendation is partially based on sizing the ACPD for population growth (1.1 officer per 1000), assumed increases in vehicle traffic, and responding to the community's desire to continue the high level of service, including above average crime clearance rates. The additional four (4) officers would be:

- (1) community outreach officer

- (1) traffic enforcement officer
- (2) additional patrol officers

The additional community outreach officer will augment the existing CRO's high level of community-oriented policing, community outreach, and participate in special events.

The additional traffic enforcement officer will join the two (2) existing motor officers in providing high level of traffic enforcement and traffic collision investigation. Having more visible traffic enforcement officers should reduce bad driving behavior and traffic collisions.

The additional patrol officers will support the inevitable increase in calls for service as American Canyon's populations grows. Adding the additional officers as proposed, will keep our response time down, increase visible police presence helping to deter crime, and to continue ACPD's exceptional crime clearance rates.

There is a separate Business Item tonight related to the contractual procedures necessary for implementing the Chief's recommendation in conjunction with the Law Enforcement Services contract with Napa Sheriff's Office.

## **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Organizational Effectiveness: "Deliver exemplary government services."

## **FISCAL IMPACT**

Funding for the changes underway are already included in the FY 2023/24 Budget. Funding for changes in the FY 2024/25 are included in the Proposed Budget for Council review on May 21. Final adoption of the FY 2024/25 Budget is scheduled for June 4.

## **ENVIRONMENTAL REVIEW**

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

## **ATTACHMENTS:**

- [1. 2023 National Employee Survey Results](#)
- [2. Assessment of Public Works and Maintenance & Utilities Departments](#)
- [3. Classification Review](#)

# American Canyon, CA

## The National Employee Survey

Report of Results  
2023

Report by:



Visit us online!  
[www.polco.us](http://www.polco.us)

## About The NES™

This report of The National Employee Survey™ (The NES™) for the City of American Canyon presents the opinions of employees regarding their job satisfaction, engagement and key characteristics of their work environment. The survey was developed by the experts from National Research Center at Polco. A periodic sounding of employee opinion on critical workplace issues offers management, staff and elected officials an opportunity to identify challenges, plan for and evaluate improvements and sustain organizational effectiveness for long-term success.

The NES report is about the work environment of the City of American Canyon. A quality work environment is a workplace that is not simply acceptable, but that is desirable. It is not only where people do work, but where they want to work.

Great workplaces are partnerships of employees, management and the residents they serve. The NES captures employees' opinions within the aspects of organizational climate as well as community quality and city governance OR as well as ratings of City internal support services (such as human resources and finance), community quality, and City governance:

- Quality of Community
- Quality of Governance
- Employee Engagement
- Workplace essentials
- Organizational Climate
- Employee Development
- Equity and Inclusion
- Internal Support Services

A total of 69 completed surveys were obtained, providing an overall response rate of 78%. Because the survey was intended to be taken by all employees, no traditional margin of error was calculated. However, because not all employees responded, NRC recommends using plus or minus five percentage points as the “range of uncertainty” around any given percent reported for the organization as a whole. The full description of methods used to garner these opinions can be found in the Methods tab.

### How the results are reported

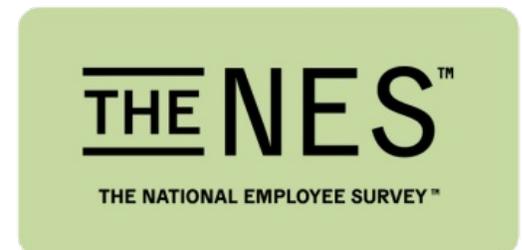
For the most part, the percentages presented in the following tabs represent the “percent positive.” The percent positive is the combination of the top two most positive response options (i.e., “excellent” and “good,” “strongly agree” and “somewhat agree,” etc.). On many of the questions in the survey respondents may answer “don’t know.” The proportion of respondents giving this reply is shown in the full set of responses included in the tab “Complete data.” However, these responses have been removed from the analyses presented in most of the tabs. In other words, the tables and graphs display the responses from respondents who had an opinion about a specific item. When a table for a question that only permitted a single response does not total to exactly 100%, it is due to the customary practice of rounding percentages to the nearest whole number.

### Comparisons to the benchmarks

This is American Canyon's first administration of The National Employee Survey. The survey was administered during the COVID-19 pandemic, a time of challenge for many local governments. While we provide comparisons to national benchmarks, it is important to note that much of the benchmark data was collected prior to the pandemic, so the comparisons may not be entirely comparable for all of the data points.



POWERED BY POLCO



NRC's database of comparative employee opinion comprises the perspectives of more than 25,000 employees gathered from employee surveys from local governments across the U.S. Those employees evaluated the organization in which they work and gave their opinion about job satisfaction, supervisor relationships and other aspects of the employee experience. The City of American Canyon was compared to the entire database. A benchmark comparison (the average percent positive from all the comparison organizations where a question was asked, excluding American Canyon's) has been provided when there were at least five organizations in which the ..

Where comparisons are available, two columns are provided in the table. The first column is American Canyon's percent positive. The second shows the comparison of American Canyon's rating to the benchmark, where American Canyon's results are noted as being "higher" than the benchmark, "lower" than the benchmark or "similar" to the benchmark. These labels come from a statistical comparison of American Canyon's rating to the benchmark where a rating is considered "similar" if it is within the margin of error (five percentage points or less) and "higher" or "lower" if the difference between American Canyon's rating and the benchmark is greater the margin of error (greater than five percentage points).

## Methods



### Survey Background

The City of American Canyon partnered with National Research Center (NRC) at Polco to conduct a City-wide employee survey. Employees were asked questions about their job satisfaction, work environment, compensation, supervisory relationships, organizational climate and communication. This was the first survey of American Canyon employees. The results can be used by the City to better understand employee experiences, address employee concerns and monitor perspectives over time.

The survey consisted of thematically similar statements grouped into question sets and all were asked on a four-point scale (e.g., strongly agree, somewhat agree, somewhat disagree, strongly disagree or excellent, good, fair, poor).

### Selecting Survey Recipients

All City of American Canyon employees were eligible to complete the survey. The City provided NRC with a list of email addresses for all employees with City emails. The City also communicated with all employees about the survey so that employees without City emails were informed about and could participate in the survey.

### Survey Administration and Response

The survey was administered on the Polco platform. Beginning November 13th, 2023, employees were mailed a postcard to their homes with a link inviting them to complete the web-based survey on Polco. About a week later, City of American Canyon employees with email addresses received two email messages several days apart with a URL link to the survey.

The survey was available in English only. Data collection continued through December 18th, 2023. Of the 89 employees receiving an invitation to complete the survey, a total of 69 employees returned completed surveys, providing a response rate of 78%. The response rate was calculated using the American Association of Public Opinion Research (AAPOR) response rate #2 for Internet surveys of named persons.<sup>1</sup>

Because the survey was intended to be taken by all employees, no traditional margin of error was calculated. However, because not all employees responded, NRC recommends using plus or minus five percentage points as the “range of uncertainty” around any given percent reported for the organization as a whole. Additionally, no statistical weighting was performed.

Since the surveys were completed online, the data were automatically saved electronically. The survey dataset was analyzed through a combination of software programs including the Statistical Package for the Social Sciences (SPSS), R, Python, and Tableau. The anonymity of all employees was fully maintained as no names or other unique identifiers have been recorded.

### Contact

The City of American Canyon funded this research. Please contact Jen Kansanback of the City of American Canyon at [jkansanback@cityofamericancanyon.org](mailto:jkansanback@cityofamericancanyon.org) if you have any questions about the survey.

1. See AAPOR's Standard Definitions for more information at <https://aapor.org/standards-and-ethics/standard-definitions/>

2. Pasek, J. (2014). ANES Weighting Algorithm. Retrieved from <https://surveyinsights.org/wp-content/uploads/2014/07/Full-anesrake-paper.pdf>

## Key Findings



### **Employee development is valued by American Canyon employees and exceeded the national average in many areas.**

Reviews for employee development received high praise from employees, often exceeding the national benchmark. When evaluating the organization as a whole, more than 8 in 10 gave high marks for supporting continual learning and development, and the availability of opportunities for employees to develop knowledge and skills, both exceeding the national averages. About three-quarters offered positive ratings for opportunities to develop a career path, and the overall skill set of the staff. Roughly 6 in 10 gave ratings of excellent or good to the clarity of staff roles and responsibilities, showing employee appreciation, and accuracy of performance evaluations.

Employees applauded their supervisor's performance as well, with all evaluations surpassing the national benchmarks. Nearly 9 in 10 offered positive reviews for their supervisor providing opportunities for employees to learn and grow, communicating expectations of employees, and working together with employees to set goals. About 8 in 10 offered similar praise for providing specific, constructive feedback, coaching or mentoring employees, and providing recognition for doing good work. While still rated higher than the national average, only about half of employees gave positive ratings for supervisors managing low-performing employees, indicating a potential area of opportunity.

### **Although employees appreciate the work environment and benefits provided, there is some concern surrounding resources provided.**

Most items related to the organizational climate and essentials in American Canyon received positive ratings, low scores for necessary materials indicate a potential area of opportunity. When asked to evaluate their work group, the majority of employees gave scores that exceeded the national average. At least 8 in 10 praised their work group's working relationships, collaboration and communication among all staff, effectiveness of meetings, and overall staff morale, all exceeding the national benchmarks.

Scores for evaluating supervisor performance surpassed the national average as well, with at least 8 in 10 employees giving praise to supervisor's encouraging employees to use their own judgement, and to come up with innovative solutions to problems. A similar proportion gave high marks to welcoming employee involvement in decision making, communicating information in a timely manner, and encouraging an environment where employees feel comfortable to raise issues and concerns that are important to them.

In evaluating the organization as a whole, roughly 8 in 10 employees offered positive reviews of the City's benefits overall, maintaining an environment that is free of violence or harassment, and their work schedule flexibility, all higher than the national average. Ratings for work-life balance (76%), valuing creativity (67%), and openness to new ideas or initiatives (65%) exceeded the national average as well. However, about 6 in 10 offered positive ratings for the availability of necessary materials, resources and equipment to do the job effectively, and having ac..

### **Most American Canyon employees are satisfied with their jobs and plan to continue working for the city.**

Ratings for employee engagement in American Canyon indicate high satisfaction for employees. Roughly 9 in 10 reported that they strongly or somewhat agreed that they gain satisfaction from their current job responsibilities, plan on working for the organization a year from now, and have good friends at work. A similar proportion reported that they were satisfied with their job, felt positive about working for the City, and felt positively challenged in their current job.

In a question unique to American Canyon's survey, roughly 9 in 10 responded that if given the opportunity, they would tell others great things about working for the city, are inspired to do their best work, and have established a clear path for their development with their manager.

### **The City is making positive strides in the areas of inclusivity and equity.**

Employees had many positive ratings for items related to equity and inclusion in the City. More than 8 in 10 gave high marks for the organization demonstrating respect for employees of different cultures and belief systems, and respecting individual cultural beliefs, both exceeding national averages. A slightly smaller proportion praised the organization for providing a safe and secure environment for employees of all backgrounds, promoting workplace

diversity, and attracting employees from diverse backgrounds, the latter two exceeded national benchmarks.

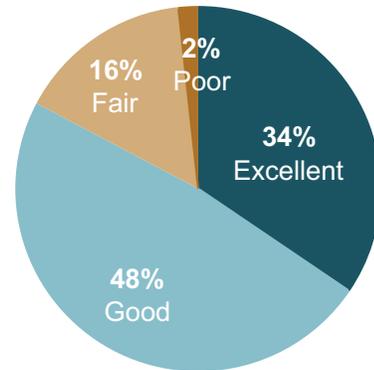
Ratings for their supervisor's performance relating to equity and inclusion exceeded national averages as well. Roughly 9 in 10 offering praise for valuing employees from diverse backgrounds, treating all employees fairly, fostering an atmosphere of mutual trust and confidence, treating employees with respect, and promoting a positive working relationship among work group members.



## American Canyon as a place to live

### Quality of Community

The quality of a government is often revealed through the quality of the community served.



**Please rate each of the following aspects of quality of life in American Canyon.**  
 (% excellent or good)

		vs. benchmark <sup>3</sup>
American Canyon as a place to live	83%	Similar
American Canyon as a place to work	78%	Similar
The overall quality of life in American Canyon	78%	Similar

**How likely or unlikely are you to recommend LIVING in American Canyon to someone who asks?**  
 (% very or somewhat likely)

How likely or unlikely are you to recommend LIVING in American Canyon to someone who asks?	85%	Similar
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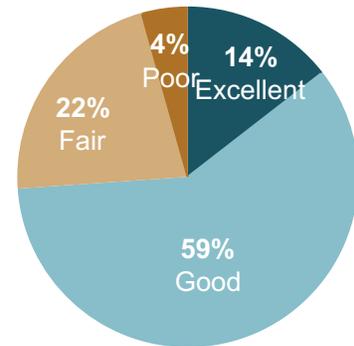
3. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.



## Quality of Governance

Employees want to be a part of a team that does high quality work that is well received by their community and well supported by the organization.

The overall quality of the services provided by the City of American Canyon



**Please rate the following categories of American Canyon government performance.**  
(% excellent or good)

		vs. benchmark <sup>4</sup>
The overall quality of the services provided by the City of American Canyon	74%	Lower
Generally acting in the best interest of the community	67%	Similar
Overall confidence in American Canyon government	63%	Similar
The overall direction that American Canyon is taking	60%	Similar

**None**  
(% excellent or good)

**Please rate each of the following aspects of your WORK GROUP.**  
(% excellent or good)

The quality of work being done in my work group	93%	Similar
---	-----	---------

**Please rate your overall level of confidence in the leadership of:**  
(% very or moderately confident)

Your supervisor	88%	Similar
Senior staff/Leadership	80%	Higher
Council/elected officials	69%	Higher

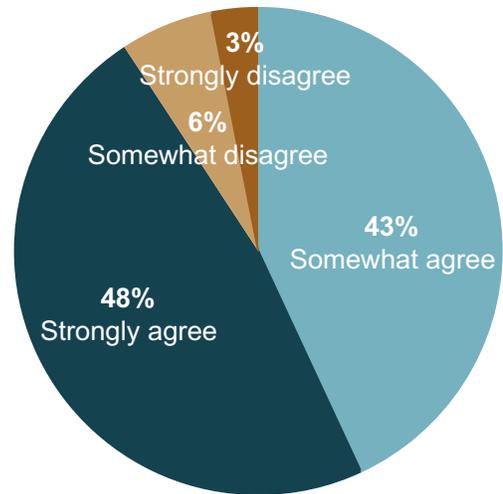
4. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.



## Employee Engagement

An organization of engaged employees is one where employees feel motivated to do their best possible work and where they hope to continue working in years to come. To impact employee engagement, an organization typically will want to see which of the other aspects of organizational climate were most influential on their engagement ratings.

Overall, I am satisfied with my job



For employees of the City of American Canyon, the key organizational characteristics found to be most closely correlated<sup>5</sup> with employee ratings of engagement were:

- Opportunities to develop a career path
- Treating all employees fairly
- Providing a safe and secure environment for employees of all backgrounds
- Applying discipline fairly and consistently

Of these, applying discipline fairly and consistently, and treating all employees fairly were higher than the benchmark comparison. Applying discipline fairly and consistently, and Opportunities to develop a career path were similar to the benchmark comparison. To impact employee engagement, an organization typically will want to consider improvements to any key features that were not higher than the benchmark.

**Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.**  
 (% strongly or somewhat agree) vs. benchmark<sup>6</sup>

Statement	Agreement %	vs. benchmark <sup>6</sup>
I gain satisfaction from my current job responsibilities	94%	Similar
I plan on working for this organization a year from now	94%	Higher
I have good friends at work	92%	Similar
Overall, I am satisfied with my job	91%	Similar
Overall, I feel positive about working for the City of American Canyon	90%	Higher
I feel positively challenged in my current job	90%	Similar
I have the opportunity to do what I do best every day at work	88%	Similar
The mission and vision of the City of American Canyon make me feel my job is important	85%	Similar
My values match or fit with the values of this organization	85%	Similar

I see a career path for me at City of American Canyon

81%

Similar

**How likely or unlikely are you to recommend WORKING FOR the City of American Canyon to someone who asks?**

(% very or somewhat likely)

How likely or unlikely are you to recommend WORKING FOR the City of American Canyon to someone who asks?

86%

Higher

5. A statistical technique called Key Driver Analysis was used to identify the key organizational characteristics most closely associated with employee ratings of job satisfaction and engagement. This technique is used widely in the private sector to help organizations prioritize which aspects of a service are more likely to influence loyalty and overall satisfaction. The Key Driver Analysis was based on both linear and multivariate modeling techniques using an index of employee engagement.

6. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.

## Essentials

Foundational to employee engagement are having a safe work environment, the resources needed to do a good job, and receiving compensation commensurate with work accomplished.

**As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?**  
 (% excellent or good) vs. benchmark<sup>7</sup>

Maintaining a work environment that is free of drug or alcohol abuse	93%	Similar
Benefits overall (vacation, sick leave, health care, retirement plan, etc.)	88%	Higher
Maintaining a work environment that is free of violence or harassment	87%	Higher
Work schedule flexibility	84%	Higher
Protecting employees from health and safety hazards on the job	77%	Similar
Work-life balance	76%	Higher
Providing individual and group work spaces to do the job effectively	74%	Similar
Availability of necessary materials, resources and equipment to do the job effectively	65%	Lower
Access to technology that helps employees do their job effectively	60%	Lower
Compensation (salary, benefits and incentives/bonuses) compared with similar opportunities	54%	Similar

7. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.

## Organizational Climate



Organizational climate is a set of policies, strategies, and behaviors that form the primary colors that paint the everyday experience of employees in the workplace. From providing clear communications to encouraging innovation, the quality of these practices directly affects staff morale and engagement.

**As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?**  
(% excellent or good)

		vs. benchmark <sup>8</sup>
Valuing creativity	67%	Higher
Providing a clear vision for our organization	67%	Similar
Openness to new ideas and initiatives	65%	Higher
Communicating information that helps employees understand the proble..	57%	Similar
Speed of response to important issues or change	52%	Similar
Collaboration between departments (e.g., transportation, planning, etc.)	48%	Similar

**Please rate each of the following aspects of your WORK GROUP.**  
(% excellent or good)

The working relationships in my work group	90%	Higher
Collaboration among all staff in my work group	85%	Higher
Communication among all staff in my work group	84%	Higher
Effectiveness of meetings in my work group	82%	Higher
Overall staff morale in my work group	82%	Higher

**Please rate each of the following aspects of your SUPERVISOR'S performance.**  
(% excellent or good)

Encouraging employees to use their own judgment to get the job done	91%	Higher
Encouraging employees to come up with innovative solutions to problems	90%	Higher
Welcoming employee involvement in decision-making	86%	Higher
Communicating information in a timely manner	85%	Higher
Encouraging an environment where employees feel comfortable to raise issues and concerns that are important to them	84%	Higher

8. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.

## Employee development

The development of human capital requires investment in performance evaluation and professional development as well as supporting employees as they seek to meet new challenges and career opportunities.



How would you rate the job the organization does at each of the following? (% excellent or good)		vs. benchmark <sup>9</sup>
Supporting continual learning and development	87%	Higher
Availability of opportunities for employees to develop knowledge and skills	84%	Higher
Opportunities to develop a career path	78%	Higher
The overall skill set of staff	78%	Similar
Clarity of staff roles and responsibilities	63%	Similar
Showing employee appreciation	62%	Higher
Accuracy of performance evaluations	62%	Higher
Connection between compensation and performance	52%	Higher

### Please rate each of the following aspects of your SUPERVISOR'S performance. (% excellent or good)

Providing opportunities for employees to learn and grow	89%	Higher
Communicating expectations of employees	89%	Higher
Working together with employees to set goals	88%	Higher
Providing specific, constructive feedback that helps improve employee performance	81%	Higher
Coaching or mentoring employees	80%	Higher
Providing recognition for doing good work	79%	Higher
Applying discipline fairly and consistently	77%	Higher
Recognizing high-performing employees	73%	Higher
Managing low-performing employees	55%	Higher

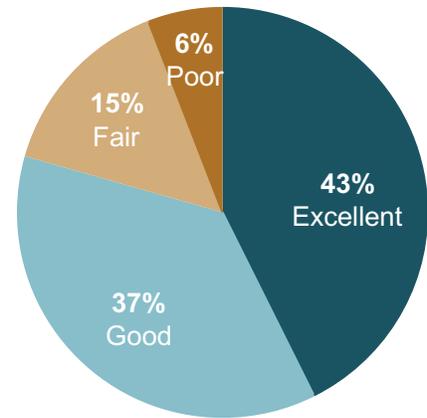
9. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.



## Equity and inclusion

Inclusion and equity are a priority for local government organizations. Strategically building a more diverse workforce fosters relevance, innovation, and organizational effectiveness.

### Making all employees feel welcome



### As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?

(% excellent or good)

		vs. benchmark <sup>10</sup>
Making all employees feel welcome	79%	Higher
Helping new employees feel connected and integrated	76%	Similar
Fostering a respectful atmosphere	75%	Higher

### How would you rate the job the organization does at each of the following?

(% excellent or good)

Demonstrating respect for employees of different cultures and belief systems	89%	Higher
Respecting individual cultural beliefs and values	86%	Higher
Providing a safe and secure environment for employees of all backgrounds	80%	Similar
Promoting workplace diversity	80%	Higher
Attracting employees from diverse backgrounds	80%	Higher
Providing equal employment opportunities to employees of all backgrounds	79%	Similar
Recruiting diverse people into positions of organizational leadership	74%	Higher
Applying policies and procedures equally to all employees	71%	Higher

**Please rate each of the following aspects of your SUPERVISOR'S performance.**  
(% excellent or good)

Valuing employees from diverse backgrounds	94%	Higher
Treating all employees fairly	91%	Higher
Fostering an atmosphere of mutual trust and confidence	91%	Higher
Treating employees with respect	90%	Higher
Promoting a positive working relationship among work group members	89%	Higher

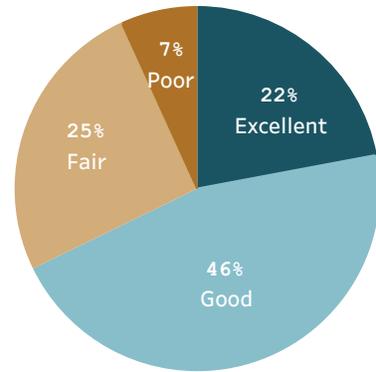
11. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.



## Support services

There are many services that are essential to local government that most residents would never hear about. The "visible" services could not be performed without the support of internal groups that create the infrastructure to make external services possible.

Overall City internal services



Please rate the **QUALITY** of each of the following support services in American Canyon. **vs. benchmark<sup>11</sup>**  
 (% excellent or good)

Service	Quality Rating	vs. benchmark <sup>11</sup>
General information technology (IT) services overall	78%	Similar
Maintenance and repair services	76%	Similar
Benefits administration	76%	Higher
Application services	73%	Similar
Fleet maintenance services overall	72%	Similar
Facilities management services overall	71%	Similar
Desktop / Help Desk services	71%	Similar
Human resources services overall	70%	Higher
Network services	68%	Similar
Overall City internal services	68%	Similar
Telephone systems	67%	Similar
Training services	66%	Higher
Risk management services overall	65%	Similar
Finance services overall	64%	Similar
Purchasing services overall	64%	Similar
Recruitment services	63%	Higher
Radio systems	62%	Similar
Custodial cleaning services	46%	Lower

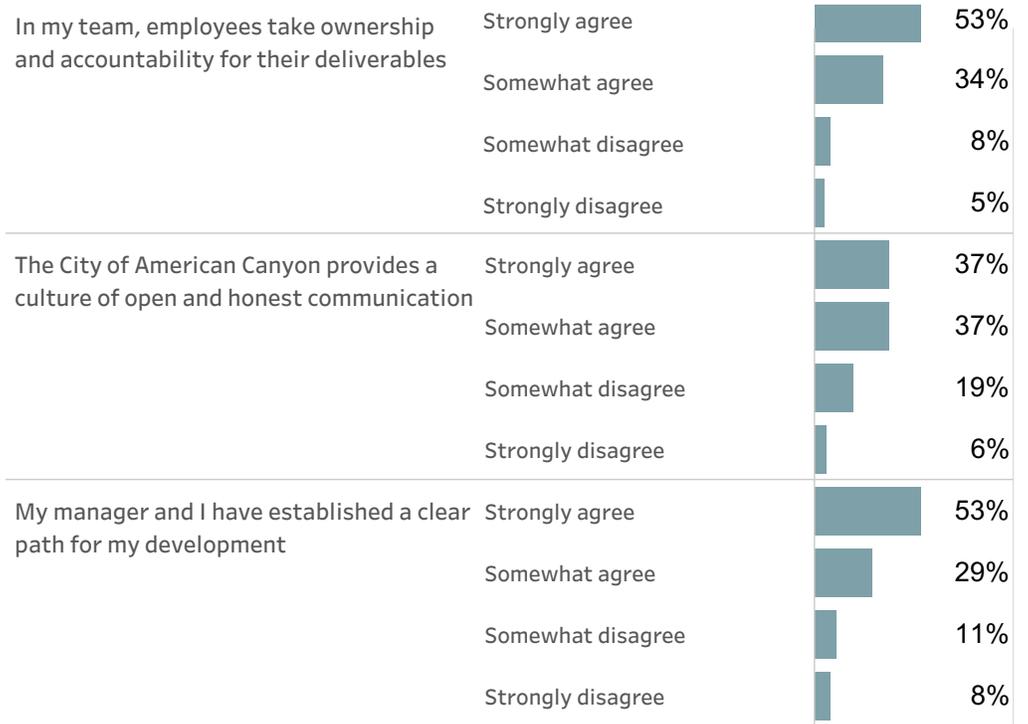
11. Comparison to the national benchmark is shown. If no comparison is available, this is left blank.

## Custom questions

Below are the complete set of responses to each custom question on the survey. By default, “don’t know” responses are excluded, but may be added to the table using the response filter below.

Include "don't know"  
No

<b>Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.</b>	It would take a lot to get me to leave the City of American Canyon	Strongly agree		45%
		Somewhat agree		31%
		Somewhat disagree		13%
		Strongly disagree		11%
	Given the opportunity, I tell others great things about working here	Strongly agree		49%
		Somewhat agree		31%
		Somewhat disagree		13%
		Strongly disagree		6%
	I am inspired to do my best work at the City of American Canyon	Strongly agree		57%
		Somewhat agree		36%
		Somewhat disagree		3%
		Strongly disagree		4%
	The City of American Canyon motivates me to contribute more than is normally required to complete my work	Strongly agree		43%
		Somewhat agree		31%
		Somewhat disagree		18%
		Strongly disagree		7%
	I rarely think about leaving the City of American Canyon to work somewhere else	Strongly agree		37%
		Somewhat agree		37%
		Somewhat disagree		11%
		Strongly disagree		15%
	I am comfortable seeking feedback and raising issues with my manager	Strongly agree		62%
		Somewhat agree		30%
		Somewhat disagree		5%
		Strongly disagree		3%



## National Benchmark Tables

This table contains the comparisons of American Canyon's results to those from other organizations. The first column shows the comparison of American Canyon's rating to the benchmark. American Canyon's results are noted as being "higher", "lower" or "similar" to the benchmark, meaning that the average rating given by American Canyon employees is statistically similar to or different than the benchmark. The second column is American Canyon's "percent positive." Most commonly, the percent positive is the combination of the top two most positive response options (i.e., "excellent" and "good"). The third column is the rank assigned to American Canyon's rating among organizations where a similar question was asked. The fourth column is the number of organizations that asked a similar question. The fifth column shows the percentile for American Canyon's result -- that is what percent of surveyed organizations had a lower rating than American Canyon.

			% positive	Rank	Number of communities	Percentile
<b>Please rate each of the following aspects of quality of life in American Canyon.</b>	American Canyon as a place to live	Similar	83%	16	46	67
	American Canyon as a place to work	Similar	78%	24	46	50
	The overall quality of life in American Canyon	Similar	78%	28	46	41
	How likely or unlikely are you to recommend LIVING in American Canyon to someone who asks?	Similar	85%	20	45	57
<b>Please rate the following categories of American Canyon government performance.</b>	The overall direction that American Canyon is taking	Similar	60%	30	45	35
	Generally acting in the best interest of the community	Similar	67%	29	45	37
	Overall confidence in American Canyon government	Similar	63%	25	45	46
	The overall quality of the services provided by the City of American Canyon	Lower	74%	39	45	15
<b>Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.</b>	Overall, I am satisfied with my job	Similar	91%	23	69	68
	I plan on working for this organization a year from now	Higher	94%	6	69	92
	I see a career path for me at City of American Canyon	Similar	81%	15	37	62
	I gain satisfaction from my current job responsibilities	Similar	94%	5	50	92
	I feel positively challenged in my current job	Similar	90%	12	53	79
	I have the opportunity to do what I do best every day at work	Similar	88%	9	61	87
	My values match or fit with the values of this organization	Similar	85%	29	68	59
	I have good friends at work	Similar	92%	26	67	63
	Overall, I feel positive about working for the City of American Canyon	Higher	90%	9	68	88
	The mission and vision of the City of American Canyon make me feel my job is important	Similar	85%	17	50	68

	How likely or unlikely are you to recommend WORKING FOR the City of American Canyon to someone who asks?	Higher	86%	10	53	83
<b>As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?</b>	Availability of necessary materials, resources and equipment to do the job effectively	Lower	65%	59	69	17
	Providing individual and group work spaces to do the job effectively	Similar	74%	17	67	76
	Access to technology that helps employees do their job effectively	Lower	60%	28	37	27
	Compensation (salary, benefits and incentives/bonuses) compared with similar opportunities	Similar	54%	29	66	58
	Benefits overall (vacation, sick leave, health care, retirement plan, etc.)	Higher	88%	10	65	86
	Work-life balance	Higher	76%	7	51	88
	Work schedule flexibility	Higher	84%	2	68	98
	Maintaining a work environment that is free of violence or harassment	Higher	87%	7	68	91
	Maintaining a work environment that is free of drug or alcohol abuse	Similar	93%	25	67	65
	Protecting employees from health and safety hazards on the job	Similar	77%	16	36	58
	Providing a clear vision for our organization	Similar	67%	18	36	52
	Communicating information that helps employees understand the problems and issues facing the City	Similar	57%	23	68	68
	Speed of response to important issues or change	Similar	52%	19	50	64
	Collaboration between departments (e.g., transportation, planning, etc.)	Similar	48%	25	37	35
	Openness to new ideas and initiatives	Higher	65%	5	37	89
	Valuing creativity	Higher	67%	5	36	88
Making all employees feel welcome	Higher	79%	5	36	88	
Helping new employees feel connected and integrated	Similar	76%	11	37	72	
Fostering a respectful atmosphere	Higher	75%	6	67	92	
<b>How would you rate the job the organization does at each of the following?</b>	Demonstrating respect for employees of different cultures and belief systems	Higher	89%	2	36	97
	Respecting individual cultural beliefs and values	Higher	86%	4	35	91
	Attracting employees from diverse backgrounds	Higher	80%	4	35	91
	Recruiting diverse people into positions of organizational leadership	Higher	74%	3	35	94

<b>How would you rate the job the organization does at each of the following?</b>	Promoting workplace diversity	Higher	80%	3	35	94
	Applying policies and procedures equally to all employees	Higher	71%	5	37	89
	Providing equal employment opportunities to employees of all backgrounds	Similar	79%	9	36	77
	Providing a safe and secure environment for employees of all backgrounds	Similar	80%	13	36	66
	Clarity of staff roles and responsibilities	Similar	63%	32	53	41
	Accuracy of performance evaluations	Higher	62%	25	64	63
	Connection between compensation and performance	Higher	52%	8	65	89
	Showing employee appreciation	Higher	62%	12	52	78
	Supporting continual learning and development	Higher	87%	3	69	97
	Availability of opportunities for employees to develop knowledge and skills	Higher	84%	4	68	95
	Opportunities to develop a career path	Higher	78%	2	51	98
	The overall skill set of staff	Similar	78%	21	50	60
	The work being done at the City of American Canyon overall	Similar	73%	31	52	42
<b>Please rate each of the following aspects of your WORK GROUP.</b>	Communication among all staff in my work group	Higher	84%	5	53	92
	The working relationships in my work group	Higher	90%	5	69	94
	Collaboration among all staff in my work group	Higher	85%	2	52	98
	Overall staff morale in my work group	Higher	82%	2	53	98
	Effectiveness of meetings in my work group	Higher	82%	1	51	100
	The quality of work being done in my work group	Similar	93%	15	69	80
<b>Please rate each of the following aspects of your SUPERVISOR'S performance.</b>	Communicating information in a timely manner	Higher	85%	5	68	94
	Welcoming employee involvement in decision-making	Higher	86%	1	67	100
	Encouraging an environment where employees feel comfortable to raise issues and concerns that are important.	Higher	84%	2	36	97
	Encouraging employees to come up with innovative solutions to problems	Higher	90%	2	67	98
	Encouraging employees to use their own judgment to get the job done	Higher	91%	1	36	100

<b>Please rate each of the following aspects of your SUPERVISOR'S performance.</b>	Promoting a positive working relationship among work group members	Higher	89%	3	67	97
	Fostering an atmosphere of mutual trust and confidence	Higher	91%	1	67	100
	Treating employees with respect	Higher	90%	2	66	98
	Valuing employees from diverse backgrounds	Higher	94%	1	36	100
	Treating all employees fairly	Higher	91%	1	36	100
	Providing specific, constructive feedback that helps improve employee performance	Higher	81%	6	67	92
	Communicating expectations of employees	Higher	89%	2	67	98
	Working together with employees to set goals	Higher	88%	6	67	92
	Recognizing high-performing employees	Higher	73%	4	68	95
	Providing recognition for doing good work	Higher	79%	4	67	95
	Applying discipline fairly and consistently	Higher	77%	10	68	87
	Managing low-performing employees	Higher	55%	12	68	84
	Providing opportunities for employees to learn and grow	Higher	89%	2	36	97
	Coaching or mentoring employees	Higher	80%	6	67	92
<b>Please rate your overall level of confidence in the leadership of:</b>	Your supervisor	Similar	88%	10	36	75
	Senior staff/Leadership	Higher	80%	8	36	80
	Council/elected officials	Higher	69%	9	31	74
<b>Please rate the QUALITY of each of the following support services in American Canyon.</b>	Custodial cleaning services	Lower	46%	44	44	4
	Maintenance and repair services	Similar	76%	15	44	68
	Facilities management services overall	Similar	71%	31	50	44
	Fleet maintenance services overall	Similar	72%	21	51	62
	Recruitment services	Higher	63%	3	40	95
	Benefits administration	Higher	76%	8	43	84
	Training services	Higher	66%	11	44	77

<b>Please rate the QUALITY of each of the following support services in American Canyon.</b>	Human resources services overall	Higher	70%	15	53	75	
	Radio systems	Similar	62%	23	40	50	
	Telephone systems	Similar	67%	31	43	33	
	Network services	Similar	68%	21	40	52	
	Application services	Similar	73%	13	38	70	
	Desktop / Help Desk services	Similar	71%	27	43	40	
	General information technology (IT) services overall	Similar	78%	23	53	60	
	Purchasing services overall	Similar	64%	22	49	59	
	Finance services overall	Similar	64%	39	53	32	
	Risk management services overall	Similar	65%	15	44	70	
	Overall City internal services	Similar	68%	27	40	38	
	<b>Please rate how welcoming the City of American Canyon is for:</b>	People with disabilities	Similar	85%	4	9	66
		People who identify as lesbian, gay, bisexual, or other non-straight sexual identities	Higher	93%	1	8	100
People who identify as transgender		Higher	92%	1	8	100	
Men		Similar	100%	1	8	100	
Women		Similar	94%	2	8	87	
People who are Arabic or Middle Eastern		Higher	98%	1	8	100	
People who are Asian, Asian Indian or Pacific Islander		Higher	98%	1	8	100	
People who are Black or African American		Higher	98%	1	8	100	
People who are Hispanic		Higher	98%	1	8	100	
People who are American Indian or Alaskan Native		Higher	98%	1	8	100	
People who are White		Similar	96%	4	8	62	
People whose first language is not English		Higher	92%	1	8	100	
People who are not U.S. citizens		Higher	93%	1	8	100	

**Please rate how welcoming the City of American Canyon is for:**

People of Christian faith	Similar	98%	2	8	87
People of Islamic faith	Higher	95%	2	8	87
People of Jewish faith	Higher	92%	2	8	87
People of other faiths	Higher	90%	2	8	87
People who are agnostic or atheist	Similar	92%	2	8	87
People who are liberal	Higher	95%	2	8	87
People who are conservative	Higher	93%	4	8	62
People who are veterans or military personnel	Higher	98%	1	8	100
People who are older	Higher	94%	1	8	100
People who are younger	Similar	92%	3	8	75
People who are of lower income	Higher	83%	1	8	100

## Complete Set of Frequencies

This dashboard contains a complete set of responses to each question on the survey. By default, "don't know" responses are excluded, but may be added to the table using the response filter to the right. In some tables, the percentages may not sum to 100%; this is either because the question permitted the respondent to "choose all that apply", or for a question that asked the respondent to select one answer, it is due to the customary practice of rounding values to the nearest whole number.

<b>Please rate each of the following aspects of quality of life in American Canyon.</b>	American Canyon as a place to live	Excellent		34% N=20
		Good		48% N=28
		Fair		16% N=9
		Poor		2% N=1
	American Canyon as a place to work	Excellent		30% N=21
		Good		48% N=33
		Fair		17% N=12
		Poor		4% N=3
	The overall quality of life in American Canyon	Excellent		22% N=14
		Good		56% N=35
		Fair		22% N=14
	How likely or unlikely are you to recommend LIVING in American Canyon to someone who asks?	Very likely		43% N=29
		Somewhat likely		42% N=28
		Somewhat unlikely		6% N=4
		Very unlikely		9% N=6
<b>Please rate the following categories of American Canyon government performance.</b>	The overall direction that American Canyon is taking	Excellent		16% N=11
		Good		44% N=30
		Fair		26% N=18
		Poor		13% N=9
	Generally acting in the best interest of the community	Excellent		25% N=17
		Good		42% N=28
		Fair		16% N=11
		Poor		16% N=11
	Overall confidence in American Canyon government	Excellent		18% N=12
		Good		45% N=30
		Fair		19% N=13
		Poor		18% N=12

<b>Please rate the following categories of American Canyon government performance.</b>	The overall quality of the services provided by the City of American Canyon	Excellent		<b>14%</b> N=10
		Good		<b>59%</b> N=41
		Fair		<b>22%</b> N=15
		Poor		<b>4%</b> N=3
<b>Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.</b>	Overall, I am satisfied with my job	Strongly agree		<b>48%</b> N=31
		Somewhat agree		<b>43%</b> N=28
		Somewhat disagree		<b>6%</b> N=4
		Strongly disagree		<b>3%</b> N=2
	I plan on working for this organization a year from now	Strongly agree		<b>79%</b> N=49
		Somewhat agree		<b>15%</b> N=9
		Somewhat disagree		<b>5%</b> N=3
		Strongly disagree		<b>2%</b> N=1
	I see a career path for me at City of American Canyon	Strongly agree		<b>52%</b> N=33
		Somewhat agree		<b>29%</b> N=18
		Somewhat disagree		<b>8%</b> N=5
		Strongly disagree		<b>11%</b> N=7
I gain satisfaction from my current job responsibilities	Strongly agree		<b>56%</b> N=38	
	Somewhat agree		<b>38%</b> N=26	
	Somewhat disagree		<b>3%</b> N=2	
	Strongly disagree		<b>3%</b> N=2	
I feel positively challenged in my current job	Strongly agree		<b>47%</b> N=32	
	Somewhat agree		<b>43%</b> N=29	
	Somewhat disagree		<b>7%</b> N=5	
	Strongly disagree		<b>3%</b> N=2	
I have the opportunity to do what I do best every day at work	Strongly agree		<b>49%</b> N=33	
	Somewhat agree		<b>40%</b> N=27	
	Somewhat disagree		<b>7%</b> N=5	
	Strongly disagree		<b>4%</b> N=3	
My values match or fit with the values of this organization	Strongly agree		<b>52%</b> N=34	
	Somewhat agree		<b>33%</b> N=22	
	Somewhat disagree		<b>11%</b> N=7	

<b>Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.</b>	My values match or fit with the values of this organization	Strongly disagree		5% N=3
	I have good friends at work	Strongly agree		52% N=34
		Somewhat agree		41% N=27
		Somewhat disagree		5% N=3
		Strongly disagree		3% N=2
	Overall, I feel positive about working for the City of American Canyon	Strongly agree		62% N=42
		Somewhat agree		28% N=19
		Somewhat disagree		6% N=4
		Strongly disagree		4% N=3
	The mission and vision of the City of American Canyon make me feel my job is important	Strongly agree		43% N=29
		Somewhat agree		42% N=28
		Somewhat disagree		9% N=6
		Strongly disagree		6% N=4
How likely or unlikely are you to recommend WORKING FOR the City of American Canyon to someone who asks?	Very likely		61% N=40	
	Somewhat likely		26% N=17	
	Somewhat unlikely		8% N=5	
	Very unlikely		6% N=4	
<b>As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?</b>	Availability of necessary materials, resources and equipment to do the job effectively	Excellent		25% N=17
		Good		41% N=28
		Fair		16% N=11
		Poor		19% N=13
	Providing individual and group work spaces to do the job effectively	Excellent		43% N=29
		Good		31% N=21
		Fair		16% N=11
		Poor		10% N=7
	Access to technology that helps employees do their job effectively	Excellent		29% N=20
		Good		31% N=21
		Fair		25% N=17
		Poor		15% N=10
	Compensation (salary, benefits and incentives/bonuses) compared with similar opportunities	Excellent		17% N=12
		Good		36% N=25

<b>As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?</b>	Compensation (salary, benefits and incentives/bonuses) compared with similar opportunities	Fair		<b>29%</b> N=20
		Poor		<b>17%</b> N=12
	Benefits overall (vacation, sick leave, health care, retirement plan, etc.)	Excellent		<b>37%</b> N=24
		Good		<b>51%</b> N=33
		Fair		<b>11%</b> N=7
		Poor		<b>2%</b> N=1
	Work-life balance	Excellent		<b>36%</b> N=24
		Good		<b>40%</b> N=27
		Fair		<b>16%</b> N=11
Poor			<b>7%</b> N=5	
Work schedule flexibility	Excellent		<b>51%</b> N=35	
	Good		<b>32%</b> N=22	
	Fair		<b>13%</b> N=9	
	Poor		<b>3%</b> N=2	
Maintaining a work environment that is free of violence or harassment	Excellent		<b>63%</b> N=42	
	Good		<b>24%</b> N=16	
	Fair		<b>10%</b> N=7	
	Poor		<b>3%</b> N=2	
Maintaining a work environment that is free of drug or alcohol abuse	Excellent		<b>73%</b> N=49	
	Good		<b>19%</b> N=13	
	Fair		<b>4%</b> N=3	
	Poor		<b>3%</b> N=2	
Protecting employees from health and safety hazards on the job	Excellent		<b>51%</b> N=33	
	Good		<b>26%</b> N=17	
	Fair		<b>20%</b> N=13	
	Poor		<b>3%</b> N=2	
Providing a clear vision for our organization	Excellent		<b>34%</b> N=23	
	Good		<b>33%</b> N=22	
	Fair		<b>21%</b> N=14	
	Poor		<b>12%</b> N=8	
Communicating information that helps employees understand the problems and issues facing the City	Excellent		<b>25%</b> N=17	

As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?	Communicating information that helps employees understand the problems and issues facing the City	Good		31% N=21
		Poor		22% N=15
Speed of response to important issues or change	Good	Fair		25% N=17
Collaboration between departments (e.g., transportation, planning, etc.)	Excellent	Good		18% N=12
Openness to new ideas and initiatives	Fair	Poor		23% N=15
Valuing creativity	Excellent	Good		26% N=18
Making all employees feel welcome	Fair	Poor		28% N=19
Helping new employees feel connected and integrated	Excellent	Good		33% N=22
Fostering a respectful atmosphere	Fair	Poor		24% N=16
Speed of response to important issues or change	Excellent	Good		43% N=29
Collaboration between departments (e.g., transportation, planning, etc.)	Good	Fair		15% N=10
Openness to new ideas and initiatives	Excellent	Good		33% N=22
Valuing creativity	Fair	Poor		16% N=11
Making all employees feel welcome	Excellent	Good		33% N=22
Helping new employees feel connected and integrated	Good	Fair		28% N=19
Fostering a respectful atmosphere	Excellent	Good		47% N=32
		Poor		4% N=3
		Good		28% N=19
		Fair		21% N=14

How would you rate the job the organization does at each of the following?				
Demonstrating respect for employees of different cultures and belief systems	Excellent		52%	N=34
	Good		37%	N=24
	Fair		8%	N=5
	Poor		3%	N=2
Respecting individual cultural beliefs and values	Excellent		48%	N=31
	Good		38%	N=24
	Fair		11%	N=7
	Poor		3%	N=2
Attracting employees from diverse backgrounds	Excellent		45%	N=29
	Good		34%	N=22
	Fair		16%	N=10
	Poor		5%	N=3
Recruiting diverse people into positions of organizational leadership	Excellent		43%	N=28
	Good		31%	N=20
	Fair		22%	N=14
	Poor		5%	N=3
Promoting workplace diversity	Excellent		41%	N=26
	Good		39%	N=25
	Fair		16%	N=10
	Poor		5%	N=3
Applying policies and procedures equally to all employees	Excellent		45%	N=29
	Good		26%	N=17
	Fair		14%	N=9
	Poor		15%	N=10
Providing equal employment opportunities to employees of all backgrounds	Excellent		45%	N=30
	Good		33%	N=22
	Fair		14%	N=9
	Poor		8%	N=5
Providing a safe and secure environment for employees of all backgrounds	Excellent		47%	N=31
	Good		33%	N=22
	Fair		17%	N=11

How would you rate the job the organization does at each of the following?				
Providing a safe and secure environment for employees of all backgrounds	Poor		3% N=2	
	Clarity of staff roles and responsibilities	Excellent		25% N=17
		Good		37% N=25
		Fair		19% N=13
		Poor		18% N=12
Accuracy of performance evaluations	Excellent		26% N=15	
	Good		36% N=21	
	Fair		19% N=11	
	Poor		19% N=11	
Connection between compensation and performance	Excellent		24% N=15	
	Good		29% N=18	
	Fair		25% N=16	
	Poor		22% N=14	
Showing employee appreciation	Excellent		29% N=19	
	Good		33% N=22	
	Fair		26% N=17	
	Poor		12% N=8	
Supporting continual learning and development	Excellent		51% N=34	
	Good		36% N=24	
	Fair		10% N=7	
	Poor		3% N=2	
Availability of opportunities for employees to develop knowledge and skills	Excellent		46% N=31	
	Good		37% N=25	
	Fair		13% N=9	
	Poor		3% N=2	
Opportunities to develop a career path	Excellent		38% N=25	
	Good		40% N=26	
	Fair		14% N=9	
	Poor		8% N=5	
The overall skill set of staff	Excellent		35% N=24	
	Good		43% N=29	

<b>How would you rate the job the organization does at each of the following?</b>	The overall skill set of staff	Fair		16% N=11
		Poor		6% N=4
	The work being done at the City of American Canyon overall	Excellent		27% N=18
		Good		46% N=31
		Fair		22% N=15
Poor			4% N=3	
<b>Please rate each of the following aspects of your WORK GROUP.</b>	Communication among all staff in my work group	Excellent		40% N=27
		Good		43% N=29
		Fair		12% N=8
		Poor		4% N=3
	The working relationships in my work group	Excellent		47% N=32
		Good		43% N=29
		Fair		9% N=6
		Poor		1% N=1
	Collaboration among all staff in my work group	Excellent		47% N=32
		Good		38% N=26
		Fair		13% N=9
		Poor		1% N=1
	Overall staff morale in my work group	Excellent		39% N=26
Good			43% N=29	
Fair			13% N=9	
Poor			4% N=3	
Effectiveness of meetings in my work group	Excellent		41% N=28	
	Good		41% N=28	
	Fair		16% N=11	
	Poor		1% N=1	
The quality of work being done in my work group	Excellent		49% N=33	
	Good		44% N=30	
	Fair		4% N=3	
	Poor		3% N=2	
	<b>Please rate each of the following aspects of your SUPERVISOR'S performance.</b>	Communicating information in a timely manner	Excellent	

Please rate each of the following aspects of your SUPERVISOR'S performance.				
	Rating	Percentage	Count (N)	Bar
Communicating information in a timely manner	Good	34%	N=23	
	Fair	7%	N=5	
	Poor	7%	N=5	
Welcoming employee involvement in decision-making	Excellent	52%	N=34	
	Good	35%	N=23	
	Fair	11%	N=7	
	Poor	3%	N=2	
Encouraging an environment where employees feel comfortable to raise issues and concerns that are important to them	Excellent	55%	N=37	
	Good	28%	N=19	
	Fair	13%	N=9	
	Poor	3%	N=2	
Encouraging employees to come up with innovative solutions to problems	Excellent	51%	N=35	
	Good	38%	N=26	
	Fair	7%	N=5	
	Poor	3%	N=2	
Encouraging employees to use their own judgment to get the job done	Excellent	59%	N=40	
	Good	32%	N=22	
	Fair	7%	N=5	
	Poor	1%	N=1	
Promoting a positive working relationship among work group members	Excellent	55%	N=36	
	Good	35%	N=23	
	Fair	8%	N=5	
	Poor	3%	N=2	
Fostering an atmosphere of mutual trust and confidence	Excellent	56%	N=37	
	Good	35%	N=23	
	Fair	6%	N=4	
	Poor	3%	N=2	
Treating employees with respect	Excellent	62%	N=42	
	Good	28%	N=19	
	Fair	9%	N=6	
	Poor	1%	N=1	

**Please rate each of the following aspects of your SUPERVISOR'S performance.**

Valuing employees from diverse backgrounds	Excellent		<b>64%</b> N=41
	Good		<b>30%</b> N=19
	Fair		<b>5%</b> N=3
	Poor		<b>2%</b> N=1
Treating all employees fairly	Excellent		<b>56%</b> N=37
	Good		<b>35%</b> N=23
	Fair		<b>8%</b> N=5
	Poor		<b>2%</b> N=1
Providing specific, constructive feedback that helps improve employee performance	Excellent		<b>42%</b> N=28
	Good		<b>39%</b> N=26
	Fair		<b>15%</b> N=10
	Poor		<b>4%</b> N=3
Communicating expectations of employees	Excellent		<b>46%</b> N=30
	Good		<b>43%</b> N=28
	Fair		<b>6%</b> N=4
	Poor		<b>5%</b> N=3
Working together with employees to set goals	Excellent		<b>39%</b> N=25
	Good		<b>48%</b> N=31
	Fair		<b>5%</b> N=3
	Poor		<b>8%</b> N=5
Recognizing high-performing employees	Excellent		<b>38%</b> N=24
	Good		<b>36%</b> N=23
	Fair		<b>19%</b> N=12
	Poor		<b>8%</b> N=5
Providing recognition for doing good work	Excellent		<b>40%</b> N=25
	Good		<b>39%</b> N=24
	Fair		<b>13%</b> N=8
	Poor		<b>8%</b> N=5
Applying discipline fairly and consistently	Excellent		<b>33%</b> N=19
	Good		<b>44%</b> N=25
	Fair		<b>12%</b> N=7

<b>Please rate each of the following aspects of your SUPERVISOR'S performance.</b>	Applying discipline fairly and consistently	Poor		<b>11%</b> N=6	
	Managing low-performing employees	Excellent		<b>21%</b> N=12	
		Good		<b>34%</b> N=20	
		Fair		<b>34%</b> N=20	
		Poor		<b>10%</b> N=6	
		Providing opportunities for employees to learn and grow	Excellent		<b>50%</b> N=33
		Good		<b>39%</b> N=26	
		Fair		<b>9%</b> N=6	
		Poor		<b>2%</b> N=1	
	Coaching or mentoring employees	Excellent		<b>40%</b> N=26	
		Good		<b>40%</b> N=26	
		Fair		<b>12%</b> N=8	
		Poor		<b>8%</b> N=5	
		<b>Please rate your overall level of confidence in the leadership of:</b>	Your supervisor	Very confident	
	Moderately confident				<b>26%</b> N=18
	Slightly confident				<b>7%</b> N=5
Not confident				<b>4%</b> N=3	
Senior staff/Leadership	Very confident				<b>50%</b> N=33
	Moderately confident			<b>30%</b> N=20	
	Slightly confident			<b>12%</b> N=8	
	Not confident			<b>8%</b> N=5	
Council/elected officials	Very confident			<b>22%</b> N=13	
	Moderately confident			<b>47%</b> N=28	
	Slightly confident			<b>14%</b> N=8	
	Not confident			<b>17%</b> N=10	
	<b>Please rate the QUALITY of each of the following support services in American Canyon.</b>		Custodial cleaning services	Excellent	
Good					<b>37%</b> N=24
Fair					<b>23%</b> N=15
Poor					<b>31%</b> N=20
Maintenance and repair services		Excellent			<b>37%</b> N=25
		Good		<b>40%</b> N=27	

**Please rate the QUALITY of each of the following support services in American Canyon.**

Maintenance and repair services	Fair		<b>18%</b> N=12
	Poor		<b>6%</b> N=4
Facilities management services overall	Excellent		<b>29%</b> N=18
	Good		<b>42%</b> N=26
	Fair		<b>18%</b> N=11
	Poor		<b>11%</b> N=7
Fleet maintenance services overall	Excellent		<b>34%</b> N=21
	Good		<b>38%</b> N=23
	Fair		<b>18%</b> N=11
	Poor		<b>10%</b> N=6
Recruitment services	Excellent		<b>37%</b> N=23
	Good		<b>26%</b> N=16
	Fair		<b>27%</b> N=17
	Poor		<b>10%</b> N=6
Benefits administration	Excellent		<b>34%</b> N=20
	Good		<b>42%</b> N=25
	Fair		<b>15%</b> N=9
	Poor		<b>8%</b> N=5
Training services	Excellent		<b>30%</b> N=18
	Good		<b>36%</b> N=22
	Fair		<b>28%</b> N=17
	Poor		<b>7%</b> N=4
Human resources services overall	Excellent		<b>39%</b> N=25
	Good		<b>31%</b> N=20
	Fair		<b>20%</b> N=13
	Poor		<b>9%</b> N=6
Radio systems	Excellent		<b>12%</b> N=4
	Good		<b>50%</b> N=17
	Fair		<b>24%</b> N=8
	Poor		<b>15%</b> N=5
Telephone systems	Excellent		<b>28%</b> N=18

**Please rate the QUALITY of each of the following support services in American Canyon.**

Telephone systems	Good		<b>39%</b> N=25
	Fair		<b>19%</b> N=12
	Poor		<b>14%</b> N=9
Network services	Excellent		<b>30%</b> N=19
	Good		<b>38%</b> N=24
	Fair		<b>21%</b> N=13
	Poor		<b>11%</b> N=7
Application services	Excellent		<b>29%</b> N=16
	Good		<b>44%</b> N=24
	Fair		<b>20%</b> N=11
	Poor		<b>7%</b> N=4
Desktop / Help Desk services	Excellent		<b>29%</b> N=19
	Good		<b>42%</b> N=27
	Fair		<b>26%</b> N=17
	Poor		<b>3%</b> N=2
General information technology (IT) services overall	Excellent		<b>33%</b> N=21
	Good		<b>44%</b> N=28
	Fair		<b>17%</b> N=11
	Poor		<b>5%</b> N=3
Purchasing services overall	Excellent		<b>22%</b> N=13
	Good		<b>41%</b> N=24
	Fair		<b>28%</b> N=16
	Poor		<b>9%</b> N=5
Finance services overall	Excellent		<b>29%</b> N=17
	Good		<b>36%</b> N=21
	Fair		<b>24%</b> N=14
	Poor		<b>12%</b> N=7
Risk management services overall	Excellent		<b>27%</b> N=13
	Good		<b>39%</b> N=19
	Fair		<b>29%</b> N=14
	Poor		<b>6%</b> N=3

**Please rate the QUALITY of each of the following support services in American Canyon.**

Overall City internal services	Excellent		<b>22%</b> N=13
	Good		<b>46%</b> N=27
	Fair		<b>25%</b> N=15
	Poor		<b>7%</b> N=4

**Please rate how welcoming the City of American Canyon is for:**

People with disabilities	Very welcoming		<b>43%</b> N=20
	Welcoming		<b>43%</b> N=20
	Somewhat welcoming		<b>9%</b> N=4
	Not welcoming		<b>6%</b> N=3
People who identify as lesbian, gay, bisexual, or other non-straight sexual identities	Very welcoming		<b>51%</b> N=21
	Welcoming		<b>41%</b> N=17
	Somewhat welcoming		<b>7%</b> N=3
People who identify as transgender	Very welcoming		<b>50%</b> N=18
	Welcoming		<b>42%</b> N=15
	Somewhat welcoming		<b>6%</b> N=2
	Not welcoming		<b>3%</b> N=1
Men	Very welcoming		<b>54%</b> N=30
	Welcoming		<b>46%</b> N=26
Women	Very welcoming		<b>50%</b> N=27
	Welcoming		<b>44%</b> N=24
	Somewhat welcoming		<b>6%</b> N=3
People who are Arabic or Middle Eastern	Very welcoming		<b>58%</b> N=26
	Welcoming		<b>40%</b> N=18
	Somewhat welcoming		<b>2%</b> N=1
People who are Asian, Asian Indian or Pacific Islander	Very welcoming		<b>60%</b> N=30
	Welcoming		<b>38%</b> N=19
	Somewhat welcoming		<b>2%</b> N=1
People who are Black or African American	Very welcoming		<b>51%</b> N=25
	Welcoming		<b>47%</b> N=23
	Somewhat welcoming		<b>2%</b> N=1
People who are Hispanic	Very welcoming		<b>56%</b> N=29
	Welcoming		<b>42%</b> N=22

Please rate how welcoming the City of American Canyon is for:			
People who are Hispanic	Somewhat welcoming		2% N=1
	Very welcoming		57% N=24
People who are American Indian or Alaskan Native	Welcoming		40% N=17
	Somewhat welcoming		2% N=1
	Very welcoming		52% N=29
People who are White	Welcoming		45% N=25
	Somewhat welcoming		2% N=1
	Not welcoming		2% N=1
	Very welcoming		52% N=29
People whose first language is not English	Very welcoming		49% N=24
	Welcoming		43% N=21
	Somewhat welcoming		6% N=3
	Not welcoming		2% N=1
People who are not U.S. citizens	Very welcoming		49% N=20
	Welcoming		44% N=18
	Somewhat welcoming		7% N=3
People of Christian faith	Very welcoming		53% N=23
	Welcoming		44% N=19
	Not welcoming		2% N=1
People of Islamic faith	Very welcoming		53% N=20
	Welcoming		42% N=16
	Somewhat welcoming		3% N=1
	Not welcoming		3% N=1
People of Jewish faith	Very welcoming		55% N=21
	Welcoming		37% N=14
	Somewhat welcoming		5% N=2
	Not welcoming		3% N=1
People of other faiths	Very welcoming		51% N=20
	Welcoming		38% N=15
	Somewhat welcoming		8% N=3
	Not welcoming		3% N=1
People who are agnostic or atheist	Very welcoming		50% N=18

<b>Please rate how welcoming the City of American Canyon is for:</b>	People who are agnostic or atheist	Welcoming		<b>42%</b> N=15
		Somewhat welcoming		<b>3%</b> N=1
		Not welcoming		<b>6%</b> N=2
	People who are liberal	Very welcoming		<b>46%</b> N=19
		Welcoming		<b>49%</b> N=20
		Somewhat welcoming		<b>5%</b> N=2
	People who are conservative	Very welcoming		<b>43%</b> N=17
		Welcoming		<b>50%</b> N=20
		Somewhat welcoming		<b>5%</b> N=2
		Not welcoming		<b>3%</b> N=1
	People who are veterans or military personnel	Very welcoming		<b>65%</b> N=31
		Welcoming		<b>33%</b> N=16
Somewhat welcoming			<b>2%</b> N=1	
People who are older	Very welcoming		<b>54%</b> N=28	
	Welcoming		<b>40%</b> N=21	
	Somewhat welcoming		<b>6%</b> N=3	
People who are younger	Very welcoming		<b>45%</b> N=24	
	Welcoming		<b>47%</b> N=25	
	Somewhat welcoming		<b>6%</b> N=3	
	Not welcoming		<b>2%</b> N=1	
People who are of lower income	Very welcoming		<b>39%</b> N=18	
	Welcoming		<b>43%</b> N=20	
	Somewhat welcoming		<b>13%</b> N=6	
	Not welcoming		<b>4%</b> N=2	
<b>Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.</b>	It would take a lot to get me to leave the City of American Canyon	Strongly agree		<b>45%</b> N=28
		Somewhat agree		<b>31%</b> N=19
		Somewhat disagree		<b>13%</b> N=8
		Strongly disagree		<b>11%</b> N=7
	Given the opportunity, I tell others great things about working here	Strongly agree		<b>49%</b> N=33
Somewhat agree			<b>31%</b> N=21	
Somewhat disagree			<b>13%</b> N=9	

**Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.**

Given the opportunity, I tell others great things about working here	Strongly disagree		6% N=4
	Strongly agree		57% N=38
I am inspired to do my best work at the City of American Canyon	Somewhat agree		36% N=24
	Somewhat disagree		3% N=2
	Strongly disagree		4% N=3
	Strongly agree		43% N=29
The City of American Canyon motivates me to contribute more than is normally required to complete my work	Somewhat agree		31% N=21
	Somewhat disagree		18% N=12
	Strongly disagree		7% N=5
	Strongly agree		37% N=24
I rarely think about leaving the City of American Canyon to work somewhere else	Somewhat agree		37% N=24
	Somewhat disagree		11% N=7
	Strongly disagree		15% N=10
	Strongly agree		62% N=41
I am comfortable seeking feedback and raising issues with my manager	Somewhat agree		30% N=20
	Somewhat disagree		5% N=3
	Strongly disagree		3% N=2
	Strongly agree		53% N=34
In my team, employees take ownership and accountability for their deliverables	Somewhat agree		34% N=22
	Somewhat disagree		8% N=5
	Strongly disagree		5% N=3
	Strongly agree		37% N=25
The City of American Canyon provides a culture of open and honest communication	Somewhat agree		37% N=25
	Somewhat disagree		19% N=13
	Strongly disagree		6% N=4
	Strongly agree		53% N=35
My manager and I have established a clear path for my development	Somewhat agree		29% N=19
	Somewhat disagree		11% N=7
	Strongly disagree		8% N=5
	Strongly agree		9% N=6
In which City agency or department do you work? (Please choose one.)	Administration (City Mana..		7% N=5
	Community Development		9% N=6

In which City agency or department do you work? (Please choose one.)	Finance		10% N=7
	Maintenance & Utilities		30% N=21
	Parks and Recreation		22% N=15
	Public Works		22% N=15
What is your management status?	Manager		22% N=14
	Non-manager		78% N=49
What is your exemption status?	Exempt (not eligible for ov..		39% N=22
	Non-Exempt (eligible for o..		61% N=34
Are you employed full time or part time?	Full time		88% N=60
	Part time		12% N=8
Do you live in American Canyon?	Yes		49% N=33
	No		51% N=34
Are you of Hispanic, Latino/a/x, or Spanish origin?	No, not of Hispanic, Latin..		75% N=50
	Yes, I consider myself to ..		25% N=17
What is your race? (Mark one or more races to indicate what race you consider yourself to be.)	Asian		14% N=9
	Black or African American		8% N=5
	White		64% N=41
	A race not listed		19% N=12
What is your gender?	Woman		37% N=24
	Man		58% N=38
	Identify in another way		5% N=3
If you identify in another way, how would you describe your gender?	Agender/I don't identify wi..		33% N=1
	Two-spirit		33% N=1
	Identify in another way		33% N=1
What is your age range?	20 years or younger		11% N=7
	21 to 30 years		12% N=8
	31 to 40 years		17% N=11
	41 to 50 years		38% N=25
	51 to 60 years		14% N=9
	61 years or older		8% N=5
How many years have you worked for the City of American Canyon?	0 to 5 years		57% N=37

How many years have you worked for the City of American Canyon?			
6 to 10 years		14%	N=9
11 to 15 years		17%	N=11
16 to 20 years		9%	N=6
More than 20 years		3%	N=2

# The City of American Canyon 2023 Employee Survey

This survey is to be completed by the City of American Canyon employee who received an invitation. Your responses will be kept anonymous and no identifying information will be shared.

## 1. Please rate each of the following aspects of quality of life in American Canyon.

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
American Canyon as a place to live.....	1	2	3	4	5
American Canyon as a place to work.....	1	2	3	4	5
The overall quality of life in American Canyon.....	1	2	3	4	5

## 2. How likely or unlikely are you to recommend LIVING in American Canyon to someone who asks?

- Very likely    Somewhat likely    Somewhat unlikely    Very unlikely    Don't know

## 3. Please rate the following categories of American Canyon government performance.

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
The overall direction that American Canyon is taking .....	1	2	3	4	5
Generally acting in the best interest of the community .....	1	2	3	4	5
Overall confidence in American Canyon government.....	1	2	3	4	5
The overall quality of the services provided by the City of American Canyon	1	2	3	4	5

## 4. Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.

	<u>Strongly agree</u>	<u>Somewhat agree</u>	<u>Somewhat disagree</u>	<u>Strongly disagree</u>	<u>Don't know</u>
Overall, I am satisfied with my job.....	1	2	3	4	5
I plan on working for this organization a year from now.....	1	2	3	4	5
I see a career path for me at City of American Canyon.....	1	2	3	4	5
I gain satisfaction from my current job responsibilities .....	1	2	3	4	5
I feel positively challenged in my current job .....	1	2	3	4	5
I have the opportunity to do what I do best every day at work.....	1	2	3	4	5
My values match or fit with the values of this organization.....	1	2	3	4	5
I have good friends at work.....	1	2	3	4	5
Overall, I feel positive about working for the City of American Canyon.....	1	2	3	4	5
The mission and vision of the City of American Canyon make me feel my job is important.....	1	2	3	4	5

## 5. How likely or unlikely are you to recommend WORKING FOR the City of American Canyon to someone who asks?

- Very likely    Somewhat likely    Somewhat unlikely    Very unlikely    Don't know

**6. As an employee of City of American Canyon, how would you rate the job the organization does at each of the following?**

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
Availability of necessary materials, resources and equipment to do the job effectively.....	1	2	3	4	5
Providing individual and group work spaces to do the job effectively..	1	2	3	4	5
Access to technology that helps employees do their job effectively ...	1	2	3	4	5
Compensation (salary, benefits and incentives/bonuses) compared with similar opportunities .....	1	2	3	4	5
Benefits overall (vacation, sick leave, health care, retirement plan, etc.) ...	1	2	3	4	5
Work-life balance.....	1	2	3	4	5
Work schedule flexibility .....	1	2	3	4	5
Maintaining a work environment that is free of violence or harassment.....	1	2	3	4	5
Maintaining a work environment that is free of drug or alcohol abuse ...	1	2	3	4	5
Protecting employees from health and safety hazards on the job .....	1	2	3	4	5
Providing a clear vision for our organization .....	1	2	3	4	5
Communicating information that helps employees understand the problems and issues facing the City.....	1	2	3	4	5
Speed of response to important issues or change .....	1	2	3	4	5
Collaboration between departments (e.g., transportation, planning, etc.)....	1	2	3	4	5
Openness to new ideas and initiatives .....	1	2	3	4	5
Valuing creativity .....	1	2	3	4	5
Making all employees feel welcome .....	1	2	3	4	5
Helping new employees feel connected and integrated.....	1	2	3	4	5
Fostering a respectful atmosphere .....	1	2	3	4	5

**7. How would you rate the job the organization does at each of the following?**

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
Demonstrating respect for employees of different cultures and belief systems .....	1	2	3	4	5
Respecting individual cultural beliefs and values .....	1	2	3	4	5
Attracting employees from diverse backgrounds.....	1	2	3	4	5
Recruiting diverse people into positions of organizational leadership....	1	2	3	4	5
Promoting workplace diversity.....	1	2	3	4	5
Applying policies and procedures equally to all employees.....	1	2	3	4	5
Providing equal employment opportunities to employees of all backgrounds.....	1	2	3	4	5
Providing a safe and secure environment for employees of all backgrounds.....	1	2	3	4	5
Clarity of staff roles and responsibilities.....	1	2	3	4	5
Accuracy of performance evaluations .....	1	2	3	4	5
Connection between compensation and performance .....	1	2	3	4	5
Showing employee appreciation .....	1	2	3	4	5
Supporting continual learning and development .....	1	2	3	4	5
Availability of opportunities for employees to develop knowledge and skills .....	1	2	3	4	5
Opportunities to develop a career path .....	1	2	3	4	5
The overall skill set of staff .....	1	2	3	4	5
The work being done at the City of American Canyon overall .....	1	2	3	4	5

# The City of American Canyon 2023 Employee Survey

## 8. Please rate each of the following aspects of your WORK GROUP (people you work closest with).

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
Communication among all staff in my work group.....	1	2	3	4	5
The working relationships in my work group.....	1	2	3	4	5
Collaboration among all staff in my work group.....	1	2	3	4	5
Overall staff morale in my work group.....	1	2	3	4	5
Effectiveness of meetings in my work group.....	1	2	3	4	5
The quality of work being done in my work group.....	1	2	3	4	5

## 9. Please rate each of the following aspects of your SUPERVISOR'S performance.

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
Communicating information in a timely manner.....	1	2	3	4	5
Welcoming employee involvement in decision-making.....	1	2	3	4	5
Encouraging an environment where employees feel comfortable to raise issues and concerns that are important to them.....	1	2	3	4	5
Encouraging employees to come up with innovative solutions to problems.....	1	2	3	4	5
Encouraging employees to use their own judgment to get the job done.....	1	2	3	4	5
Promoting a positive working relationship among work group members.....	1	2	3	4	5
Fostering an atmosphere of mutual trust and confidence.....	1	2	3	4	5
Treating employees with respect.....	1	2	3	4	5
Valuing employees from diverse backgrounds.....	1	2	3	4	5
Treating all employees fairly.....	1	2	3	4	5
Providing specific, constructive feedback that helps improve employee performance.....	1	2	3	4	5
Communicating expectations of employees.....	1	2	3	4	5
Working together with employees to set goals.....	1	2	3	4	5
Recognizing high-performing employees.....	1	2	3	4	5
Providing recognition for doing good work.....	1	2	3	4	5
Applying discipline fairly and consistently.....	1	2	3	4	5
Managing low-performing employees.....	1	2	3	4	5
Providing opportunities for employees to learn and grow.....	1	2	3	4	5
Coaching or mentoring employees.....	1	2	3	4	5

## 10. Please rate your overall level of confidence in the leadership of:

	<u>Very confident</u>	<u>Moderately confident</u>	<u>Slightly confident</u>	<u>Not confident</u>	<u>Don't know</u>
Your supervisor.....	1	2	3	4	5
Senior staff/leadership.....	1	2	3	4	5
Council/elected officials.....	1	2	3	4	5

**Support Services**

**11. Please rate the QUALITY of each of the following support services in American Canyon.**

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't know</u>
Custodial cleaning services.....	1	2	3	4	5
Maintenance and repair services .....	1	2	3	4	5
Facilities management services overall .....	1	2	3	4	5
Fleet maintenance services overall.....	1	2	3	4	5
Recruitment services.....	1	2	3	4	5
Benefits administration.....	1	2	3	4	5
Training services.....	1	2	3	4	5
Human resources services overall.....	1	2	3	4	5
Radio systems.....	1	2	3	4	5
Telephone systems.....	1	2	3	4	5
Network services .....	1	2	3	4	5
Application services.....	1	2	3	4	5
Desktop / Help Desk services.....	1	2	3	4	5
General information technology (IT) services overall.....	1	2	3	4	5
Purchasing services overall.....	1	2	3	4	5
Finance services overall.....	1	2	3	4	5
Risk management services overall.....	1	2	3	4	5
Overall City internal services.....	1	2	3	4	5

**Diversity and Inclusion**

**12. Please rate how welcoming the City of American Canyon is for:**

	<u>Very welcoming</u>	<u>Welcoming</u>	<u>Somewhat welcoming</u>	<u>Not welcoming</u>	<u>Don't know</u>
People with disabilities .....	1	2	3	4	5
People who identify as lesbian, gay, bisexual, or other non-straight sexual identities.....	1	2	3	4	5
People who identify as transgender .....	1	2	3	4	5
Men.....	1	2	3	4	5
Women .....	1	2	3	4	5
People who are Arabic or Middle Eastern.....	1	2	3	4	5
People who are Asian, Asian Indian or Pacific Islander .....	1	2	3	4	5
People who are Black or African American .....	1	2	3	4	5
People who are Hispanic .....	1	2	3	4	5
People who are American Indian or Alaskan Native .....	1	2	3	4	5
People who are White .....	1	2	3	4	5
People whose first language is not English.....	1	2	3	4	5
People who are not U.S. citizens.....	1	2	3	4	5
People of Christian faith.....	1	2	3	4	5
People of Islamic faith .....	1	2	3	4	5
People of Jewish faith .....	1	2	3	4	5
People of other faiths .....	1	2	3	4	5
People who are agnostic or atheist .....	1	2	3	4	5
People who are liberal.....	1	2	3	4	5
People who are conservative .....	1	2	3	4	5
People who are veterans or military personnel .....	1	2	3	4	5
People who are older .....	1	2	3	4	5
People who are younger .....	1	2	3	4	5
People who are of lower income .....	1	2	3	4	5

# The City of American Canyon 2023 Employee Survey

13. Please rate the extent to which you agree or disagree with the following statements about your job working for the City of American Canyon.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	Don't know
It would take a lot to get me to leave the City of American Canyon.....	1	2	3	4	5
Given the opportunity, I tell others great things about working here. ....	1	2	3	4	5
I am inspired to do my best work at the City of American Canyon.....	1	2	3	4	5
The City of American Canyon motivates me to contribute more than is normally required to complete my work.....	1	2	3	4	5
I rarely think about leaving the City of American Canyon to work somewhere else. ....	1	2	3	4	5
I am comfortable seeking feedback and raising issues with my manager.....	1	2	3	4	5
In my team, employees take ownership and accountability for their deliverables.....	1	2	3	4	5
The City of American Canyon provides a culture of open and honest communication. ....	1	2	3	4	5
My manager and I have established a clear path for my development. ....	1	2	3	4	5

Our last questions are about you. Again, all of your responses to this survey are completely anonymous and no identifying information will be revealed or shared. Completing this information will help us better understand employees' experiences working for the City.

## Employee Information

D1. In which City agency or department do you work? (Please choose one.)

- Administration (City Manager, City Clerk, Human Resources)
- Community Development
- Finance
- Maintenance & Utilities
- Parks and Recreation
- Public Safety
- Public Works

D2. What is your management status?

- Manager
- Non-manager
- Don't know

D3. What is your exemption status?

- Exempt (not eligible for overtime)
- Non-Exempt (eligible for overtime)
- Don't know

D4. Are you employed full time or part time?

- Full time
- Part time

## Demographic Information

D5. Do you live in American Canyon?

- Yes
- No

D6. Are you of Hispanic, Latino/a/x, or Spanish origin?

- No
- Yes

D7. What is your race? (Mark one or more races to indicate what race you consider yourself to be.)

- American Indian or Alaskan Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White
- A race not listed

D8. What is your gender?

- Woman
- Man
- Identify in another way → go to D8a

D8a. If you identify in another way, how would you describe your gender?

- Agender/I don't identify with any gender
- Genderqueer/gender fluid
- Non-binary
- Transgender man
- Transgender woman
- Two-spirit
- Identify in another way

D9. In which category is your age?

- 20 years or younger
- 21-30 years
- 31-40 years
- 41-50 years
- 51-60 years
- 61 years or older

D10. How many years have you worked for the City of American Canyon?

- 0 to 5 years
- 6 to 10 years
- 11 to 15 years
- 16 to 20 years
- More than 20 years

# City of American Canyon

## Review of the Public Works and Maintenance and Utilities Departments

February 2024



February 5, 2024

Mr. Jason Holley, City Manager  
Ms. Maria Ojeda, Assistant City Manager  
City of American Canyon  
4381 Broadway Street, Suite 201  
American Canyon, CA 94503

Dear Mr. Holley and Ms. Ojeda:

Baker Tilly is pleased to transmit the attached report summarizing our assessment of the Public Works and Maintenance and Utilities departments.

Our team conducted a thorough assessment of the departments to take a fresh look at the organization structure and identify ways of improving operations and effectiveness.

This evaluation concluded that changes or improvements are warranted in seven topical areas, as follows.

- Organization structure. Combine departments into an expanded Public Works Department.
- Capital Improvement Program. Expand the design and project management capacity of the Capital Improvement Program (CIP).
- Technology. Improve technology by implementing new systems and training.
- Staffing. Address staff gaps and study future staffing levels once workload data become available.
- Succession planning. Build resilience through succession planning and training.
- Strategic plan. Establish strategic direction, goals, and objectives through a strategic plan.
- Performance measurement. Create a program focused on performance measurement.

These and other related issues are detailed in our report, and we look forward to discussing them with you at your convenience.

Sincerely,



Carol Jacobs  
Managing Director



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## Executive Summary

The City of American Canyon engaged Baker Tilly to examine the organization structure and operations of the Public Works and Maintenance and Utilities departments. The City's goal was to take a fresh look at the departments and develop a roadmap for optimizing these functions in the future.

Our approach included compiling and analyzing numerous documents and data provided by the City, conducting numerous interviews, facilitating four focus groups, deploying an employee survey of both departments, and preparing a comparison of peer cities with regard to organization structure and alignment of functions.

*Staff feedback.* There were various reactions from staff about the prior separation of the functions into the current two-department structure, though it is clear this change resulted in communication gaps and less collaboration.

The employee survey showed more support among the Maintenance and Utilities Department employees for maintaining the two-department structure than among Public Works employees. However, more than half of the Maintenance and Utilities Department employees noted that there are staffing or functional misalignments. This suggests that, while they prefer the two-department structure, the Maintenance and Utilities Department staff do see a need for changes related to staffing or how functions are aligned. Baker Tilly believes this reaction is in part due to the physical relocation of staff to the water and wastewater treatment plants.

The physical relocation of water and wastewater staff to their respective plants, which are located several miles from the corporation yard, remains controversial among staff members. For example, staff noted the change constrained their ability to share equipment and resources as compared to when the functions were organized at the corporation yard and under a single department.

Staff members in both departments expressed concern about the need for better technology, including the need for new software, mobile access, more integration of systems, greater capability regarding work orders, timekeeping, and asset management. Supervisors and managers also

understand the current state of technology does not provide the types of detailed reports and data they need to manage operations, though many anticipate that implementation of a Computerized Maintenance Management System (CMMS) will be a leap forward for the organization.

Staff members were also concerned about the rate of turnover in American Canyon. They noted a need for better succession planning and acknowledged that there are limited career ladder opportunities in the organization. They believe this factor leads good employees to seek other jobs. Some staff members also believe staffing levels are insufficient in key areas such as in parks maintenance and within the water function.

*Peer comparison.* Baker Tilly conducted a high-level comparison of peer cities to study their organization structures and how functions are aligned. This was important because organization structure is one of the key issues under consideration in American Canyon. Our review showed that only one of the four peer cities has separate public works and utilities departments, while two of the four peer cities structure their maintenance, engineering/capital improvement, and utility functions within a single department. The remaining comparator incorporates utilities in its Public Works Department but splits maintenance services between Public Works and Parks and Recreation.

*Observations and recommendations.* This report includes 16 recommendations for change and improvement. A list of these recommendations is also provided in Attachment A. Highlights of key areas or topics are outlined below.

### **Organization Structure**

Based on the staff feedback, our review of peer city organization structures, and our own experience conducting similar analyses for cities, Baker Tilly believes American Canyon should return to a single department structure for its public works, maintenance, and utility functions.

The organization is not overly large or different from other cities to warrant a two-department structure. A combined Public Works Department will provide clearer direction, better communication, and will help in breaking down the silos which have formed in the last few years. This approach will foster greater collaboration and sharing of equipment and other resources. In addition, this proposed change will provide additional opportunities for cross-training and potential career advancement, as addressed in the Observations and Recommendations section of this report.

Combining the functions under the Public Works Department will require the City to recruit and hire a deputy director with specialized expertise in the water and wastewater functions.

### **Capital Improvement Program**

We also found that improvements to the Capital Improvement Program (CIP) function are necessary to improve efficiency and capacity. This can be accomplished with simple changes such as elevating the visibility and inclusivity of the program to ensure guidelines and criteria for what constitutes a CIP project are uniformly applied/understood and defining when such projects will be designed using in-house staff versus external design consultants. This should be relatively easy to address since the City has existing agreements with various external design consultants.

### **Technology**

Most of the functions in the two departments have inadequate technological systems. This constrains their work and their ability to provide detailed reports on operational matters. Some functions continue to use paper or outdated workarounds to meet day-to-day needs. Furthermore, the existing technology systems are not integrated into other legacy systems, nor do they meet the varied needs of staff or customers.

Fortunately, the City is aware of these challenges and has established a goal in the FY 2023-24 budget to procure and implement a Computerized Maintenance Management System (CMMS).

Baker Tilly believes the City should also prepare or update a technology needs assessment to ensure the requirements of the various functional areas are understood and addressed.

### **Staffing**

A detailed analysis of staffing levels was not possible because the City lacks the systems to provide detailed workload data. Nevertheless, it was reported by staff that staffing levels are insufficient in the parks maintenance and water functions in the Maintenance and Utilities Department.<sup>1</sup> Baker Tilly was not able to corroborate these concerns

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<sup>1</sup> The City has contracted certain landscape maintenance services for several years, but staff indicated that parks were added during this timeframe (along with increases to service

given the lack of data. This is one (among many) tangible examples where implementing new technology systems would provide the organization with the information it needs to manage operations.

Baker Tilly did note two areas where staffing gaps are apparent. For example, there is a need for a management analyst to focus on the data, reports, and other information required to oversee the various functions. We recommend later in this report that the department recruit and hire a management analyst for these areas, as well as assist with budget preparation, rate studies, and performance measurement.

Another staffing gap relates to the fleet maintenance function where the organization has one mechanic position to maintain the City's fleet. This position is responsible for coordinating departments, moving vehicles to different locations, ordering and driving to obtain parts, and other miscellaneous duties. This single-classification position also means that services in the organization are curtailed when the mechanic is out of the office for any period. Many organizations address situations like this by hiring an apprentice or establishing a maintenance worker position as a "rover" to help with fleet and other support duties at the corporation yard. We believe American Canyon would benefit by adding a resource to assist with these duties, provide greater depth of staffing resources, and provide succession planning opportunities.

Further, though not part of our review, we note that lack of redundancy in the purchase of vehicle parts can present an internal control issue if an effective inventory management system is not in place (fleet purchases are considered a high-risk area for the occurrence of waste and fraudulent activity).

### **Succession Planning and Training**

There has been an almost 11% turnover (excluding retirements and probation releases) in the Public Works and Maintenance and Utilities departments in each of the last two years. Employees advised us this is an ongoing issue in American Canyon, i.e., that the City often serves as a training ground for employees who leave for various

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contracts) without a corresponding increase in in-house maintenance resources. The City Manager's Office has indicated that workload for the additional parks has been addressed through the contracts.

reasons such as career advancement, better compensation, or opportunities closer to home.

This pace of turnover accentuates the need for succession planning and training. This need is especially important given the small, flat department structure. We believe combining the departments will help, in part, by providing more opportunities for cross-training but more succession planning effort by the City will be necessary.

These efforts should identify the core skills required in the various functional areas and provide focused training that will broaden the capabilities of the department staff by preparing them for future opportunities. The City may also need to review the maintenance worker series (knowledge, skills, and abilities as well as total compensation) since these classifications are where the highest turnover has been occurring.

### **Strategic Direction**

The new Public Works Department will need a clear roadmap for the future and a unified group of employees who are committed to providing excellent public services. Baker Tilly's experience is that the best way to reestablish the department and position it for success would be to prepare a department-level strategic plan with a five-year horizon. Preparing a strategic plan would allow the department to collaborate with its employees in establishing the future direction, goals, and objectives.

A secondary advantage of preparing a strategic plan would be to address concerns among staff members about communication and decision making. For instance, many employees felt that both communication and decision making were overly controlled and restrictive during the tenure of the former director of the Maintenance and Utilities Department. These concerns left staff not always knowing what to do, and the concerns have had a lingering effect on the organization. Preparing a strategic plan would be one effective approach for establishing goals and objectives related to communication and decision making.

### **Performance Measurement**

Most work conducted by public works, maintenance, and utility functions can and should be measured to track efficiency, effectiveness, and workload. Performance measurement refers to the compilation of various points and the system for analyzing this

information to provide insights, i.e., to “tell the story” about the departments’ work. Examples are provided in the Observations and Recommendations section of our report.

The Public Works and Maintenance and Utilities departments have limited performance measures or metrics at present. This is clearly related to the lack of technology systems and associated practices for compiling data and tracking work.

More than any other single recommendation in this report, investing in technology and instituting a robust program of performance measures and metrics has the potential to dramatically improve operations in the public works, maintenance, and utility functions because it will provide leaders, managers, and staff with the information they need to assess operations. This report outlines different types of performance measures which the City should consider in instituting a performance measurement program.

The remainder of this report is organized in the following four sections:

- Background
- Project Approach
- Observations and Recommendations
- Conclusion

## Background

The City of American Canyon engaged Baker Tilly to examine the structure and operations of its Public Works and Maintenance and Utilities Departments. The purpose of this review was to take a fresh look at both departments, review their structures, and provide an analysis of best practices.

American Canyon is a city in Northern California, located at the southern end of Napa County. Incorporated in 1992, American Canyon plays an important role in the Napa Valley wine industry with growth in wine logistics, making, storage, and distribution services.

Encompassing six square miles, American Canyon is a city of 21,338 residents and plans for a population of 25,000 by 2025. American Canyon is a general law city and operates under a Council/City Manager form of government. Police services are provided under a contract with the Napa County Sheriff's Office, and the American Canyon Fire Protection District provides fire response to a 15-square mile area, including the City.

The City Council is comprised of a directly elected mayor and four elected City Council members. The City Council also serves as the Board of Directors for the American Canyon Fire Protection District.

The City's General Fund expenditure budget for Fiscal Year (FY) 2023-24 is \$33,864,159. It employs approximately 114 full-time equivalent (FTE) employees, including 13 FTEs in the Public Works Department and 37 FTEs in the Maintenance and Utilities Department.<sup>2</sup> Functional organization charts for these two departments are provided in Figures 1 and 2.

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<sup>2</sup> The City's FY 2023-24 adopted budget shows 12 authorized positions for Public Works and two different headcounts for Maintenance and Utilities: one summary table shows 34.10 and another shows 38. The staffing numbers for Public Works (13.0 FTE) and Maintenance and Utilities (37 FTE) that we cite here were provided by staff when the functional organization charts were prepared (see Figures 1 and 2).

Figure 1. Functional Organization Chart of the Existing Public Works Department

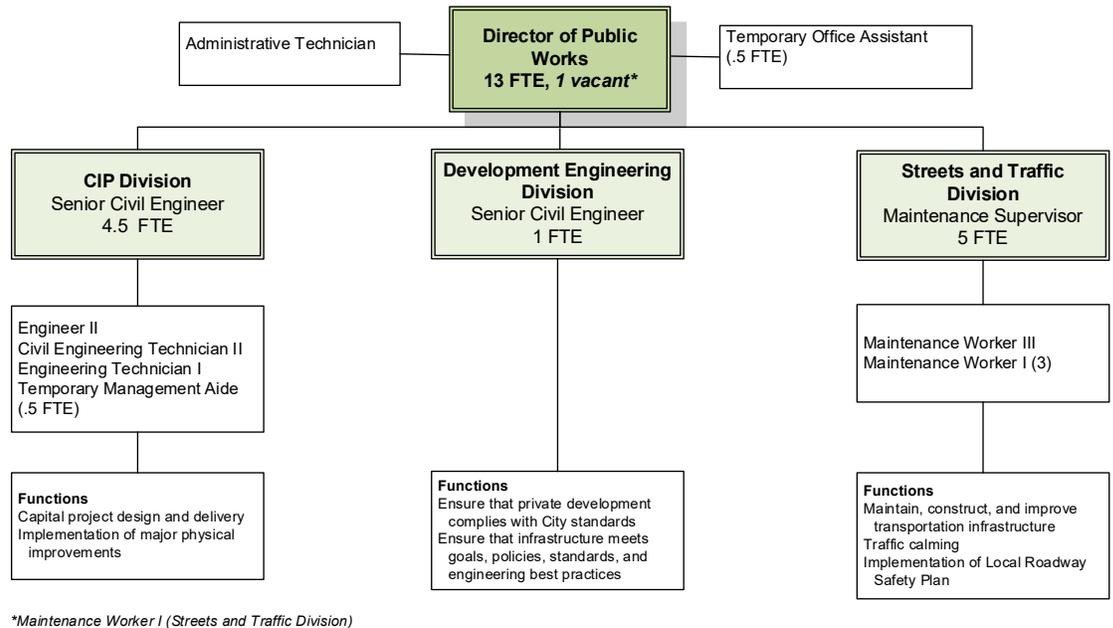
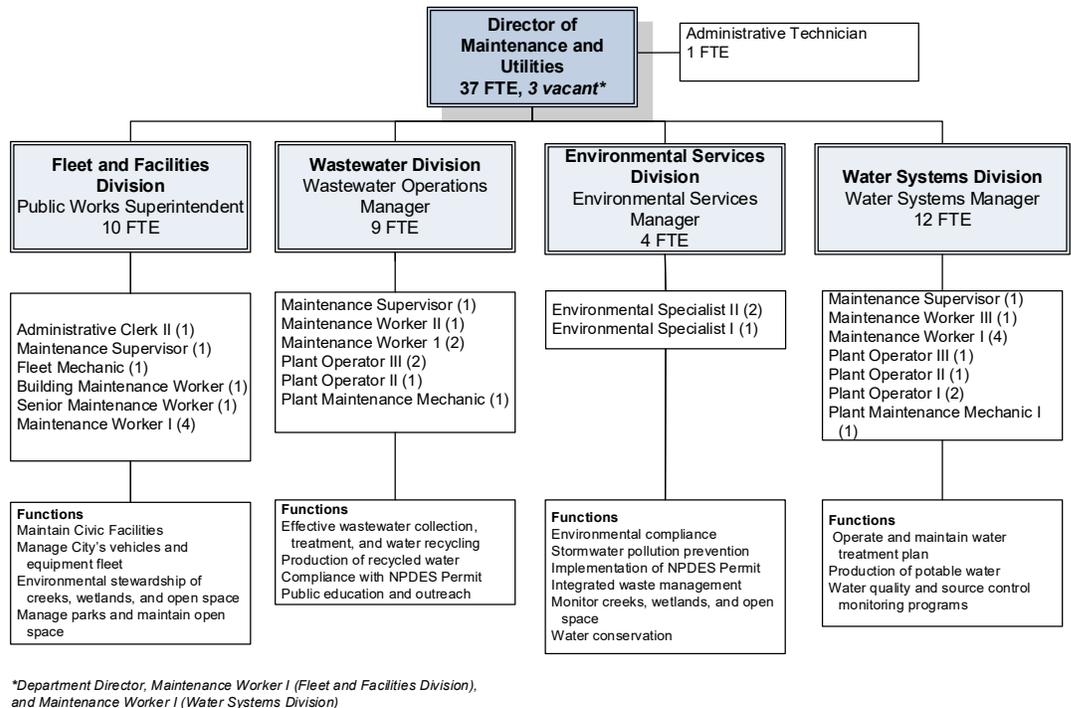


Figure 2. Functional Organization Chart of the Existing Maintenance and Utilities Department



Prior to Fiscal Year (FY) 2020-21, the Public Works and Maintenance and Utilities functions were housed in one department, the Department of Public

Works. In FY 2020-21, the City created the Maintenance and Utilities Department in an effort to align functions in water distribution and water collection, and to increase efficiencies. City leaders engaged Baker Tilly to review this alignment of functions and make recommendations on this structure.

## Project Approach

Baker Tilly obtained information through various means to perform our analysis and inform the recommendations in this report, as described below.

### ***Information Gathering and Review***

1. Conducted a project kickoff meeting with the City Manager, Assistant City Manager, and the Director of Public Works to ensure mutual understanding of the scope of the project, its objectives, and the schedule.
2. Reviewed a range of requested documents to help inform our analysis, as follows:
  - a. Workload and other data collected by the Public Works and Maintenance and Utilities Departments for the past 36 months that is not reported in the budget
  - b. Applicable labor agreements for City staff
  - c. Current department organization charts showing reporting relationships
  - d. Prior classification/staffing studies
  - e. Policies and procedures that impact the work provided by City staff
  - f. 2022 community survey results (The National Community Survey (NCS))
  - g. Other documents including the City's budget and content housed on the City's website.
3. Interviewed 19 City employees including members of the Executive Team, managers, supervisors, superintendents, and clerical staff.
4. Developed and deployed an employee survey to employees of the Public Works and Maintenance and Utilities departments, along with a limited number of other staff invited by City leaders.
5. Facilitated four onsite focus groups at four City facilities with approximately 40 non-management staff, identified by American Canyon.

6. Conducted peer agency comparisons of four cities of like size, functions, and location to identify similarities and differences in organizational structure and alignment of functions.

## ***Interview Themes***

As noted above, Baker Tilly conducted interviews with 19 staff members representing City and departmental leadership. The purpose of the interviews was to learn about the organization, understand what is and is not working well, and identify areas that could be improved.

Below are the key themes representing input provided by interviewees. Presenting these themes, however, does not imply concurrence from Baker Tilly.

- ***Issues regarding the split of Public Works:*** Concerns were raised that the Maintenance and Utilities function splitting from Public Works has impacted response times, is inefficient, and has led to some communication gaps between departments. Prior to the reorganization, teamwork and collaboration was stronger and communication between supervisors was better when all staff were at the corporation yard.
- ***Staffing Concerns:*** There is a general sentiment that there is not enough staff to keep pace with the current workload, which can feel overwhelming; more in-house staff are desired rather than contractors.
- ***Recruitment and retention issues:*** Interviewees expressed several concerns, including:
  - Recruitment is difficult due to cost of living and geography,
  - There is difficulty finding people with experience from larger cities,
  - Due to limited career ladder opportunities, the City is a training ground and people leave for more money/opportunities in other organizations,
  - There is high turnover among maintenance workers; and
  - Better succession planning efforts are needed given upcoming retirement eligibility.
- ***Technology needs:*** Mobile access is desired for several systems; the City lacks an asset management system and work order system, administrative forms (leave slips, overtime requests) are outdated and timesheets should be made available on an application instead of shared computer terminals; technology in many departments is lacking, i.e., Community Development uses a legacy version of

TRAKiT; multiple systems exist but they do not interact with each other so staff is entering data in multiple systems.

- **Concerns about the Director position:** Concerns were expressed that the former MUD director controlled decision making and the flow of communication, and this has had lingering impacts on how staff make decisions and communicate. On the other hand, the new public works director is well liked, and staff expressed confidence in her management style.

## **Employee Survey**

As part of this project, a confidential survey was deployed between October 2 and 20, 2023 to give respondents a chance to identify the strengths and opportunities that exist in the Public Works and Maintenance and Utilities departments. Survey questions and associated answer choices were contained in the following topic areas:

- Organization Structure
- Management System
- Communication
- Morale and Climate

The survey included questions requesting numeric responses (1=strongly disagree, 2=disagree, 3=agree, 4=strongly agree) as well as questions that invited written responses. Forty-nine of fifty-five employees responded to the survey, a response rate of 89%. Responses were solicited from the Public Works and Maintenance and Utilities departments and from “other departments.”<sup>3</sup>

The complete survey responses, response breakdowns by position, tenure with the City, and summary of written comments are contained in Attachment B to this report. Key observations from the survey are summarized below.

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<sup>3</sup> The survey was provided to a total of 55 employees from Public Works, Maintenance and Utilities, and other city departments. Forty-six of the 49 respondents were from Public Works and Maintenance and Utilities, with three respondents from Finance (1), Parks and Recreation (1), and one unidentified department. Observations associated with the three respondents from the other departments are noted in Attachment B to the report. The summaries provided in this report section focus on responses from the Public Works and Maintenance and Utilities Departments.

## Organization Structure

Questions in this topic area centered on functional alignments in organization structures and staffing.

- Respondents in both departments generally agree that the functions in each department maximize efficiency and effectiveness.
- There was disagreement along department lines about whether the departments should remain separate; Maintenance and Utilities felt stronger than Public Works on keeping the departments separate.
- Communication, collaboration, and coordination was better when the departments were combined. They can remain separate if improvements are made.
- Most respondents from Public Works felt there were not many misalignments; respondents from Maintenance and Utilities and other departments were split on this issue.

## Management System

This topic area focused on the performance measurement and technology systems in use by the departments and throughout the City organization. Answer choices covered a range of topics such as understanding of job responsibilities and expectations, strategic direction, performance measurement, available resources and business systems, clarity of policies and procedures, training, empowerment, and use of judgment, recruiting and onboarding, and employee retention.

- Respondents from all departments agreed they have a clear understanding of how their job contributes to fulfilling the mission of the organization.
- Maintenance and Utilities respondents rated the management system slightly higher than respondents from Public Works.
- Open-ended responses cited concerns about low pay and associated turnover, prior and current issues with department management, and the lack of technology.

## Communication

Answer choices in this topic area focused on clear, open, timely, and effective communication.

- All respondents felt that communication within individual divisions/departments is good and that the information the City provides to the public meets community needs.
- Generally, respondents from Maintenance and Utilities report higher levels of satisfaction with communication than respondents from Public Works.

- Open-ended responses included the following general comments:
  - Respondents expressed appreciation for the new Public Works director's communication style and how it is helping to resolve issues with the former Maintenance and Utilities director's control of communication flow.
  - Staff would appreciate periodic site visits by the city manager to the Corporation Yard, Water Treatment Plant and Water Reclamation Facility to provide updates or answer questions.
  - Communication between the maintenance divisions is improving.
  - Communication between departments can be improved to ensure timely information is shared.

### **Morale and Climate**

This topic area focused on organization culture issues such as inclusion, recognition, and whether employees feel valued; supervisory support; teamwork; trust; and sense of fulfillment.

- Generally, respondents from Maintenance and Utilities report higher levels of satisfaction regarding morale and climate than Public Works respondents.
- Morale is highest among respondents from Maintenance and Utilities, followed by Public Works respondents, and then by other department respondents.
- Both groups feel that teamwork is good, they are supported by their supervisors and are treated as valued team members by other employees and are proud to work for the City.
- Open-ended responses on ways the City may improve morale included the following:
  - Better communication and team building among departments
  - More training
  - Appreciation/recognition/clear communication/respect by management
  - Empowering employees in decision making
  - Management competence
  - Pay and workload equity and balance
  - Creating/filling positions with the right employees
  - Career growth opportunities
  - Better programmatic approach to project planning and delivery

The last survey question gave respondents the opportunity to offer additional comments on organization structure and operations to help inform our review. These comments are summarized in the following themes:

- The City does not need two separate departments that can be managed under a director and deputy director.
- All Public Works operations should be at the same location; it is costly and less productive to have outlier locations like Water Distribution located at the Water Treatment Plant seven miles out of town.
- With the change in leadership, there is a sense that work is less stressful and there are signs of improvement.
- Whether the two departments remain separate or are combined, better teamwork is needed.
- Adopting modern technology is needed to improve customer service.
- The City is poorly structured with employees in the wrong positions, and better facilities such as break rooms and restrooms are desired.
- Maintenance workers are underpaid relative to other positions at City Hall and cannot afford to live near the City.
- Efforts by City leaders to engage Baker Tilly are appreciated.

### **Focus Groups**

Baker Tilly facilitated four focus groups with American Canyon staff on October 18 and 19, 2023. Participants were asked a series of questions designed to obtain feedback on a variety of topics, including what is working well and what challenges the departments are facing; suggestions to improve efficiencies; potential changes to the way either department is organized and staffed that would lead toward more effective service delivery; and to identify redundancies or gaps in service delivery.

The focus groups were conducted at American Canyon’s Water Treatment Plant, City Hall, Water Reclamation Facility, and Corp Yard, and included approximately 40 non-management staff from the Public Works and Maintenance and Utilities departments.

Focus group participants were asked about what works well and to identify major organizational challenges, summarized in Table 1. Despite noted challenges, participants provided encouraging feedback about the organization.

*Table 1. Focus Group Themes on What Works Well and Where Organizational Challenges Exist*

Works Well	Organizational Challenges
<p><b>Communication and teamwork</b></p> <ul style="list-style-type: none"> <li>• Methods and frequency of communication between line staff is good; there is sharing of knowledge and know how</li> <li>• There is cohesiveness and camaraderie within work units</li> </ul>	<p><b>Communication</b></p> <ul style="list-style-type: none"> <li>• Communication at higher levels of the organization does not seem to be happening</li> <li>• There is a lack of understanding in the departments about the full scope of the Capital Improvement Program</li> <li>• Communication and collaboration among multiple departments could be improved and getting things done outside of work units can be challenging</li> </ul>

Works Well	Organizational Challenges
<p><b>Work product</b></p> <ul style="list-style-type: none"> <li>• There is a willingness to work/take the initiative on the job and help one another</li> <li>• There are opportunities to learn new skills from co-workers</li> <li>• Staff at the Corporation Yard enjoy helping with other areas of work</li> </ul>	<p><b>Technology</b></p> <ul style="list-style-type: none"> <li>• The organization is slow to adopt new technology needed for daily operational and administrative work tasks, which slows down processes and reporting</li> <li>• Many processes are manual and paper heavy</li> <li>• There is no computerized maintenance management system</li> </ul>
<p><b>Leadership</b></p> <ul style="list-style-type: none"> <li>• Managers support the workers and are approachable</li> <li>• Staff are comfortable asking questions</li> </ul>	<p><b>Tools and equipment</b></p> <ul style="list-style-type: none"> <li>• There is a sense of frustration among staff members regarding difficulties in obtaining funding for equipment and systems needed for efficient operations</li> <li>• Equipment is old or lacking</li> <li>• There is no map of the City’s water system</li> <li>• There are concerns about limited space at city facilities, and these concerns are exacerbated by projected growth</li> </ul>
<p><b>Organizational Culture</b></p> <ul style="list-style-type: none"> <li>• The culture emphasizes professional conduct and places a high priority on safety</li> <li>• Staff care about the work they do and its importance to American Canyon citizens</li> <li>• The working environment is inclusive</li> </ul>	<p><b>Staffing and workload</b></p> <ul style="list-style-type: none"> <li>• There are concerns that basic maintenance tasks are not being completed due to inadequate staffing</li> <li>• There is a perceived lack of upward mobility</li> <li>• Some staff may not be qualified to perform work required by their respective position classifications</li> <li>• Turnover has led to a loss of institutional knowledge</li> <li>• Management is perceived to lack knowledge of water systems or understand maintenance and operational issues in the field</li> <li>• There are concerns about pay equity, position classifications and how work is divided among full- and part-time staff</li> </ul>

### **Peer Comparison**

American Canyon requested that Baker Tilly conduct peer comparison research, which consisted of compiling and analyzing publicly available information associated with the organization structures and alignment of functions of the peers as compared to American Canyon.

Baker Tilly used selection criteria, including population, general fund revenue, and proximity to American Canyon to identify potential comparators and ultimately selected the cities of Benicia, Dixon, Millbrae, and Windsor (Table 2). It is interesting to note that American Canyon serves a population size approximately 8.5% lower than the peer average of 23,300, but its General Fund revenue is 21.25% below the peer average and its General Fund revenue per capital is nearly 14% lower than the peer agencies.

Table 2. Comparable Peer Agencies

Jurisdiction Name	County	Total Population <sup>1</sup>	Square Miles	General Fund Revenue	General Fund Revenue Per Capita
<b>American Canyon</b>	Napa	21,338	6.0	\$28,949,416	\$1,357
<b>Benicia</b>	Solano	26,180	15.7	\$54,580,765	\$2,085
<b>Dixon</b>	Solano	19,018	7.1	\$29,041,312	\$1,527
<b>Millbrae</b>	San Mateo	22,487	3.26	\$39,694,000	\$1,765
<b>Windsor</b>	Sonoma	25,560	7.3	\$23,730,004	\$ 928
<b>Peer Agency Averages:</b>		<b>23,300</b>	<b>8.3</b>	<b>\$36,761,520</b>	<b>\$1,576</b>

### Functional Alignment

Reviewing the peer cities’ organization structures and how functions are aligned was an important aspect of our high-level analysis because organization structure is one of key issues under consideration in American Canyon.

Our research focused on the departmental placement of operations/maintenance, engineering and capital improvement program (CIP) management, and utility management. As shown in bold text in Table 3, most of these functions in the peer cities are placed in a public works department. The organization charts for the peer cities are provided in Attachment C.

Table 3. Department Placement of Maintenance Services and Engineering and Utility Management

Jurisdiction	Facility Maintenance	Fleet Maintenance	Park and Landscape Maintenance	Street Maintenance	Engineering/CIP	Utility Management
<b>American Canyon</b>	Maintenance and Utilities	Maintenance and Utilities	Maintenance and Utilities	Public Works	Public Works	Maintenance and Utilities
<b>Benicia<sup>1</sup></b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>
<b>Dixon</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	Engineering and Utilities	Engineering and Utilities
<b>Millbrae</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>
<b>Windsor</b>	Parks and Recreation	<b>Public Works</b>	Parks and Recreation	<b>Public Works</b>	<b>Public Works</b>	<b>Public Works</b>

<sup>1</sup>As a cost savings measure, Benicia reorganized in October 2023 to move its facility and park maintenance functions from the Parks and Community Services Department to the Public Works Department.

It is worth noting that the only peer city with a separate Utilities Department is Dixon (which combines engineering), while the cities of Benicia and Millbrae provide maintenance, engineering/CIP management, and utility management under their Public Works Departments. The fourth comparator, Windsor, is similarly aligned, except for facility and parks maintenance which is provided by the Parks and Recreation Department.

Although it is not uncommon for larger cities to have separate Public Works and Utilities departments, in our experience it is somewhat atypical to separate the departments in smaller jurisdictions such as American Canyon. The peer comparison supports this observation.

### Staffing Alignment

As noted in this report, the City would benefit from greater staffing capacity in its Public Works Department, particularly in the areas of analytical support and fleet maintenance. Also as noted, if the City combines public works and utilities functions in one department, the reorganization would need to include a deputy director position (which could be funded by the existing utilities director position).

During our research, we learned that three of the four peer cities, Benicia, Millbrae, and Windsor (the same agencies most like American Canyon’s public works structure) have deputy director positions in Public Works, as well as analytical support (Table 4). We note that Benicia and Windsor have three deputy director positions and two analytical support positions.

While we were unable to discern the number of fleet mechanics in the four peer cities, it is apparent from budget documents that Benicia and Millbrae fund at least two mechanic positions.

*Table 4. Peer Agency Comparisons: Public Works Department Leadership/Managerial/Analytical Support*

Jurisdiction	Assistant/Deputy Director	Analytical Support
<b>American Canyon</b>	<b>No</b>	<b>No</b>
<b>Benicia<sup>1</sup></b>	<b>Yes</b> <b>Deputy Director (3.0)</b>	<b>Yes</b> <b>Management Analyst II (2.0)</b>
<b>Dixon</b>	<b>No</b>	<b>No</b>
<b>Millbrae<sup>2</sup></b>	<b>Yes</b> <b>Deputy Director (1.0)</b>	<b>Yes</b> <b>Management Analyst (1.0)</b>
<b>Windsor<sup>3</sup></b>	<b>Yes</b> <b>Deputy Director (3.0)</b>	<b>Yes</b> <b>Management Analyst (1.0)</b> <b>Public Works Analyst (1.0)</b>

<sup>1</sup>Benicia’s deputy directors oversee Engineering, Operations, and Utilities.

<sup>2</sup>In addition to the deputy director, Millbrae has established a city engineer position.

<sup>3</sup>Windsor’s deputy directors oversee Engineering, Operations, Utilities.

## Observations and Recommendations

The Public Works and Maintenance and Utilities departments provide the community with essential public services, as illustrated by the scope of functions shown in the organization charts (Figures 1 and 2).

These City services directly impact the community's quality of life by ensuring that the community is provided effective utility and public works services such as clean and safe water and wastewater systems, well maintained streets and drainage systems, quality maintenance of the City's parks and facilities, and professional environmental and engineering services. In addition, the effective and efficient delivery of these services is a fundamental part of the organization's stewardship over City resources and the environment.

### ***Organization Structure***

The separate Public Works and Maintenance and Utilities departments were established during a restructuring in 2020. The previous structure placed each of their various functions under the Public Works Department.

After this restructuring, the water distribution and wastewater collection functions were physically relocated from the corporation yard to their respective treatment plants, which for wastewater is about six miles away. We understand the reasons for this physical relocation were to establish synergies among the enterprise programs, e.g., consolidate the water treatment and distribution functions, and consolidate sanitary sewer collections and sewage treatment.

However, according to feedback provided during the interviews and focus groups, and from the employee survey, these restructuring and relocation changes had ramifications including impacts to response times related to the location of the water treatment plant, inefficiencies due to the lack of sharing equipment and resources, and gaps in communication between staff in the two departments. Some shared training for general subjects such as safety also became inefficient due to the split locations.

The views of staff about department structures are split. Some staff members suggested keeping the departments separate, while others suggested combining them and delegating more responsibility to managers and supervisors. Further, more than a few staff members explained during the interviews and focus groups that the previous structure (consolidated Public Works Department) provided greater flexibility by allowing employees to collaborate and share resources for special events and needs.

Employees also reported that communication and coordination among mid-level and management staff was better under the combined structure. If the departments were recombined, employees noted the need to provide management expertise in maintenance and plant operations.

Employees in the Maintenance and Utilities Department tend to favor keeping the departments separate while employees in the Public Works Department showed substantially more support for a single department. Baker Tilly believes the key to successfully recombining the departments, as noted by employees, lies in providing management expertise in maintenance and plant operations.

Baker Tilly also studied the placement of functions in peer cities. Our analysis showed that only one city (Dixon) separates its public works and utilities functions into two departments, while two of the four peer cities structure their maintenance, engineering/capital improvement, and utility functions within a single department (Benicia and Millbrae). The remaining comparator (Windsor) incorporates utilities in its Public Works Department but splits maintenance services between Public Works and Parks and Recreation.

Generally, our experience is that separating departments of this type is more common in large or highly specialized organizations where the number of employees and the scope of work warrants having a separate leadership structure and manageable spans of control. While the wastewater treatment function requires staff with expertise and training, our work with other cities indicates that this can be accomplished within a public works structure that is more efficient and less expensive given that it does not require a separate department head.

The organization size and composition in American Canyon, like the peer cities we studied, is conducive to having one department. To ensure the City maintains proper expertise, however, a new deputy director with specialized experience should be hired to oversee the water and wastewater functions.

This would ensure an appropriate level of leadership and experience for the water and wastewater treatment plants.

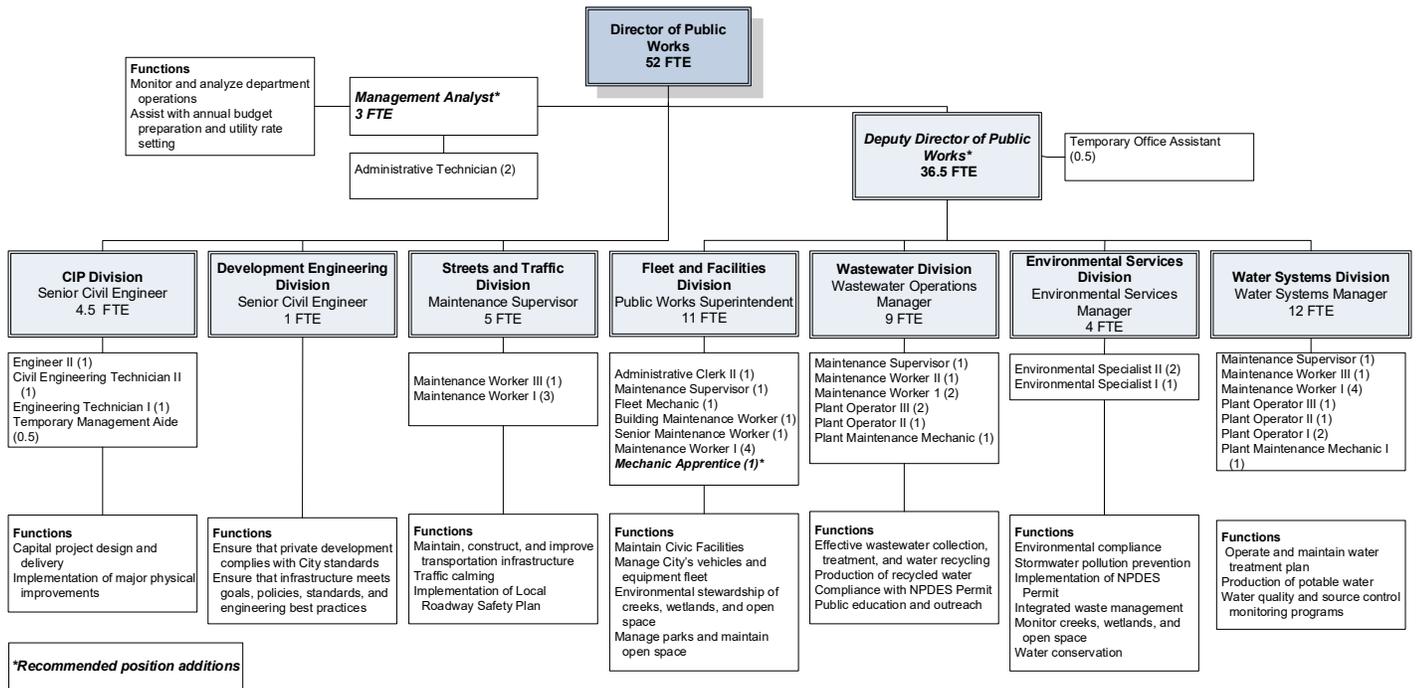
In addition to being more efficient, consolidating the two departments would have other benefits for the functions and their service delivery. For instance, having one department will help to break down silos and improve communication between the various functions. It can also provide a comprehensive structure with a broader range of staff, equipment, and resources with which to serve the community.

**Recommendation 1. Consolidate the Maintenance and Utilities Department within the Public Works Department.**

**Recommendation 2. Recruit and hire a deputy director of public works who possesses expertise in water, wastewater, and maintenance services.**

The consolidated organizational structure is shown in Figure 3.

Figure 3. Functional Organization Chart of the Proposed Public Works Department



**Relocation of Functions**

As discussed previously, the water and wastewater functions were consolidated at the water plant and wastewater treatment plant respectively, and this has impacted staff and operations in various ways. For example, the wastewater treatment plant is located approximately six miles from the

corporation yard and the water treatment plant is located approximately seven miles from the corporation yard. Driving between the facilities takes time due to traffic and it is inconvenient and inefficient for staff. The physical separation has also impacted communication between the work groups, transfer of institutional knowledge and cross-training between the work groups, and limited the sharing of equipment and resources.

Baker Tilly also learned that the City is considering moving its corporation yard to a new site. This effort is in the preliminary stages as the City reviews site suitability and determines its space needs. Nevertheless, it presents another opportunity for reevaluating the work location for the water and wastewater program staff.

Collocating these functions once again, particularly under one department, would strengthen teamwork and improve collaboration. It may also provide opportunities to provide short-term backup for staff during absences and vacations. Under this scenario, water and wastewater field staff would move back to the corporation yard with operations staff remaining at the respective treatment plants.

**Recommendation 3. Evaluate the feasibility of moving water and wastewater field staff back to the corporation yard.**

### ***Design Capacity for Capital Improvement Program***

During the interviews and focus groups we learned that American Canyon does most of its CIP design work in-house with City employees, although there are some larger projects that the Director of Public Works has determined should be consultant-designed. Baker Tilly later confirmed this information with key staff members.

The extensive use of in-house design is unusual for a city the size of American Canyon and it can represent a chokepoint in a CIP by limiting the ability to move projects forward in a timely manner. Our experience is that larger cities, which have large CIP design teams, sometimes do much of their design work in-house, but this is impractical for smaller cities because their design staff is typically limited in size and capacity.

Fortunately, we also learned that American Canyon has agreements in place with various consultants who can assist with CIP design. Therefore, it should be a relatively straightforward shift to begin using external consultants when the scope and schedule of CIP projects warrants it. This should speed up the

delivery of capital projects. It should also minimize other departments doing their own CIP work.

Baker Tilly also learned that the master planning work done by the water system staff is currently not prioritized as part of the CIP. We believe there may be a lack of understanding among the water staff about how the CIP process works. Having more capacity (using external design consultants) will allow departments to meet their core responsibilities and centralize efforts for greater oversight and effectiveness in the CIP process. This is another example of where combining the departments could improve effectiveness and efficiency of operations by ensuring greater collaboration between the CIP and water functions.

Our experience is that additional costs for outside engineering consultants for design as well as construction management<sup>4</sup> are typically offset by fewer delays and faster project delivery, which minimize cost escalation. The best practice is to prepare guidelines that clarify expectations for the CIP program and establish criteria for when outside design consultants should be engaged.

**Recommendation 4. Expand capacity of CIP design by utilizing outside design and project management consultants.**

**Recommendation 5. Ensure guidelines and criteria for CIP projects are uniformly applied/understood and when design work will be performed in-house and when external consultants will be used.**

## ***Investment in Technology***

There are a variety of investments in technology necessary in American Canyon. These include systems for time tracking, work order entry and tracking, maintenance management, and asset management. The departments currently use multiple tools, paper systems, or workarounds to manage and monitor various critical public works and maintenance functions. Because the departments use various approaches, it is difficult to coordinate efforts, which results in inefficiencies and, ultimately, a lack of information and effectiveness.

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<sup>4</sup> According to staff members, projects that are consultant designed are typically managed by a former (retired) employee, but in-house assistance is often required. The City may wish to consider adding a "support services during construction" task to its design contracts and/or separate contracts specifically for construction project management.

American Canyon understands that it needs to procure and implement a system such as a computerized maintenance management system (CMMS), or multiple integrated systems if that is what best meets the City's needs, to facilitate tracking, monitoring, and reporting on public works and maintenance operations. Fortunately, the City's annual budget for FY 2023-24 already establishes goals for CMMS implementation, as well as an upgrade to the Supervisory Control and Data Acquisition (SCADA) system related to the wastewater treatment plant.

Baker Tilly's experience is that, while the choice of the technology vendor(s) is important, ensuring staff from all relevant functions are involved and trained in the new system(s) is essential. Staff in all relevant functions must also use the system(s) regularly for the technology to be effective. In other words, the City must discontinue other technology workarounds, e.g., Excel spreadsheets, paper-based systems, and practices which are not fully integrated with the new systems to be implemented in the public works, maintenance, and utilities context.

The new integrated system(s) should accommodate the various public works, infrastructure, utility, and maintenance responsibilities in American Canyon. For example, this might include features ranging from a public-facing reporting system for maintenance requests to a module for mobile device timecard entry for staff.

The technology will be critical to the City's ability to implement other recommendations contained in this report, will provide the data to support these and future recommended changes, and will be the foundation for producing reports and data for the City Council, community, and the City Manager's Office.

**Recommendation 6. Update the City's technology needs assessment to ensure all necessary capabilities are understood and documented.**

**Recommendation 7. Procure and implement a new technology system(s) consistent with the needs assessment.**

**Recommendation 8. Discontinue outdated workaround systems, procedures, and practices.**

Implementing these technology solutions will also require the City to invest in at least one analytic staff position, which will be essential for tracking, analyzing, and producing regular reports for City leaders. While American Canyon has historically been quite lean in the areas of analytic staff, this represents a staffing gap, and it should be reconsidered. A continuation of

this discussion about staffing gaps, and recommendations for addressing them, follows in the next section.

The City may also need to consider whether it has sufficient information technology staffing (in-house or contract) to implement and maintain the new technology referenced in this report. Assessing these potential staffing issues was beyond the scope of Baker Tilly's review.

**Recommendation 9. Assess the capacity of existing information technology resources and make necessary adjustments.**

### ***Staffing Gaps***

The Public Works Department requires filling staffing gaps in key areas. For instance, the department does not have analytic staff in critical positions to effectively monitor and analyze department operations. This should include assisting the director with the preparation of the department's annual budget. More specifically, there is a need for a management analyst position that can translate data into intelligence so department and City leaders can make resource decisions and provide updates to the City Council and community. Such a position would also be critical in the context of studying utility rates in the combined department recommended in this report.

**Recommendation 10. Recruit and hire a management analyst.**

There is also a need for more fleet support.<sup>5</sup> For instance, the current mechanic position is responsible for moving and delivering vehicles, ordering and obtaining parts, managing work orders, and coordinating with departments. There are two alternatives the City could pursue to address this need. First, in our experience, many of these tasks can be performed more efficiently by an apprentice who may also be available to assist with other support duties at the corporation yard. Additionally, because there is only one mechanic position, the department has no depth or backup plan in the event of a vacancy or employee absence. For this reason, we believe an apprentice position may be the best fit because it could represent a succession option for the future.

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<sup>5</sup> Our recommendation for an additional fleet resource is based best operational practices and has no relation to the peer agency comparisons conducted as part of this engagement.

An apprentice would work with the mechanic by picking up and delivering vehicles to City departments, assisting with ordering and obtaining parts, managing work orders, and coordinating with departments.

Alternatively, to address the need for occasional help for the mechanic and to address vacancies and vacations, as well as provide greater organizational depth, a new Maintenance Worker I could be added as a rover position to help in multiple areas of the yard.

Additionally, we note that the absence of redundancy associated with the purchase of vehicle parts can present an internal control issue if an effective inventory management system is not in place, i.e., fleet purchases are considered a high-risk area for the occurrence of waste and fraud in public agencies. This includes the purchase of parts and equipment for water and wastewater systems and other public works-related field operations. Although an assessment of inventory management systems was not part of our scope, and we observed no problems in American Canyon, we flag the issue out of an abundance of caution.

**Recommendation 11. Recruit and hire a mechanic apprentice or “rover” Maintenance Worker I position.** This position can assist with procuring/monitoring parts purchases.

The remainder of this section includes areas of note where additional staffing may be necessary, but such determinations cannot be made until workload data is compiled and analyzed.

*Parks maintenance staffing.* Baker Tilly heard significant feedback during the interviews and focus groups about parks maintenance staffing levels being too low. Staff members suggested that additional staffing is necessary and pointed to the fact that the City has had the same number of maintenance staff for many years even though the number of parks has increased substantially.

In reviewing this issue, we learned that the City has, since 2017, maintained contracts with external vendors to maintain the additional parks with funding provided under a Landscape and Lighting Assessment District (LLAD). In theory, the additional staffing required by the expansion in the number of parks is provided by external vendors. Moreover, Baker Tilly was not able to assess staffing levels because the City does not have the necessary workload data. This discussion illustrates why there is a need for integrated technology enhancements such as a CMMS, asset management system, work order system, and timecard system discussed earlier in this report.

*Oversight of parks maintenance contractors.* It may also be that the City would benefit from having an additional position to oversee the parks maintenance contractors, though such a determination would be guesswork without the supporting workload data discussed above.

*Water and facility maintenance staffing.* We heard similar comments during the interviews and focus groups about the need for additional maintenance staff related to the water function and for maintenance of facilities. Again, the lack of data makes it difficult to determine whether more staff are justified. However, we did note that the department lacks a lead worker position in the Water and Wastewater Divisions.<sup>6</sup> The absence of lead workers in the divisions may warrant further review to determine whether the depth provided by such a role is necessary and whether it would be warranted for operational effectiveness and succession planning purposes (it should be noted that the employee survey included several comments by respondents on the need for additional senior/lead maintenance positions). Neither department has a great deal of depth, and both are small and have relatively flat structures.

*Plant operations.* The employee survey also included comments suggesting that a chief operator is needed. Again, the lack of available data precludes us from definitively recommending a position addition. We note that the Water and Wastewater divisions each have a maintenance supervisor, which is an exempt management position described as the “full supervisory level in the maintenance worker series.”<sup>7</sup>

The City does have five levels of maintenance worker classifications, which should represent career ladder opportunities. However, turnover appears to be highest among maintenance workers, and thus we recommend a review of this series of positions in the following section of this report.

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<sup>6</sup> The Maintenance and Utilities Department has a Senior Maintenance Worker in the Fleet and Facilities Division, a classification separate from the Maintenance Worker I/II/III series that is identified by Human Resources as the lead level in the series. In our experience, many cities establish the Maintenance Worker III as the lead without a separate senior job class. The City may wish to revisit these position classifications for clarity and continuity.

<sup>7</sup> The Streets and Traffic Division in Public Works also has a maintenance supervisor position but no lead worker positions.

### **Succession Planning and Training**

Succession planning and a renewed focus on training have become critical factors in large and small cities across the country due to demographic changes, retirements, competition for talent, and escalation of compensation.

As discussed earlier in this report, American Canyon employees advised us during the interviews and focus groups that the City is considered to be a training ground for some employees, i.e., they obtain experience and training in American Canyon only to leave for other cities which may pay more or may be closer to home. Our analysis of data provided by the City tends to support this view. As shown in Table 5, the departments have been losing relatively young employees in the last two years. It should also be noted that the average tenure of the five non-retirement (regular) separations in 2023 was 1.8 years. In 2022, the average tenure was 1.5 years.

Table 5. *Employee Turnover in Public Works and Maintenance and Utilities Departments, from FY 2021-22 to FY 2023-24*

Year	Total Staffing (FTEs)	Regular Separations <sup>1</sup> (FTEs)	Percentage Regular Separations	Average Employee Age for Regular Separations (Years)	Retirement Separations (FTEs)	Percentage All Separations
2021	43.8	1	2.3%	49.0	3	9.1%
2022	46.1	5	10.8%	38.4	1	13.0%
2023	46.1	5	10.8%	37.3	1	13.0%

Source: City of American Canyon  
<sup>1</sup> Excludes probation releases

These turnover challenges are exacerbated by the relatively small and flat departments in American Canyon. We believe another benefit of combining the departments is to create a structure that has more depth and opportunities for backup, cross-training, and career advancement.

As noted previously, due to its small size, American Canyon has single position classifications (the fleet mechanic and building maintenance worker for park facility maintenance) which could disproportionately impact operations if an incumbent were to separate from the City. To be proactive, the City should determine which position classifications have the greatest

potential for turnover. Based on the City's data, the maintenance worker classifications have the greatest risk.<sup>8</sup>

The City should also identify core skills which are necessary in the departments, and develop targeted training surrounding these core skills. A focus on training is necessary to support employees in their efforts to grow, take on greater responsibilities, and prepare for advancement. It is also a crucial step in developing broader cross-training efforts that will help develop bench strength, ensure adequate operational redundancy, and enhance the potential for career advancement within the organization.<sup>9</sup>

**Recommendation 12. Identify core skills and develop training necessary to provide them.**

**Recommendation 13. Identify cross-training needs and opportunities in public works and maintenance.**

**Recommendation 14. Evaluate the maintenance worker series to determine if changes are warranted in the job descriptions, compensation, or other factors.**

### ***Strategic Direction***

To be successful, the newly combined Public Works Department recommended in this report will need to establish realistic goals and objectives, set priorities, consider the resources it has and those it may still need to reach its goals, and to provide clear direction for the future. While establishing this direction will require additional short-term work for the City, we do not see this as a daunting task given American Canyon's ongoing focus on strategic initiatives.

Some cities approach this need by preparing organization-wide strategic plans. This can be very effective for cities in transition, and where time and budgets allow. We see an equal number of cities who instead focus their strategic planning efforts at the department level. This would be a good model in American Canyon to ensure the newly combined Public Works Department has a clear roadmap going forward. This strategic planning

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<sup>8</sup> Data provided by staff indicate that 11 maintenance workers have left the City since 2018 consisting of 2 retirements, 3 probationary releases, 4 separations for career opportunities, and 2 resignations.

<sup>9</sup> One example relates to the standby program. Concerns were shared by staff that some members of the program may not have sufficient knowledge/experience to address issues that may come up after hours.

effort should be inclusive so that all members of the department have opportunities to participate in and shape the department's direction.

**Recommendation 15. Prepare and implement a strategic plan for the Public Works Department with a five-year horizon.**

*Improving communication and clarifying decision making.* Including employees in the strategic planning process will provide many positive opportunities for the various staff members to collaborate and identify shared goals and objectives for the combined Public Works Department. It will also be an opportunity for the department to establish norms for communication and how decisions are made. These communication and decision-making factors were key concerns expressed by staff members during the feedback stage of this engagement (interviews, employee survey, focus groups).

Staff members want clear and robust communication from their leaders and each other. They also want to understand how decisions should be made under a new and more collaborative department structure.

**Recommendation 16. Establish goals and objectives related to communication and decision making during the strategic planning process.**

## ***Performance Measurement***

The two departments have a variety of goals which are incorporated in the City's FY 2023-24 budget, but the performance measures (key performance indicators) are quite limited, as outlined below.

- Number of vehicles down more than two weeks;
- Trail miles maintained;
- Pavement condition index;
- Number of street miles provided;
- Linear feet of bicycle trails provided; and
- Linear feet of pedestrian paths provided.

Performance measurement is an essential requirement for the successful management of complex local government functions. However, even the best intended efforts at measuring performance are often thwarted by a lack of data and we believe this is the case in American Canyon. Fortunately, included in the City's goals is an initiative to implement a CMMS and begin to track and report on performance measures.

It is useful to group performance measures by type. Incorporating various types of measures can provide broader insight and help managers and leaders as they assess operations. Three common types of measures are described below.

Efficiency measures. These measures compare inputs and outputs, e.g., amount of work produced compared with the cost or staffing required to produce it. Below are a few examples of efficiency measures in a public works or maintenance context.

- Number of street miles maintained per FTE
- Annual cost of trail maintenance per mile
- CIP projects completed on original schedule
- CIP projects completed within budget
- Cost to maintain parks per acre
- Average time spent on fleet maintenance by vehicle type
- Number of fleet vehicles maintained per FTE

Effectiveness measures. These measures assess how well an organization performs, such as measuring the quality of services it delivers. Effectiveness measures look at outcomes and sometimes include feedback from internal and external customers. Below are a few examples of effectiveness measures in a public works or maintenance context.

- Percent of annual improvement in the Pavement Condition Index
- Time required to complete routine service for a vehicle
- Time to respond to work orders
- Time to complete work orders
- Annual number of complaints received from community members regarding park maintenance
- Quality of CIP projects based on public or operator surveys.

Workload measures. These measures focus on the amount of work produced and help to monitor workload fluctuations. Workload measures do not assess how efficiently or effectively work is performed (these issues are addressed through effectiveness or efficiency measures). Below are a few examples of workload measures in a public works or maintenance context.

- Number of hours spent maintaining City facilities per facility type, or maintenance task
- Number of work orders submitted per year
- Number of street miles maintained
- Number of hours spent maintaining parks per acre
- Categories of parks maintenance performed per park facility

The examples cited above are for illustrative purposes; they do not represent a comprehensive list. The City will need to develop a comprehensive list of the factors and data it wants to monitor in the future, and then ensure the

CMMS and other technology platforms are capable of tracking and reporting on those data points.

**Recommendation 17. Develop a comprehensive list of performance measures and metrics.**

## Conclusion

The public works, maintenance, and utilities functions in American Canyon would operate more effectively and efficiently within a single-department structure, i.e., under an expanded Public Works Department.

In addition to changes to the organization structure, Baker Tilly identified six other areas where changes or improvements would result in greater effectiveness and efficiency and promote a more resilient workforce. These areas would affect or improve the following:

- Capital Improvement Program
- Technology
- Staffing
- Succession planning
- Strategic plan
- Performance measurement

## Attachment A – List of Recommendations

- Recommendation 1. Consolidate the Maintenance and Utilities Department within the Public Works Department.
- Recommendation 2. Recruit and hire a deputy director of public works who possesses expertise in water, wastewater, and maintenance services.
- Recommendation 3. Evaluate the feasibility of moving water and wastewater field staff back to the corporation yard.
- Recommendation 4. Expand capacity of CIP design by utilizing outside design and project management consultants.
- Recommendation 5. Ensure guidelines and criteria for CIP projects are uniformly applied/understood and when design work will be performed in-house and when external consultants will be used.
- Recommendation 6. Update the City’s technology needs assessment to ensure all necessary capabilities are understood and documented.
- Recommendation 7. Procure and implement a new technology system(s) consistent with the needs assessment.
- Recommendation 8. Discontinue outdated workaround systems, procedures, and practices.
- Recommendation 9. Assess the capacity of existing information technology resources and make necessary adjustments.
- Recommendation 10. Recruit and hire a management analyst.
- Recommendation 11. Recruit and hire a mechanic apprentice or “rover” Maintenance Worker I position. This position can assist with procuring/monitoring parts purchases.
- Recommendation 12. Identify core skills and develop training necessary to provide them.
- Recommendation 13. Identify cross-training needs and opportunities in public works and maintenance.
- Recommendation 14. Evaluate the maintenance worker series to determine if changes are warranted in the job descriptions, compensation, or other factors.
- Recommendation 15. Prepare and implement a strategic plan for the Public Works Department with a five-year horizon.
- Recommendation 16. Establish goals and objectives related to communication and decision making during the strategic planning process.
- Recommendation 17. Develop a comprehensive list of performance measures and metrics.

## Attachment B – Employee Survey Results

### **Introduction**

As part of the City of American Canyon Public Works and Maintenance and Utilities organization review, Baker Tilly developed and deployed a survey to obtain input from 00Public Works and Maintenance and Utilities departments employees about functional alignment of the two departments, if any staffing or functional misalignments exist, questions about the City’s management systems, communication, morale and climate. The survey questions were developed by Baker Tilly and were refined following discussions with City leadership.

The survey was open from October 2 through October 20, 2023, and a total of 49 employees responded to the survey. The survey was designed to give respondents the chance to identify the strengths and opportunities that exist in American Canyon’s Public Works and Maintenance and Utilities Departments.

The survey questions and associated answer choices were contained in the following topic areas:

- Organization Structure
- Management System
- Communication
- Morale and Climate

The survey included questions requesting numeric responses (1=strongly disagree, 2=disagree, 3=agree, 4=strongly agree) as well as questions that invited written responses. Forty-nine of fifty-five employees responded to the survey, a response rate of 89%. Responses were solicited from the Public Works and Maintenance and Utilities departments and several other city departments. Of the 49 respondents, only three were from “other departments,” including Finance (1), Parks and Recreation (1), and one unidentified department. Survey results and key observations are summarized below.

### **Organization Structure**

Table 1 shows survey responses regarding the efficient/effective alignment of functions and whether Public Works and Maintenance and Utilities should remain as two separate departments.

*Table 1. Alignment of Functions and Number of Departments*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments
<b>a. Functions in the department are aligned to maximize efficiency and effectiveness.</b>	2.75	2.86	1.00
<b>b. Public Works and Maintenance and Utilities should remain as two separate departments.</b>	1.80	2.85	3.50

The responses here show that the Public Works and Maintenance and Utilities departments staff generally agree that the functions in the departments are aligned in such a way that efficiencies and effectiveness are maximized. There was disagreement along department lines regarding whether the departments should remain separate or be combined into one. The Maintenance and Utilities Department staff felt stronger than Public Works staff about keeping the departments separate, while staff in other departments agreed that the two departments should remain separate.

Staff were given an opportunity to provide open-ended responses to the question, “are there any misalignments in staffing or functions?” There were many responses provided, and the themes of those responses are summarized below.

- There is less opportunity to work collectively and help each other, and cross-training is absent due to the separation of the departments.
- The communication between divisions is not where it should be, and the divisions rarely help each other.
- Cooperation and coordination between various teams seemed to be better when they were not separate. They can remain separate if coordination were improved.

Open-ended responses to the question of combining the departments were divided. While some staff advocated for keeping the two departments separate, others felt that they should be combined.

**Comments advocating for one department included:**

- MUD should all be under Public Works and get rid of MUD completely.
- Public Works should include all departments, at one location. Water Distribution should not be located so far from the Main Repair Area.
- There is no need for two separate departments, or two directors. Have a deputy oversee the water treatment plants; it worked that way before.
- MUD should be under the Public Works Department, not a separate department. A Deputy PW was the original hire and should have stayed that way.
- I believe that this City is too small for two separate departments. Before we were separated, it was much easier to coordinate with all departments or to simply help any of the other departments when needed. One department makes it much simpler to borrow personnel or equipment.
- We don't need more directors; we need to empower the managers and supervisors more. A lot of decision making was taken away by the last director. By giving that back to the managers and supervisors, the PW director's job will be easier. All the managers should report to the PW director. The current structure seems inefficient and wasteful.

**Comments in favor of two departments included:**

- They can remain separate IF coordination were improved.
- PW and MUD can remain as separate departments, but I think it would function better with Maintenance under PW and a dedicated utilities department.

- If PW and MUD are to remain separated, then they should be fully separated. The last MUD director had Parks under his scope and they are not enterprise fund. Parks should be under Public Works and a new MUD director should only have the utilities that fall under the enterprise fund.
- I strongly suggest these two departments remain separate. The functions that need to be in Public Works to improve organizational operations are Parks, Fleet, Building, Streets, and Engineering. Water Distribution, Wastewater Collection, Utility Billing Wastewater and Water Treatment Operations need to be under MUD. Our organization is growing exponentially, and we need a director for each department to dedicate and resolve the ongoing problems in each department. Having one director overlook all these departments is not feasible nor is it healthy for the organization or its development.

Additional comments in this area were centered around the need for better communication, reinstatement of the job shadowing program to increase the understanding of the work, concerns that the organization has more managers than workers, compensation disparities, and the desire for a compensation study.

**Misalignments of Staffing or Functions**

Staff were asked if there are any misalignments of staffing or functions. Table 2 illustrates the responses to this question by department.

*Table 2. Misalignments of Staffing or Functions*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments	All Respondents
Yes	9 (32%)	9 (56%)	1 (50%)	19 (41%)
No	19 (68%)	7 (44%)	1 (50%)	27 (59%)

Most of the respondents from Public Works felt that there were not any misalignments, while staff from Maintenance and Utilities and other departments were split on this issue. For those who felt that there were misalignments, the survey allowed open-ended responses. Those responses are summarized below:

- The City needs to keep all functions in one Public Works Department, at one location.
- Eliminate the superintendent position, and have all managers report to one Public Works director.
- Sewer division should also have the recycled water and storm water system duties.
- Create utility worker class with a possible utilities manager that can better utilize the crews and communication between divisions, streamlining things even more.
- Have too many managers when more front-line staff are needed.
- All maintenance workers have the same pay and job description but very different job duties.

- Several comments on the need for Senior worker positions, and a Chief Plant Operator position.
- Lack of succession plans.
- Need to hire temporary workers.
- Workload is extensive and causing staff to cover broader responsibilities, such that staff functions may be considered inefficient at times; workloads have increased in the last few years, yet staffing has not, creating pockets of understaffing throughout the City. With more housing on the horizon and an increased number of residents, it will only get harder to keep up with maintenance and clerical needs throughout the City.

### **Management System**

Respondents were asked to indicate their level of agreement with 18 answer choices about the City’s management system, using the same 1 – 4 scale (Table 3).

*Table 3. Management System Responses*

<b>Answer Choices</b>	<b>Public Works</b>	<b>Maintenance and Utilities</b>	<b>Other Departments</b>
a. I have a clear understanding of my job responsibilities and expectations.	3.17	3.56	3.67
b. I have a clear understanding of how my job contributes to fulfilling the mission of the organization.	3.38	3.63	3.67
c. I am aware of the strategic direction the department is headed.	2.72	2.93	2.67
d. Performance is monitored and measured to make sure work results in its intended outcomes.	3.03	3.20	2.00
e. I have the resources and equipment I need to do my job.	2.90	2.75	2.33
f. The technology we use, including computer hardware/software and business systems, is sufficient.	2.50	2.50	2.00
g. Our team uses technology and business systems effectively.	2.79	2.79	2.00
h. Technology I use is up to date.	2.52	3.00	2.00
i. Policies and procedures are clear.	2.90	3.07	3.00
j. Policies and procedures allow for effective operations.	2.89	2.87	2.00
k. Policies are applied consistently to all employees in the organization.	2.55	2.80	1.50
l. I have the training I need to do my job effectively.	2.90	3.07	2.67
m. I am able to take advantage of professional development opportunities.	3.43	3.14	2.67
n. Employees are encouraged to improve work processes.	3.17	3.07	1.50
o. I am encouraged to use my own judgment and initiative when carrying out my job.	3.28	3.27	3.00
p. The city does a good job recruiting staff.	2.37	2.77	2.00
q. The city does a good job onboarding and training new staff.	2.39	2.71	2.00
r. The city does a good job retaining staff.	2.32	2.50	2.00

Staff in other departments rated two answer choices as extremely low; K: Policies are applied consistently to all employees in the organization, and N: Employees are encouraged to improve work processes. This is an area of concern and should be further investigated by the City. The other staff also disagree with an additional eight of the answer choices. The Maintenance and Utilities staff rated the management system slightly higher than the Public Works staff. Staff from all departments agreed that they have a clear understanding of how their job contributes to fulfilling the mission of the organization.

Open-ended responses were allowed for this question. Common themes among the responses included:

- The City trains everybody and then a lot of them leave for better pay and the other cities.
- The previous director drove away some highly talented, skilled employees. Some positions in the sewer and water divisions are underpaid and a utility work class should be created. Quality candidates will apply for utility worker positions who want to get in this field.
- Be more selective in the recruiting process; pay more for better qualified employees; interview panels are made up of only managers, resulting in selecting employees based on who they know and not what they can do. We missed out on a lot of good candidates on the last hiring cycle because it was generalized, some candidates thought they were going to work all positions, some want to get in a specific field and didn't want to work in other fields. We missed out on experienced quality workers because this was entry level, maintenance positions.
- A feeling that management doesn't respect line staff; that new positions for managers are created more than for field staff; it is hard to build our crews
- We lack in the training once someone is onboard; need clear training guidelines
- More consistency in yearly evaluations.
- Sometimes the chain of command stifles communication among lower-level employees.
- The City as a whole needs a Computerized Maintenance Management System; we are trying to get CCTV software for our new CCTV camera to allow for condition assessment, reporting, CIPs, and regulatory compliance - for what the camera was bought for. This would also act as a CMMS which is also what we really need for reporting, regulatory compliance and job tracking.
- We need new and more computers; upgrade payroll software through a cell portal; need a Supervisory Control and Data Acquisition system for utilities and an actual asset management system for both departments.

### ***Communication***

The respondents were asked about communication and presented with eight statements to rate using the established 1 - 4 rating scale. Table 4 shows the answer choices, and the weighted average by department.

*Table 4. Responses on Communication*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments
a. Organization-wide communications are good.	2.69	2.88	2.33
b. Communication from the department director is clear.	2.69	3.25	2.67
c. The department director facilitates and encourages open and honest communication.	2.90	3.47	3.00
d. Communication within my department/division is good.	3.30	3.44	3.00
e. Communication between departments/divisions is good.	2.46	2.07	2.00
f. Important information about the City is provided to me in a timely manner.	3.03	2.75	2.33
g. I am more likely to learn about developments through formal communication channels than through the grapevine.	2.52	3.00	3.33
h. Information the City provides to the public meets community needs.	3.00	3.20	3.00

Generally, the Maintenance and Utilities staff report higher levels of satisfaction with each of the answer choices regarding communication in Table 4 than the Public Works staff. Staff from other departments disagree that communication between departments/divisions is good, but that group agrees that communication within their department/division is good, and that the Director facilitates and encourages open and honest communication. There is consensus among all the respondents that communication within individual departments/divisions is good, and that the information that the City provides to the public meets the needs of the community.

Staff were also given the chance to provide open-ended feedback on the topic of communication. Some general themes include:

- The previous director stifled communication and demanded that everything go through him. The current PW director is what the organization needed. Her communication is good, and the departments have seen improvements under her leadership. The current director is seen as a quality hire who can help resolve previous issues.
- Communications between the maintenance divisions is improving.
- Staff would like to see the City Manager come to the Corp Yard, Water Treatment Plant or Water Reclamation Facility on a regular basis to provide updates or answer questions.
- Sometimes when contacting other departments, phones go unanswered.

- Some important information is not communicated to staff in other departments. When something affects another department, it needs to be shared early, before a project is started so that everyone can be on the same page.

**Morale and Climate**

Table 5 shows responses to answer choices regarding morale and climate (culture), and the weighted average by department. Again, employees were asked to rate their agreement with each statement based on a numerical score, where “strongly agree” = 4, “agree” = 3, “disagree” =2, and “strongly disagree” = 1. The closer the weighted average is to 4, the more in agreement the respondents were with the statement. If the average is closer to 1, most respondents disagreed with the statement.

*Table 5. Morale and Climate Responses*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments
a. I feel included in the decisions that affect my work.	2.97	2.88	2.00
b. I feel supported by my supervisor.	3.53	3.56	2.67
c. Teamwork within the organization is good.	3.00	3.31	2.67
d. I am treated as a valued team member by other employees.	3.37	3.44	3.00
e. Employees in the organization trust each other.	2.89	3.25	2.33
f. Quality performance is recognized and rewarded.	2.52	3.00	2.67
g. I am proud to be a City of American Canyon employee.	3.20	3.73	3.50

Generally, the Maintenance and Utilities staff report higher levels of satisfaction with each of the morale and climate related answer choices in Table 5 than the Public Works staff, with Public Works feeling slightly more included in the decisions that affect their work. Both groups are supported by their supervisor, feel that teamwork is good, are treated as valued team members by other employees, and are proud to work for the City. The lowest rated answer choice here came from staff in other departments who do not feel included in the decisions that affect their work.

Employees were then asked to rate their morale working at American Canyon on a scale from 1 to 10, and Table 6 shows those responses. Morale appears to be highest among the Maintenance and Utilities staff, followed by the Public Works staff. Staff in the “other” category rated their morale the lowest among the three departments.

*Table 6. Morale Rating (1 to 10)*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments
Morale Rating (1 to 10)	7.30	8.25	6.33

Staff were given an opportunity to indicate what it would take to improve that morale rating. The following themes were identified as areas where the City may look to improve morale:

- Better communication between departments will lead to better cooperation between departments.
- Training; more training on different aspects of our jobs; training at all levels. As a supervisor, I need to set aside more time for training my employees. Sometimes it's hard because there is always work to do and setting aside a day and preparing for that day takes a lot of time. I think that happens a lot at all levels, that we don't give ourselves enough time to learn, we only learn when the time comes and we don't know what to do so we figure it out in the moment.
- Recognition; I do a lot and feel I am not appreciated; morale has been down the last few years, maybe not for all employees but for some. People go above and beyond the job, yet management doesn't recognize it.
- Competence in management.
- A lot of decision making was taken away with the last director. By empowering the managers, supervisor, and field staff, makes the job easier for the PW director and increases morale, job satisfaction, employee retention, and efficiency: morale has already improved because Felix is gone, but there is some work that still needs to be done; time without our last Director will help me from second guessing myself and improve my morale.
- Having the correct personnel in the right spots; creating a utility worker class and returning the senior position will greatly improve the field crew's morale. Most employees want more responsibility and job satisfaction, not just pay. This will help with employee retention as well.
- Wage increase for individuals actually performing job duties.
- Staffing level and work plans that are appropriately balanced; if all City employees were working equally. Maintenance workers in some departments have a more intense and critical work load and should be compensated higher.
- Respect and clear communication by upper level management.
- Better programmatic approach to project planning and delivery.
- Provide an avenue for job progression.
- More unification and team building among departments.
- I love working here and hoping that I remain happy here. So far so good and I want to try to raise others morale up as well.

#### **Additional Comments**

The final substantive survey question provided space for respondents to offer any additional comments that may inform our review of American Canyon's organization structure and operations.

- The City doesn't need two separate maintenance departments; it should be all managed under one department; the City may hire a deputy to oversee the water treatment plants,

but not necessarily anything else; you only need one director for both; you have supervisors and lead employees that can communicate to their staff; Erica can handle MUD and Public Works-she is the right person in the right position; all departments, Water Distribution, Sewer Maintenance, and Public Works, should be at the same location, Water Distribution, is now located seven miles out of town at the Water Treatment Plant- this move is costing the City more money in lost productivity.

- Adopt modern technology to improve customer service.
- City is structured poorly, employees in wrong positions.
- A big thank you to Jason and Maria for doing this whole process.
- Would be nice to have better break room and restrooms.
- A lot of new positions are created at City Hall while the maintenance workers have a longer step program with lower wages; maintenance workers are underpaid and can barely afford to live near the City they work in.
- The leadership for MUD has been difficult for the last four years. Now that leadership has changed, a general sense of stress has left the building; it will continue to be a work in progress, but it feels like it is getting better. The two departments, either separated or combined, need to function as a team.

Table 7 illustrates the respondents by staff level and department.

*Table 7. Which of the following best describes your position?*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments	All Respondents
<b>Administrative</b>	2	2	0	4 (8%)
<b>Director</b>	0	1	0	1 (2%)
<b>Front-line</b>	19	9	2	30 (61%)
<b>Manager</b>	4	0	1	5 (10%)
<b>Supervisor</b>	1	4	0	5 (10%)
<b>Other (please specify)</b>	4	0	0	4 (8%)

Table 8 is the breakdown of the respondents by department and how long they have been employed by American Canyon.

*Table 8. Tenure with American Canyon*

Answer Choices	Public Works	Maintenance and Utilities	Other Departments	All Respondents
<b>1 year or less</b>	11	3	0	14 (29%)
<b>2 to 5 years</b>	8	5	1	14 (29%)
<b>6 to 10 years</b>	4	1	0	5 (10%)
<b>11 to 15 years</b>	4	1	0	5 (10%)
<b>More than 15 years</b>	2	4	2	8 (16%)
<b>Prefer not to answer</b>	1	2	0	3 (6%)

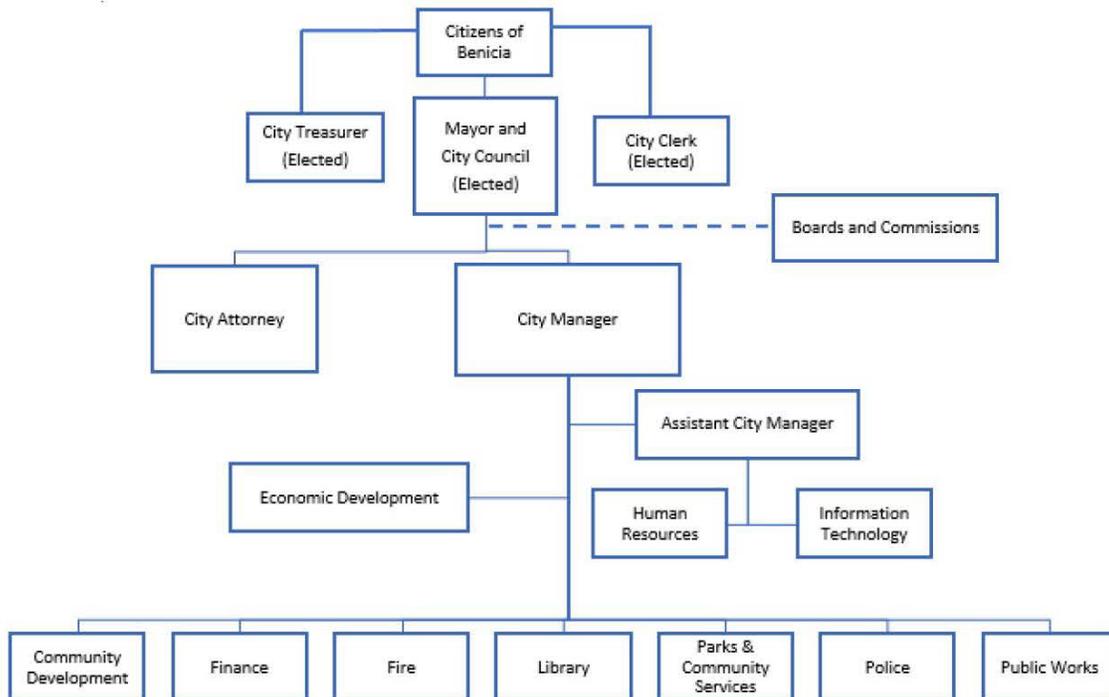
## Attachment C – Organization Charts for Peer Cities

### City of American Canyon Public Works Organizational Review Comparative Agency Organization Charts December 2023

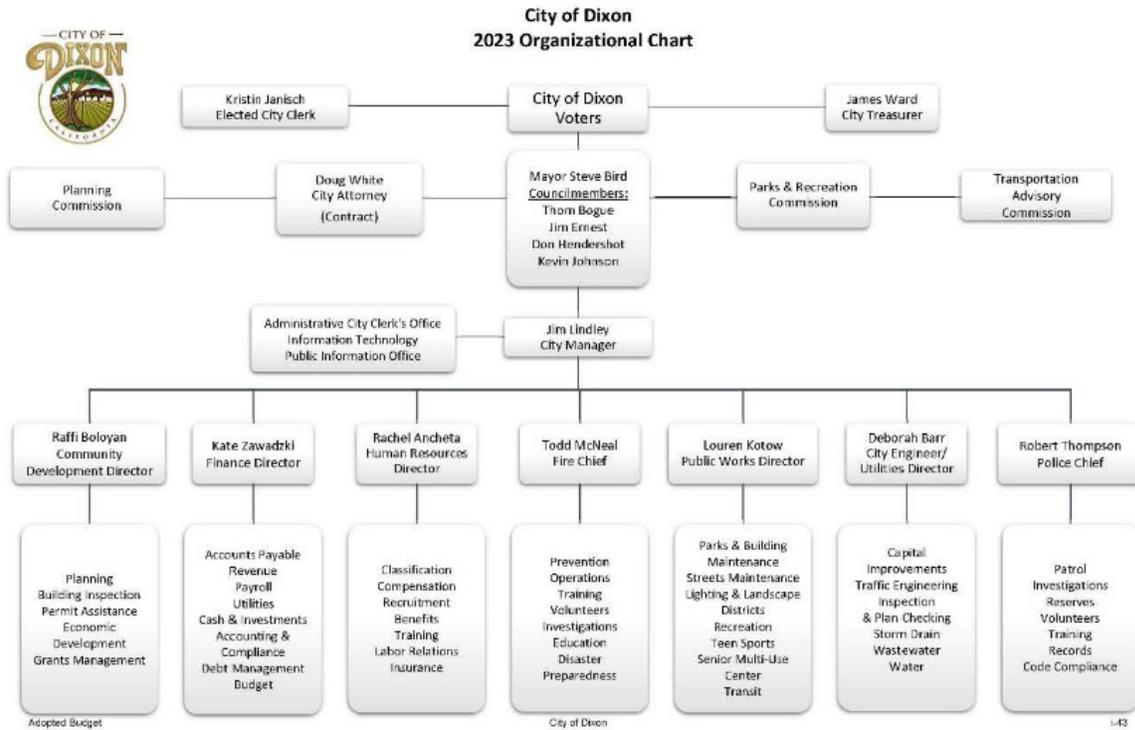
The City of American Canyon requested that Baker Tilly compile publicly available information to compare American Canyon with similar jurisdictions about how they structure their public works and maintenance and utility functions, and how those functions are aligned. As part of this task, Baker Tilly obtained the following publicly available organization charts of the peer jurisdictions for comparison purposes.

For the City of Benicia, only the citywide organization chart was publicly available. The City of Dixon’s organization chart is at the citywide level as well, but it shows the functions of each department. Departmental organization charts were available for Millbrae and Windsor.

#### City of Benicia Organizational Structure

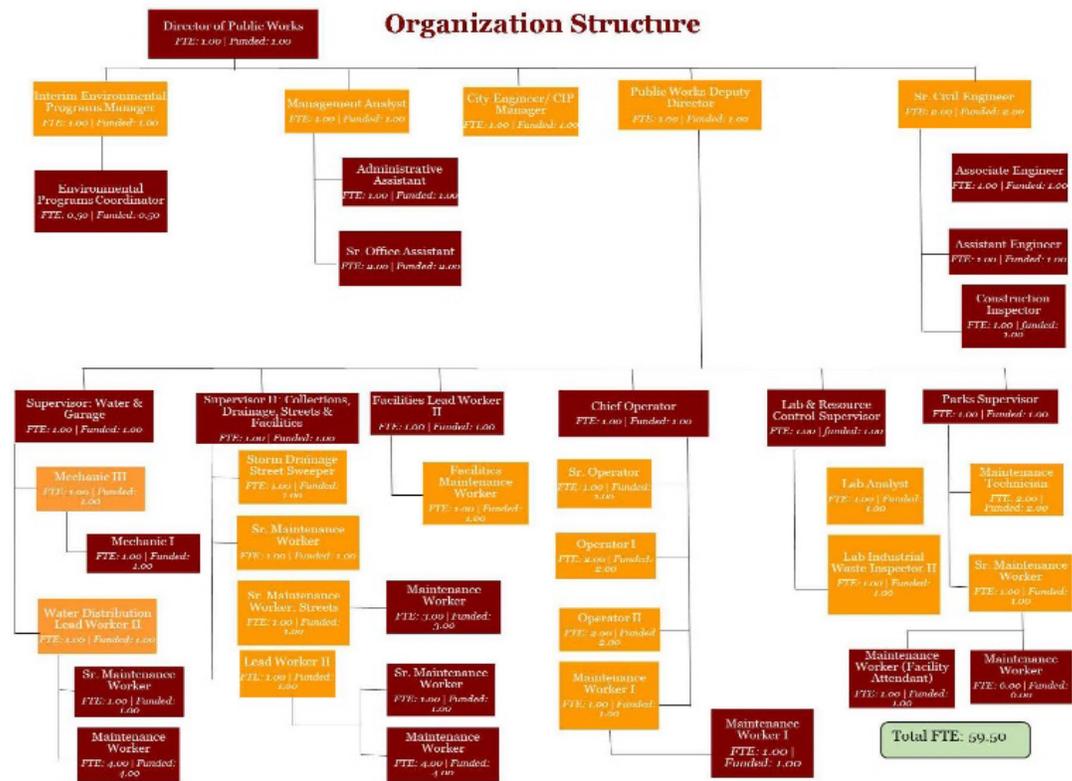


### City of Dixon Organizational Structure

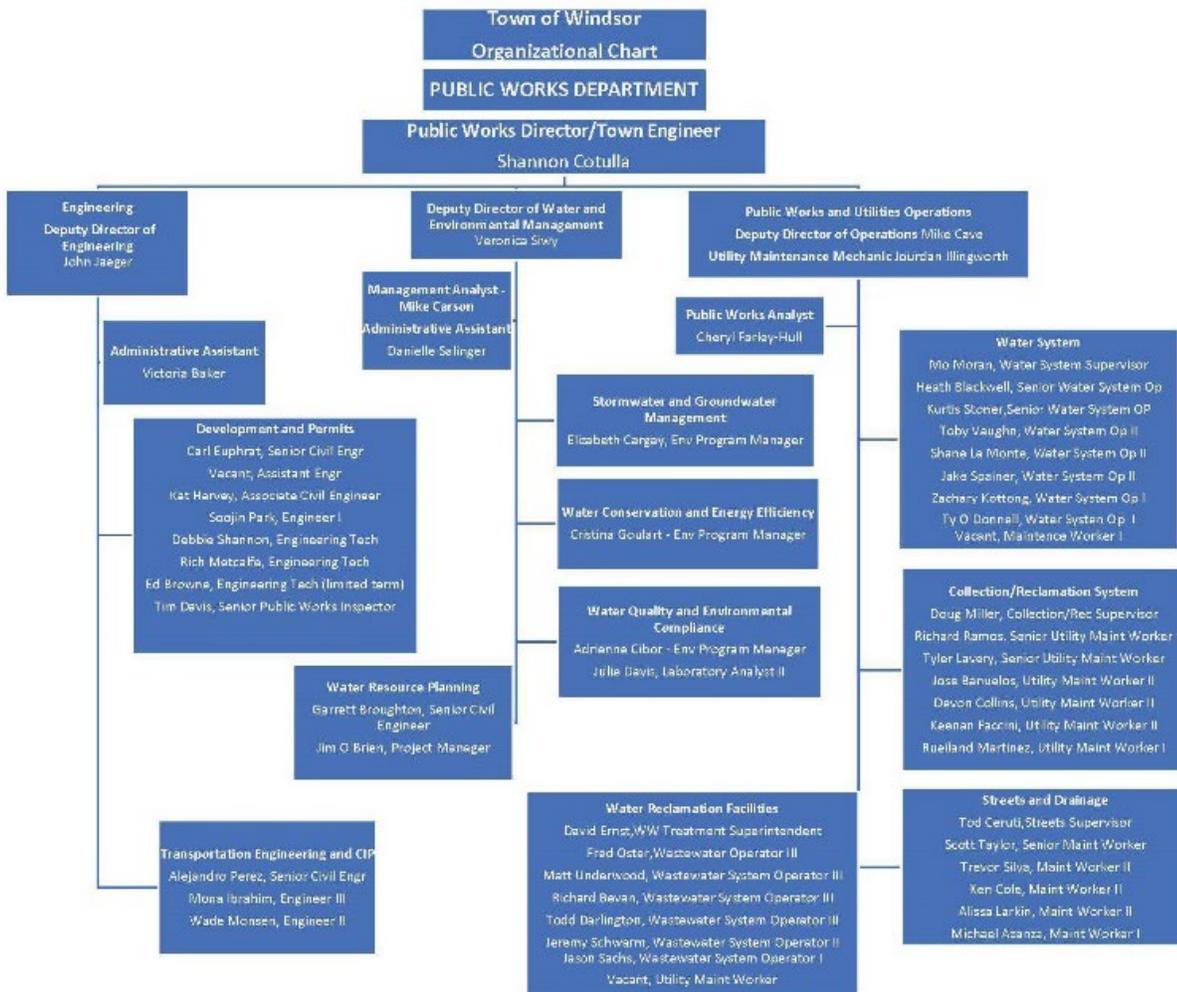


**City of Millbrae Public Works Department Organization Structure**

**Department Budgets | Public Works**



### Town of Windsor Public Works Department Organization Chart



**CONFIDENTIAL**



## **Parks and Recreation Department**

### **Classification Review**

**March 2024**

### **Administrative Report**

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## EXECUTIVE SUMMARY

In October 2023, the City of American Canyon engaged the services of Municipal Resource Group, LLC (MRG) to conduct an organizational assessment of the Parks and Recreation Department. One portion of the project involves reviewing the Recreation Manager and Administrative Technician positions. This report summarizes the findings and recommendations pertaining to those two positions, as well as recommended changes to other classifications utilized in the Parks and Recreation Department.

In December 2023, for the classification review, MRG consultants met with the Parks and Recreation Director, Assistant City Manager, Interim Recreation Manager, and Administrative Technician, and reviewed position description questionnaires (PDQs), class specifications, salary schedule, the City's Recruitment and Retention Strategic Plan, the department's organizational charts, and the City budget.

In January 2024, MRG presented preliminary findings to the Parks and Recreation Director and Assistant City Manager. The classification/position findings outlined in this report were included in that presentation. MRG is recommending the following actions regarding the Parks and Recreation classifications and positions:

- A. **Organizational Structure:** Consider adding two Recreation Supervisor positions to supervise the Recreation Coordinators and other recreation program positions.
- B. **Recreation Manager:** The position is classified correctly; however, the class specification should be updated.
- C. **Administrative Technician:** The position is classified correctly, and no changes to the class specification are recommended.
- D. **Recreation Supervisor:** Revise the class specification to: (1) identify the classification as a full supervisor over permanent, full-time staff; (2) identify it as an FLSA-exempt management classification; and (3) update the minimum qualifications and other sections, especially pertaining to supervisory functions. MRG also recommends that the City abolish the Aquatics Supervisor classification.
- E. **Recreation Coordinator:** Revise the class specification to clearly differentiate it from Recreation Supervisor.
- F. **Program Coordinator:** Establish a new Recreation Specialist classification and reclassify the Program Coordinators in the Parks and Recreation Department to Recreation Specialist. Keep the Program Coordinator classification to be used in other departments.
- G. **Salary Considerations:** Consider aligning Recreation Supervisor with Maintenance Supervisor for the purpose of salary placement, and placing Recreation Manager 5% below Public Works Superintendent.

The MRG consultants are currently preparing a preliminary organizational assessment report and providing guidance to Parks and Recreation Department management with the broad goals of refreshing operations and reinvesting in staffing and administrative structure to renew services and strategic efforts that will benefit the community.

## METHODOLOGY

As part of the current classification review, MRG consultants reviewed the following documents:

- Position description questionnaires (PDQs) completed by the Parks and Recreation Director and Interim Recreation manager.
- The City's class specifications, salary schedule, Recruitment and Retention Strategic Plan, budget, and organizational charts.
- Class specifications, salary schedules, organizational charts, and budgets at the City's comparator agencies and other similar cities.

In addition to the document review, MRG consultants met with the Parks and Recreation Director, the Assistant City Manager, the Interim Recreation Manager, and the Administrative Technician to learn more about the positions. The information obtained from the documents and meetings was analyzed, and preliminary findings and recommendations are included in this report.

For the full organizational assessment, MRG consultants also reviewed policies, protocols, operations manuals, websites, master plans, and community surveys, and met with many Parks and Recreation Department employees and internal stakeholders.

MRG consultants presented the preliminary findings to the Assistant City Manager and Parks and Recreation Director in January 2024.

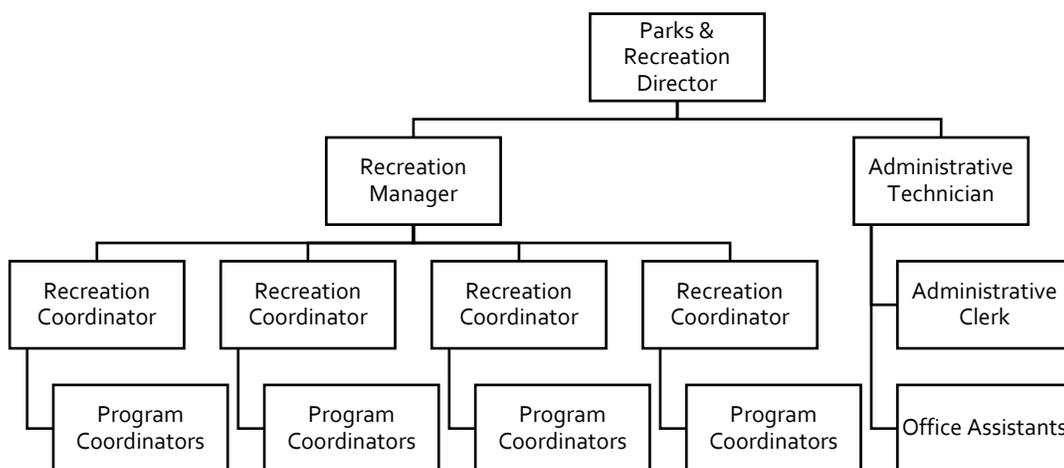
## FINDINGS AND RECOMMENDATIONS

Below are MRG's key findings and recommendations regarding the classification review portion of the project.

### A. Organizational Structure

**Finding:** The Parks and Recreation Department organizational structure is too horizontal.

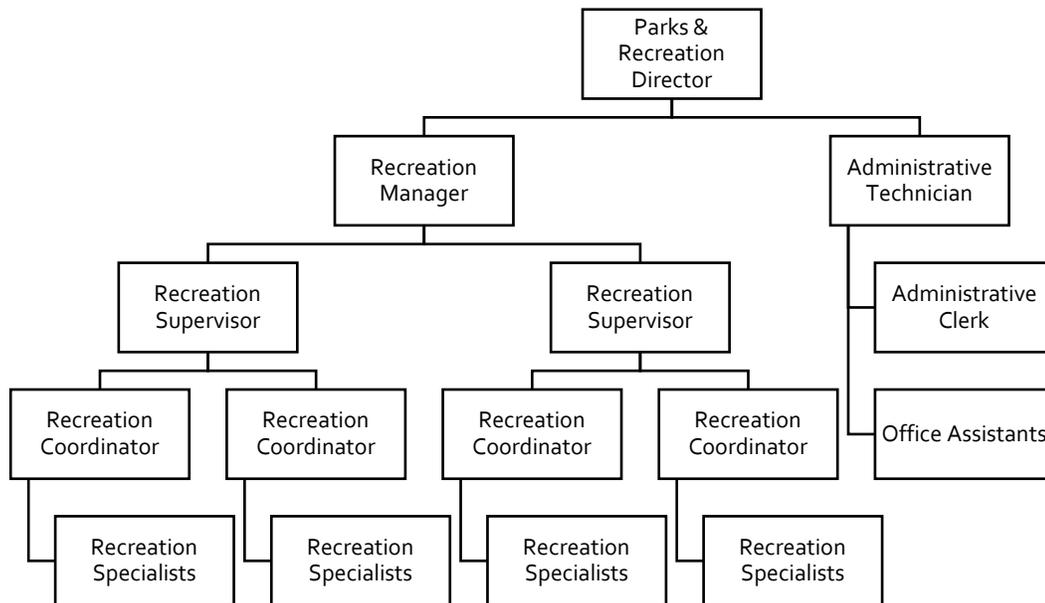
The Parks and Recreation Department's current organizational chart is below.



The final MRG organizational assessment report will address the organizational structure in more detail; however, it is worth noting in this report that the consultants think the department's organizational structure is too horizontal for the current needs of the department, which results in the Parks and Recreation Director and Recreation Manager being overwhelmed with day-to-day supervisory duties and operational issues, as well as performing their own important and complex duties for the department and City. At times, the Director and Manager have filled in for much lower-level positions (e.g., lifeguard) to ensure that the programs remained operational.

In addition to placing too much pressure on middle and upper management, the horizontal structure is not ideal for succession planning and cross training. Recreation Coordinators and Recreation Supervisors, as currently written in the class specifications, do not fully supervise staff and do not acquire the necessary experience and training to promote to the Recreation Manager classification. Likewise, the Recreation Manager spends so much time performing routine recreation operations duties that the incumbent does not acquire the knowledge, skills, and abilities needed to promote to the Parks and Recreation Director position. Furthermore, most department employees feel so overwhelmed with their current roles that they do not have the time or guidance to participate in cross training within the department.

**Recommendation:** Add two Recreation Supervisors to fully supervise staff and oversee day-to-day recreation operations. A full supervisor has the authority to make effective recommendations and/or carry out selection, performance evaluation, and disciplinary procedures. Below is the proposed organizational chart.



## B. Recreation Manager

**Finding:** The Recreation Manager position is classified correctly; however, the class specification is in need of an update.

An MRG consultant reviewed the Recreation Manager PDQ and interviewed the Parks and Recreation Director, the Assistant City Manager, and the Interim Recreation Manager. It was discovered that the Interim Recreation Manager has been in the position for two years and was promoted from the classification of Recreation Supervisor. In her current role, the incumbent oversees the day-to-day operations of the department's recreation programs, supervises staff, assists with the department budget, assists customers, oversees program development, assists with park and facility maintenance, works with other departments, develops and oversees community events, works collaboratively with community partners and nonprofit organizations, and acts as the Director in her absence.

MRG consultants found that the position is classified correctly as Recreation Manager and is intended to perform the duties and responsibilities outlined in the Recreation Manager class specification, which states: "Under general direction, manage overall operations of the City's recreation programs; plan, organize, coordinate, develop, implement, promote, and evaluate recreation activities and programs; assist the director with various departmental issues, policies, programs, and activities as needed."

While the position is appropriately classified, it should be noted that the incumbent was placed in the position, on an interim basis, with limited supervisory experience and education, which has made it challenging for her to succeed in the Recreation Manager role. She is performing many of the duties that are listed in the class specification; however, the supervisory, management, and professional administrative duties, which are the majority of the duties, have been performed in a learning capacity. It should also be noted that it is highly uncommon for an employee to serve in an acting or interim capacity for two years.

A detailed review of the Recreation Manager class specification revealed that it is in need of a revision, especially the minimum qualifications section.

**Recommendation:** Keep the Recreation Manager position classified as such, and revise the class specification as shown in Attachment A. After the class specification is officially revised, the City should begin a selection process and appoint a permanent Recreation Manager.

### C. Administrative Technician

**Finding:** The Administrative Technician position is classified correctly.

MRG consultants reviewed the Administrative Technician PDQ, interviewed the incumbent before her last day with the City, and interviewed the Parks and Recreation Director about her vision for the position. It was discovered that the incumbent performed high-level administrative support duties for the department and the Director. The PDQ indicates that the position oversees the day-to-day operations of the front counter, which includes customer service and registration, and supports the Director in the department's contract and insurance services and with two commissions. It was later learned that the commission support function moved to the City Clerk's Office.

The Parks and Recreation Director expressed that she thought the position should be classified as a Recreation Manager; however, the duties and responsibilities of the position are not consistent with those of a Recreation Manager. The position clearly falls within the definition described in the Administrative Technician class specification, which states: "Under direction of a department head or deputy director, perform a wide variety of technical level administrative duties in support of a City department or program; research, collect, and analyze data and prepare draft reports; track and report operational statistics; and provide technical assistance to management."

The Director indicated that the contract support and supervisory duties may warrant a higher classification; however, the Administrative Technician class specification states, under distinguishing characteristics, that the class is "responsible for performing the

most complex administrative support duties in support of a department head and the overall operations of the department.” The duties listed in the class specification describe the complex nature of the work, including, “Assist with the development of Requests for Proposals and contract administration,” and “Plan, prioritize, assign, supervise, and review the work of administrative support staff, as assigned.”

**Recommendation:** Keep the Administrative Technician position classified as such and begin a recruitment to fill the position as soon as possible.

#### D. Recreation Supervisor

**Finding:** The Recreation Supervisor class specification is in need of an update.

After reviewing the Recreation Supervisor class specification, MRG consultants found two main issues that should be addressed. First, the class specification indicates that it is not a full supervisor. Second, City and Human Resources management indicated that it is flexibly staffed with the Recreation Coordinator classification, meaning that an employee may be hired as a Recreation Coordinator and promoted to Recreation Supervisor without participating in a competitive recruitment and selection process. The Recreation Coordinator and Recreation Supervisor class specifications are almost identical, which is typical for flexibly-staffed classifications; however, the flexible-staffing option is not mentioned.

It appears that the recreation classification series was revised in 2019 and 2022. Interestingly, the 2019 version of the Recreation Supervisor class specification shows that it was a full supervisory classification, and the 2022 version, which is currently used, shows that it is a lead-level classification. MRG is not aware of the reasons for the major change in 2022.

To implement the recommended organizational structure previously shown in this report, the Recreation Supervisor classification should: (1) stand on its own as a full supervisor with authority to make effective recommendations and/or carry out selection, performance evaluation, and disciplinary procedures; and (2) be categorized as an FLSA-exempt management classification. Those changes will require updating the class specification.

As noted in the City’s Recruitment and Retention Strategic Plan, the City ensures internal equity by evaluating classifications using the whole job method, as well as evaluating the allocation factors of decision making, scope and complexity, contact with others required by the job, supervision exercised and received, and minimum qualifications (e.g., experience, education, knowledge, skills, and abilities required to perform the essential duties and responsibilities). The recommended changes to the Recreation Supervisor classification warrant a review of the salary. The City may want to consider aligning Recreation Supervisor with Maintenance Supervisor for salary

placement. The Recruitment and Retention Strategic Plan indicates that supervisory classifications should be placed 15% to 30% above the highest level supervised. If the Recreation Supervisor salary is aligned with Maintenance Supervisor, it would be approximately 31% above Recreation Coordinator; however, the Recreation Manager would only be about 13% above Recreation Supervisor. In other words, if the Recreation Supervisor salary is increased, the Recreation Manager salary may also need to be increased.

If MRG's recommended organizational structure is implemented, the City should formally abolish the Aquatics Supervisor classification because the Recreation Supervisor classification will typically supervise two or more Recreation Coordinators/ programs.

**Recommendation:** Revise the Recreation Supervisor class specification as shown in Attachment B, which will make it an FLSA-exempt, full supervisory classification. MRG also thinks the City should abolish the Aquatics Supervisor classification.

## E. Recreation Coordinator

**Finding:** The Recreation Coordinator class specification is in need of an update.

The Recreation Coordinator is defined as a classification that provides lead direction to lower-level recreation staff and volunteers. Since MRG is recommending substantial changes to the Recreation Supervisor class specification, it is also necessary to revise the Recreation Coordinator class specification.

**Recommendation:** Revise the Recreation Coordinator class specification as shown in Attachment C to update the wording and clearly distinguish it from the Recreation Supervisor classification.

## F. Program Coordinator

**Finding:** The Program Coordinator class specification is in need of an update.

The City's Human Resources staff revealed that the Program Coordinator title is not ideal for this temporary classification because "Coordinator" is used for permanent City classifications. MRG consultants are in agreement and think the title should be changed to Recreation Specialist and class specification should be revised.

**Recommendation:** Retitle the Program Coordinator classification to Recreation Specialist, and revise the class specification as shown in Attachment D.

## G. Salary Considerations

**Finding:** The proposed changes to the Recreation Supervisor classification warrant a salary increase. Increasing the Recreation Supervisor salary will create compaction with Recreation Manager; therefore, the Recreation Manager salary should also be increased.

With the proposed changes to the Recreation Supervisor classification, including the full supervisory responsibilities and FLSA exempt status, it is most similar to the Maintenance Supervisor classification. Each classification: (1) has a comparable role within their respective division, supervising two to four permanent employees and reporting to a division manager; (2) has comparable minimum qualifications, requiring previous experience in a lead-level classification (e.g., Recreation Coordinator or Senior Maintenance Worker) and special certifications; and (3) has a high consequence of error in that a major mistake could result in severe physical harm to others. Those similarities indicate that it is appropriate to align the Recreation Supervisor classification with the Maintenance Supervisor classification for salary placement.

MRG reviewed the salaries of the recreation and maintenance classifications at the City of Benicia, City of Dixon, Greater Vallejo Recreation District, Pleasant Hill Recreation and Parks District, and City of Rohnert Park. The following information was discovered:

- The salaries of the City of American Canyon's recreation classifications appear to be within 5% of the comparator median.
- On average, at the five comparator agencies:
  - Parks and Recreation Director is 39% above Recreation Manager and 9% below Public Works Director.
  - Recreation Manager is 32% above Recreation Supervisor and 6% below Parks or Public Works Superintendent.
  - Recreation Supervisor is 36% above Recreation Coordinator and 1% below Maintenance Supervisor.
- At the City of American Canyon:
  - Parks and Recreation Director is 57% above Recreation Manager and 12% below Public Works Director.
  - Recreation Manager is 22% above Recreation Supervisor and 18% below Public Works Superintendent.
  - Recreation Supervisor is 22% above Recreation Coordinator and 7% below Maintenance Supervisor.

The City's Recruitment and Retention Strategic Plan indicates that full supervisors should be placed at least 15% above the highest-paid subordinate classification. As

noted above, currently, Recreation Manager is approximately 22% above Recreation Supervisor, and Recreation Supervisor is approximately 22% above Recreation Coordinator. With the proposed increase to Recreation Supervisor, it will be approximately 31% above Recreation Coordinator, and Recreation Manager will be only 13% above Recreation Supervisor. One option to correct the compaction is to consider placing Recreation Manager 5% below Public Works Superintendent, which would place it 31% above Recreation Supervisor. Parks and Recreation Director would then be 36% above Recreation Manager. Those variances are more in line with the comparator agencies that were reviewed.

**Recommendation:** Consider aligning Recreation Supervisor with Maintenance Supervisor, and placing Recreation Manager 5% below Public Works Superintendent.

## CONCLUSION

This classification report is one part of MRG's organizational assessment of the City of American Canyon's Parks and Recreation Department. The organizational structure and classification recommendations provided in this report are expected to help the Parks and Recreation Department hire qualified employees, manage the existing and future workload, and prepare employees for successful careers by establishing an upward career path. It is also intended to provide a foundation for the department to develop succession planning and cross training strategies.

It should be noted that MRG reviewed the Parks and Open Space Project Coordinator class specification; however, no recommendations were made pertaining to the classification because it is not currently being utilized, and because it is much different from the other recreation classifications that were the focus of this review.

## ATTACHMENT A

City of American Canyon

**DRAFT**

March 2024

### **RECREATION MANAGER**

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are not intended to reflect all duties performed with a job.*

#### **DEFINITION**

Under general direction, manages overall operation of the City's recreation programs; plans, organizes, coordinates, develops, implements, promotes, and evaluates recreation activities and programs; assists the director with various departmental issues, policies, programs, and activities as needed.

#### **SUPERVISION RECEIVED AND EXERCISED**

Receives general direction from the Parks and Recreation Director. Exercises direct and indirect supervision over supervisory, professional, and other lower-level staff.

#### **DISTINGUISHING CHARACTERISTICS**

The Recreation Manager is distinguished from the Recreation Supervisor in that the former supervises Recreation Supervisors and has overall division responsibility. This class is distinguished from the Parks and Recreation Director in that the latter supervises the Recreation Manager and has overall department responsibility.

#### **EXAMPLES OF DUTIES**

Duties may include, but are not limited to, the following:

- Participate in the development and implementation of goals, objectives, policies, and promotions for the City's recreation programs.
- Select, supervise, train, and motivate assigned personnel; set performance standards, evaluate performance, and work with employees to correct deficiencies; determine and implement corrective actions in coordination with Human Resources staff and the Parks and Recreation Director as necessary.
- Lead the effort and assist Human Resources staff in recruiting temporary, part-time, and/or seasonal staff as required.
- Oversee recreation staff work schedules and timecard maintenance.
- Develop emergency procedures and ensure that staff are trained regarding the implementation of the procedures.
- Recommend and assist in the implementation of departmental goals, objectives, strategic plans, policies, and procedures.
- Oversee the development, publication, and distribution of the departmental outreach and other related documents.

## ATTACHMENT A

- Participate in preparing and administering division budget; submit budget recommendations; monitor expenditures.
- Perform research and conduct surveys regarding leisure services, program best practices, aquatics, and recreation facilities, and other departmental or city-wide services/programs.
- Manage and oversee the use and operation of recreation facilities, including programming, maintenance, and rental to the public and outside agencies.
- Develop, update, oversee, and monitor events, including permits, policies, and procedures as they pertain to departmental activities.
- Oversee the development of new activities and programs and improvement of existing activities and programs to meet the recreation needs of the community.
- Research and identify alternative funding sources; solicit and receive donations; participate in fund-raising events; prepare grant proposals, as necessary.
- Supervise and participate in program development, advertisement, registration, and implementation of recreation programs.
- Respond to citizen concerns and requests.
- Notify City maintenance staff of maintenance required on facilities, equipment, or materials.
- Recommend fees and charges for department programs.
- Attend Parks and Community Services Commission and other community/departmental meetings as requested.
- Prepare clear and comprehensive reports as required.
- Answer the telephone, assist, and register customers in the department office as needed.
- Act as the director in his/her absence.
- Perform related duties as assigned.

### EMPLOYMENT STANDARDS

#### Knowledge of:

- Principles and practices of supervision to direct, train, motivate, evaluate, and correct staff performance.
- Philosophy, principles, and practices of public recreation and/or aquatics programs.
- Recreation activities suitable for children, adults, disabled, and senior citizens.
- Procurement practices related to recreation and/or aquatics equipment and supplies.
- Marketing theories, principles, and practices and their application to a wide variety of leisure services.
- Recreation and office related software packages.
- Practices and principles of first aid, aquatics safety, and CPR lifesaving.
- Budget preparation and control.
- Principles and practices of customer service.

#### Ability to:

## ATTACHMENT A

- Supervise a variety of recreation programs, services, events, and employees.
- Communicate clearly and concisely, both orally and in writing.
- Develop and implement community recreational programs and analyze use, satisfaction, popularity, and effectiveness.
- Supervise and instruct individuals and groups in aquatic and recreation activities.
- Exercise discretion in confidential matters.
- Prepare a variety of complex written documents, including reports and memoranda.
- Operate modern office equipment, including computer equipment and specialized software applications.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Interpret community demand for recreation and/or aquatic programs.
- Interact effectively with others encountered in the course of work.
- Work with diverse populations and maintain an inclusive environment.

### **Minimum Qualifications:**

Any combination of Education and Experience that results in the successful applicant obtaining the requisite knowledge, skills, and abilities to perform the required job duties.

Typical examples include:

#### Education:

Equivalent to graduation from an accredited four-year college or university with major coursework in recreation, leisure services, or a closely related field.

**-AND-**

#### Experience:

Four (4) years of progressively responsible full-time experience in the field of recreation, leisure services, or a closely related field, including two (2) years working in a supervisory capacity equivalent to a Recreation Supervisor with the City of American Canyon.

**Note:** Additional qualifying experience may substitute for the education requirement on a year-for-year basis.

#### Certificate Requirement:

The following must be obtained within the first six (6) months of employment and maintained throughout employment:

- CPR for Professional Rescuer (or equivalent)
- First Aid for Safety Personnel (Title 22)

#### License Requirement:

## ATTACHMENT A

Possession of a valid California Class C Driver License is required at the time of appointment. Individuals who do not meet this requirement due to physical disability will be reviewed on a case-by-case basis.

Physical Requirements:

Work is performed in a typical outdoor environment on a year-round basis. (1) Mobility: frequent performance of heavy manual labor; frequent standing for long periods of time; frequent bending and squatting. (2) Lifting: frequent lifting up to 50 pounds; occasional lifting up to 75 pounds. (3) Vision: constant use of overall vision. (4) Dexterity: frequent grasping, holding, and reaching. (5) Hearing/Talking: frequent hearing and talking in person. (6) Emotional/Psychological: frequent coworker contact; occasional working alone. (7) Environmental: frequent exposure to loud noise; frequent exposure to chemicals, fumes, and other environmental substances.

Other Requirements:

May require evening and weekends.

Classification	Adopted	Revised	Retitled	Class Code	FLSA Designation	Rep Unit
Recreation Manager	1992		2/2002	4233	Non-Exempt	4
Recreation Manager		11/2013	2013 - From Recreation Supervisor	2212	Changed to Exempt in 2013	2
Recreation Manager		7/2022		2212	Exempt	2
Recreation Manager		3/2024		2212	Exempt	2

APPROVED: \_\_\_\_\_  
City Manager

Date: \_\_\_\_\_

## ATTACHMENT B

City of American Canyon

**DRAFT**

March 2024

### **RECREATION SUPERVISOR**

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are not intended to reflect all duties performed with a job.*

#### **DEFINITION**

Under general direction, independently plans, organizes, coordinates, develops, implements, promotes, and evaluates assigned recreation activities and programs and provides direct supervision to lower-level recreation staff and volunteers.

#### **SUPERVISION RECEIVED AND EXERCISED**

Receives general direction from the Recreation Manager or other higher-level management position. Exercises direct supervision over lower-level personnel.

#### **DISTINGUISHING CHARACTERISTICS**

This is the full supervisory level in the recreation class series. Incumbents supervise lower-level recreation staff and perform the full range of complex duties within their assigned program areas. The Recreation Supervisor is distinguished from the Recreation Coordinator in that the Supervisor provides direct supervision to full-time, permanent Recreation Coordinators, and the Coordinator provides lead direction to assigned staff and volunteers. The Recreation Supervisor is distinguished from the Recreation Manager in that the latter supervises Recreation Supervisors and is responsible for overall division management.

#### **EXAMPLES OF DUTIES**

Duties may include, but are not limited to, the following:

- Plan, organize, implement, and supervise assigned recreation program areas and facility operations, such as teen programs, leisure classes, senior citizen, environmental/outdoor recreation, aquatics, and sports.
- Supervise, train, and motivate assigned personnel; participate in selecting program and department employees; set performance standards, evaluate performance, and work with employees to correct deficiencies; implement corrective actions as necessary.
- Develop recreation staff work schedules and maintain timecards.
- Train staff regarding the implementation of emergency procedures.
- Work in collaboration with the Recreation Manager to assist Human Resources staff in recruiting temporary, part-time, and/or seasonal staff as required.
- Assist the Recreation Manager in overseeing the use and operation of recreation facilities, including programming, maintenance, and rental to the public and outside agencies.

## ATTACHMENT B

- Oversee and monitor events, including permits, policies, and procedures as they pertain to recreation activities.
- Oversee contract services associated with assigned program areas.
- Evaluate program effectiveness and participation and make recommendations for improvements or modifications.
- Develop new activities and programs and improve existing activities and programs to meet the recreation needs of the community.
- Ensure that work areas are safe and appropriate for all employees and participants.
- Provide input to and coordinate program marketing efforts through news releases, posters, flyers, web pages, mailing lists, and other methods.
- Assist the Parks and Recreation Director and the Recreation Manager with budget development and administration for assigned programs.
- Ensure that programs have adequate supplies and equipment and that facilities are clean, operational, and safe.
- Coordinate with appropriate City staff to repair facilities and equipment as needed.
- Prepare and maintain a variety of reports, records, contracts, and files for assigned program areas.
- Draft clear and comprehensive written reports as requested.
- Respond to citizen concerns and requests about recreation programs; interpret pertinent policies, procedures, rules, and regulations.
- Serve as staff liaison on assigned committees and to outside agencies.
- Answer the telephone and provide customer service as needed.
- Perform related duties as assigned.

### EMPLOYMENT STANDARDS

#### Knowledge of:

- Methods and techniques of implementing and effectively operating recreation programs in assigned areas.
- Practices and principles of first aid, aquatics safety, and CPR lifesaving.
- Principles and practices of supervision to direct, train, motivate, evaluate, and correct staff performance.
- Computer applications related to general office environments and the recreation field.
- Marketing techniques.
- Basic cost analysis and budgeting principles.
- Fundamentals of recordkeeping and report writing.
- Principles and practices of customer service.

#### Ability to:

- Supervise a variety of recreation programs, services, events, and employees.
- Evaluate effectiveness of recreation programs and modify as needed.
- Exercise initiative and manage multiple tasks with attention to detail.
- Interpret and apply rules, regulations, policies, and procedures.

## ATTACHMENT B

- Effectively respond to emergency situations and apply first aid and CPR when necessary.
- Exercise discretion in confidential matters.
- Prepare and maintain a variety of reports and records.
- Operate modern office equipment, including computer equipment and specialized software applications.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Respond to requests and inquiries from the public.
- Work with diverse populations and maintain an inclusive environment.

### **Minimum Qualifications:**

Any combination of Experience and Education that results in the successful applicant obtaining the requisite knowledge, skills and ability to perform the required job duties.

Typical examples include:

#### Education:

Equivalent to graduation from an accredited four-year college or university with major course work in recreation, leisure services, or a closely related field.

**-AND-**

#### Experience:

Three (3) years of progressively responsible full-time experience in the field of recreation, leisure services, or a closely related field, including two (2) years working in a lead capacity equivalent to a Recreation Coordinator with the City of American Canyon.

**Note:** Additional qualifying experience may substitute for the education requirement on a year-for-year basis.

#### Certificate Requirement:

- For assignment in all program areas, American Red Cross First Aid and CPR/AED must be obtained within the first three (3) months of employment and maintained throughout employment.
- For assignment in aquatics-related program areas, incumbents must possess at the time of appointment and maintain throughout employment the following certifications:
  - American Red Cross Basic First Aid, CPR/AED for the Professional Rescuer
  - American Red Cross Lifeguard Training
  - American Red Cross Lifeguard Instructor
  - American Red Cross Water Safety Instructor

#### License Requirement:

## ATTACHMENT B

Possession of a valid California Class C Driver License is required at the time of appointment. Individuals who do not meet this requirement due to physical disability will be reviewed on a case-by-case basis.

Physical Requirements:

Work is performed in a typical outdoor environment on a year-round basis. (1) Mobility: frequent performance of heavy manual labor; frequent standing for long periods of time; frequent bending and squatting. (2) Lifting: frequent lifting up to 50 pounds; occasional lifting up to 75 pounds. (3) Vision: constant use of overall vision. (4) Dexterity: frequent grasping, holding, and reaching. (5) Hearing/Talking: frequent hearing and talking in person. (6) Emotional/Psychological: frequent coworker contact; occasional working alone. (7) Environmental: frequent exposure to loud noise; frequent exposure to chemicals, fumes, and other environmental substances.

Other Requirements:

Some assignments may require evening, weekend, or other shift work.

Classification	Adopted	Revised	Retitled	Class Code	FLSA Designation	Rep Unit
Recreation Supervisor	1992			4233	Non-Exempt	4
Recreation Supervisor		1/2019		4233	Non-Exempt	4
Recreation Supervisor		7/2022		4233	Non-Exempt	4
Recreation Supervisor		3/2024		4233	Exempt	4

APPROVED: \_\_\_\_\_  
City Manager

Date: \_\_\_\_\_

## ATTACHMENT C

City of American Canyon

**DRAFT**

March 2024

### **RECREATION COORDINATOR**

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are not intended to reflect all duties performed with a job.*

#### **DEFINITION**

Under general supervision, plans, organizes, coordinates, develops, implements, promotes, and evaluates assigned recreation activities and programs, and provides lead direction to lower-level recreation staff and volunteers.

#### **SUPERVISION RECEIVED AND EXERCISED**

Receives general supervision from a Recreation Supervisor or other higher-level supervisory or management position. Exercises technical and functional direction over lower-level recreation staff, typically part-time and seasonal employees.

#### **DISTINGUISHING CHARACTERISTICS**

This is the lead level in the recreation class series. Incumbents are responsible for coordinating one or more recreation programs and perform a variety of complex duties within their assigned program areas. The Recreation Coordinator is distinguished from the Recreation Supervisor in that the latter provides direct supervision, including performance evaluation, to full-time, permanent Recreation Coordinators. The Recreation Coordinator is distinguished from the Recreation Program Specialist in that the latter receives direction from a Recreation Coordinator and is typically a part-time or temporary position with a narrower focus.

#### **EXAMPLES OF DUTIES**

Duties may include, but are not limited to, the following:

- Plan, organize, implement, and lead assigned recreation program areas and facility operations, such as teen programs, leisure classes, senior citizen, environmental/outdoor recreation, aquatics and sports.
- Direct the work of assigned part-time, temporary, contract, limited-duration, and volunteer staff.
- Provide lead direction in assigning and scheduling program work.
- Program and oversee contract services.
- Train subordinate staff and volunteers in program activities and ensure compliance with safety procedures.
- Provide input on program effectiveness and participation and makes recommendations for improvements or modifications.
- Review work area and ensure it is safe and appropriate for all employees and participants.

## ATTACHMENT C

- Provide input to and coordinate program marketing efforts through news releases, posters, flyers, web pages, mailing lists, and other methods.
- Assist with program budget development and management.
- Enhance existing programs and develop new programs.
- Monitor supplies and equipment for assigned programs; maintain adequate supply inventory; ensure equipment and facility is clean, operational and safe; advise supervisor of needed repairs or replacement; and coordinate facility repairs as needed.
- Draft clear and comprehensive written reports, as requested.
- Respond to basic citizen concerns and requests about program.
- Answer the telephone and provide customer service, as needed.
- Perform related duties as assigned.

### EMPLOYMENT STANDARDS

#### Knowledge of:

- Methods and techniques of implementing programs specific to assigned recreation activities.
- Practices and principles of first aid, aquatics safety, and CPR lifesaving.
- Practices of training, and technical and functional supervision.
- Computer applications related to general office environments and the recreation field.
- Marketing techniques.
- Basic cost analysis and budgeting principles.
- Fundamentals of recordkeeping and report writing.
- Principles and practices of customer service.

#### Ability to:

- Coordinate a variety of recreation programs.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Lead, organize, and review the work of staff and volunteers.
- Lead and instruct individuals and groups in recreation activities.
- Respond to requests and inquiries from the general public.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Work with diverse populations and maintain an inclusive environment.

#### **Minimum Qualifications:**

Any combination of Experience and Education that results in the successful applicant obtaining the requisite knowledge, skills and ability to perform the required job duties.

Typical examples include:

#### Education:

## ATTACHMENT C

Two (2) years of college coursework in recreation, leisure services, or a closely related field.

**-AND-**

### Experience:

Two (2) years of full-time experience in the field of recreation, leisure services, or a closely related field, preferably equivalent to a Recreation Leader with the City of American Canyon.

**Note:** Additional qualifying experience may substitute for the education requirement on a year-for-year basis.

### Certificate Requirement:

- For assignment in all program areas, American Red Cross First Aid, CPR/AED must be obtained within the first three (3) months of employment and maintain throughout employment.
- For assignment in aquatics-related program areas, incumbents must possess the following certifications at the time of appointment and maintain throughout employment:
  - American Red Cross Basic First Aid, CPR/AED for the Professional Rescuer
  - American Red Cross Lifeguard Training
  - American Red Cross Lifeguard Instructor
  - American Red Cross Water Safety Instructor

### License Requirement:

Possession of a valid California Class C Driver License is required at the time of appointment. Individuals who do not meet this requirement due to physical disability will be reviewed on a case-by-case basis.

### Physical Requirements:

Work is performed in a typical outdoor environment on a year-round basis. (1) Mobility: frequent performance of heavy manual labor; frequent standing for long periods of time; frequent bending and squatting. (2) Lifting: frequent lifting up to 50 pounds; occasional lifting up to 75 pounds. (3) Vision: constant use of overall vision. (4) Dexterity: frequent grasping, holding, and reaching. (5) Hearing/Talking: frequent hearing and talking in person. (6) Emotional/Psychological: frequent coworker contact; occasional working alone. (7) Environmental: frequent exposure to loud noise; frequent exposure to chemicals, fumes, and other environmental substances.

### Other Requirements:

Some assignments may require evening, weekend, or other shift work.

Classification	Adopted	Revised	Retitled	Class Code	FLSA Designation	Rep Unit
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**ATTACHMENT C**

Recreation Coordinator	2015			4608	Non-Exempt	4
Recreation Coordinator		01/2019		4608	Non-Exempt	4
Recreation Coordinator		07/2022		4608	Non-Exempt	4
Recreation Coordinator		03/2024		4608	Non-Exempt	4

APPROVED: \_\_\_\_\_  
City Manager

Date: \_\_\_\_\_

## ATTACHMENT D

City of American Canyon

**DRAFT**

March 2024

### **RECREATION SPECIALIST** (Temporary)

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are not intended to reflect all duties performed with a job.*

#### **DEFINITION**

Under general supervision, plans, organizes, coordinates, develops, implements, promotes, and evaluates assigned recreation program activities, and provides lead direction to lower-level recreation staff and volunteers.

#### **SUPERVISION RECEIVED AND EXERCISED**

Receives general supervision from a Recreation Supervisor or other higher-level supervisory or management position. Receives lead direction from a Recreation Coordinator. Exercises technical and functional direction over lower-level temporary recreation staff.

#### **DISTINGUISHING CHARACTERISTICS**

Employment in this temporary, at-will job class is restricted to assignments that are temporary in nature. The Recreation Specialist is distinguished from the Recreation Coordinator in that the latter is typically filled on a permanent, full-time basis and provides lead direction to the former.

#### **EXAMPLES OF DUTIES**

Duties may include, but are not limited to, the following:

- Plan, organize, implement, and lead assigned recreation program activities.
- Assist in the development, recommendation, and implementation of goals, objectives, policies, procedures, and work standards for assigned program.
- Monitor day-to-day operations of recreation program and events, including making site visits and resolving complaints.
- Formulate and organize program plans and schedules for seasonal and year-round activities related to program areas.
- Provide lead direction to staff in assigning and scheduling work.
- Train lower-level staff and volunteers in program activities and ensure compliance with safety procedures.
- Review work area and ensure it is safe and appropriate for all employees and participants.
- Coordinate program marketing efforts through news releases, posters, flyers, web pages, mailing lists and other methods.

## ATTACHMENT D

- Monitor supplies and equipment for assigned programs; maintain adequate supply inventory; ensure equipment is operational and safe; advise supervisor of needed repairs or replacement.
- Prepare clear and comprehensive written reports as requested.
- Respond to citizen concerns and requests.
- Attend department meetings as requested.
- Answer the telephone and assist and register customers as needed.
- Perform related duties as assigned.

### EMPLOYMENT STANDARDS

#### Knowledge of:

- Methods and techniques of planning, organizing, and implementing assigned recreation programs.
- Techniques of effective customer service.
- Record keeping practices.
- Practices and principles of first aid and CPR lifesaving.
- Knowledge of child development processes and principles.
- Computer programs and related software.
- Practices of training and providing technical and functional direction to staff.

#### Ability to:

- Lead a variety of recreation program activities.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Evaluate success and make improvements that increase customer satisfaction by completing and implementing participant surveys, hosting debriefing sessions with staff, and developing reports.
- Lead, organize, and review the work of staff and volunteers.
- Lead and instruct individuals and groups in assigned programs.
- Elicit community and organizational support for programs overseen.
- Respond to requests and inquiries from the general public.
- Interpret and enforce policies and procedures.
- Maintain files and monitor and track fees and payments.
- Work with diverse populations and maintain an inclusive environment.

#### **Minimum Qualifications:**

Any combination of Experience and Education that results in the successful applicant obtaining the requisite knowledge, skills and ability to perform the required job duties.

Typical examples include:

## ATTACHMENT D

### Education:

High school diploma or equivalent.

**-AND-**

### Experience:

One (1) years of full-time experience in the field of recreation, leisure services, or a closely related field, preferably with experience in recreation program development and implementation.

### Certificate Requirement:

- For assignment in all program areas, American Red Cross First Aid, CPR/AED must be obtained within the first three (3) months of employment and maintain throughout employment.
- For assignment in aquatics-related program areas, incumbents must possess the following certifications at the time of appointment and maintain throughout employment:
  - American Red Cross Basic First Aid, CPR/AED for the Professional Rescuer
  - American Red Cross Lifeguard Training
  - American Red Cross Lifeguard Instructor
  - American Red Cross Water Safety Instructor

### License Requirement:

Possession of a valid California Class C Driver License is required at the time of appointment. Individuals who do not meet this requirement due to physical disability will be reviewed on a case-by-case basis.

### Physical Requirements:

Work is performed in a typical outdoor environment on a year-round basis. (1) Mobility: frequent performance of heavy manual labor; frequent standing for long periods of time; frequent bending and squatting. (2) Lifting: frequent lifting up to 50 pounds; occasional lifting up to 75 pounds. (3) Vision: constant use of overall vision. (4) Dexterity: frequent grasping, holding, and reaching. (5) Hearing/Talking: frequent hearing and talking in person. (6) Emotional/Psychological: frequent coworker contact; occasional working alone. (7) Environmental: frequent exposure to loud noise; frequent exposure to chemicals, fumes, and other environmental substances.

### Other Requirements:

Some positions may require evening, weekend, or other shift work.

## ATTACHMENT D

Classification	Adopted	Revised	Retitled	Class Code	FLSA Designation	Rep Unit
Program Coordinator	1992	5/2006		5603	Non-Exempt	5
Program Coordinator		7/2015		5603	Non-Exempt	5
Recreation Specialist		3/2024	3/2024	5603	Non-Exempt	5

APPROVED: \_\_\_\_\_  
 Administrative Services Director

Date: \_\_\_\_\_



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## TITLE

Law Enforcement Services Contract Amendment

## RECOMMENDATION

Adopt a Resolution approving Amendment 20 to the Agreement No. 200005B (previously known as Agreement No. 3220) with the Napa County Sheriff's Office for Law Enforcement Services for the period of July 1, 2024, through June 30, 2027.

## CONTACT

Rick Greenberg, Police Chief

## BACKGROUND & ANALYSIS

The Napa County Sheriff's Office has been providing law enforcement services to American Canyon since Incorporation (1992). American Canyon Police Department (ACPD) continues to provide a high level of service to the community. The current Agreement (Amendment 19) expires on June 30, 2024.

The division of responsibility in this partnership is generally as follows: American Canyon provides facilities, vehicles, and non-sworn staff (such as Police Technicians) while the Sheriff's Office provides sworn personnel, equipment, training, and law enforcement policy.

Currently, ACPD consists of 26 sworn officers, including 1 Chief, 1 Lieutenant, 5 Sergeants, and 19 officers. But as American Canyon grows, additional law enforcement staffing is needed.

Of the current 19 officers, one (1) officer is assigned as the full-time community resource officer (CRO), two (2) are assigned as full-time traffic enforcement and vehicle collision investigators, and two (2) are assigned as School Resource Officers (SRO's) at the high school and middle school respectively.

Amendment 20 proposes to add: (1) community outreach officer (CRO) position in July 2025, (1) traffic enforcement officer in July of 2025, and (2) additional patrol officers in January 2026 and January 2027. Thus, the total sworn staffing would be 30 worn officers by January 2027.

Payment for the contract is a on a "fixed-fee" basis. A further breakout of the amounts is provided in

Attachment 3, Exhibit A.

**Additional Staffing**

In July 2025, (1) additional community outreach officer will augment the existing CRO's high level of community-oriented policing, community outreach, and participate in special events. In addition, one (1) additional traffic enforcement officer will join the two (20 existing motor officers in providing high level of traffic enforcement and traffic collision investigation. Having more visible traffic enforcement officers should reduce bad driving behavior and traffic collisions.

In January 2026 and then again in January 2027, (1) additional patrol officer will be added. The additional patrol officers will support the inevitable increase in calls for service as American Canyon's populations grows. Adding the additional officers as proposed, will keep our response time down, increase visible police presence helping to deter crime, and to continue ACPD's exceptional crime clearance rates.

Staff recommends the Council approve Amendment 20.

**Alternative**

Council could choose to defer the addition of any or all of the recommended positions, although Council has already approved supervisory positions of Lieutenant and Sergeant, in preparation to add future additional officers. Staff recommends sizing the ACPD based on population growth (1.1 officer per 1000), increased traffic, and continue the high level of service, including above average crime clearance rates. If it is decided not to add the additional staffing proposed over the next three years, the cost of additional officers all at once after the conclusion of Amendment 20 could be a great burden to American Canyon.

**COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Public Safety: "Ensure American Canyon remains a safe community."

**FISCAL IMPACT**

The cost for Amendment 19 (\$8,473,148) is included in FY 23/24 Budget.

Under the terms of Amendment 20, the Sheriff's Office will provide one additional CRO position to the City of American Canyon (FY25/26), one additional traffic enforcement officer (FY25/26), and two additional patrol officers (one mid-year FY25/26 and one mid-year 26/27).

The amounts listed below include all direct and indirect costs estimated by the County for provision of law enforcement services. The costs for Fiscal Years 2024/2025 reflect no staffing changes, but do reflect increased direct costs (salary and benefits) and indirect costs (such as insurance, etc.). The costs for Fiscal Year 2025/2026 reflect the cost of one (1) additional CRO and one (1) addition traffic enforcement officer starting July 2025 and an additional patrol officer in January 2026. The costs for Fiscal Year 2026/2027 reflect the additional patrol officer starting January 2027.

Total contract amendment costs; FY 2024/2025 \$9,393,388; FY 2025/2026 \$10,325,887; FY 2026/2027 \$11,118,254.

These amounts will be included in forthcoming budgets.

### **ENVIRONMENTAL REVIEW**

None.

### **ATTACHMENTS:**

[Resolution Law Enforcement Services Amendment 20](#)

[Law Enforcement Services Contract Amendment 20](#)

[Law Enforcement Services Contract - Exhibit A-20.](#)

**RESOLUTION NO. 2024-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON APPROVING AMENDMENT 20 TO NAPA COUNTY AGREEMENT NO. 200005B (previously known as Agreement No. 3220) WITH THE NAPA COUNTY SHERIFF’S OFFICE FOR LAW ENFORCEMENT SERVICES FOR THE PERIOD July 1, 2024, THROUGH JUNE 30, 2027.**

**WHEREAS**, the City of American Canyon and the County of Napa have previously entered into Agreement No. 3220 (now known as Agreement No. 200005B) for Law Enforcement Services within the City’s municipal boundaries; and

**WHEREAS**, on April 16, 2019, the City of American Canyon adopted Resolution 2019-31 approving Amendment 16 to the Napa County Agreement 3220 (now known as Agreement No. 200005B) with the Napa County Sheriff’s Office for Law Enforcement Services for period July 1, 2019, through June 30, 2024; and

**WHEREAS**, the City of American Canyon and Napa County Sheriff Office have evaluated the staffing at the American Police Department and recommend (1) community resource officer, (1) traffic enforcement officer, and (2) patrol officers be added; and

**WHEREAS**, Amendment 20 includes additional staffing as follows; (1) community resource officer, (1) traffic enforcement officer, and (2) patrol officers, and the City of American Canyon agrees to reimburse the Napa County Sheriff’s Office for the performance of law enforcement services under this agreement; and

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of American Canyon hereby approves Amendment 20 To Napa County Agreement No. 200005B (previously known as Agreement No. 3220) with the Napa County Sheriff’s Office for Law Enforcement Services for the Period July 1, 2024, Through June 30, 2027.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council of the City of American Canyon on the 16th day of April, 2024, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM

\_\_\_\_\_  
Taresa Geilfuss, CMC, City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney

Napa County Agreement No. 200005B  
American Canyon Agreement No. 2013-72

**AMENDMENT NO. 20  
TO AGREEMENT FOR LAW ENFORCEMENT SERVICES  
BETWEEN NAPA COUNTY AND  
THE CITY OF AMERICAN CANYON**

**THIS AMENDMENT NO. 20** to Napa County Agreement No. 200005B (previously known as Agreement No. 3220) for law enforcement services (“Amendment”) is made and entered into as of the 1<sup>st</sup> day of July 2024, by and between Napa County (“County”), a political subdivision of the State of California, and the City of American Canyon (“City”), a municipal corporation.

**RECITALS**

**WHEREAS**, the parties previously entered into an Agreement for Law Enforcement Services, initially dated July 9, 1996 and amended from time to time thereafter until a new agreement was reached between the parties in July 2006 (the “Agreement”), pursuant to which the City contracted with County for the provision of certain law enforcement services within the City's municipal boundaries; and

**WHEREAS**, the Agreement has been amended from time to time to provide a service plan and cost estimates for future fiscal years; and

**WHEREAS**, the parties desire to amend the contract to add various positions in order to accommodate the needs of the City’s growing population and calls for service; and

**WHEREAS**, the County is willing to provide these additional positions and services; and

**WHEREAS**, the City is willing to pay for such additional positions and services; and

**WHEREAS**, these additional positions are set forth in the Service Plan (Exhibit “A-20”), attached to this Agreement; and

**WHEREAS**, Section 43 of the Agreement provides that all changes to the Agreement must be by written amendment authorized by the City's City Council and the County's Board of Supervisors.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the foregoing, the mutual agreements of the parties and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Section 14, entitled “Compensation for Services” is hereby amended to read in full as follows:

“During the term of this Agreement (from July 1, 2019 to June 30, 2022 and Option Year One July 1, 2022 to June 30, 2023, Option Year Two July 1, 2023 to June 30, 2024), the total cost for provision of the services set forth in this Agreement shall be as follows: For Fiscal Year 2019-2020: Six Million Seven Hundred Fifty-One Thousand One Hundred Sixty-Five Dollars (\$6,751,165.00); for Fiscal Year 2020-2021: Six Million Nine Hundred Fifty-Three Thousand Seven Hundred One Dollar (\$6,953,701.00); for Fiscal Year 2021-2022: Seven Million Two Hundred Twenty-Seven Thousand One Hundred Fifty-One Dollars (\$7,227,151). Option Year One, Fiscal Year 2022-2023: Seven Million Six Hundred Eighty-One Thousand Six Hundred Thirty-Five Dollars (\$7,681,635); Option Year Two, Fiscal Year 2023-2024: Eight Million Four Hundred Seventy-Three Thousand One Hundred Forty-Eight Dollars (\$8,473,148); for Fiscal Year 2024-2025: Nine Million Three Hundred Ninety Three Thousand Three Hundred Eighty Eight Dollars (\$9,393,388) with no addition of new personnel; for Fiscal Year 2025-2026: Nine Million Seven Hundred Fifty Nine Thousand Eight Hundred One Dollars (\$9,759,801) if personnel is not added and Ten Million Three Hundred Twenty Five Thousand Eight Hundred Eighty Seven Dollars (\$10,325,887) if additional personnel as set forth in Exhibit “A-20” is added; for Fiscal Year 2026-2027: Ten Million Two Hundred Ninety Eight Thousand Ten Dollars (\$10,298,010) if personnel is not added and Eleven Million One Hundred Eighteen Thousand Two Hundred Fifty Four Dollars (\$11,118,254) if additional personnel as set forth in Exhibit “A-20” is added.

“A further breakout of the amounts is provided in the Service Plan, attached hereto as Exhibit “A-20,” and incorporated here by reference. This Service Plan sets forth the costs associated with the provision of services contemplated by this Agreement for Fiscal Year 2024-2025 through Fiscal Year 2026-2027. The Service Plan includes the addition of four personnel (Deputy Sheriffs—motorcycle officer, community resource officer, patrol officers) and associated costs. At least ninety (90) days before the beginning of each fiscal year, the City shall notify the County in writing as to whether the additional deputy positions set forth in the Service Plan will be needed for the upcoming fiscal year. City hereby authorizes, and the County hereby acknowledges, that such notification may be provided by the City Manager. If so notified, the County agrees to provide the requested services so long as the County is able to staff the requested position(s). The parties recognize that there may be delays in the County’s ability to supply the requested positions, depending to the County’s own staffing needs.

“The amounts set forth above include all allowable direct and indirect costs estimated to be incurred by County for provision of services set forth in the Service Plan. Specifically, the estimated costs include, but are not necessarily limited to: non-recurring personnel start-up costs (associated with hiring/training personnel to replace Sheriff’s Department employees to be allocated to City for performance of services hereunder); estimated salaries for employee classifications expected to be performing services; all employee benefits to be paid by County at rates established by the County Board of Supervisors; the estimated costs of providing relief for all allowable absences (including, but not limited to, vacation, compensatory time off, sick leave, disability leave, bereavement leave, military leave, and jury duty); estimated supplies and services necessary for performance of work hereunder (including, but not limited to, items such as equipment

and training); and indirect expenses (i.e., internal overhead associated with functions such as Administration, Records, Dispatch, and Crime Analysis).

“Employees performing services under this Agreement will be entitled to all benefits, including paid holidays and other paid leave (such as vacation, compensatory time off, sick leave, disability leave, bereavement leave, military leave, and jury duty) as allowed by County for all employees and/or as allowed by bargaining agreements governing the employee classifications performing services hereunder. All costs associated with such benefits are allowable under this Agreement.

During the term of this Agreement, City shall be invoiced monthly and agrees to reimburse County for the performance of law enforcement services under this Agreement. The costs for such services shall be fixed at the amounts set forth in the first paragraph of this Section. Notwithstanding the foregoing, if County continues to provide law enforcement services to City after expiration of the term of the Agreement, City shall reimburse County for actual costs incurred by County for performance of law enforcement services provided thereafter, until such time as the parties reach further agreement to extend or renew the Agreement.”

3. Exhibit “A-20,” attached hereto and incorporated herein by reference, is hereby made part of the Agreement. As of the effective date of this Amendment, all references to Exhibit “A” in the Agreement shall mean Exhibit “A-20,” the Service Plan that sets forth the levels of service to be provided during the term set forth in this Amendment.

5. Except as expressly set forth herein, the Agreement shall remain unchanged and in full force and effect. This Amendment may be executed in counterparts with the same force and effect as if each of the signatories had executed the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment No. 20 as of the date first above written.

NAPA COUNTY, a political  
subdivision of the State of California

By \_\_\_\_\_  
JOELLE GALLAGHER, Chair of the  
Board of Supervisors

"COUNTY"

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <i>S. Darbinian</i></p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: _____ Processed By: _____</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors</p> <p>By: _____</p>
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Date:	<hr/> Deputy Clerk of the Board	
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CITY OF AMERICAN CANYON

By \_\_\_\_\_  
 JASON HOLLEY, City Manager

ATTEST: CHERRI WALTON American Canyon Deputy City Clerk  By: _____	APPROVED AS TO FORM: WILLIAM D. ROSS, City Attorney  By: _____
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	FY 24/25	FY 25/26	FY 26/27
<b>PERSONNEL (DSA COLA)</b>	3.00%	3.00%	4.50%
<b>PERSONNEL (SEIU COLA)</b>	4.50%	3.50%	3.00%
CHIEF (1)	\$ 357,830	\$ 368,565	\$ 385,151
LIEUTENANT (1)	\$ 290,507	\$ 299,223	\$ 312,688
SERGEANT (5)	\$ 1,337,971	\$ 1,378,110	\$ 1,440,125
DEPUTY SHERIFF II (8)	\$ 1,719,021	\$ 1,770,591	\$ 1,850,268
SENIOR DEPUTY SHERIFF II (11)	\$ 2,602,639	\$ 2,680,718	\$ 2,801,351
RECORDS TECH III (1)	\$ 121,389	\$ 125,637	\$ 129,407
WORKER'S COMP	\$ 223,680	\$ 228,154	\$ 232,717
GENERAL LIABILITY	\$ 165,057	\$ 249,237	\$ 376,347
	<b>\$ 6,818,095</b>	<b>\$ 7,100,235</b>	<b>\$ 7,528,052</b>

<b>ADDITIONAL PERSONNEL</b>			
DEPUTY II (1 MOTO OFCR JULY 2025)	\$ -	\$ 213,193	\$ 222,787
DEPUTY II (1 POP OFCR JULY 2025)	\$ -	\$ 206,135	\$ 215,411
DEPUTY II (YEAR 2 ADD JAN 2026)	\$ -	\$ 103,068	\$ 215,411
DEPUTY II (YEAR 3 ADD JAN 2027)	\$ -	\$ -	\$ 107,706
WORKER'S COMP	\$ -	\$ 25,350	\$ 34,477
GENERAL LIABILITY	\$ -	\$ 18,340	\$ 24,453
	\$ -	<b>\$ 566,086</b>	<b>\$ 820,244</b>

<b>ESTIMATED HOLIDAY PAY</b>	<b>\$ 43,104</b>	<b>\$ 44,398</b>	<b>\$ 46,395</b>
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<b>OVERTIME/COURT APPEARANCES</b>	<b>\$ 629,518</b>	<b>\$ 648,404</b>	<b>\$ 677,582</b>
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<b>INVESTIGATIONS/NSIB</b>			
INVEST, LAB, PROP/EVIDENCE	\$ 245,821	\$ 254,008	\$ 262,917
BWC REDACTION (FOCAL)	\$ 3,280	\$ 3,378	\$ 3,480
VIDEO REQUESTS (DA & OTHER)	\$ 5,221	\$ 5,404	\$ 5,566
	<b>\$ 254,322</b>	<b>\$ 262,790</b>	<b>\$ 271,963</b>

<b>FLEET EQUIPMENT (RADIOS/ REPEATERS/ MDC/CAMERAS)</b>	<b>\$ 84,191</b>	<b>\$ 86,191</b>	<b>\$ 88,266</b>
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<b>DISPATCH (AC 33% CFS)</b>	<b>\$ 806,888</b>	<b>\$ 831,095</b>	<b>\$ 856,028</b>
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<b>K9</b>	<b>\$ 37,370</b>	<b>\$ 38,491</b>	<b>\$ 39,646</b>
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<b>ADMINISTRATIVE SERVICES (DEPT OVERHEAD 8.6%)</b>	<b>\$ 745,920</b>	<b>\$ 774,998</b>	<b>\$ 817,682</b>
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<b>PARKING REVENUE</b>	<b>\$ (26,021)</b>	<b>\$ (26,801)</b>	<b>\$ (27,605)</b>
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<b>TOTAL ANNUAL COST W/OUT ADDITIONAL PERSONNEL</b>	<b>\$ 9,393,388</b>	<b>\$ 9,759,801</b>	<b>\$ 10,298,010</b>
<b>TOTAL ANNUAL COST W/ ADDITIONAL PERSONNEL</b>	<b>\$ 9,393,388</b>	<b>\$ 10,325,887</b>	<b>\$ 11,118,254</b>



## **Future Agenda Items of Note:**

### **May 7, 2024; 6:30 p.m.**

Presentation - Municipal Clerk Week  
Proclamation - Older Americans Month  
Proclamation – National Building Safety Month  
Presentation - Historic Preservation Month  
Proclamation - Mental Health Matters Month  
Proclamation - AAPI Heritage Month  
Presentation - CalGreen Building Code  
LLAD FY 24/25 Engineer's Report  
Traffic Calming Program Update  
2024 Water Supply Update

### **May 21, 2024; 6:30 p.m.**

Proclamation - Memorial Day  
Proclamation - Public Works Week  
Proclamation - Bike Month  
Presentation – Vine Trail Update  
Presentation – ACPD Police Cadet  
LLAD Fiscal Year 24/25 Budget  
Proposed Fiscal Year 24/25 Explorer  
Kids Commerce Fee Waiver

### **June 4, 2024; 6:30 p.m.**

Proclamation - Juneteenth  
Proclamation – LGBTQ/Pride Month  
Presentation – Annual Housing Authority Report  
November Election Consolidation  
Final Fiscal Year 2024/25 Budget  
GIR Project: Authority to Issue Bonds, etc.

### **June 18, 2024; 7:30 p.m.**

Special Joint City Council Meeting with Open Space, Active Transportation and Sustainability Commission

### **June 18, 2024; 8:30 p.m.**

Special Joint City Council Meeting with Parks and Community Services Commission