City of Calistoga

Staff Report

TO: Honorable Mayor and City Council

FROM: Dan Takasugi, Public Works Director

DATE: July 20, 2010

SUBJECT: Receipt of the 2009/2010 Grand Jury Report and Authorization of a Response

APPROVAL FOR FORWARDING:

William C. Norton, Interim City Manager

ISSUE: Receipt of the 2009/2010 Napa County Grand Jury Response and consideration of the City of Calistoga's response.

RECOMMENDATION: Receive report and authorize the response.

BACKGROUND/DISCUSSION: The Napa County Grand Jury has issued its annual report for 2009/2010 entitled "Final Report on Water Our Precious, Critical Resource". The Grand Jury's mandate is to investigate all branches of government assuring they are being administered efficiently, honestly, and in the best interest of Napa County's residents. The 2009/2010 Grand Jury investigated the activities of Napa County agencies associated with the supply of potable and recycled water and the treatment of wastewater.

On June 7th, the Mayor and Public Works Director received copies of the Grand Jury Report, which includes 18 findings and 14 recommendations. The Grand Jury requested responses to recommendations 1, 2, 4, 9, 10, and 14, which are attached. The Grand Jury also commended the City of Calistoga for its current uses of recycled water and showing forward thinking in seeking to expand recycled water distribution and use.

The Grand Jury issued a number of recommendations about responding to catastrophic loss of water, increasing the capacity of water storage facilities, expanding the recycling of wastewater, and adding fluoride to the drinking water. In most recommendations, the City has already addressed the issue or is

proactively working upon the issue. The addition of fluoride into the City drinking water system and the expansion of Kimball Reservoir are issues for which staff advises Council to take exception to the Grand Jury recommendations.

The attached draft response letter has been shared with other Public Works Directors, and is expected to be similar to responses of other agencies in Napa County.

FINANCIAL IMPACT: None.

ATTACHMENTS:

1. Draft response letter
2. Excerpt from the Grand Jury Report

July xx, 2010

The Honorable Stephen T. Kroyer
Presiding Judge
Superior Court of the State of California
County of Napa
825 Brown Street
Napa, CA 94559

Subject: Grand Jury Final Report on **Water: Our Precious, Critical Resource.** City of Calistoga Response

Honorable Judge Kroyer:

The City of Calistoga has received and reviewed the subject Grand Jury report. As requested by the Grand Jury and pursuant to the provisions of the Penal Code and applicable law, Calistoga is providing this letter to respond to Recommendations 1, 2, 4, 9, 10, and 14. The City of Calistoga generally agrees with the findings and recommendations contained within the report, so far as they pertain to the City of Calistoga, except as indicated below.

Recommendation 1:

"Municipalities within the County develop, expand, and formalize agreements to provide water allocations to address a catastrophic loss of water".

Response:

We agree with the finding and recommendation, and it is already being implemented in large part. Calistoga has two sources of potable water supply – from its own Kimball Reservoir and from its share of the North Bay Aqueduct (NBA) project. The NBA water is treated to potable water standards and 'wheeled' to Calistoga by the City of Napa; i.e. Calistoga is a wholesale water 'customer' of the City of Napa. The cities of Napa and Calistoga have long-standing and formal water service agreements to implement the water supply relationship, and the arrangements are further strengthened on a regular basis through staff communication and coordination efforts. In addition, public works and water utility staff from the entire county meet monthly as a Water Technical Advisory Committee to discuss and coordinate items of mutual interest with respect to water quality and water supply reliability. Staff at the various agencies within the County also have initiated and developed projects to improve the reliability of the water supplies during regular and

emergency operational periods. For example, the cities of Napa, St, Helena, and Calistoga have recently completed the first phase (a Conceptual Design and Feasibility Study) of the Dwyer Pump Station project, which would provide enhanced and more reliable distribution of potable water in the upper Napa valley area, to the benefit of each of the cities. The Public Works Director shall work with other municipalities in the County to develop and formalize any further agreements, as may be mutually beneficial, to provide water allocations and water supply reliability to address a catastrophic loss of water.

Recommendation 2:

"All County municipalities evaluate means to increase the capacity, and enhance the survivability, of municipal reservoirs and water storage facilities".

Response:

Calistoga agrees with the finding, except as it pertains to the City's Kimball Reservoir. The recommendation should not be implemented at this time with respect to increasing the capacity of Kimball Reservoir at this time, because it is not fiscally justifiable. In the late 1990's, Calistoga undertook a comprehensive review of long-term water supply options, and elected to increase water supplies through the purchase of additional water allocations through the North Bay Aqueduct system. Calistoga's water supplies are adequate for its projected growth, as specified by the General Plan and it is not warranted or economically feasible at this time to also increase the Kimball Reservoir supply. Kimball Dam and Reservoir are inspected regularly by City staff, and on an annual basis by City staff and representatives of the State of California, Division of Safety of Dams, to ensure the facility is operated both safely and reliably. With respect to treated water storage, the City of Calistoga has secured all necessary funding, and anticipates beginning construction within nine months, on the Mount Washington Water Storage Tank project, which will increase the City's capacity to store treated water by over 125%.

Recommendation 4:

"Each County municipality prepare a plan to ensure rapid repair of the water delivery system and include procedures for emergency water delivery to facilities responsible for providing immediate health and safety aid to the communities' population, especially local hospitals, shelters, and emergency centers".

Response:

Calistoga agrees with the finding. The recommendation has already been implemented – the City already has an Emergency Response Plan (ERP), dated December 2004, as required by various laws and requirements as promulgated by the United States Environmental Protection Agency and the California Department of

Public Health. The ERP, prepared and submitted in accordance with applicable laws, outlines, and guidance documents, was based in part on the completed vulnerability assessment of the City of Calistoga's water system. The ERP includes various operating procedures and action plans to protect and restore the water system during and following an emergency event. The City is also allowed by its Municipal Code to declare an emergency, procure necessary services and supplies via expedited emergency procedures, and request mutual aid during an emergency.

Recommendation 9:

"The County and all municipalities continue development and expansion of recycled water projects to alleviate future water shortages".

Response:

Calistoga agrees with the finding and recommendation, and it is already being implemented in large part. Calistoga has provided disinfected tertiary-treated recycled water to customers for many years. Calistoga seeks to expand the use of recycled water to new customers, when it is economic and feasible to do so. In some cases, the use of recycled water is specified as a mandatory condition of approval for new development projects. For example, the large and prominent Solage resort, which opened in 2007, is a relatively new and significant recycled water user. In 2009, Calistogans used approximately 761 acre-feet of potable water, while using 320 acre-feet of recycled water. Calistoga expects the beneficial re-use of recycled water to continue and expand modestly into the foreseeable future.

Recommendation 10:

"The County, all municipalities, and NSD investigate the process and economics for the formation of a countywide utility district to benefit the County residents and holistically manage the availability, distribution, and economics of potable and recycled water."

Response:

Calistoga is open to discussing this recommendation, however the existing systems of partially interconnected utility systems, water supply agreements, and constructive cooperation among the County and the municipalities, is adequate to meet the needs of Calistoga. Calistoga has a well-developed, two-source potable water supply system, which is sized to meet the City's needs to grow in accordance with its General Plan. Calistoga's recycled water system provides a substantial amount of tertiary-treated recycled water to approximately two dozen customers, and Calistoga is implementing plans to expand the system when it is economic and feasible to do so. Given the geographic remoteness of Calistoga from the other (larger)

municipalities in the County, Calistoga believes its current utility systems are sufficient to meet community requirements.

Recommendation 14:

"That within six months American Canyon, Calistoga, St. Helena, and Yountville prepare capital cost proposals for fluoridation of their water supplies".

Response:

Calistoga has concerns with this finding. While fluoridation does have certain benefits, it is not required for a small system such as Calistoga's, and there is no community support for such an initiative. Calistoga is currently undertaking a comprehensive review of the City's water system, including the operation and funding of same, as part of a water rate-setting process. During the approximately 18 publicly-noticed, public meetings conducted by the Council-appointed advisory committee, there was extensive public commentary and participation, but no requests for fluoridation. In light of the substantial water rate increases now being contemplated, even without the provision of new fluoridation systems, the additional costs for fluoridation (estimated on an order-of-magnitude basis of $80,000 initially plus $6,000 per year) do not appear to be justified. Furthermore, City water customers can make choices on fluoride use through widely available, over-the-counter fluoride supplements and toothpaste

Thank you for your efforts in assuring that all branches of county and city government are being administered honestly, effectively, and in the best interest of Napa County Citizens. If you have any questions regarding these responses, please contact us at 707-942-2805. You may also contact Mr. Dan Takasugi, P.E., the City's Public Works Director and City Engineer, at 707-942-2828.

Sincerely,

Jack Gingles
Mayor

Bill Norton
Interim City Manager

Dan Takasugi, P.E.
Public Works Director / City Engineer