Local Agency Formation Commission of Napa County
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
(707) 259-8645 Telephone
http://napa.lafco.ca.gov.

Juliana Inman, Chair
Bill Dodd, Vice Chair
Lewis Chilton, Commissioner
Brian J. Kelly, Commissioner
Brad Wagenknecht, Commissioner
Joan Bennett, Alternate Commissioner
Mark Luce, Alternate Commissioner
Gregory Rodeno, Alternate Commissioner

REGULAR MEETING AGENDA

Monday, August 2, 2010
County of Napa Administration Building
1195 Third Street, Board Chambers
Napa, California 94559

1. CALL TO ORDER; ROLL CALL: 4:00 P.M.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES
June 7, 2010

4. PUBLIC COMMENTS
In this time period, anyone may comment to the Commission regarding any subject over which the agency has jurisdiction. No comments will be allowed involving any subject matter that is scheduled for hearing, action, or discussion as part of the current agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Commission as a result of any item presented at this time.

5. CONSENT ITEMS
All items calendared as consent are considered ministerial or non-substantive. With the concurrence of the Chair, a Commissioner or member of the public may request discussion of an item on the consent calendar.

a) Amendment to Support Services Agreement with County of Napa (Action)
The Commission will consider approving an amendment to its support services agreement with the County of Napa. The proposed amendment establishes the Commission's 2010-2011 annual charge for information technology services from the County in the amount of $14,945.

b) Fourth Quarter Budget Report for 2009-2010 (Action)
The Commission will receive a fourth quarter budget report for 2009-2010. The report compares adopted and actual expenses through the fourth and final quarter and confirms the Commission finished the fiscal year with $122,820 in unexpended budgeted funds. The report is being presented to the Commission to receive and file.

c) 2010-2011 Budget Amendments (Action)
The Commission will consider budget amendments for 2010-2011 to reflect revised agency contribution calculations that have been prepared in conjunction with the close of 2009-2010.

6. PUBLIC HEARING ITEMS
Any member of the public may address the Commission with respect to a scheduled public hearing item. Comments should be limited to no more than five minutes unless additional time is permitted by the Chair.

a) Sphere of Influence Update on American Canyon Fire Protection District
The Commission will receive a final report on its scheduled sphere of influence update on the American Canyon Fire Protection District. The final report recommends adding four distinct areas to the sphere of influence totaling 402 acres. The Commission will consider adopting a resolution updating the District's sphere of influence consistent with the recommendation of the final report.

7. ACTION ITEMS
Items calendared for action do not require a public hearing before consideration by the Commission. Applicants may address the Commission. Any other member of the public may receive permission to provide comments on any item at the discretion of the Chair.

ACTION ITEMS CONTINUED…

a) Devlin Road/South Kelly Road Annexation to the City of American Canyon
The Commission will consider a proposal from the City of American Canyon to annex approximately 293 acres of unincorporated territory located near Devlin Road and South Kelly Road. The affected territory includes one contiguous area comprising three distinct properties commonly referred to as Atkins, Headwaters, and Panattoni. Modifications are recommended to reorganize the proposal to include concurrent annexation for two of the properties to the American Canyon Fire Protection District and detachment for all three properties from County Service Area No. 4. The County of Napa Assessor's Office identifies the affected properties as 057-040-007, 057-090-069, 057-090-079, and 057-090-080.

b) California Association of Local Agency Formation Commissions: Annual Conference Items
The Commission will consider appointing a delegate and alternate delegate for the California Association of Local Agency Formation Commission's annual conference scheduled for October 6-8, 2010 in Palm Springs. The Commission will also consider submitting nominations for CALAFCO board vacancies and achievement awards.

c) Island Annexation Program
The Commission will receive a report summarizing staff's activities to date in developing an island annexation program aimed at eliminating unincorporated pockets within the City of Napa. The report is being presented to the Commission for discussion and possible action with respect to providing additional staff direction.

8. DISCUSSION ITEMS
Items calendared for discussion do not require a public hearing. A member of the public may receive permission to provide comments on any item at the discretion of the Chair.

a) Legislative Report
The Commission will receive a status report on the second year of the 2009-2010 session of the California Legislature as it relates to bills directly or indirectly effecting Local Agency Formation Commissions. The status report is being presented for discussion only.

9. EXECUTIVE OFFICER REPORT
The Commission will receive a verbal report from the Executive Officer regarding current staff activities, communications, studies, and special projects. This includes, but is not limited to, the following topics:

- Ad Hoc Committee on Policies and Procedures
- Agency Correspondence

10. INFORMATION ITEMS
Items calendared for information are presented to the Commission to receive and file.

a) California Association of Local Agency Formation Commissions
The Commission will receive a report on the results of the California Association of Local Agency Formation Commissions' proposal to amend its bylaws to establish regions for purposes of electing board of directors. The proposal was approved by a vote of 51 to 2.

b) Request to Defer Scheduled Sphere of Influence Review and Update for County Service Area No. 3
The Commission has received a written request from the County of Napa to defer the currently scheduled sphere of influence review and update on County Service Area No. 3 to January 2011.

c) Current and Future Proposals
The Commission will receive a report summarizing current and future proposals. No new proposals have been submitted since the June 7, 2010 meeting.

d) Report on Website Visits
The Commission will receive a report summarizing visitor traffic to the agency's new website since January 2010. The report is being presented for informational purposes only.

11. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

12. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING:
October 4, 2010

Materials relating to an item on this agenda that have been submitted to the Commission after distribution of the agenda packet are available for public inspection at the LAFCO office during normal business hours. Commissioners are disqualified from voting on any proposals involving entitlements of use if they have received campaign contributions from an interested party. The law prohibits a Commissioner from voting on any entitlement when he/she has received a campaign contribution(s) of more than $250 within 12 months of the decision, or during the proceedings for the decision, from any interested party involved in the entitlement. An interested party includes an applicant and any person with a financial interest actively supporting or opposing a proposal.

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August 2, 2010
Agenda Item No. 5a (Consent: Action)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **Amendment to Support Services Agreement with County of Napa**
The Commission will consider approving an amendment to its support services agreement with the County of Napa. The proposed amendment establishes the Commission's 2010-2011 annual charge for information technology services from the County in the amount of $14,945.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to plan and coordinate the orderly formation and development of local governmental agencies and services within their jurisdictions. State law states LAFCOs are individually responsible for making their own provisions for personnel and facilities. In making their own provisions, LAFCOs may choose to contract with a public or private entity.

A. Background

In July 2003, LAFCO of Napa County ("Commission") entered into a support services agreement (SSA) with the County of Napa. The SSA establishes terms and conditions for the County to provide personnel and related services necessary for the Commission to fulfill its responsibilities. The SSA was amended in September 2007 to incorporate a new billing calculation involving the provision of information technology services (ITS), which is applied to all County departments to proportionally recover operating costs. Key calculation factors include the number of personnel and network computers within each department or agency. The County and the Commission have used this calculation method in amending the SSA over the last several years. The last amendment in August 2009 raised the annual ITS charge to $18,705.

B. Discussion/Analysis

The County proposes a new amendment to the SSA based on ITS' budgeted operating costs in 2010-2011. The proposed rate would set the Commission's ITS charge in 2010-2011 to $14,945. This amount has been calculated based on the aforementioned billing method and represents an approximate 20% decrease in costs. The decrease is attributed to overall cost-reductions for ITS for the upcoming fiscal year.

Juliana Inman, Vice Chair
Councilmember, City of Napa

Bill Dodd, Commissioner
County of Napa Supervisor, 4th District

Brian J. Kelly, Chair
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

The Commission's annual fee for ITS covers all network administration and monitoring costs. This includes providing e-mail, technical support, database maintenance for accounting and payroll, and access to the County's geographic information system. The level and range of these services are exceptional. The Commission has allocated sufficient funds to cover the proposed rate in its final budget adopted in June 2010.

C. Alternatives for Commission Action

Staff has identified two alternative actions for Commission consideration with respect to the proposed fourth amendment to its SSA with the County. These alternatives are:

Option One: Authorize the Chair to sign the attached fourth amendment to the SSA.

Option Two: If more information is needed, continue consideration of the item to a future meeting and provide direction to staff as appropriate.

D. Recommendation

Staff recommends the Commission approve and direct the Chair to sign the proposed fourth amendment to the SSA as outlined in the preceding section as Option One.

Respectfully submitted,

_____
Keene Simonds
Executive Officer

Attachment:

1) Proposed Amendment No. 4 to LAFCO Agreement No. 03-02
2) LAFCO Agreement No. 03-02

AMENDMENT NO. 4 OF

NAPA COUNTY AGREEMENT NO. 4433
LOCAL AGENCY FORMATION COMMISSION OF
NAPA COUNTY AGREEMENT NO. 03-02

SUPPORT SERVICES BY THE COUNTY OF NAPA TO THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

THIS AMENDMENT NO. 3 OF NAPA COUNTY AGREEMENT NO. 4433 is made and entered into as of this 1st day of July, 2010 by and between the COUNTY OF NAPA, a political subdivision of the State of California, hereinafter referred to as "County", and the LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY (hereinafter "LAFCO"), a local public agency formed pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.);

RECITALS

WHEREAS, on or about July 1, 2003, County and LAFCO entered into Napa County Agreement No. 4433 (hereinafter referred to as "MA"), amended on or about September 1, 2007, June 17, 2008, and amended on July 1, 2009 for the provision by County of support services needed for LAFCO's performance of its functions and responsibilities, including information technology services; and

WHEREAS, the parties now desire to amend the MA to modify the annual rates of compensation to County for services provided by its Information Technology Services Department ("ITS") to reflect changes in the costs to County to provide such services;

TERMS

NOW, THEREFORE, County and LAFCO hereby amend the Agreement as follows:

1. The portion entitled "Services of Information Technology (annual rate)" of Attachment AA of the Agreement is hereby amended to read in full as follows:

1. **Services of Information Technology (annual rate):**

   a. Calculation of Annual Fee and Method of Payment. The parties acknowledge that reimbursement of County by LAFCO for the costs of providing the information technology services required of County under Section 4 of Attachment D of this Agreement are calculated utilizing the ITS Cost Allocation Method for County's own departments and agencies which was approved by the Napa County Board of Supervisors on June 19, 2001, a copy of which is attached to Amendment No. 1 of the Agreement as Attachment "BB". At the option of LAFCO, the Annual Fee shall be payable either in advance in a single payment due on or before July 1 of

the applicable fiscal year or in monthly payments in arrears, each payment due on or before the first of the month succeeding the month of service, with the payable monthly rate being 1/12 of the Annual Fee then in effect.

b. Amount of Annual Fee. The Annual Fee shall be as follows:

Fiscal Year	Annual Rate
2003-2004	$12,900.00
2004-2005	$12,999.96
2005-2006	$13,377.96
2006-2007	$17,799.00
2007-2008	$16,387.00
2008-2009	$17,768.00
2009-2010	$18,705.00
2010-2011*	$14,945.00

* *Future Modifications.* Notwithstanding the foregoing, it is anticipated that County and LAFCO may amend this Agreement, beginning with Fiscal Year 2010-2011, to conform subsequent fiscal year compensation amounts to the above-referenced Cost Allocation Method or such other Method as the parties may subsequently agree to by amendment, or may amend this Agreement within Fiscal Year 2009-2010 or any subsequent fiscal year during the term of this Agreement or extension thereof to reflect additional services requested by LAFCO.

2. This Amendment No. 4 of the MA shall be effective as of July 1, 2010.

3. Except as provided in (1) through (2), above, the terms and provisions of the MA shall remain in full force and effect as originally approved.

IN WITNESS WHEREOF, this Amendment No.4 of Napa County Agreement No.

/ / / / /

4433 as of the date first above written.

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

By_____
JULIANA INMAN, Chair of the Local Agency Formation Commission of Napa County

"LAFCO"

ATTEST: KEENE SIMONDS,
Executive Director/Clerk of LAFCO

By: Jackie Gong (E-Signature)
Date: 6/3/10

APPROVED AS TO FORM:
Commission Counsel
By:

Date:

COUNTY OF NAPA, a political subdivision of the State of California

By_____
DIANE DILLON, Chair
Napa County Board of Supervisors

"COUNTY"

ATTEST: GLADYS I. COIL
Clerk of the Board of Supervisors

By:_____

APPROVED AS TO FORM
Office of County Counsel

By:

Date:

APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS

Date: _____

Processed by:

_____
Deputy Clerk of the Board

ATTACHMENT TWO

NAPA COUNTY AGREEMENT NO. 4433

LAFCO OF NAPA COUNTY AGREEMENT NO. 03-02

AGREEMENT FOR THE PROVISION OF SUPPORT SERVICES BY THE COUNTY OF NAPA TO THE NAPA COUNTY LOCAL AGENCY FORMATION COMMISSION

THIS AGREEMENT is entered into as of this 1st day of July, 2003, by and between the COUNTY OF NAPA (hereinafter "County"), a political subdivision of the State of California, and the LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY (hereinafter " LAFCO"), a local public agency formed pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.);

RECITALS

WHEREAS, pursuant to Government Code Section 56380 of the Cortese-Knox-Hertzberg Local Government Reorganization Act (enacted effective January 1, 2001 and hereinafter referred to as "Act"), LAFCO is authorized to contract with any public agency for necessary personnel, facilities, and equipment to carry out and effect its functions and responsibilities; and

WHEREAS, pursuant to Government Code Section 56380, LAFCO must make its own provisions for independent staffing and operations; and

WHEREAS, LAFCO has need of specified personnel, accounting and legal services for its independent operations which County is willing and able to provide under the terms and conditions set forth herein below; and

WHEREAS, the County and LAFCO have entered into agreements for the provision of support services for fiscal years 2001-2002 and fiscal year 2002-2003;

TERMS

NOW THEREFORE, in consideration of the foregoing and the mutual promises hereinafter expressed, the parties mutually agree as follows:

1. **TERM.** The term of this Agreement shall become effective upon the date first written above and shall expire on June 30, 2004, unless terminated earlier in accordance with Paragraph 14 (Termination); except that the obligations of the parties under Paragraph 8 (Indemnification) and 10 (Confidentiality) shall continue in full force and effect after said expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the Agreement. The term of this Agreement shall be automatically renewed for an additional year at the end of each fiscal year, under the same terms and conditions, unless terminated pursuant to Paragraph 14. For purposes of this Agreement, "fiscal year" shall mean the period commencing on July 1 and ending on June 30.

2. **SERVICES TO BE PROVIDED BY COUNTY.** County shall provide the following services subject to LAFCO abiding by County policies and procedures governing such services, except that whenever such policies and procedures provide for the Board of Supervisors to approve the appropriation of funds, or to approve the acquisition of services, goods or assets, or to make any other legislative decisions to carry out such services, the LAFCO Commission shall act in lieu of the Board of Supervisors:

(a) **Executive Officer.** County shall designate its at-will employee Daniel Schwarz to serve as LAFCO Executive Officer (hereinafter "Executive Officer"). The Executive Officer shall perform the duties as specified in the Act and other applicable laws and such other duties as specified by LAFCO. County agrees that the LAFCO Commission, as the appointing authority of the LAFCO Executive Officer, shall have the responsibility for evaluating the performance and setting compensation for the Executive Officer, so long as these actions are implemented in a manner consistent with County personnel policies, rules and regulations. The duties to be provided by the Executive Officer shall include, but not be limited to:

- Preparing staff analyses, reports, proposed findings and other agenda materials for LAFCO relating to boundary proposals, contracts for provision of new and extended services outside city and district jurisdictional boundaries, sphere of influence amendments, periodic review of sphere of influence designations and any other matters that are within LAFCO's authority under the Act.

- Calling and noticing LAFCO meetings in accordance with the Act and LAFCO policies and procedures.

- Preparing, mailing, filing, publishing and keeping records of agendas, notices and other required official documents on behalf of LAFCO.

- Responding to inquiries and providing information and technical assistance to interested public agencies and individuals.

- Providing supporting fiscal services such as the development of the annual LAFCO budget, management of LAFCO financial accounts, including the processing of LAFCO fees and charges, the processing of payment of LAFCO charges and expenses, and the preparation of required fiscal reports.

- Informing LAFCO Commissioners of new legislation, correspondence to LAFCO, CALAFCO activities, current events and matters of interest relating to LAFCO.

(b) **Support Staff.** County shall provide part-time clerical staff (.5 F.T.E.) and one full-time analyst to assist the Executive Officer in carrying out the day-to-day operations of

LAFCO and such other staff as the LAFCO Commission deems necessary, appropriates funds for, and directs County to provide, as set forth in (c).

(c) **Additional Services.** County, through its departments and divisions, shall further provide LAFCO those services set forth in Attachments "A" through "G", attached hereto and incorporated by reference as if set forth herein. It is the intention of both parties that the level of service provided shall be at least equal to that provided in County fiscal year 2002-2003 unless otherwise specifically agreed to by LAFCO and County.

3. OFFICE SPACE. It is the understanding of the parties that LAFCO has made direct arrangements with third parties to secure and maintain office space and such services are therefore not included within this Agreement.

4. REIMBURSEMENT.

(a) **Rates.** In consideration of County's fulfillment of the promised services and personnel, LAFCO shall reimburse County for the actual costs (including the costs of labor, equipment, supplies, materials, and incidental travel/transportation) incurred by County and its departments and divisions in providing these services. The rates shall be determined and mutually agreed to by the parties as follows:

(1) FY 2003-2004. The rates for fiscal year 2003-2004 are set forth in Attachment "AA" and hereby attached and incorporated by reference.

(2) Procedure for Subsequent Annual Determination of Rates. During the fourth quarter of each fiscal year of this Agreement the County Executive Officer, or his designee, and the Executive Officer of LAFCO shall meet prior to adoption of the respective annual County and LAFCO budgets to determine and calculate the proposed rates for County staff and services to be furnished during the succeeding fiscal year which will be necessary to achieve the cost reimbursement provided for in (a), subject to the additional factors set forth in (b) through (f), below. The annual adjustment of these reimbursement rates so determined shall be approved in writing by the County Executive Officer and the Executive Officer of LAFCO and when so approved shall become effective for the subsequent fiscal year unless this Agreement is not renewed or otherwise terminated by the County and/or LAFCO.

(b) **LAFCO Staffing Reimbursement.** LAFCO shall reimburse County for the salary and benefits of County staff primarily assigned to serve LAFCO, including any increases in salary and benefits that County provides such staff during the term of this Agreement.

(c) **LAFCO-Requested Travel Expense Reimbursement.** LAFCO shall reimburse County for expenses incurred by County departments and divisions for travel by their assigned personnel when such travel has been requested by LAFCO in writing. Such reimbursement shall be in accordance with the travel expense policy approved by County's Board of Supervisors in effect on the date of the travel. Notwithstanding the foregoing, travel costs incurred through use of a County vehicle shall be reimbursed in accordance with the County Equipment Pool rates in effect at the time of the travel.

(d) **Bank Analysis Pass-through Charge**. LAFCO shall reimburse County on a pass-through basis for the costs incurred by County for bank charges relating to LAFCO activities.

(e) **General Liability Coverage/Workers' Compensation Coverage**: LAFCO shall reimburse County for general liability coverage and workers' compensation coverage at the rates established by County each fiscal year.

(f) **Adjustment for Additional LAFCO-Requested Services.** LAFCO shall reimburse County for the actual costs (including the costs of labor, equipment, supplies, materials, and incidental travel/transportation) incurred by County in providing any new or increased services requested by LAFCO. Such additions or increases in services shall be permitted only if approved in writing by the County Executive Officer and LAFCO Executive Officer, including approval of the applicable reimbursement rates.

5. METHOD OF REIMBURSEMENT. Reimbursement for the costs of services, related supplies, and authorized travel incurred by County under this Agreement shall be made only upon presentation by the performing County department or division to LAFCO of an itemized billing invoice in a form acceptable to the Executive Officer of LAFCO and to the Napa County Auditor which indicates, at a minimum, an itemization of the services provided, the costs of any LAFCO-requested travel, and any documentation relating to adjustments in maximum compensation authorized in the manner provided in Paragraph 4 above. If the Executive Officer of LAFCO requires further information regarding the invoice, County shall make a good faith effort to provide such information, including documentation that the Executive Officer requests to justify the invoice charges. County shall submit such invoices quarterly to the Executive Officer of LAFCO who shall review each invoice for compliance with the requirements of this Agreement and shall, within ten working days of receipt, either approve or disapprove the invoice in light of such requirements. If the invoice is approved, the Executive Officer of LAFCO shall direct reimbursement be made by journal entry from the LAFCO Operations Fund to the account designated by the submitting County department or division as of the first day of the County fiscal year quarter immediately succeeding the quarter in which the services were rendered. Notwithstanding the foregoing, the final quarterly invoices for the fourth quarter reimbursement shall be submitted no later than the first working day following the close of the County fiscal year (June 30) and, if approved, shall be paid on or before July 15 of the next County fiscal year.

6. ADMINISTRATION OF SERVICES. The provision of services under this Agreement shall be under the administrative supervision and direction of the Executive Officer of LAFCO on behalf of LAFCO, and the County Executive Officer on behalf of County.

7. APPROPRIATIONS. LAFCO shall be responsible for operating within the appropriations budgeted for the current fiscal year. The process for reimbursement of expenses that exceed the given appropriation shall involve review and approval by LAFCO prior to County approval by the Board of Supervisors of a contingency transfer. Any County appropriations in

excess of LAFCO's budget for the current fiscal year shall be charged as an expense in LAFCO's current fiscal budget and shall be reimbursed to County in the following fiscal year.

8. TAXES. As between LAFCO and County, County agrees to be solely liable and responsible for all required tax withholdings and other obligations including, without limitation, those for state and federal income and FICA taxes relating to employees or subcontractors retained by County to provide the services provided to LAFCO under this Agreement. County agrees to indemnify and hold LAFCO harmless from any liability either may incur to the United States or the State of California as a consequence of County's failure to withhold or pay such amounts when due. In the event that LAFCO is audited for compliance regarding any such withholding or payment of taxes, County agrees to furnish LAFCO with proof of the withholding or payment action by County.

9. ACCESS TO RECORDS/RETENTION. LAFCO shall have access to any books, documents, papers and records of County which are directly pertinent to the subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, County shall maintain all required records for seven (7) years after LAFCO makes final reimbursement for any of the services provided hereunder and all pending matters are closed, whichever is later. County shall cooperate with LAFCO in providing all necessary data in a timely and responsive manner to comply with all LAFCO reporting requirements.

10. CONFLICT OF INTEREST. The parties to the Agreement acknowledge that they are aware of the provisions of the Government Code Section 1090 et seq., and Section 87100 et seq., relating to conflict of interest of public officers and employees. During the term of this Agreement, the Executive Officer of LAFCO and all other LAFCO staff shall not perform any work under this Agreement that might reasonably be considered detrimental to LAFCO's interests. LAFCO staff shall take such measures as are deemed necessary in the performance of this Agreement to prevent actual conflicts of interest. County hereby covenants that it presently has no interest not disclosed to LAFCO and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services or confidentiality obligation hereunder, except such as LAFCO may consent to in writing.

11. COMPLIANCE WITH LAWS. In providing the services required by this Agreement, County shall observe and comply with all applicable federal, state and local laws, ordinances, codes, and regulations. Such laws shall include, but not be limited to, the following, except where prohibited by law:

(a) **Non-Discrimination.** During the performance of this Agreement, County and its subcontractors shall not deny the benefits thereof to any person on the basis of sex, race, color, ancestry, religion or religious creed, national origin or ethnic group identification, sexual orientation, marital status, age (over 40), mental disability, physical disability or medical condition (including cancer, HIV and AIDS), nor shall they discriminate unlawfully against any employee or applicant for employment because of sex, race, color, ancestry, religion or religious creed, national origin or ethnic group identification, sexual orientation, marital status, age (over

40), mental disability, physical disability or medical condition (including cancer, HIV and AIDS), or use of family care leave. County shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination or harassment. In addition to the foregoing general obligations, County shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), the regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0, et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (sections 11135-11139.5) and any state or local regulations adopted to implement any of the foregoing, as such statutes and regulations may be amended from time to time. To the extent this Agreement subcontracts to County services or works required of LAFCO by the State of California pursuant to agreement, state or federal regulations or statutes, the applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a) through (f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of regulations are expressly incorporated into this Agreement by reference and made a part hereof as if set forth in full, and County and any of its subcontractors providing services under this Agreement shall give written notice of their obligations thereunder to labor organizations with which they have collective bargaining or other MOUs.

(b) **Documentation of Right to Work.** County agrees to abide by the requirements of the Immigration and Control Reform Act pertaining to assuring that all newly-hired employees of County performing any services under this Agreement have a legal right to work in the United States of America, that all required documentation of such right to work is inspected, and that INS Form 1-9 (as it may be amended from time to time) is completed and on file for each employee. County shall make the required documentation available upon request to LAFCO for inspection.

(c) **Inclusion in Subcontracts.** To the extent any of the services required of County under this Agreement are subcontracted to a third party, County shall include the provisions of (a) and (b), above, in all such subcontracts as obligations of the subcontractor.

12. INDEPENDENT CONTRACTOR. County shall perform this Agreement as an independent contractor. While the County employee assigned to serve as the Executive Officer of LAFCO shall operate as an officer of LAFCO, County and its officers, agents and employees are not, and shall not be deemed, LAFCO employees for any purpose, including workers' compensation and employee benefits. County shall determine, at its own risk and expense, the method and manner by which duties imposed on County in general and its officers, agents and employees in particular by this Agreement shall be performed, provided, however, that LAFCO may monitor the work performed, and LAFCO rather than County shall be responsible for directing the actions of the Executive Officer of LAFCO when such person is acting on behalf of LAFCO. LAFCO shall not deduct or withhold any amounts whatsoever from the reimbursement paid to County, including, but not limited to amounts required to be withheld for state and federal taxes or employee benefits. County alone shall be responsible for all such payments.

13. INDEMNIFICATION. County and LAFCO shall each defend, indemnify and hold harmless each other as well as those of their respective officers, agents and employees who

perform any services or duties under this Agreement from any claims, loss or liability, including without limitation, those for personal injury (including death) or damage to property, arising out of or connected with any aspect of the performance by that party or its officers, agents, or employees, of the services or obligations required of that party under this Agreement. Notwithstanding the foregoing, LAFCO shall defend, indemnify and hold harmless County from any claims, loss or liability, including those for personal injury (including death) or damage to property, arising out of or connected with any act or omission of the Executive Officer of LAFCO when such act or omission is the pursuant to specific direction by LAFCO.

14. **TERMINATION.** This Agreement may be terminated prior to the expiration date only with the mutual written consent of both County and LAFCO. The sole remedy for default by County relating to provision of the services required under this Agreement shall be through the equitable remedy of specific performance and the sole remedy for default by LAFCO relating to reimbursement for the cost of the services provided shall be through legal action for damages.

15. **WAIVER.** Waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

16. **NOTICES.** All notices required or authorized by this Agreement shall be in writing and shall be delivered in person; or by deposit in the United States mail, first class postage, prepaid; or by deposit in a sealed envelope in County's internal mail system, when available; or by fax transmission; or by electronic mail. Such notices shall be addressed as noted below, in accordance with the mode of communication selected or, where desired to be sent to a specific County department or division, at the address noted in the applicable Attachment. Either party may change its addresses by notifying the other party of the change. Any notice delivered in person shall be effective as of the date of delivery. Any notice sent by fax transmission or electronic mail shall be deemed received as of the recipient's next working day. Any notice sent by U.S. mail or County internal mail shall be deemed to have been received as of the date of actual receipt or five days following the date of deposit, which ever is earlier.

LAFCO	**County**
Mail: LAFCO Executive Officer 1804 Soscol Ave., Suite 205A Napa CA. 94559-1346	Napa County Executive Officer 1195 Third Street, Suite 310 Napa CA. 94559
Fax: (707) 251-1053	(707) 253-4176
E-Mail: dschwarz@napa.lafco.ca.gov	bchiat@co.napa.ca.us

17. **CONFIDENTIALITY.** Confidential information is defined as all information disclosed to either party by the other in the course of County's performance of services under this Agreement, where such information relates to that party's past, present, and future activities, as well as activities under this Agreement. Each party and its officers, agents and employees

providing services or performing activities under this Agreement shall use their best efforts to hold all such information as they may receive, if any, in trust and confidence, except with the prior written approval of each party's Executive Officer. Notwithstanding the foregoing, nothing in this Paragraph or Agreement shall be construed to abrogate the independent authority and responsibilities of the County, any of its elected or appointed officers and the members of their respective County departments or divisions.

18. ASSIGNMENTS AND DELEGATION. Neither party may delegate its obligations hereunder, either in whole or in part, without the prior written consent of the other party; provided, however, that obligations undertaken by County pursuant to this Agreement may be carried out by means of subcontract, provided such subcontracts are approved in writing by LAFCO, meet the requirements of this Agreement as they relate to the service or activity under subcontract, and include any other provision that LAFCO may require. No subcontract shall terminate or alter the responsibilities of either party pursuant to this Agreement. LAFCO may not assign its rights hereunder, either in whole or in part, without prior written consent of the County.

19. AUTHORITY TO CONTRACT. LAFCO and County each warrant hereby that they are respectively legally permitted and otherwise have the authority to enter into and perform this Agreement.

20. THIRD PARTY BENEFICIARIES. Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

21. ATTORNEY'S FEES. In the event that either party commences legal action of any kind or character to either enforce the provisions of this Agreement or to obtain damages for breach thereof, the prevailing party in such litigation shall be entitled to all costs and reasonable attorney's fees incurred in connection with such action.

22. AMENDMENT/MODIFICATION. Except as otherwise provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties. Except where otherwise provided in this Agreement only LAFCO, through its Chair or, where permitted by law and LAFCO policy, through its Executive Officer, in the form of an amendment of this Agreement, may authorize extra or changed work if beyond the scope of services prescribed by this Agreement. Failure of County to secure such authorization in writing in advance of performing any such extra or changed work shall constitute a waiver of any and all rights to a corresponding adjustment in the reimbursement maximum or rates and no reimbursement shall be due and payable for such extra work.

23. INTERPRETATION. The headings used herein are for reference. The terms of the Agreement are set out in the text under the headings. This Agreement shall be governed by the laws of the State of California. The venue for any legal action filed by either party in state Court to enforce any provision of this Agreement shall be Napa County, California. The venue for any legal action filed by either side in federal court to enforce any provision of this Agreement lying within the jurisdiction of the federal courts shall be the Northern District of California. The

appropriate venue for arbitration, mediation or similar legal proceedings under this Agreement shall be Napa County, California; however, nothing in this sentence shall obligate either party to submit to mediation or arbitration any dispute arising under this Agreement.

24. **SEVERABILITY.** If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

25. **DUAL REPRESENTATION.** LAFCO consents to the Napa County Counsel's dual representation of both the County and LAFCO with regards to the preparation of this Agreement.

26. **ENTIRE AGREEMENT.** This Agreement contains the entire and complete understanding of the parties and supersedes any and all other agreements, oral or written, with respect to the provision of administrative services under this Agreement.

IN WITNESS WHEREOF, this Agreement was executed by the parties hereto as of the date first above written.

"LAFCO":

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

By_____

HARRY MARTIN, Chairman of the Local Agency Formation Commission

ATTEST: DANIEL SCHWARZ,
Executive Officer of LAFCO

By_____

APPROVED AS TO FORM:
LAFCO Legal Counsel

By_____

"County":

COUNTY OF NAPA, a political subdivision of the State of California

By _____
Mark Luce, Chair of the Board of Supervisors

ATTEST: PAMELA A. MILLER,
Clerk of the Board of Supervisors

By _____

APPROVED AS TO FORM: ROBERT WESTMEYER, Napa County Counsel
By _____

APPROVED BY THE BOARD OF SUPERVISORS:

Date 1-27-04

Processed by:
_____
Deputy Clerk of the Board

ATTACHMENT A

PROVISION OF STAFFING, INSURANCE, PURCHASING, ADMINISTRATION, SUPERVISION, COORDINATION AND MANAGEMENT ASSISTANCE SERVICES TO LAFCO BY THE NAPA COUNTY EXECUTIVE OFFICER

1. SCOPE OF SERVICES

The Napa County Executive Officer (NCEO) shall provide, at a minimum, the following services to LAFCO under this Attachment:

(a) **Administration and Supervision:** NCEO shall administer and supervise all County departments or divisions providing services to LAFCO.

(b) **Purchasing:** Upon request by the LAFCO Executive Officer or his duly-authorized representatives, NCEO shall provide purchasing services for LAFCO, including solicitation and evaluation of proposals for goods and services, issuance of purchase orders and/or development of purchase agreements, and processing of payment upon receipt of the purchased good/services. LAFCO will abide by County purchasing policies and procedures when using such services, except that LAFCO, in lieu of the County Board of Supervisors, shall appropriate funds for and approve the acquisition of goods and services, including fixed assets. County shall purchase and provide LAFCO at cost with copier paper in the same manner as such material is purchased and supplied to County departments and divisions. Nothing in this section shall preclude LAFCO from purchasing goods or services without utilizing the services of NCEO or County.

(c) **Insurance:** NCEO shall obtain for LAFCO, its Commissioners, staff and operations the same type and level of insurance coverage provided by County for its own boards, commissions, staff and operations, and shall provide claims/litigation administration. General liability coverage shall be provided for LAFCO and its employees under County's currently existing self insurance and liability insurance program with LAFCO allocated and obligated to reimburse County for the portion of the total net premium as determined by County for the then current Fiscal Year . Workers' compensation coverage shall be obtained through County's carrier and program, with the cost thereof payable each pay period at the rate/$100 of covered payroll for LAFCO Budget Unit employees as established by County's Board of Supervisors for the County workers' compensation program generally, including the costs of self-insurance, excess insurance coverage premiums, and claims management.

2. STAFFING

In providing the above services, County shall provide LAFCO with the services of the following specific County staff or positions:

- **Administration and Supervision:** County Executive Officer and Assistant County Executive Officer

- **Coordination/Management:** Principal Management Analyst
- **Purchasing:** Purchasing Agent and/or Assistant Purchasing Agent.

3. NCEO CONTACT:

Mail: Napa County Executive Office
Suite 310, Co. Admin. Bldg.
1195 Third Street
Napa, California 94559

Fax: (707) 253-4176

Email: mstoltz@co.napa.ca.us

ATTACHMENT B

PROVISION OF SERVICES TO LAFCO BY THE NAPA COUNTY AUDITOR-CONTROLLER

1. SCOPE OF SERVICE

Under the financial and policy direction of LAFCO, County (through the Napa County Auditor-Controller, hereinafter referred to as "Auditor") shall provide LAFCO with the following services relating to LAFCO financial operations:

- Accounts payable, purchasing and contract payment processing services
- Accounts receivable (deposit) services
- Services relating to preparation, adoption and administration of LAFCO's budget
- Accounting services
- Payroll services
- Audit services upon request by LAFCO
- Assistance in determining the apportionment of costs and collection of payments in support of LAFCO pursuant to Government Code Section 56831.
- Audit services requested by LAFCO

2. LEVEL AND MANNER OF SERVICE

The foregoing services shall be provided in accordance with the following provisions:

(a) The LAFCO Operations Fund shall be administered in accordance with all applicable provisions of the Government Code.

(b) All expenditures made from this Fund shall be made only at the direction of LAFCO's Executive Officer or designee with no requirement for approval by County's Board of Supervisors.

(c) At LAFCO's request, Auditor shall make diligent efforts to assist in the development of accounting policies and procedures that increase the efficiency and effectiveness of the administration of LAFCO, including policies and procedures including the electronic interchange of data and efforts to minimize reliance on County services.

(d) Auditor shall provide LAFCO with all requested revenue and expenditure information necessary to effectively manage LAFCO's fiscal affairs and perform all financial reporting to LAFCO and other applicable agencies. Such information shall be provided in a responsive and timely manner and include clear and concise cash flow reporting.

(e) All needed corrections to financial reports shall be completed within two working days of notification of Auditor. Auditor shall correct all payroll errors within one working day. For purposes of this Attachment B, "working days" shall mean Monday through Friday, 8:00 a.m. to 5:00 p.m., County holidays excluded.

(f) Auditor shall provide all necessary equipment and electronic interface to fully utilize Auditor's financial systems, including electronic access to view and print all requested financial reports.

3. AUDITOR CONTACT:

Mail: Pamela Kindig
Napa County Auditor-Controller
1195 Third Street, Suite B-10
Napa, California 94559

Fax: (707) 226-9065

E-mail: pkindig@co.napa.ca.us

ATTACHMENT C

PROVISION OF LEGAL SERVICES TO LAFCO BY THE NAPA COUNTY COUNSEL

1. SERVICES TO BE PROVIDED BY COUNTY COUNSEL

County, through the Napa County Counsel ("County Counsel"), shall provide legal services to LAFCO including, but not necessarily limited to, legal advice, document drafting, and representation of LAFCO in its operations pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.). County Counsel hereby designates Jacqueline M. Gong to serve as LAFCO Counsel for fiscal year 2003-2004. Upon written notification to and assent by the governing board of LAFCO, County Counsel may designate other attorney members of his office to serve as LAFCO Counsel.

2. LEGAL SERVICES COUNTY COUNSEL SHALL NOT PROVIDE

County Counsel shall not provide legal services to LAFCO in the following situations, County and LAFCO understanding that in such situations LAFCO will obtain the necessary legal assistance at LAFCO's own expense from other legal counsel retained directly by LAFCO:

- Legal services to LAFCO regarding contracts to which LAFCO and County are both parties unless LAFCO's Executive Officer and Chair have given express written consent to dual representation of County and LAFCO by County Counsel.
- Legal services determined by LAFCO to present a conflict of interest for its LAFCO Counsel (in accordance with LAFCO Policy for the Appointment of Counsel).

3. COUNTY COUNSEL CONTACT:

Mail: Napa County Counsel
Suite 301, Co. Admin. Bldg.
1195 Third Street
Napa, California 94559

Fax: (707) 259-8245

Email: rwestmey@co.napa.ca.us

ATTACHMENT D

PROVISION OF TELECOMMUNICATIONS, MAIL, INFORMATION TECHNOLOGY SERVICES AND RECORD MANAGEMENT SERVICES TO LAFCO BY THE NAPA COUNTY EXECUTIVE OFFICER

1. TELECOMMUNICATION SERVICES

The Napa County Executive Officer, through the Communications Division shall provide LAFCO with installation, maintenance and repair of, and maintenance of service records and inventory for, all telecommunications equipment involved in any of the following systems used by LAFCO:

- telephone systems, including voice mail
- data cabling and terminations
- CCTV monitors and cameras
- intercom and PA systems
- all wireless communications, i.e. pagers, cellular phones, two way radios, security alarm systems

2. MAIL SERVICES

The Napa County Executive Officer shall provide the following mail services to LAFCO:

- Pickup, delivery of all interdepartmental (LAFCO) and County/LAFCO internal mail
- Pickup, metering and delivery to the Post Office of all LAFCO outgoing USPS mail

3. RECORDS MANAGEMENT SERVICES FOR LAFCO RECORDS

The Napa County Executive Officer, through the records management division, shall provide LAFCO with records management services for LAFCO records, including storage, retrieval and interfiling of LAFCO records at the Napa County Records Center; destruction of LAFCO records stored at the Napa County Records Center when such destruction is authorized by LAFCO; and shall assist LAFCO in developing policies and procedures that increase the efficiency and effectiveness by which LAFCO records are archived, retrieved and disposed.

4. INFORMATION TECHNOLOGY SERVICES

The Napa County Executive Officer, through the Information Technology Services (ITS) division, shall provide LAFCO with information technology services at a level at least equivalent to that by provided by County on February 15, 2001. The services shall include installation, maintenance, upgrades and repair of hardware and software provided by County to LAFCO, including, but not limited to: Geographic Information Systems, Financial Information Systems, Personnel Systems and the electronic mail service, calendaring, and task manager systems

maintained by the County. LAFCO shall have access to County's Helpdesk for information technology assistance and to computer training offered by County. Special projects outside the scope of routine information technology services shall be provided only upon request by LAFCO and prior approval by the Director of the Information Technology Services Division. Use of the systems, hardware, and software provided by County to LAFCO under this Attachment shall be subject to compliance by LAFCO and its officers, agents, employees and consultants with the Napa County Information Technology Use and Security Policy in effect at the time of the use.

5. SUPPLIES AND EQUIPMENT TO BE DIRECTLY PURCHASED

There shall be no separate reimbursement for supplies and equipment provided under this Attachment because LAFCO shall be responsible for directly purchasing any systems and equipment to be installed by the foregoing departments and divisions (other than fixtures which shall remain owned by County).

6. NCEO/DIVISION CONTACT:

Mail: Napa County Executive Officer
Suite 310, Co. Admin. Bldg.
1195 Third Street
Napa, California 94559

Fax: (707) 253-4176

Email: mstoltz@co.napa.ca.us

ATTACHMENT E

PROVISION OF PERSONNEL SERVICES TO LAFCO BY THE HUMAN RESOURCES DIVISION OF THE NAPA COUNTY EXECUTIVE OFFICE

1. SCOPE OF SERVICES

The Human Resources division ("HR") of the Napa County Executive Office shall provide the following services to LAFCO within the financial, personnel and policy guidelines established by the LAFCO Commission, so long as such guidelines are not in conflict with County personnel policies, rules and regulations. The HR Director shall act to oversee and carry out the following services upon direction by the LAFCO Commission:

- ***Recruitment and selection***: shall include consultation regarding hiring procedures, advertising (costs of certain advertisements will be the responsibility of LAFCO), screening of applications, and development of a hiring list.

- ***Personnel transactions***: shall include implementation of PARs (hires, releases, promotions, salary increases, etc.), benefit sign-ups and coordination (health, wellness program, dental, etc.); as authorized and directed by the LAFCO Commission, HR shall implement salary surveys and adjustments, job allocations, reclassifications, performance review processes, and changes (including increases) in personnel staffing appointed to serve LAFCO, so long as such implementation is consistent with and not in conflict with County policies and regulations. County agrees that the LAFCO Commission, as the appointing authority of the LAFCO Executive Officer, shall have the responsibility for evaluating the performance and setting compensation for the LAFCO Executive Officer.

- ***Labor Relations***: shall include implementing salaries and other terms and conditions of compensation and performance established for LAFCO staff by the LAFCO Commission, so long as such implementation is consistent with and not in conflict with County policies and regulations; negotiations with employee union representatives regarding wages, hours, terms and conditions of employment; consultation and assistance with disciplinary and grievance issues; administration and coordination of worker's compensation cases.

- ***Training***: shall include County workshops for employees and supervisors when attended at LAFCO direction by LAFCO employees or by County employees whose primary responsibilities involve providing services to LAFCO.

- ***Staffing***: HR shall provide staffing as requested by LAFCO and agreed to by County, including staff as described in Paragraph 2 of the Agreement.

2. HR CONTACT:

Mail: Human Resources Director
Suite 110, Co. Admin.Bldg.
1195 Third Street
Napa, California 94559

Fax: (707) 259-8189

Email: dmorris@co.napa.ca.us

ATTACHMENT F

PROVISION OF CLERKING SERVICES TO LAFCO BY THE CLERK OF THE NAPA COUNTY BOARD OF SUPERVISORS

1. SCOPE OF SERVICES

As requested by the LAFCO Executive Officer, the Clerk of the Napa County Board of Supervisors ("COTB"), or her designee, shall serve as Clerk to the LAFCO Commission. Services shall include, but not be limited to, maintaining records of all LAFCO meetings, hearings and other proceedings and minutes for such proceedings as directed by LAFCO.

2. COTB CONTACT:

Mail: Pamela Miller
Napa County Clerk of the Board of Supervisors/
Rm. 310, Co. Admin. Bldg.
1195 Third Street
Napa, California 94559

Fax: (707) 253-4176

Email: pmiller @co.napa.ca.us

ATTACHMENT G

PROVISION OF SERVICES TO LAFCO BY THE NAPA COUNTY TREASURER-TAX COLLECTOR

1. SERVICES TO BE PROVIDED

(a) The Napa County Treasurer-Tax Collector ("Treasurer") shall provide LAFCO with banking and investment services at a level of service at least equivalent to that provided to LAFCO during County fiscal year 2001-2002, except that bank processing services shall be provided by County's banking provider on a cost pass-through basis. The scope of services shall include:

- Banking services for LAFCO funds, including warrant processing and bank reconciliation.
- Portfolio Management for all LAFCO accounts, including receipt, safeguarding, investment and disbursement.

(b) The services shall be provided in accordance with the following provisions:

(1) Treasurer shall notify LAFCO within three (3) working days of receipt of all funds received and deposited into the LAFCO Operations Fund. For purposes of this Attachment, "working days" shall mean Monday through Friday, 8 a.m. to 5 p.m., County holidays excluded.

(2) LAFCO shall be permitted electronic access through County's PeopleSoft computerized systems to all reports detailing deposits received and interest earned. These reports shall specify amount and source of revenue, as well as the date of deposit.

2. STAFFING TO BE PROVIDED

Treasurer the staffing in order to provide the foregoing services:

Service	Position
Banking Services	Account Clerk I-II
Portfolio Mgmt	Treas/Tax Collector Treasury Supervisor Senior Account Clerk Account Clerk II

3. TREASURER CONTACT:

Mail: Marcia Humphrey Hull
Napa County Treasurer-Tax Collector
1195 Third Street, Room 108
Napa, California 94559

Fax: (707) 253-4337

Email: mhumphre@co.napa.ca.us

ATTACHMENT AA

SERVICES REIMBURSEMENT RATES FOR FISCAL YEAR 2003-2004

Services of the Napa County Executive Office:

- Executive Officer's hourly rate: $159.50
- Assistant Executive Officer's hourly rate: $126.10
- Principal Management Analyst's hourly rate: $ 81.12
- Assistant Purchasing Agent's hourly rate: $ 55.70
- Telecommunications staff:
  - Hourly rate: $ 58.73
  - Plus actual cost of materials
- Mail Service staff:
  - Hourly rate: $ 49.39
  - Postage shall be recovered at cost.
- Records Management staff:
  - Hourly rate: $ 49.39
  - Document Shredding is $1.75 per box (1 cubic foot) plus $0.10 per pound.
- Personnel (Human Resources) staff:
  - Human Resource Director: $ 97.37
  - Human Resource Principal Analyst: $ 75.81
  - Benefits Administrator: $ 62.30
  - Other Human Resource Services;
    - Recruitment Advertisement shall be recovered at cost
    - Training services shall be prorated by the ratio of the attendees who are LAFCO employees or County employees primarily providing LAFCO services to the total number of attendees during each training hour for which reimbursement is sought.]
- Deputy Clerk of the Board's hourly rate: $ 64.42

Services of the County Auditor-Controller:

1. Hourly labor rates, by position:
   - Auditor-Controller: $ 96.00
   - Assistant Auditor-Controller (Step 5) $ 91.00
   - Assistant Auditor-Controller (Step 1) $ 74.00
   - Supervising Accountant-Auditor (Step 5 – CPA)Audits $ 65.00
   - Supervising Accountant-Auditor (Step 5)Acctg. $ 62.00
   - Accountant-Auditor III (Step 5) Acctg. $ 56.00
   - Accountant-Auditor III (Step 4) Acctg. $ 54.00
   - Accountant-Auditor II (Step 5) Acctg. $ 54.00
   - Accountant-Auditor II (Step 3) Audits $ 48.00
   - Accountant-Auditor I (Step 2) Acctg $ 40.00

- Accounting Technician (Step 5) Acctg. $ 46.00
- Administrative Secretary I (Step 4) Adm. $ 35.00

2. Weighted hourly labor rates by service:
   - Administration $74.00
   - Audits $53.00
   - Accounting $52.00

3. Unit Rates:
   - Per Voucher $0.83
   - Per Payroll Warrant $5.15

Services of the County Counsel:

- Deputy County Counsel – Jacqueline Gong's hourly rate: $107.15

Services of the Treasurer-Tax Collector:

- Account Clerk II's hourly rate: $ 37.55
- Treasurer/Tax Collector's hourly rate: $114.87
- Treasury Manager's hourly rate: $ 68.59
- Senior Account Clerk's hourly rate: $ 40.91

Services of Information Technology (annual rate): $12,900.00

Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
http://napa.lafco.ca.gov

August 2, 2010
Agenda Item No. 5b (Consent: Action)

July 27, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **Fourth Quarter Budget Report for 2009-2010**
The Commission will receive a fourth quarter budget report for the 2009-2010 fiscal year. The report compares adopted and actual expenses through the fourth and final quarter and confirms the Commission finished the fiscal year with $122,820 in unexpended budgeted funds. The report is being presented to the Commission to receive and file.

The Local Agency Formation Commission of Napa County's ("Commission") annual budget is funded by the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and Yountville. State law dictates the County is responsible for one-half of the Commission's annual budget with the remaining amount proportionally shared by the five cities based on a weighted calculation of population and general revenues. It is the Commission's practice to only budget expenses given its prescribed funding sources.

The Commission divides its annual budget into three units: (a) salaries/benefits; (b) services/supplies; and (c) contingencies/reserves. The Commission practices bottom-line accounting, which allows for shortfalls within individual accounts in the salaries/benefits and services/supplies units as long as the overall balance remains positive. Funds may not be drawn from the contingencies/reserves unit without Commission approval.

A. Discussion

On June 1, 2009, the Commission adopted a final budget for 2009-2010 totaling $496,961. The Commission's actual expenses in the fiscal year, including encumbrances, totals $374,141. This amount represents close to 75% of the adopted budget.

Adopted Expenses	Actual Expenses	Balance	% Remaining
$496,961	$374,141	$122,820	24.7

An expanded discussion of adopted and actual expenses through the fourth quarter within the Commission's three budget units follows.

Juliana Inman, Chair
Councilmember, City of Napa

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

Brian J. Kelly, Commissioner
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

Salaries/Benefits

The Commission budgeted $288,265 in salaries and benefits in 2009-2010. Actual expenses within the eight affected accounts totaled $272,757 and represent 95% of the budgeted amount. None of the affected accounts finished with a negative balance.

Services/Supplies

The Commission budgeted $118,063 in services and supplies in 2009-2010. Actual expenses within the 15 affected accounts totaled $101,384 and represent 86% of the budgeted amount. Four accounts – special departmental expense, transportation and travel, meals reimbursement, and training – finished with negative balances. A summary of expenses in these four accounts follows.

Special Departmental Expense

This account covers one-time office expenditures. The Commission budgeted $1,000 in this account in 2009-2010 and expended $1,095. The $95 shortfall is attributed to purchasing several custom picture frames for wall decorations. Savings in other services/supplies accounts were used to cover the shortfall.

Transportation and Travel

This account covers annual travel costs for Commissioners and staff, such as attending out-of-area trainings or business meetings. The Commission budgeted $4,000 in this account in 2009-2010 before transferring out $500 to fund a new account to cover meal reimbursements. The transfer resulted in an adjusted budgeted amount of $3,500. Actual expenses in the account totaled $4,511 leaving a shortfall of ($1,011). Nearly all of the expenses are tied to Commissioners and staff attending CALAFCO's Annual Conference in Yosemite. Savings in other services/supplies accounts were used to cover the shortfall.

Meals Reimbursement

As discussed in the preceding paragraph, this account was established after the adoption of the final budget in June at the request of the County Auditor's Office to comply with new changes involving the taxability of meal reimbursements.[1] The account was budgeted at $500. Actual expenses totaled $589 leaving a shortfall of ($89). Savings in other services/supplies accounts were used to cover the shortfall.

[1] This change involves the taxability of meals incurred during the same day of business travel. In short, if a meal occurs during the same day as business travel, then the reimbursement for the meal is generally taxable to the employee. This change does not affect the reimbursement of meals that occur during business travel involving an overnight stay, which will continue to be non-taxable.

Training

This account is used for a variety of instructional activities for Commissioners and staff. The Commission budgeted $4,000 for training expenses in 2009-2010. Actual expenses totaled $5,624 leaving a shortfall of ($1,624). The shortfall is primarily attributed to registration costs involving CALAFCO's Annual Conference (Yosemite) and Staff Workshop (Santa Rosa). Savings in other services/supplies accounts were used to cover the shortfall.

Contingencies/Reserves

The Commission budgeted $90,633 in contingences and reserves in 2009-2010. No funds were drawn from either of the two accounts.

B. Analysis

The Commission's actual expenses in 2009-2010 generally matched prior year costs. The remaining end-of-year balance, however, has decreased in terms of percentage and is at its lowest point over the last five fiscal years. This percentage decrease is attributed to the Commission filling all budgeted positions for the entire fiscal year, which has not occurred since 2004-2005.

Fiscal Year	Budgeted Costs	Actual Costs	Remaining Balance	Remaining Balance %
2005-2006	$436,914	$302,260	$134,654	30.8
2006-2007	$456,758	$292,637	$164,121	35.9
2007-2008	$466,672	$284,576	$182,096	39.0
2008-2009	$552,110	$389,812	$162,296	29.3
2009-2010	$496,961	$374,141	$122,820	24.7

The remaining budgeted balance of $122,820 will be incorporated into credits returned to the funding agencies along with other collected revenues. The credits will offset agency contributions for 2010-2011 and are discussed as part of Agenda Item No. 5c.

C. Alternatives for Commission Action

Staff has identified two alternative actions for Commission consideration with respect to this budget report. These alternatives are:

Option One: Receive and file the budget report.

Option Two: If more information is needed, continue consideration of the budget report to a future meeting and provide direction to staff as appropriate.

D. Recommendation

Staff recommends the Commission receive and file the budget report as outlined in the preceding section as Option One.

Respectfully submitted,

_____

Keene Simonds
Executive Officer

Attachment:
1) General Ledger, 2009-2010

ATTACHMENT ONE

Report ID: GLC8020w
Fund: 2910 NAPA CO LOCAL AGENCY FORMATION
Dept: 02910 NAPA LAFCO

County of Napa
General Ledger Organization Budget Status
For Periods: 1 To: 12 FY: 2010

7/27/2010

Account	Account Description	Final Budget	Adjustments	Encumbrances	Expenditures	Remaining Balance	Percent Available
51100000	S/W:REGULAR SALARIES	195,580	0.00	0.00	193,055.65	2,524.35	1.29
51200500	S/W:PER DIEM	9,600	0.00	0.00	5,100.00	4,500.00	46.88
51300100	E/B:RETIREMENT	34,064	0.00	0.00	33,015.37	1,048.63	3.08
51300120	OTHER POST EMPLOYMENT BENE	8,706	0.00	0.00	8,706.00	0.00	0.00
51300300	E/B:MEDICARE	2,836	0.00	0.00	2,657.51	178.49	6.29
51300500	E/B:GROUP INSURANCE	36,471	0.00	0.00	29,210.94	7,260.06	19.91
51301200	E/B:INS:WORKERS COMP	168	0.00	0.00	168.00	0.00	0.00
51301800	E/B:CELL PHONE ALLOWANCE	840	0.00	0.00	843.50	-3.50	-0.42
	Total Salaries & Employee Benefits	**288,265**	**0.00**	**0.00**	**272,756.97**	**15,508.03**	**5.38**
52070000	COMMUNICATIONS	3,500	0.00	0.00	1,205.16	2,294.84	65.57
52100300	INSURANCE:LIABILITY	347	0.00	0.00	347.00	0.47	0.14
52150000	MEMBERSHIPS	2,275	0.00	0.00	2,200.00	75.00	3.30
52170000	OFFICE EXPENSE	15,000	0.00	922.55	8,774.65	5,302.80	35.35
52180200	PSS:MGMT INFO SVCS	22,438	0.00	0.00	19,182.50	3,255.50	14.51
52180500	PSS:LEGAL EXPENSE	24,990	0.00	0.00	17,938.31	7,051.69	28.22
52185000	PSS:OTHER	7,883	0.00	0.00	7,819.33	63.67	0.81
52190000	PSS:PUBLICATNS/LGL NOTICE	1,500	0.00	0.00	1,112.17	387.83	25.86
52235000	SDE:OTHER	1,000	0.00	0.00	1,095.25	-95.25	-9.53
52240500	SDE:PROPERTY LEASE	29,280	0.00	0.00	29,280.00	0.00	0.00
52243900	SDE:FILING FEE	850	0.00	0.00	250.00	600.00	70.59
52250000	TRANSPORTATION & TRAV	4,000	-500.00	0.00	4,510.88	-1,010.88	-28.88
52250700	MEALS-REIMBURSABLE/TAXABLE	0	500.00	0.00	588.92	-88.92	-17.78
52250800	T/T:TRAINING	4,000	0.00	0.00	5,624.00	-1,624.00	-40.60
52251200	T/T:PRIVATE VEH MILE	1,000	0.00	0.00	533.60	466.40	46.64
	Total Services & Supplies	**118,063**	**0.00**	**922.55**	**100,461.77**	**16,679.15**	**14.13**
53980200	DEPR-EQUIPMENT	0	3,991.00	0.00	0.00	3,991.00	100.00
	Total Other Charges	**0**	**3,991.00**	**0.00**	**0.00**	**3,991.00**	**100.00**
54000900	OPERATING RESERVE	40,633	0.00	0.00	0.00	40,633.00	100.00
54001000	PROFESSIONAL SERVICES RESERV	50,000	0.00	0.00	0.00	50,000.00	100.00
	Total Contingencies & Reserves	**90,633**	**0.00**	**0.00**	**0.00**	**90,633.00**	**100.00**
02910	**NAPA LAFCO**	**496,961**	**3,991.00**	**922.55**	**373,218.74**	**126,811.18**	**25.31**

Report ID: GLC8020w

Fund: 2910 NAPA CO LOCAL AGENCY FORMATION

Dept: 02910 NAPA LAFCO

County of Napa
General Ledger Organization Budget Status
For Periods: 1 To: 12 FY: 2010

7/27/2010

Account	Account Description	Final Budget	Adjustments	Encumbrances	Expenditures	Remaining Balance	Percent Available
2910	NAPA CO LOCAL AGENCY FORMATION	496,961	3,991.00	922.55	373,218.74	126,811.18	25.31

Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
http://napa.lafco.ca.gov

August 2, 2010
Agenda Item No. 5c (Consent: Action)

July 27, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **2010-2011 Budget Amendments**
The Commission will consider budget amendments for 2010-2011 to reflect revised agency contribution calculations that have been prepared in conjunction with the close of 2009-2010.

The Local Agency Formation Commission of Napa County's ("Commission") annual operating costs are entirely funded by the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and Yountville. State law specifies the County is responsible for one-half of the Commission's adopted operating costs with the remaining amount proportionally shared by the cities. As allowed under the law, the cities have agreed to an alternative formula in apportioning their respective budget contributions based on a weighted calculation of population (60%) and general revenues (40%).

At the direction of the Commission, the County of Napa Auditor-Controller is responsible for issuing invoices to all six funding agencies. It had been the Commission's practice to return all unexpended funds from the previous fiscal year to the funding agencies in the form of credits towards their subsequent year budget contribution. Unexpended funds include agency contributions, application fees, and interest earned on the fund balance. The Commission has amended this practice to return all unexpended funds with the exception of holding back an amount sufficient to ensure the fund balance remains equal to three months of operating expenses. The Commission has also amended its practice to begin budgeting revenues, which decreases the total amount invoiced at the beginning of the fiscal year.

A. Discussion

At its June 7, 2010 meeting, the Commission adopted a final budget for 2010-2011 in the amount of $413,480. Additionally, as part of the new practice of budgeting revenues, the Commission adopted contribution amounts for the funding agencies totaling $371,120. (The Commission also adopted $15,000 for application fees.) Importantly, based on spending projections, the contribution amounts assumed the Commission would be in a position to return $27,359 to the agencies in the form of credits.

Juliana Inman, Chair
Councilmember, City of Napa

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

Brian J. Kelly, Commissioner
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
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Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

Staff has recalculated the contributions needed from the agencies in 2010-2011 in conjunction with the close of books for 2009-2010. The recalculations show the Commission is in a position to amend its adopted budget to reduce the overall contributions from $371,120 to $356,019. The converse of this overall reduction in agency contributions is an increase from $27,359 to $42,460 in the amount of unexpended funds available to credit back to the agencies.

A summary of the recalculated agency contributions for 2010-2011 along with comparisons from previous fiscal years is provided below.

Agency	2006-07	2007-08	2008-09	2009-10	2010-11
County	155,720.41	136,016.01	176,382.73	153,965.70	178,010
Napa	106,679.39	87,061.35	119,820.40	105,428.75	119,647
American Canyon	20,542.43	23,792.74	27,179.61	22,010.54	27,468
St. Helena	9,243.23	8,140.48	9,714.01	11,135.35	12,657
Calistoga	12,095.26	10,349.12	12,134.39	8,742.73	10,642
Yountville	7,160.10	6,672.32	7,534.31	6,648.33	7,595
	$311,440.82	$272,032.02	$352,765.45	$307,931.39	$356,019

B. Analysis

Amending the 2010-2011 budget to reflect the revised agency contributions will reduce the agency's combined invoices by 4.1%. Agency contributions, nonetheless, would continue to reflect a 5.9% increase over the previous fiscal year. The cause of the increase is two-fold. First actual salary and benefit costs increased during the previous fiscal year due to the filling of the analyst position after nearly a two-year vacancy. Second, as part of its new budgeting practice, Commission needs to hold back $103,370 in unspent funds from the credit pool to ensure the fund balance equals three months of operating expenses.

C. Alternatives for Commission Action

Staff has identified two alternative actions for Commission consideration with respect to this report on budget contributions in 2010-2011. These alternatives are:

Option One: Adopt amendments to the 2010-2011 report to reflect the agency contributions as outlined in the attached spreadsheet and request the County Auditor-Controller to invoice the agencies accordingly.

Option Two: Continue consideration of the recommended actions to a future meeting and request additional information from staff as needed.

D. Recommendation

Staff recommends the Commission amend the 2010-2011 budget to reflect the revised agency contributions as outlined in the preceding section as Option One.

Respectfully submitted,

_____
Keene Simonds
Executive Officer

Attachments:

1) Revised 2010-2011 Calculations for Agency Contributions
2) Final Budget for 2010-2011, Adopted June 7, 2010

ATTACHMENT ONE

Local Agency Formation Commission
LAFCO of Napa County

2010-2011 Agency Contributions Calculation

Step 1 Total Agency Contributions

	FY09-10	FY10-11	Difference Dollar	Difference Percentage
Total	$ 496,961.00	398,479	$ (98,481.54)	-19.8%

Step 2 Allocation Between County and Cities

50% to County	$ 248,480.50	$ 199,239.73	$ (49,240.77)	-19.8%
50% to Cities	$ 248,480.50	$ 199,239.73	$ (49,240.77)	-19.8%

Step 3a Cities' Share Based on Total General Tax Revenues*

General Tax Revenues	American Canyon	Calistoga	Napa	St. Helena	Yountville	All Cities
Secured & Unsecured Property Tax	6,845,154.00	1,014,203.00	14,617,815.00	2,529,620.00	461,590.00	25,468,382.00
Voter Approved Indebtedness Property Tax	-	-	-	-	-	-
Other Property Tax	1,414,001.00	446,589.00	6,856,577.00	431,213.00	300,368.00	9,448,748.00
Sales and Use Taxes	2,446,951.00	623,757.00	9,647,770.00	1,969,971.00	491,897.00	15,180,346.00
Transportation Tax	-	-	-	-	-	-
Transient Lodging Tax	462,381.00	3,402,228.00	8,723,543.00	1,560,398.00	3,381,678.00	17,530,228.00
Franchises	504,241.00	166,836.00	1,423,236.00	156,182.00	66,875.00	2,317,370.00
Business License Taxes	169,109.00	137,677.00	3,252,226.00	155,140.00	6,137.00	3,720,289.00
Real Property Transfer Taxes	76,661.00	24,633.00	288,532.00	56,736.00	23,923.00	470,485.00
Utility Users Tax	-	-	-	-	-	-
Other Non-Property Taxes	413,034.00	195,889.00	3,063,783.00	693,017.00	174,282.00	4,540,005.00
Total	$ 12,331,532	$ 6,011,812	$ 47,873,482	$ 7,552,277	$ 4,906,750	$ 78,675,853
Percentage of Total Taxes to all Cities	15.7%	7.6%	60.8%	9.6%	6.2%	100%

Step 3b Cities' Share Based on Total Population**

	American Canyon	Calistoga	Napa	St. Helena	Yountville	All Cities
Population	16,836	5,370	78,791	6,010	3,257	110,264
Population Percentage	15.27%	4.87%	71.46%	5.45%	2.95%	100%

Step 4 Cities Allocation Formula

	American Canyon	Calistoga	Napa	St. Helena	Yountville	All Cities
Cities' Share Based on Total General Taxes	15.7%	7.6%	60.8%	9.6%	6.2%	100%
Portion of LAFCO Budget	12,491.41	6,089.76	48,494.17	7,650.19	4,970.37	**40%**
Cities' Share Based on Total Population	15.27%	4.87%	71.46%	5.45%	2.95%	100%
Portion of LAFCO Budget	18,252.92	5,821.94	85,422.06	6,515.80	3,531.11	**60%**
Total Agency Allocation	$ 30,744.33	$ 11,911.70	$ 133,916.23	$ 14,166.00	$ 8,501.48	$ 199,239.73
Allocation Share	15.4308%	5.9786%	67.2136%	7.1100%	4.2670%	100%

Step 5 FY10-11 Invoices

	County	American Canyon	Calistoga	Napa	St. Helena	Yountville	All Agencies
FY10-11 Agency Share	$ 199,239.73	$ 30,744.33	$ 11,911.70	$ 133,916.23	$ 14,166.00	$ 8,501.48	$ 398,479.46
Less Agency Credits***	$ 21,229.96	$ 3,275.96	$ 1,269.25	$ 14,269.42	$ 1,509.46	$ 905.87	$ 42,459.91
Net Invoice	**$ 178,009.77**	**$ 27,468.37**	**$ 10,642.45**	**$ 119,646.81**	**$ 12,656.54**	**$ 7,595.60**	**$ 356,019.55**
Difference From FY09-10:	$ 24,044.07	$ 5,457.83	$ 1,899.72	$ 14,218.06	$ 1,521.19	$ 947.27	$ 48,088.16
	15.62%	24.80%	21.73%	13.49%	13.66%	14.25%	15.62%

NOTES

* Revenue amounts are drawn from the 2007-2008 State Controller's Cities Annual Report.

** Population estimates calculated by the California Department of Finance, January 2010.

*** The Commission is on course to finish 2009-10 with $130,729 in total unexpended funds. This amount includes prior year agency contributions ($108,156), application fees ($18,687), and earned interest ($3,886). The Commission will hold back an amount equal to three months of its adopted operating expenses in 2010-2011 from the credit pool ($103,370). The remaining credit pool, which is current projected at $27,359, will be returned to the funding agencies based on their proporational share of the 2009-2010 budget.

ATTACHMENT TWO

RESOLUTION NO. 10-16

RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
ADOPTING A FINAL BUDGET FOR THE 2010-2011 FISCAL YEAR

WHEREAS, the Local Agency Formation Commission of Napa County ("Commission") is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a final budget for the next fiscal year; and

WHEREAS, Government Code Section 56381 requires the Commission annually adopt a final budget no later than June 15th; and

WHEREAS, at the direction of the Commission, the Executive Officer circulated for review and comment an adopted proposed budget to the administrative and financial officers of each of the six local agencies that contribute to the Commission budget; and

WHEREAS, the Commission reviewed all substantive written and verbal comments concerning the adopted proposed budget; and

WHEREAS, the Executive Officer prepared a report concerning a final budget, including his recommendations thereon; and

WHEREAS, the Executive Officer's report was presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at its public hearing on a final budget held on June 7, 2010; and

WHEREAS, the Commission determined the final budget projects the staffing and program costs of the Commission as accurately and appropriately as is possible;

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The final budget as outlined in Exhibit One is approved.

2. The reduction in overall operating costs will nevertheless continue to allow the Commission to fulfill its regulatory and planning responsibilities as required under Government Code Section 56381(a).

I HEREBY CERTIFY THAT THIS DOCUMENT IS A TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE IN THE OFFICE OF THE NAPA COUNTY LOCAL AGENCY FORMATION COMMISSION.

K. Mabry

The foregoing resolution was duly and regularly adopted by the Commission at a regular meeting held on June 7, 2010 by the following vote:

AYES:	Commissioners	KELLY, CHILTON, INMAN AND LUCE
NOES:	Commissioners	NONE
ABSTAIN:	Commissioners	NONE
ABSENT:	Commissioners	DODD, WAGENKNECHT

ATTEST: Keene Simonds
Executive Officer

RECORDED: Kathy Mabry
Commission Secretary

Kathy Mabry

Local Agency Formation Commission
LAFCO of Napa County

EXHIBIT ONE

FY2010-2011 BUDGET

Expenses

Account	Description	Adopted FY07-08	Actual FY07-08	Adopted FY08-09	Actual FY08-09	Adopted FY09-10	Estimate FY09-10	Recommended FY10-11		Difference	Difference
Salaries and Benefits											
51100000	Regular Salaries	167,027	123,562	168,905	152,953	195,580	190,805	**198,347**	1	*2,767*	*1.4%*
51300500	Group Health Insurance	43,168	18,983	40,148	21,406	36,471	30,709	**37,954**	2	*1,483*	*4.1%*
51300100	Retirement: Pension	31,583	21,093	34,551	26,283	34,064	32,635	**34,992**		*928*	*2.7%*
51200500	Commissioner Per Diems	9,600	5,500	9,600	4,400	9,600	5,200	**9,600**		-	*0.0%*
51300120	Retirement: Non-Pension	-	-	11,295	11,296	8,706	8,706	**9,138**	3	*432*	*5.0%*
51300300	Medicare	2,650	1,659	2,826	2,440	2,836	2,642	**2,876**		*40*	*1.4%*
51301800	Cell Phone Allowance	840	847	840	845	840	840	**840**		-	*0.0%*
51301200	Workers Compensation	185	185	149	149	168	168	**226**		*58*	*34.5%*
51200100	Extra Help	-	-	26,010	26,283	-	-	-		-	*0.0%*
51200200	Overtime	-	-	-	-	-	-	-		-	*0.0%*
		255,053	171,829	294,325	246,054	288,265	271,705	**293,973**		*5,708*	*2.0%*
Services and Supplies											
52240500	Property Lease	27,000	27,000	27,000	27,000	29,280	29,280	**29,280**		-	*0.0%*
52180500	Legal Services	21,500	24,153	26,320	19,130	24,990	24,990	**26,010**	4	*1,020*	*4.1%*
52180200	Information Technology Services	16,387	16,387	17,768	17,768	22,438	19,483	**18,439**	5	*(3,999)*	*-17.8%*
52170000	Office Expenses	15,000	7,261	15,000	10,917	15,000	12,000	**15,000**		-	*0.0%*
52185000	Financial Services	25,650	23,314	26,933	6,182	7,883	8,883	**8,277**	6	*394*	*5.0%*
52250800	Training	4,000	3,144	4,000	2,531	4,000	5,475	**4,000**		-	*0.0%*
52250000	Transportation and Travel	4,000	2,010	4,000	1,717	3,500	5,311	**3,500**		-	*0.0%*
52070000	Communications	3,500	1,942	3,500	1,721	3,500	1,800	**3,500**		-	*0.0%*
52150000	Memberships	2,000	2,000	2,200	2,200	2,275	2,200	**2,275**		-	*0.0%*
52190000	Publications and Notices	1,500	2,099	1,500	2,490	1,500	900	**1,500**		-	*0.0%*
52235000	Special Departmental Purchases	1,000	397	56,000	50,082	1,000	1,000	**1,000**		-	*0.0%*
52251200	Private Mileage	1,000	1,184	1,000	1,051	1,000	600	**1,000**		-	*0.0%*
52243900	Filing Fees	850	550	850	300	850	400	**850**		-	*0.0%*
52250700	Meals Reimbursement - Taxable	-	-	-	-	500	500	**500**		-	*0.0%*
52100300	Insurance: Liability	352	352	546	545	347	347	**444**		*97*	*28.0%*
53980200	Capital Replacement	-	-	-	-	-	3,931	**3,931**	7	*3,931*	
		123,739	111,792	186,617	143,633	118,063	117,100	**119,506**		*1,443*	*1.2%*
Contingencies and Reserves											
54000900	Operating Reserve	37,879	-	42,594	-	40,633	-	-	8	*(40,633)*	*-100.0%*
54001000	Consultant Contingency	50,000	-	50,000	-	50,000	-	-	9	*(50,000)*	*-100.0%*
		87,879	-	92,594	-	90,633	-	-		*(90,633)*	*-100.0%*
	EXPENSE TOTALS	$ 466,672	$ 283,621	$ 573,535	$ 389,688	$ 496,961	$ 388,805	$ 413,479		*(83,481)*	*-16.8%*

Revenues

Account	Description	Adopted FY07-08	Actual FY07-08	Adopted FY08-09	Actual FY08-09	Adopted FY09-10	Estimate FY09-10	Final FY10-11	
Intergovermental Contributions									
45080600	County of Napa	-	136,016	-	176,383	-	153,966	**185,560**	10
45082200	City of Napa	-	87,061	-	119,820	-	105,429	**124,722**	11
45082400	City of American Canyon	-	23,793	-	27,180	-	22,011	**28,633**	12
45082300	City of St. Helena	-	10,349	-	12,134	-	11,135	**13,193**	13
45082100	City of Calistoga	-	8,140	-	9,714	-	8,743	**11,094**	14
45082500	Town of Yountville	-	6,672	-	7,534	-	6,648	**7,918**	15
		-	272,032	-	352,765	-	307,931	**371,120**	
Service Charges									
46003400	Standard Applications Fees	-	4,050	-	16,155	-	18,687	**10,000**	
46003300	Special Application Fees	-	500	-	120	-	-	**-**	
48040000	Miscellenous	-	13	-	-	-	-	**-**	
		-	4,563	-	16,275	-	18,687	**10,000**	
Investments									
44000300	Interest	-	12,743	-	10,459	-	3,886	**5,000**	
			12,743		10,459		3,886	**5,000**	
	REVENUE TOTALS	-	$ 289,338	-	$ 379,499	-	**330,504**	**$ 386,120**	
NET SURPLUS/DEFICIT			$ 5,717		$ (10,188)		**(58,301)**	**$ (27,359)**	
USE OF PRIOR YEAR FUND BALANCE		*****	$ -	*****	$ 10,188	*****	$ 58,301	$ 27,359	
END OF YEAR FUND BALANCE		*****	$ 222,059	*****	$ 211,870	*****	$ 153,569	126,210	16

NOTES

1) This account budgets two fulltime (Executive Officer and Analyst) and one partime (Secretary) employee. The increase reflects recent merit increases for the Executive Officer and Analyst employees. The Analyst employee is also scheduled to receive an additional merit increase during 2010-2011. No cost-of-living adjustments are budgeted.

2) This account funds the Commission's monthly contribution for employee healthcare and dental insurance costs. The increase reflects higher provider premiums.

3) This account funds the Commission's apportionment for post employment benefits, such as retiree health care insurance. These costs are calculated by the County.

4) It is expected the Commission will require 170 total hours of legal services in 2010-2011. Commission Counsel's hourly rate is expected to increase by 5.0% from $149 to $153.

5) This account primarily funds network services provided by the County's Information Technology Services Department. This account also funds the Commission's annual Laserfiche support services agreement with Incrementum as well as website hosting by Planeteria.

6) The budgeted amount anticipates a 5.0% across-the-board increase in hourly rates for the County of Napa Auditor's Office in 2010-2011.

7) This new account has been budgeted to provide capital replacement funding for LAFCO's electronic document management system equal to its annual depreciation over a five-year period.

8-9) No annual contingencies or reserves are budgeted; unexpected expenses would be covered through the fund balance.

10-15) Agency contributions have been calcuated to incorporate credits totaling $27,359 in FY09-10. Specific credits are as follows: County, $13,680; Napa, $9,195; American Canyon, $2,111; St. Helena, $973, Calistoga, $818; and Yountville, $584.

16) The fund balance is expected to decline from $211,870 to $153,569 as of June 30, 2010. The fund balance is expected to further decrease to $126,210 on June 30, 2011. These declines are planned and intended to gradually reduce the fund balance to be equal to three months of operating expenses, which are anticipated to total $99,619 in FY10-11.

Local Agency Formation Commission
LAFCO of Napa County

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August 2, 2010
Agenda Item No. 6a (Public Hearing)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Sphere of Influence Update on American Canyon Fire Protection District
The Commission will receive a final report on its scheduled sphere of influence update on the American Canyon Fire Protection District. The final report recommends adding four distinct areas to the sphere of influence totaling 402 acres. The Commission will consider adopting a resolution updating the District's sphere of influence consistent with the recommendation of the final report.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update each local agency's sphere of influence every five years as needed. LAFCO updates spheres to designate the territory it believes represents the appropriate and probable service area and jurisdictional boundary of the affected agency within a given timeframe. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions.

A. Discussion

Staff has prepared a final report representing LAFCO of Napa County's ("Commission") scheduled sphere update on the American Canyon Fire Protection District (ACFPD). The final report supersedes the last update completed in 2007 and considers whether changes to the sphere are warranted to facilitate ACFPD's orderly development in a manner emphasizing a five year planning area for annexations. The final report relies on information collected and analyzed in the Commission's recently completed municipal service review on the southeast county region, which included evaluating the level and range of fire related services provided by ACFPD.

The final report reviews the merits of adding three types of study categories into ACFPD's sphere, labeled "A," "B," and "C." These study categories comprise five separate areas and were selected for review on the basis of land use criteria given the affected lands are either already developed for an urban type use or expected to be developed for an urban type use. This selection approach is consistent with the adopted policies and practices of the Commission. This includes classifying ACFPD as an urban service provider and correlating the extension of its fire related services with promoting urban development. The land use criteria underlying the three study categories are summarized below.

Juliana Inman, Chair
Councilmember, City of Napa

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

Brian J. Kelly, Commissioner
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

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County of Napa Supervisor, 1st District

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Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

- Study Category A comprises three non-contiguous areas located outside ACFPD's sphere and jurisdictional boundary, but within American Canyon's sphere. The three affected areas are identified as "A-1," "A-2," and "A-3" and encompass all or portions of 11 assessor parcels totaling 376 acres. The affected areas include the Headwaters and Panattoni properties along with the planned Town Center and American Canyon Middle School sites.

- Study Category B comprises one area located outside ACFPD and American Canyon's spheres and jurisdictional boundaries, but expected to require an elevated level of public services under the City General Plan. The affected area is identified as "B-1" and includes a portion of one assessor parcel totaling 26 acres. The affected area includes the Clarke Ranch West property.

- Study Category C comprises one area located outside ACFPD and American Canyon's spheres and jurisdictional boundaries, but expected to require an elevated level of public services under the County General Plan. The affected area is identified as "C-1" and includes three entire assessor parcels totaling approximately 87 acres. The affected area includes the Devlin Road Waste Transfer Station and portions of the Napa County Airport.

All three study categories are evaluated in the final report to address the four planning factors the Commission is required to consider anytime it makes a sphere determination. These planning factors are (a) present and planned uses, including agricultural and open space lands, (b) present and probable need for public facilities and services, (c) present adequacy and capacity of public services, and (d) existence of any social or economic communities of interest. A map depicting all three study categories is attached.

B. Summary/Analysis

The final report recommends the Commission update ACFPD's sphere to include approximately 402 acres of additional territory. This would increase ACFPD's sphere by one-tenth and involves adding all four areas comprising Study Categories A and B. Special conditions are recommended for two of the four areas given local circumstances as summarized below.

- Adding A-1 should be conditioned on American Canyon first completing the Commission's terms to add the affected lands to the City's sphere adopted on June 7, 2010. This involves American Canyon recording industrial easements on the affected lands pursuant to the City's earlier agreement with the County.

  Note: This condition may become unnecessary if American Canyon records the industrial easements prior to the August 2, 2010 meeting.

- Adding B-1 should be conditioned on the Commission first approving the annexation of the affected lands to American Canyon under G.C. Section 56742. This statute allows LAFCOs to annex non-contiguous lands owned and used by the affected city for municipal purposes without consistency with their sphere. The statute includes a "poison pill" to require automatic detachment if the city ceases to the landowner. The final report prepared on the recent update to American Canyon's sphere noted it would be reasonable for the City to annex the affected lands under this statute given the Commission's policies and practices.

It is not recommended the Commission add the lands comprising Study Category C to ACFPD's sphere. This recommendation assigns deference to the lack of social and economic ties existing between ACFPD and the affected lands in justifying why these lands should remain outside the sphere. Conversely, given the need for elevated fire related services, the Commission should consider the merits of adding C-1 to County Service Area No. 3's sphere as part of the upcoming scheduled review and update.

C. Alternatives for Commission Action

The following two alternative actions are available for Commission consideration today.

Alternative One: Open the public hearing. Close the hearing and approve by motion to receive and file the final report and adopt the attached draft resolution implementing the recommendation to add all lands comprising Study Categories A and B to ACFPD's sphere. Adoption of the draft resolution includes special conditions applying to A-1 and B-1 unless amended by the Commission.

Alternative Two: Open the public hearing. Continue the hearing by motion to the next regular meeting scheduled for Monday, October 4, 2010. Direct staff to return with additional information as needed.

D. Recommendation

Staff recommends the Commission take the actions outlined in the preceding section as Alternative One. This includes adopting the attached draft resolution adding 402 acres comprising all of Study Categories A and B to ACFPD's sphere.

Respectfully submitted,

_____

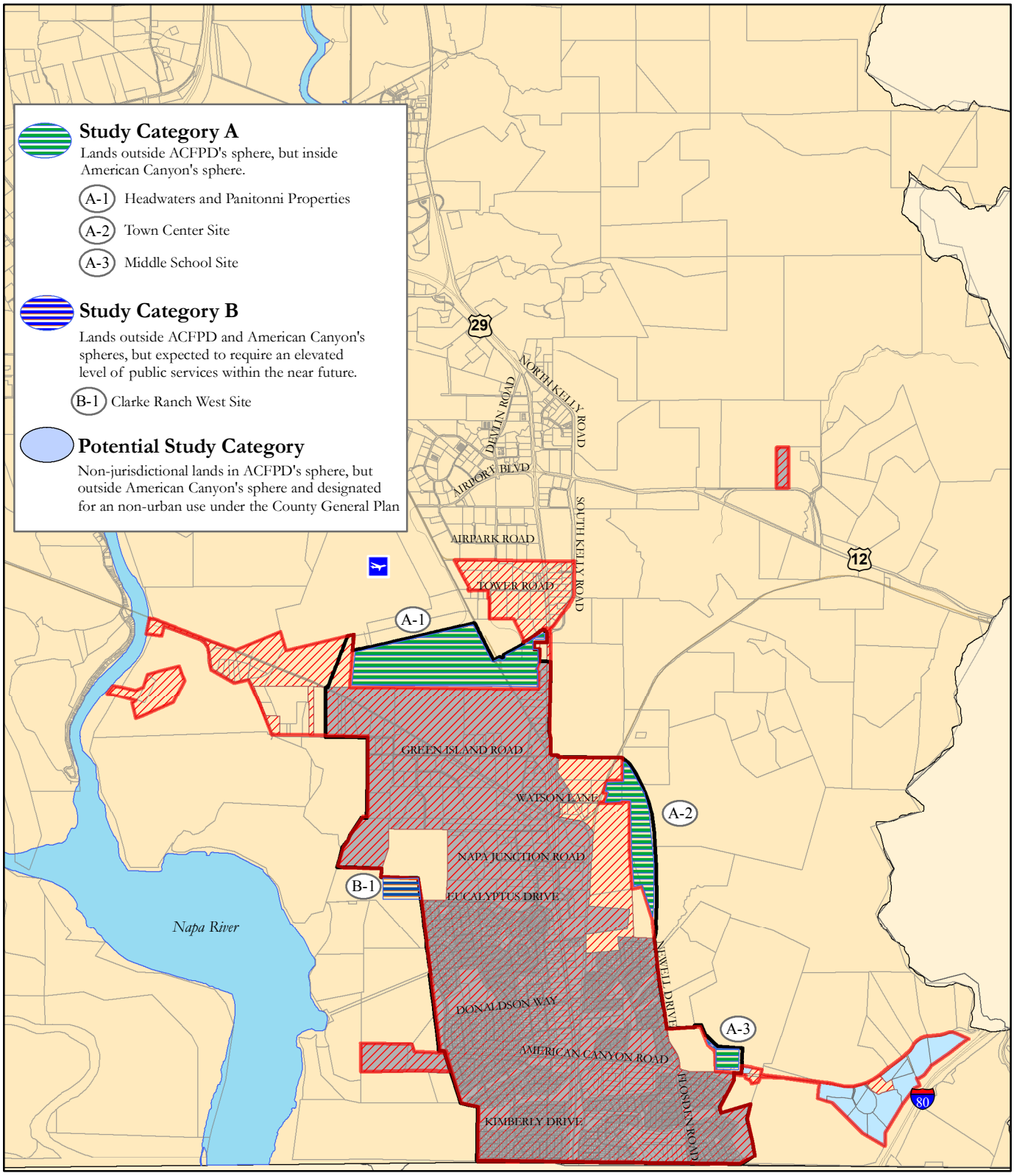
Keene Simonds
Executive Officer

Attachments:

1. Map of Study Categories
2. ~~Final Report~~
3. Draft Resolution

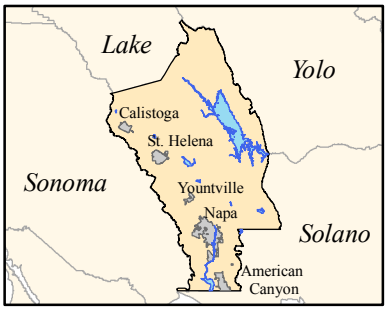
ATTACHMENT ONE

American Canyon Fire Protection District
Sphere of Influence Review and Update



Legend

- American Canyon Fire Protection District Jurisdictional Boundary
- American Canyon Fire Protection District Sphere of Influence
- City of American Canyon Jurisdictional Boundary
- City of American Canyon Sphere of Influence



0 0.5 1 Miles

LAFCO of Napa County
1700 Second Street, Suite 268
Napa, California 94559
http://napa.lafco.ca.gov

ATTACHMENT THREE

RESOLUTION NO. ____

RESOLUTION OF THE
LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
MAKING DETERMINATIONS

AMERICAN CANYON FIRE PROTECTION DISTRICT
SPHERE OF INFLUENCE UPDATE

WHEREAS, the Local Agency Formation Commission of Napa County, hereinafter referred to as the "Commission", adopted a schedule to conduct studies of the provision of municipal services in conjunction with reviewing the spheres of influence of the local governmental agencies whose jurisdictions are within Napa County;

WHEREAS, the Executive Officer of the Commission, hereinafter referred to as the "Executive Officer", prepared a comprehensive review of the sphere of influence of the American Canyon Fire Protection District pursuant to said schedule and California Government Code Section 56425;

WHEREAS, the Executive Officer prepared a written report of the review, including his recommendation to add certain areas to the sphere of influence identified as Study Categories "A" and "B";

WHEREAS, said Executive Officer's report has been presented to the Commission in the manner provided by law;

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on August 2, 2010; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56425.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The American Canyon Fire Protection District has filed written statements with the Commission confirming it provides fire protection, emergency medical, and rescue services. The Commission comprehensively evaluated the level and range of these services as part of a recent municipal service review consistent with California Government Code Section 56340.

2. The American Canyon Fire Protection District's sphere of influence is updated to add all lands comprising Study Categories A and B as depicted in the attached Exhibit "One."

3. The Commission, as lead agency, hereby finds the approved update to American Canyon Fire Protection District's sphere of influence is exempt from further review under the California Environmental Quality Act pursuant to California Code of Regulations Section 15061(b)(3). This finding is based on the Commission determining with certainty the update will have no possibility of significantly effecting the environment given no new land use or municipal service authority is granted.

4. The inclusion of the areas identified in Exhibit One as "A-1" and "B-1" to American Canyon Fire Protection District's sphere of influence shall be conditioned on the following:

   a) Adding A-1 to the sphere of influence shall be conditioned on the City of American Canyon first completing the Commission's terms to add the affected lands to the City's sphere adopted on June 7, 2010.

   b) Adding B-2 to the sphere of influence shall be conditioned on the Commission first approving the annexation of the affected lands to the City of American Canyon under Government Code Section 56742

5. This sphere of influence update is assigned the following distinctive short-term designation:

AMERICAN CANYON FIRE PROTECTION DISTRICT
SPHERE OF INFLUENCE UPDATE

6. Pursuant to Government Code Section 56425, the Commission makes the statements of determinations in the attached Exhibit "Two."

7. The effective date of this sphere of influence update shall be immediate.

8. The Executive Officer shall revise the official records of the Commission to reflect this update of the sphere of influence.

The foregoing resolution was duly and regularly adopted by the Commission at a meeting held on August 2, 2010 by the following vote:

AYES: Commissioners _____

NOES: Commissioners _____

ABSENT: Commissioners _____

ABSTAIN: Commissioners _____

ATTEST: Keene Simonds
Executive Officer

Recorded by: _____
Kathy Mabry
Commission Secretary

EXHIBIT ONE

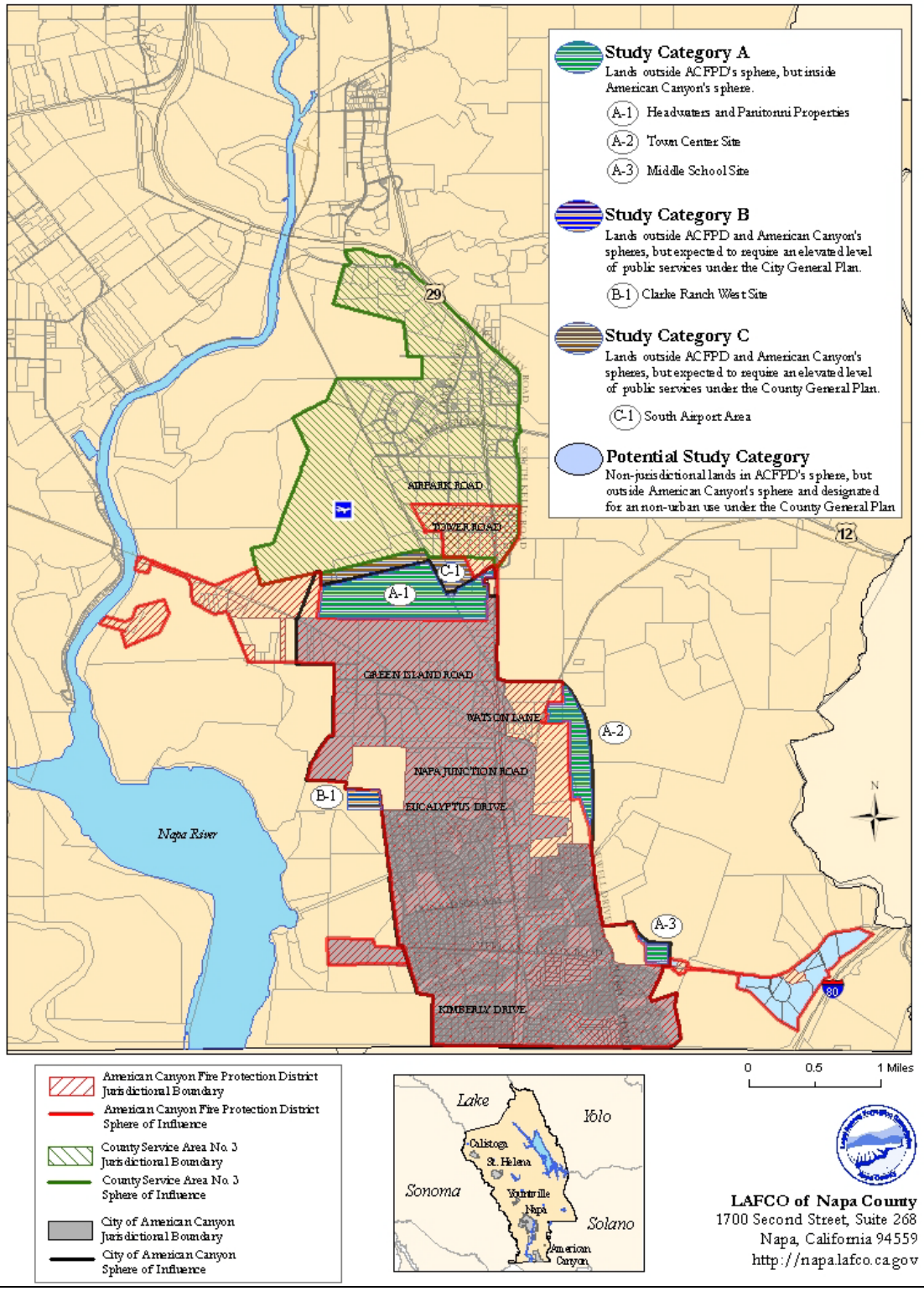

Study Category A
Lands outside ACFPD's sphere, but inside American Canyon's sphere.
A-1 Headwaters and Panitonni Properties
A-2 Town Center Site
A-3 Middle School Site
Study Category B
Lands outside ACFPD and American Canyon's spheres, but expected to require an elevated level of public services under the City General Plan.
B-1 Clarke Ranch West Site
Study Category C
Lands outside ACFPD and American Canyon's spheres, but expected to require an elevated level of public services under the County General Plan.
C-1 South Airport Area
Potential Study Category
Non-jurisdictional lands in ACFPD's sphere, but outside American Canyon's sphere and designated for an non-urban use under the County General Plan
29
12
80
AIRPARK ROAD
TOWER ROAD
GREEN ISLAND ROAD
WATSON LANE
NAPA JUNCTION ROAD
EUCALYPTUS DRIVE
KIMBERLY DRIVE
Napa River
American Canyon Fire Protection District Jurisdictional Boundary
American Canyon Fire Protection District Sphere of Influence
County Service Area No. 3 Jurisdictional Boundary
County Service Area No. 3 Sphere of Influence
City of American Canyon Jurisdictional Boundary
City of American Canyon Sphere of Influence
Lake
Yolo
Sonoma
Solano
Calistoga
St. Helena
Yountville
Napa
American Canyon
0 0.5 1 Miles
LAFCO of Napa County
1700 Second Street, Suite 268
Napa, California 94559
http://napa.lafco.ca.gov

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EXHIBIT TWO

STATEMENT OF DETERMINATIONS

AMERICAN CANYON FIRE PROTECTION DISTRICT
SPHERE OF INFLUENCE UPDATE

1. **Present and planned land uses in the sphere, including agricultural and open-space lands.**

   Lands within American Canyon Fire Protection District's updated sphere are predominately developed for urban uses or expected to be developed for urban uses within the next five years. Agricultural and open-space lands in the updated sphere are relatively limited.

2. **The present and probable need for public facilities and services in the sphere.**

   Lands within American Canyon Fire Protection District's updated sphere presently need an elevated level of fire related services or are expected to need an elevated level of fire related services within the next five years to accommodate and support predominately urban type uses. American Canyon Fire Protection District is best positioned to provide these services.

3. **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

   The Commission's recently completed municipal service review on the southeast county region indicates the American Canyon Fire Protection District has generally established adequate administrative, service, and financial capacities to accommodate present and planned fire related service demands within the updated sphere.

4. **The existence of any social or economic communities of interest in the sphere if the commission determines that they are relevant to the agency.**

   Lands within the updated sphere have established social and economic interdependencies with the American Canyon Fire Protection District distinct from neighboring areas. The update affirms and strengthens these established community ties.

Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
http://napa.lafco.ca.gov

August 2, 2010
Agenda Item No. 7b (Action)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **California Association of Local Agency Formation Commissions: Annual Conference Items**
The Commission will consider appointing a delegate and alternate delegate for the California Association of Local Agency Formation Commission's annual conference scheduled for October 6-8, 2010 in Palm Springs. The Commission will also consider submitting nominations for CALAFCO board vacancies and achievement awards.

The California Association of Local Agency Formation Commissions (CALAFCO) was established in 1971 to assist members in fulfilling their duties to coordinate the orderly formation and development of governmental agencies and services. Key services include facilitating information sharing among members by organizing annual conferences and workshops as well as providing technical assistance through training classes. CALAFCO also serves as a resource to the Legislature and actively drafts and reviews new legislation. CALAFCO's membership currently includes 56 of the 58 LAFCOs.

A. Discussion

Riverside LAFCO is hosting the 2010 CALAFCO Annual Conference on October 6-8, 2010 at the Hilton in Palm Springs. Conference materials are attached. It is expected Napa LAFCO ("Commission") will be represented by Commissioners Bennett, Dodd, Inman, Kelly, and Wagenknecht along with the Executive Officer, Analyst, and Counsel.

Conference Appointments and Board Elections

CALAFCO requests each LAFCO appoint a delegate and alternate delegate to participate in the organization's business meeting held on the second day of the conference. The business meeting provides an opportunity for CALAFCO to address current issues and matters of interest to the members. This year's business meeting will be highlighted by implementing a new voting process for electing Board members. This new process was approved by mail-ballot in July 2010 and includes two key changes aimed at improving statewide representation within CALAFCO. First, the Board has been expanded from 15 to 16 seats with four seats dedicated each to county, city, district, and public members.

Juliana Inman, Chair
Councilmember, City of Napa

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

Brian J. Kelly, Commissioner
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

Second, the Board's elections have been changed from at-large to regional voting. Regions are defined by geography to include northern, central, coastal, and southern. Each region elects one county, city, district, and public member from among their respective ranks. The Commission has been assigned to the coastal region.

All 16 seats on the newly constituted Board are up for election in October. Two of the seats in each region will be designated as two-year terms while the remaining two seats will be designated as one-year terms. Actual terms will be determined by lot after the elections. All subsequent elections will be for two-term terms.

CALAFCO has circulated a memorandum to each LAFCO inviting nominations to serve on the Board. Nominations must be signed by the respective LAFCO Chair and include a completed resume form for the candidate. The deadline for submitting nominations is Friday, September 3, 2010. Candidates may also be nominated from the floor prior to the election. The election on all nominations will be held on the morning of Thursday, October 7, 2010. Alternate members are eligible for nomination.

Achievement Award Nominations

The conference also provides an opportunity for LAFCOs to nominate persons or projects for CALAFCO's various achievement awards. The awards were established in 1997 and currently include 10 categories ranging from Most Effective Commission to Legislator of the Year. The Commission has received three awards, which are listed below.

- Most Effective Commission, 2009
- Project of the Year, 2004
  (Comprehensive Water Service Study)
- Outstanding Government Leadership Award, 2002
  (Relating to the Formation of County Service Area No. 4)

The deadline for submitting nominations is Friday, September 3, 2010. Award winners will be announced during the banquet dinner scheduled for Thursday, October 7, 2010.

B. Analysis

It would be fitting for the Commission to appoint Chair Inman and Vice Chair Dodd as the delegate and alternate delegate, respectively, for the conference given both are expected to attend. Commissioners should also give serious consideration to running for one of the open seats on the CALAFCO Board. Markedly, having a representative on the Board would help ensure the Commission has direct influence in guiding CALAFCO's legislative activities and priorities in a manner consistent with the present and future needs of areas such as Napa County. This includes advocating for the amendment to Government Code Section 56133 to provide LAFCOs more freedom in approving outside service extensions lying outside agencies' spheres of influence.

Staff also respectfully suggests the Commission consider submitting a nomination under the "Project of the Year" category for its recently completed municipal service review and sphere of influence update on the Napa County Mosquito Abatement District (NCMAD). This study was prepared by Analyst Brendon Freeman and provides a thorough assessment of the level and range of vector related services provided by NCMAD in a narrative format equally informing Commissioners and the general public. Though the topic is often overlooked, the study makes a number of pertinent determinations highlighting the relationship between vector control services and growth management in Napa County. The study was well received by NCMAD as being fair and accurate and it serves as an effective template in presenting and analyzing service related demands and capacities simply and effectively.

C. Recommendation

It is recommended the Commission consider taking the following actions:

1) Appoint one delegate and one alternate delegate to represent the agency at the 2010 CALAFCO Annual Conference;

2) Determine if any of its members would like to be nominated for one of the open positions on the CALAFCO Board and direct the Executive Officer to work with the Chair to complete the necessary forms as needed; and

3) Determine if any of its members would like to submit nominations for the CALAFCO achievement awards categories and direct the Executive Officer to work with the Chair to complete the necessary forms as needed.

Respectfully submitted,

_____

Keene Simonds
Executive Officer

Attachments:

~~1) CALAFCO Packet for Board Nominations~~
~~2) CALAFCO Packet for Achievement Award Nominations~~

Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
http://napa.lafco.ca.gov

August 2, 2010
Agenda Item No. 7c (Action)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Brendon Freeman, Analyst

SUBJECT: **Island Annexation Program**
The Commission will receive a report summarizing staff's activities to date in developing an island annexation program aimed at eliminating unincorporated pockets within the City of Napa. The report is being presented to the Commission for discussion and possible action with respect to providing additional staff direction.

Local Agency Formation Commissions (LAFCOs) are responsible for regulating the formation and development of local governmental agencies and their municipal services under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH"). This includes approving, with or without amendments, boundary changes proposed by local agencies, landowners, and residents. All boundary changes approved by LAFCOs must be consistent with their written policies and procedures. LAFCOs may also condition approval as long as they do not directly regulate land use.

A. Background

Legislation

On January 1, 2001, Assembly Bill 2838 (Hertzberg) was enacted and significantly expanded the objectives, powers, and procedures underlying LAFCOs and their ability to coordinate logical growth and development while preserving agricultural and open space resources. This included establishing an expedited process for cities to annex unincorporated pockets that are either entirely or substantially surrounded by their jurisdictional boundaries, which are commonly referred to as "islands." This expedited process is currently codified under Government Code Section 56375.3 and allows cities to annex unincorporated islands under certain conditions while avoiding protest proceedings. The expedited process also curtails LAFCOs' discretion by directing annexation approval if the island – among other conditions – is less than 150 acres, does not comprise prime agricultural land, and is substantially developed or developing. The sunset date for cities to make use of the expedited process is January 1, 2014.

Juliana Inman, Chair
Councilmember, City of Napa

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

Brian J. Kelly, Commissioner
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

Islands in Napa County

There are a total of 22 islands in Napa County. This includes islands meeting LAFCO of Napa County's ("Commission") definition of "substantially surrounded," which applies to land located within the affected city's sphere of influence with at least 66.7% of its perimeter bordered by its jurisdiction. All but three of the islands are entirely (ten) or substantially (nine) surrounded by the City of Napa. Staff estimates there are 2,308 residents residing within these 19 islands. This amount represents nearly 3.0% of Napa's current resident population. A map depicting the islands in Napa is attached.

B. Discussion

On December 7, 2009 the Commission conducted a biannual workshop in which it received a presentation from staff outlining a proposed island annexation program; a program predicated on educating landowners and residents with respect to the benefits, costs, and related issues tied to annexation.[1] The Commission expressed support for moving forward with implementing the initial phases of the program with direction to reduce the scale to only focus on outreach within the ten entirely surrounded islands. The Commission also directed staff to economize resources by grouping the ten islands into regions in the course of performing outreach. Staff commented it would return mid-year with an update on its outreach efforts and seek further direction from the Commission.

To date, staff has prepared and mailed informational packets to all landowners within eight of the ten entirely surrounded islands in Napa. The informational packets include letters to the landowners explaining the Commission's duties and responsibilities along with outlining the governance and service inefficiencies tied to islands. The letters invite landowners to contact staff to discuss their interest in annexation and are accompanied by flyers summarizing key benefits. Packets were mailed in two distinct phases. The first mailing was sent in March 2010 to landowners in five islands in southeast Napa identified in the attached map as 6 though 10. The second mailing was sent in June 2010 to landowners in three islands in central Napa identified in the attached map as 3 through 5. Results of the two mailings are summarized below.

Category	First Mailing (Islands Nos. 6-10)	Second Mailing (Islands Nos. 3-5)
Total Landowners	18	26
Positive Responses	0	1
Negative Responses	4	1

[1] The genesis for the presentation followed the Commission's review earlier in the year of a proposal from Napa to annex portions of an existing island entirely surrounded by the City near Silverado Trail's intersection with Soscol Avenue. In processing the proposal, staff explored the possible expansion to eliminate the entire island; a modification consistent with previous comments by Commissioners to proactively eliminate islands in Napa. The modification, however, would have triggered conducting authority proceedings and caused uncertainty as to whether annexation would be terminated as a result of sufficient protests due to a lack of earlier outreach. Upon deliberation, the Commission agreed to approve the annexation as submitted with Napa agreeing to collaborate on an island annexation program.

C. Analysis

Outreach efforts to date have generated responses from less than one-seventh of the contacted island landowners. A supermajority of the responding landowners have expressed opposition to annexation. None of these landowners cited specific reasons for their opposition other than to express general misgivings regarding being subject to additional government.

The relatively low number of responses to the mailings seemingly indicates the majority of island landowners contacted are indifferent towards annexation. This neutrality suggests proceeding with annexation applications for the islands contacted would be successful in terms of minimizing and managing any public backlash. A key exception involves the island located near the intersection of Shurtleff Avenue and Lexington Court given two of the four landowners oppose annexation.

In discussing the results of the outreach efforts with Napa, staff believes it would be appropriate to prepare a third mailing for the two remaining entirely surrounded islands residing in the West Pueblo Park area. This third mailing would occur at the end of the calendar year and complete the Commission's initial outreach efforts targeting landowners within Napa's ten entirely surrounded islands. Notably, scheduling the third mailing to the end of the calendar year responds to the recent turnover in Napa's Community Development Department and the anticipated arrival of new planning staff beginning in the next few months. This schedule would also position the Commission and Napa to discuss possible next phases ranging from additional community outreach to initiating annexation applications in early 2011.

D. Alternative Actions for Commission Consideration

Staff has identified three broad options for Commission consideration with respect to receiving this update. These options are summarized below.

Option One: Receive and file the staff report and direct staff to continue working on the island annexation program as planned. This includes scheduling a third mailing to the West Pueblo Park area at the end of the calendar year along with any additional direction from the Commission. Direct staff to return to the Commission with a second update in early 2011.

Option Two: Receive and file the staff report and direct staff to suspend work on the island annexation program. Direct staff to return to the Commission to possibly resume the program at a specified date.

Option Three: Receive and file the staff report and direct staff to stop work on the island annexation program.

E. Recommendation

It is recommended the Commission receive and file the report and direct staff to continue work on the island annexation program, which is identified in the preceding section as Option One.

Respectfully submitted,

Keene Simonds	Brendon Freeman
Executive Officer	Analyst

Attachments:

~~1) Map of Napa Islands~~
2) Informational Packet Mailed to Island Landowners, March and June 2010
3) Letter From City of Napa Regarding Island Annexation Program, October 30, 2008
4) Article in Napa Valley Register Regarding Islands, January 6, 2010

ATTACHMENT TWO

Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
http://napa.lafco.ca.gov

June 10, 2010

Landowner or Resident
1234 Main Street
Napa, California 94558

SUBJECT: Information Regarding Island Annexation Program

Dear Citizen:

A review of the County of Napa records indicates you are either a landowner or resident at 1234 Main Street. As you may know, this property is part of an unincorporated "island" entirely surrounded by the City of Napa's jurisdictional boundary. This unincorporated designation means the property is generally dependent on the County for providing key municipal services, such as public safety, public works, and community development.

The Local Agency Formation Commission (LAFCO) of Napa County is a political subdivision of the State of California. LAFCO is responsible for coordinating the orderly formation and development of governmental agencies and municipal services within its county jurisdiction. This includes regulating all boundary changes involving local cities and special districts. Most commonly, this involves annexing unincorporated lands for purposes of accommodating orderly development and or enhanced municipal services. LAFCO's composition includes a total of eight members; three board of supervisors, three city councilmembers, and two public representatives.

The California Legislature encourages LAFCO to work with local cities to proactively eliminate islands and the governance inefficiencies they often perpetuate. In particular, islands commonly lack equitable municipal service provision and create additional expenses for both citizens and government. For example, island properties are charged 40 percent more by Napa for an equivalent amount of water usage than neighboring incorporated properties. Island properties also create a funding inequity for Napa given several statewide tax revenues that support general services, such as roads and parks, are apportioned on a per-capita basis. As a result, Napa is not equitably compensated for providing certain municipal services enjoyed by island residents. Further, annexing islands enhances public safety service by eliminating confusion and helping to ensure first-responders are the closest to the incident site with regards to available resources.

Juliana Inman, Chair
Councilmember, City of Napa

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

Brian J. Kelly, Commissioner
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
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Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

With the preceding comments in mind, LAFCO is interested in discussing the benefits of annexation with island landowners and residents. If you are interested, LAFCO staff would like the opportunity to meet with you and other island neighbors to discuss the annexation process in detail. Towards this end, I have prepared an informational flyer outlining key governance distinctions between island and non-island properties. This flyer is enclosed for your review.

I respectfully ask you review the enclosed information and contact me at your earliest convenience to discuss interest in participating in an island annexation. I would also be interested in hearing from you if you are not interested in participating in an island annexation to better inform our understanding of key concerns or objections. I am available by telephone at (707) 259-8645 or by e-mail at ksimonds@napa.lafco.ca.gov.

Sincerely,

Keene Simonds
Executive Officer

Enclosures: as stated

cc: Cassandra Walker, City of Napa
Hillary Gitelman, County of Napa

ATTACHMENT THREE

CITY of NAPA

Dana Smith
ASSISTANT CITY MANAGER
Development Services
955 School Street, P.O. Box 660
Phone: (707) 257-9530 FAX 707-257-9522
Napa, CA 94559-0660

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NOV 3 2008
LAFCO
NAPA COUNTY

October 30, 2008

Mr. Keene Simons
LAFCO of Napa County
1700 Second Street, Suite 268
Napa, California 94559

Dear Keene,

Thank you for your recent letter requesting the City to participate with you on an island annexation program. I applaud your proactive approach and believe the goal of eliminating unincorporated islands is beneficial to the County, the City, and ultimately to the residents themselves through enhanced service provision and in some cases lower utility rates – such as water.

The City Manager's office is committed to pursuing opportunities with LAFCO and the County to develop a comprehensive islands educational program designed towards developing accurate service information, identifying benefits for citizens, and how land use provisions might change for residents who now live in the islands. We would like to explore with you creative incentives that would encourage residents to consider initiation of annexation on their own. After the first of the year, the City will be in a better position to commit staff time to work with you on the development of a comprehensive islands program. And, following fruitful discussions and direction from the LAFCO Commission, Council and Board, we would direct further resources towards this worthwhile effort.

Again, I appreciate your forward thinking and we look forward to working with you on this islands program.

Sincerely,

Dana M. Smith

CC: Michael Parness, City Manager
Mayor and Council

ATTACHMENT FOUR

1,500 Napans now live in pockets of unincorporated land

Effort to bring county 'islands' within city limits

By KEVIN COURTNEY
Register Staff Writer | Posted: Wednesday, January 6, 2010 12:00 am

Do you want curbs and sidewalks? Reliably fast paramedic and fire response?

Then how about joining the city of Napa? Such civic amenities can be yours if you are willing to annex your property.

Such a sales pitch touting the benefits of city residency will be made to people who live on islands of unincorporated county land surrounded by city.

The Napa County Local Agency Formation Commission, which oversees municipal annexation of county lands, authorized the outreach in December after agreeing that Napa's 10 unincorporated islands don't make planning sense.

This is a politically sensitive subject. Residents and landowners often prefer the status quo and fear change, Keene Simonds, LAFCO's executive officer, said Tuesday afternoon. LAFCO staff will tread cautiously, selecting a handful of unincorporated pockets in central Napa for outreach this spring.

Residents and landowners will be invited to neighborhood meetings and encouraged to voice their concerns, Simonds said. At subsequent meetings, LAFCO will bring in city and county officials to lay out the pluses and minuses of annexation.

"Islands are just bad governance and bad planning," Simonds said. It can be confusing when houses on one side of the street get city services, but those on the other side depend on Napa County, he said.

The most common concern of county residents is that coming into the city will cost them more, Simonds said. In reality, it probably won't, he said.

In LAFCO's hypothetical example, a homeowner would pay more for paramedic service, garbage service and a storm water fee. This would be more than offset by the less expensive city water, he said.

The city would pick up the cost of applying for annexation so that residents face no out-of-pocket expenses, LAFCO officials said.

1,500 near Napans

There are 1,573 people living in 10 unincorporated islands that are 100 percent surrounded by city. The biggest of these is the area of West Pueblo and Linda Vista avenues, where 1,411 people live, LAFCO said.

Another 736 people live in nine pockets that are at least two-thirds surrounded by city, but not 100 percent. The largest is near Wilkins Street and Imola Avenue, with 569 residents.

If all 19 areas were annexed, the city's population would top 80,000.

In most of these areas, generations of homeowners have come and gone without being asked to consider annexation. For most, this will be the first time the subject has come up, Simonds said.

"Some people may not realize they don't live in the city of Napa," Napa Councilwoman Juliana Inman, a LAFCO commissioner, said.

For those who favor staying in the county, there are a variety of arguments for doing so beyond taxes and fees, Simonds said.

Some fear the city will do a better job of enforcing its codes, making it difficult, say, to store a RV on the street. Some say the county has more lenient building codes.

LAFCO wants to persuade residents of some of the smaller pockets — those with just a dozen or two dozen residents — to accept annexation in 2010. They could serve as examples for residents of larger pockets.

If residents are in agreement, LAFCO would ask the City Council to apply to LAFCO for annexation. "The city has to be the trigger," Simonds said.

For political reasons, the Napa County Board of Supervisors also needs to bless these annexations, he said.

"We don't want to be in the business of forcing anything," Simonds said. If LAFCO staff can't gain resident cooperation, the commission is likely to back away from the effort, he said.

The commission is composed of Inman; two county supervisors, Bill Dodd and Brad Wagenknecht; Yountville Councilman Lewis Chilton; and public member Brian Kelly.

Wagenknecht said it made planning sense to eliminate unincorporated islands, but "it's not an issue we live or die by."

Because of strong mutual aid agreements between the city and county, residents of unincorporated pockets generally get equally fast emergency services, Wagenknecht said.

There is no easy explanation as to why Napa has so many unincorporated pockets, Inman said. Many of these county clusters were built before the city expanded into their neighborhoods, she said.

Local Agency Formation Commission
LAFCO of Napa County

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August 2, 2010
Agenda Item No. 8a (Discussion)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **Legislative Report**
The Commission will receive a report on the second year of the 2009-2010 session of the California Legislature as it relates to the status of bills directly or indirectly effecting Local Agency Formation Commissions. The report also summarizes staff's efforts in drafting an amendment to Government Code Section 561333. The report is being presented to the Commission for discussion only.

The Executive Officer is a member of the California Association of Local Agency Formation Commissions' (CALAFCO) Legislative Committee. The Legislative Committee meets on a regular basis to review, discuss, and offer recommendations to the CALAFCO Board of Directors relating to new legislation that have a direct or indirect impact on LAFCO law. Actions by the Legislative Committee are guided by the Board's adopted policies, which are annually reviewed and amended to reflect current priorities.

A. Discussion and Analysis

The Legislative Committee is currently tracking 14 bills with direct or indirect impacts on LAFCOs as part of the second year of the 2009-2010 session. A complete list of the bills under review by CALAFCO is attached. Five bills of specific interest to LAFCO of Napa County ("Commission") are discussed and analyzed below.

Senate Bill 1023 (Patricia Wiggins)

This legislation was signed by the Governor on July 9, 2010 and will establish an expedited process for LAFCOs to initiate and approve the reorganization of resort improvement districts (RIDs) and municipal improvement districts (MIDs) into community service districts (CSDs) with the same powers, duties, and boundaries. The legislation includes exempting protest proceedings unless written opposition is filed by the affected agency. The Commission, which regulates Lake Berryessa and Napa-Berryessa RIDs, issued multiple letters of support on this legislation. The legislation becomes effective January 1, 2011.

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Councilmember, City of Napa

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Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

Assembly Bill 2795 (Assembly Committee on Local Government)
This legislation was signed by the Governor on July 6, 2010 and makes several minor and non-controversial changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. This includes defining "divesture of power," which follows a 2008 amendment requiring special districts to request and receive LAFCO approval before eliminating an established service. The legislation also amends Revenue and Tax Code to extend the mandatory property tax negotiation period for jurisdictional changes between local agencies from 60 to 90 days if requested. Notably, staff proposed this amendment in consultation with a CALAFCO sub-committee given the reoccurring challenges for local agencies in Napa County to complete negotiations within the current 60 day period.

Assembly Bill 853 (Juan Arambula)
This proposed legislation was last amended on July 1, 2010 and proposes new procedures for counties to initiate city annexation proceedings for "disadvantaged inhabited communities" if requested by 25% or more of landowners or registered voters. The legislation also would require LAFCOs to begin identifying and assessing disadvantaged inhabited communities as part of their concurrent municipal service review and sphere of influence update requirements. The underlying intent of the legislation is to establish new and expedited opportunities to eliminate fringe communities through their annexation to cities. The legislation would allow each LAFCO to define disadvantaged inhabited communities. The legislation has passed out of the Assembly and is awaiting hearing by the Senate Appropriations Committee.[1] The Legislative Committee has recommended CALAFCO revise its position from oppose to watch given the recent amendments.

Senate Bill 1174 (Lois Wolk)
This proposed legislation was last amended on June 24, 2010 and would establish a pilot funding program to selected assist cities and counties in preparing updates to their general plan elements. The funding would be drawn from Proposition 84 and conditioned on the participating cities and counties updating one or more of their elements to identify, assess, and strategize to eliminate island, fringe, and legacy communities.[2] The legislation has passed out of the Senate and is currently awaiting hearing by the Assembly Appropriations Committee. CALAFCO has adopted a watch position.

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[1] AB 853 originally proposed establishing an expedited process for counties to initiate city annexations of disadvantaged inhabited communities while waiving property tax exchange, prezoning, and protest requirements. These components of the proposed legislation have been removed through recent amendments.

[2] SB 1174 defines a "disadvantaged unincorporated community" to mean an island or fringe area in which the median household income is 80% or less than the statewide median household income. A "fringe community" is defined to mean an inhabited unincorporated territory that is within a city's sphere of influence. A "legacy community" is defined to mean a geographically isolated unincorporated area that is inhabited and has existed for at least 50 years.

Assembly Bill 1859 (Chris Norby)
This proposed legislation did not pass out of the Assembly. It would have established LAFCO oversight with respect to reviewing and approving new or expanded redevelopment areas. The legislation specifically focused LAFCOs oversight on the financial soundness of a proposal and not making a determination on blight. The author is expected to reintroduce the legislation next session.

In addition to tracking current legislation, staff continues to seek support within CALAFCO to amend the procedures outlining LAFCOs authority in approving outside service extensions under Government Code Section 56133. Consistent with previous comments made by the Commission, an amendment is being sought to provide LAFCOs more discretion in approving new or extended outside services beyond agencies' spheres of influence without the current precondition of making public health or safety findings. This amendment is needed given the current statute does not recognize instances in which local conditions dictate it is appropriate for an agency to provide services outside its sphere to support existing or new development without the explicit expectation the land be eventually annexed. Staff recently convened a working group of Executive Officers from Butte, El Dorado, Santa Barbara, and Sonoma Counties to jointly propose an amendment to G.C. Section 56133 to provide LAFCOs more freedom in approving outside service agreements while retaining reasonable controls. The working group has reached general consensus on key language changes and anticipates presenting an amendment proposal to CALAFCO within the next few months.

B. Commission Review

The Commission is invited to discuss any of the legislation outlined in this report or in the attached report prepared by CALAFCO. The Commission may also provide direction to staff with respect to returning with comment letters on any current or future legislation.

Attachments:

~~1) CALAFCO Legislative Policies~~
~~2) Status Report on Current Legislation~~

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August 2, 2010
Agenda Item No. 10a (Information)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **California Association of Local Agency Formation Commissions**
The Commission will receive a report on the results of the California Association of Local Agency Formation Commissions' proposal to amend its bylaws to establish regions for purposes of electing board of directors. The proposal was approved by a vote of 51 to 2.

The California Association of Local Agency Formation Commissions (CALAFCO) was founded in 1971 to assist its members with educational and technical resources in carrying out their duties to facilitate the orderly formation and development of local agencies. This includes organizing annual conferences and workshops, coordinating training classes, and drafting legislation. CALAFCO is governed by an elected at-large 15-member board of directors that includes four city members, four county members, four special district members, and three public members. Paid staff consists of a fulltime Executive Director and a part-time Administrative Assistant. CALAFCO's membership currently includes 57 of the 58 LAFCOs with Tehama choosing not to participate.

A. Information

CALAFCO's proposal to modify the voting process for board of directors from at-large to regions was approved by the membership through a mail ballot ending on July 9, 2010. The final vote was 51 to 2 in favor of the proposal with four members choosing not to participate. The two members voting against the proposal were San Bernardino and Solano. CALAFCO's meeting minutes detailing the vote is attached.

The approved by-law changes establish four regions within CALAFCO for the sole purposes of electing board of directors. The regions are based on geography and include (a) northern, (b) central, (c) coastal, and (d) southern. The bylaw changes dictate each region will be responsible for electing four directors representing county, city, district, and public members through caucuses. This expands the total number of directors from 15 to 16 with one additional public member. All 16 seats are up for election during the 2010 Annual Conference in Palm Springs. Two of the members initially elected within each region will serve two-year terms while the other two members will serve one-year terms. All subsequent terms will be staggered every two years.

LAFCO of Napa County has been assigned to the coastal region.

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Brad Wagenknecht, Commissioner
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Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

B. Commission Review

The Commission is invited to review and discuss the report and direct staff to follow up with any additional information as needed.

Attachment:

~~1) CALAFCO Meeting Minutes for July 9, 2010~~

Local Agency Formation Commission
LAFCO of Napa County

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August 2, 2010
Agenda Item No. 10b (Information)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: **Request to Defer Scheduled Sphere of Influence Review and Update for County Service Area No. 3**
The Commission has received a written request from the County of Napa to defer the currently scheduled sphere of influence review and update on County Service Area No. 3 to January 2011. The request is being presented to the Commission for informational purposes only.

Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 for coordinating the orderly formation and development of governmental agencies and services. This includes establishing and updating spheres of influence for each city and special district to designate the territory LAFCO believes represents the affected agency's probable future boundary and service area. All boundary changes and outside service extensions must be consistent with the spheres of influence of the affected agencies with limited exceptions.

As of January 1, 2008, LAFCOs are now required to review and update spheres of influence every five years as needed. State law also requires LAFCOs to inform their sphere of influence determinations by conducting municipal service reviews to comprehensively evaluate the level and range of governmental services provided within their jurisdictions. Municipal service reviews vary in scope and can focus on a particular agency, service, or geographic region. The collective purpose in preparing these studies is to make LAFCOs more proactive and effective in fulfilling their mandate to advantageously provide for the present and future needs of the public.

A. Information

LAFCO of Napa County's ("Commission") current study schedule calendars municipal service reviews and sphere of influence updates through 2013/2014. The underlying focus of the study schedule is to expand on the baseline information collected during the inaugural round of municipal service reviews and sphere of influence updates completed in 2007/08. This includes measuring key trends relating to the adequacy, capacity, and cost of essential governmental services in support of existing and planned development.

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Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

The County of Napa has submitted a written request asking the Commission to defer its currently scheduled sphere of influence review and update for County Service Area No. 3 to January 2011. The County is seeking the deference to provide additional time to review and consider making possible requests for Commission consideration as it relates to redesignating the sphere of influence. This request appears reasonable and is not expected to have a significant impact on the Commission's study schedule in terms of completing other scheduled reviews and updates.

B. Commission Review

The Commission is invited to review and discuss the request from the County and direct staff to follow up with any additional information as needed.

Attachment:

~~1) Current Adopted Study Schedule~~
~~2) Written Request from County~~

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August 2, 2010
Agenda Item No. 10c (Information)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Brendon Freeman, Analyst

SUBJECT: **Current and Future Proposals**
The Commission will receive a report summarizing current and future proposals. The report is being presented for information. No new proposals have been submitted since the June 7, 2010 meeting.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCOs) with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. This includes approving or disapproving proposals involving the formation, expansion, merger, and dissolution of cities and special districts.

A. Information

There are currently three active proposals on file with LAFCO of Napa County ("Commission"). A summary of these active proposals follows.

Clarke Ranch/Eucalyptus/School Site Annexation to the City of American Canyon
The City of American Canyon proposes the annexation of three unincorporated areas totaling approximately 208 acres. The three areas include all or portions of six assessor parcels lying within American Canyon's urban limit line. Consistent with policies and practices, the Commission's review of the proposal will also include concurrent annexation of the affected territory to the American Canyon Fire Protection District (ACFPD) and detachment from County Service Area (CSA) No. 4. Each area is assigned a short-term designation and summarized below.

- Clarke Ranch
  This area is 30.4 acres in size and includes a portion of an assessor parcel owned by American Canyon. The entire area is undeveloped; however, a portion is used by the American Canyon 4-H Club and includes equipment and animals for educational purposes.

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Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

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County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

- Eucalyptus
  This area is 106.6 acres in size and includes one entire assessor parcel. A substantial portion of the area is leased and used as a paint-ball park.

- School Site
  This area is 71.6 acres in size and includes three entire assessor parcels and a portion of a fourth assessor parcel owned by the Napa Valley Unified School District. One-half of the affected territory is developed and consists of a 2,200-student high school. The remaining one-half is scheduled to be developed into a 530-student middle school with construction commencing later this year.

Status: Staff issued a request for review on March 25, 2010 from local governmental agencies. No comments have been received to date. Staff has also issued a status letter to American Canyon requesting additional information and fees necessary to process the proposal. This includes a map and geographic description of the affected territory. American Canyon has requested staff delay processing the proposal to allow the City to complete a conservation easement on the Clarke Ranch property, which is a precondition for the County's support for the annexation.

Silverado Trail/Zinfandel Lane Annexation to the City of St. Helena

The City of St. Helena proposes the annexation of approximately 100 acres of unincorporated territory located northwest of the intersection of Silverado Trail and Zinfandel Lane. The affected territory consists of one entire parcel and a portion of a second parcel, which are both owned and used by St. Helena to discharge treated wastewater from an adjacent treatment plant through a spray irrigation system. Both subject parcels are located outside the City's sphere of influence. Rather than request concurrent amendment, St. Helena is proposing only the annexation of a portion of the second parcel to ensure the affected territory is non-contiguous to its incorporated boundary and therefore eligible for annexation under G.C. Section 56742. This statute permits a city to annex non-contiguous land it owns and uses for municipal purposes without consistency with its sphere of influence. However, if sold, the statute requires the land be automatically detached. The two subject parcels are identified by the County Assessor as 030-240-017 (portion) and 030-250-018.

Status: Staff has completed its review of the proposal. St. Helena has filed a request with the Commission to delay consideration of the proposal in order to explore a separate agreement with the County to extend the current Williamson Act contract associated with the affected territory.

Formation of the Villa Berryessa Water District

This application has been submitted by Miller-Sorg Group, Inc. The applicant proposes the formation of a new special district under the California Water District Act. The purpose in forming the new special district is to provide public water and sewer services to a planned 100-lot subdivision located along the western shoreline of Lake Berryessa. A tentative subdivision map for the underlying project has already been approved by the County. The County has conditioned recording the final map on the applicants receiving written approval from the United States Bureau of Reclamation to

construct an access road and intake across federal lands to receive water supplies from Lake Berryessa. Based on their own review of the project, the Bureau is requesting a governmental agency accept responsibility for the construction and perpetual operation of the water and sewer systems serving the subdivision.

Status: Staff is currently awaiting a response to an October 2008 request for additional information.

Staff is aware of two active proposals that are expected to be submitted to the Commission in the future. A summary of these future proposals follows.

American Canyon Town Center Project
The City of American Canyon has adopted a resolution of application to annex approximately 320 acres of unincorporated land for purposes of facilitating a conceptualized mixed urban use project located southeast of the intersection of State Highway 29 and South Napa Junction Road. No specific uses or densities currently exist. The Commission added 220 acres of this territory to American Canyon's sphere of influence as part of a comprehensive sphere update at its June 7 meeting. The City Council, serving as *ex officio* Board of Directors, also adopted a resolution of application proposing concurrent annexation of the affected territory into ACFPD. Based on practice, the Commission's review of the proposal would also include concurrent detachment from CSA No. 4.

St. Regis Resort Project
The City of Napa has approved a planning process to develop approximately 93 acres of land comprising four parcels located along Stanly Lane in the Stanly Ranch area. The approved project is intended to accommodate a 245-room luxury resort with a commercial vineyard. Commission approval will be needed to annex the affected territory to Napa Sanitation District for the purpose of extending public sewer service. Staff recently met with the project proponent and was informed the landowners may file an expanded proposal to annex the entire Stanly Ranch area for purposes of economizing resources.

B. Commission Review

The Commission is invited to review and discuss any of the current or future proposals identified in this report.

Attachments: none

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August 2, 2010
Agenda Item No. 10d (Information)

July 26, 2010

TO: Local Agency Formation Commission

FROM: Brendon Freeman, Analyst

SUBJECT: **Report on Website Visits**
The Commission will receive a report summarizing visitor traffic to the agency's new website since January 2010. The report is being presented for informational purposes only.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires Local Agency Formation Commissions (LAFCOs) to establish and maintain websites. Government Code Section 56300 specifies LAFCO websites must provide notices of meetings and hearings as well as other pertinent information for public review.

A. Information

In July 2009, LAFCO of Napa County ("Commission") launched a new website. The new website was designed and implemented by Planeteria, headquartered in Santa Rosa. The new website replaced the Commission's previous website, which had been developed and maintained by staff using Adobe GoLive. The purpose in budgeting for the new website was threefold: (a) improve visual setting; (b) enhance content management; and (c) increase interactivity through user-friendly navigation.

Staff has been tracking visitor usage on the new website with Google Analytics since January 2010. This application is a free service that generates detailed statistics showing trends in website usage. A review of usage of the Commission's website since the beginning of the year reveals the following:

- A total of 484 different people have visited the website as measured by internet protocol addresses.
- People accessing the website have produced a total of 990 visits.
- The two most frequently visited website pages are Meetings and Staff Reports. (42% of all visitors viewed Meetings; 36% of all visitors viewed Staff Reports)
- Nearly one-half of all visits to the website have been the result of a Google search. The majority of remaining visits are tied to direct website access and redirection from CALAFCO.

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Keene Simonds
Executive Officer

- January experienced the highest total monthly visits at 177. February experienced the lowest number of monthly visits at 118.

Staff will continue to track usage on the website and provide periodic updates to the Commission.

B. Commission Review

The Commission is invited to review and discuss the report and direct staff to follow up with any additional information as needed.

Attachments:

1) Google Analytics Report for Website, January 2010 to July 2010

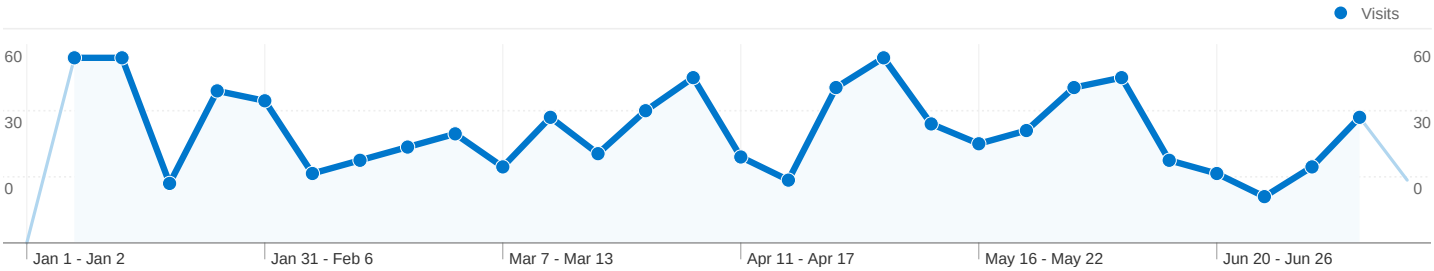
ATTACHMENT ONE

www.napa.lafco.ca.gov

Dashboard

Jan 1, 2010 - Jul 21, 2010

Comparing to: Site



Site Usage

990 Visits

24.85% Bounce Rate

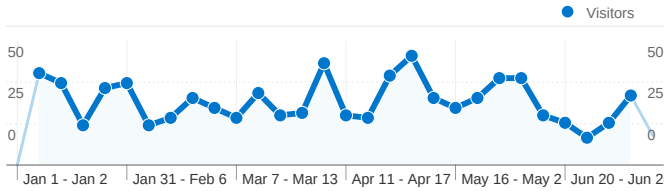
4,659 Pageviews

00:03:42 Avg. Time on Site

4.71 Pages/Visit

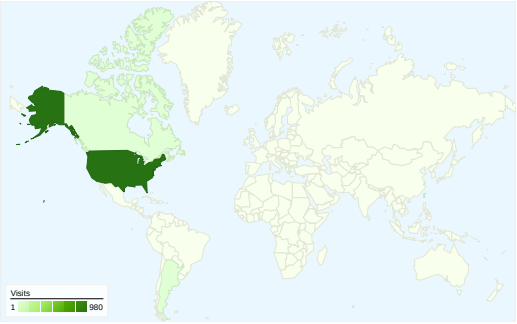
47.88% % New Visits

Visitors Overview

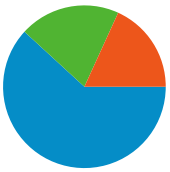


Visitors
484

Map Overlay



Traffic Sources Overview



- **Search Engines** 612.00 (61.82%)
- **Referring Sites** 198.00 (20.00%)
- **Direct Traffic** 180.00 (18.18%)

Content Overview

Pages	Pageviews	% Pageviews
/	954	20.48%
/cm_meeting_schedule.aspx	415	8.91%
/staff_reports.aspx	363	7.79%
/default.aspx	260	5.58%
/cm_agendaminutes.aspx	226	4.85%

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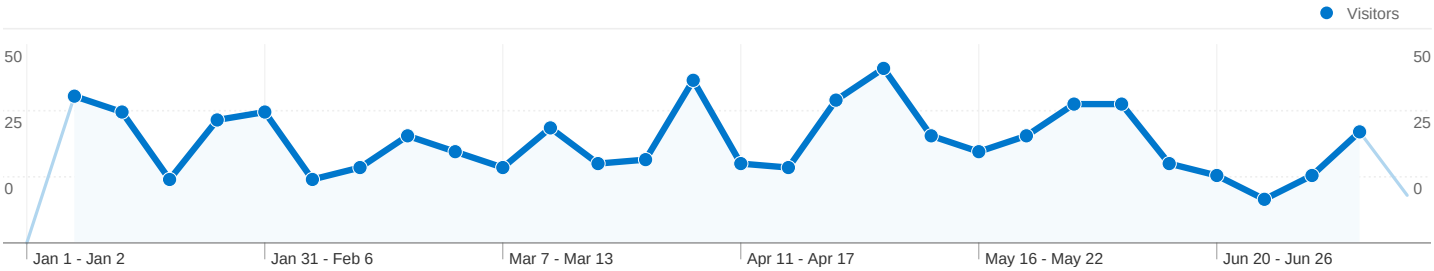
Visitors Overview

Jan 1, 2010 - Jul 21, 2010
Comparing to: Site



484 people visited this site

990 Visits

484 Absolute Unique Visitors

4,659 Pageviews

4.71 Average Pageviews

00:03:42 Time on Site

24.85% Bounce Rate

47.88% New Visits

Technical Profile

Browser	Visits	% visits
Internet Explorer	685	69.19%
Firefox	238	24.04%
Safari	37	3.74%
Chrome	25	2.53%
Opera Mini	1	0.10%

Connection Speed	Visits	% visits
DSL	269	27.17%
ISDN	250	25.25%
Cable	186	18.79%
Unknown	172	17.37%
T1	72	7.27%

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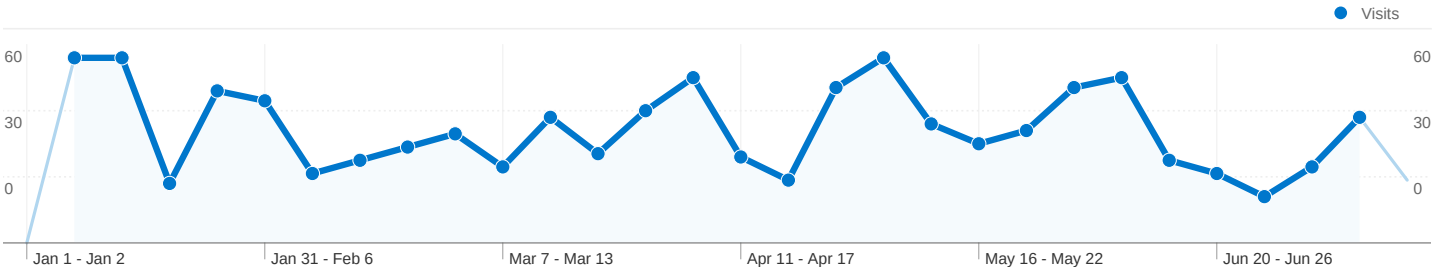
Traffic Sources Overview

Jan 1, 2010 - Jul 21, 2010
Comparing to: Site



All traffic sources sent a total of 990 visits

18.18% Direct Traffic

20.00% Referring Sites

61.82% Search Engines

Search Engines
612.00 (61.82%)

Referring Sites
198.00 (20.00%)

Direct Traffic
180.00 (18.18%)

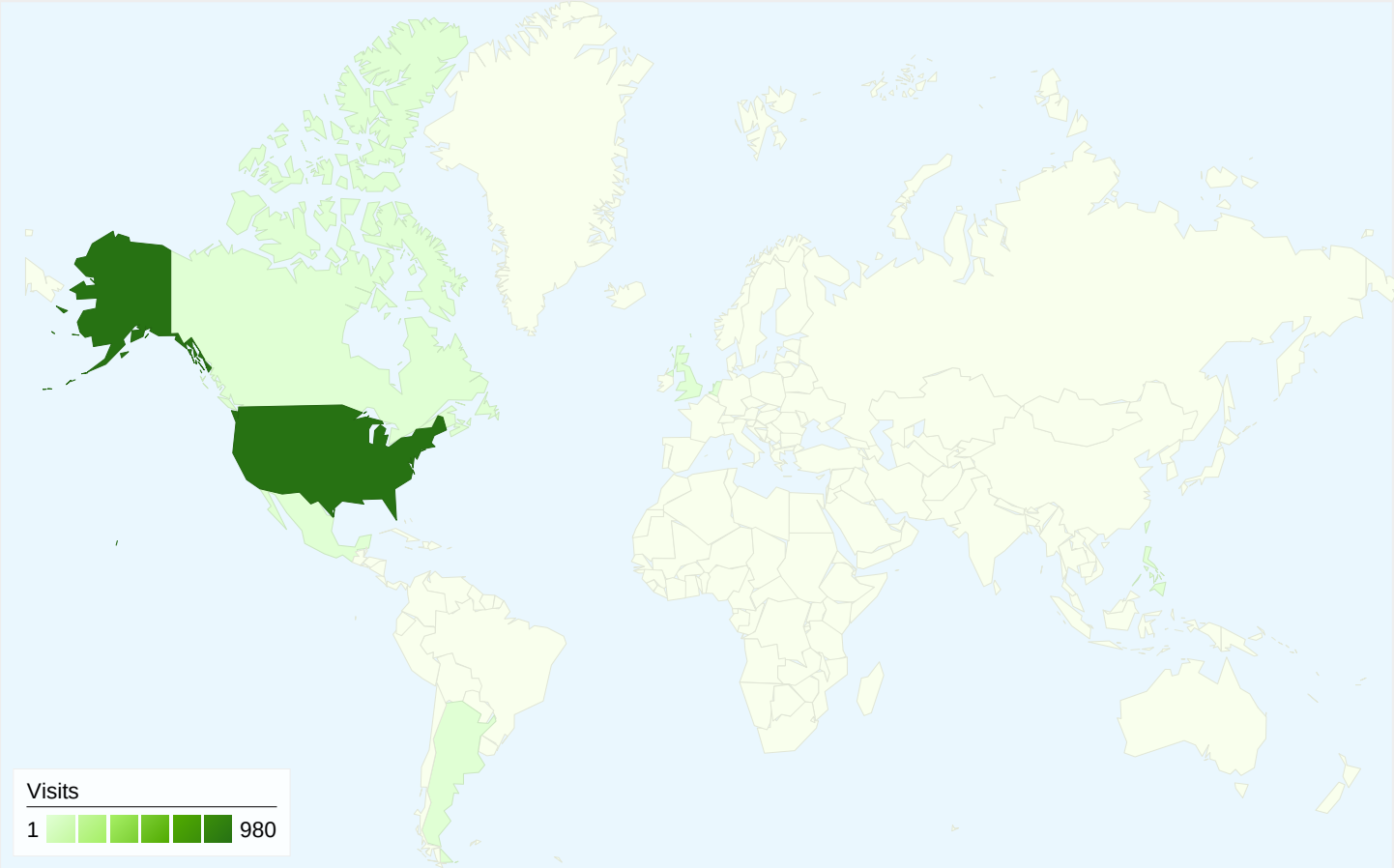
Top Traffic Sources

Sources	Visits	% visits
google (organic)	508	51.31%
(direct) ((none))	180	18.18%
calafco.org (referral)	122	12.32%
yahoo (organic)	71	7.17%
countyofnapa.org (referral)	45	4.55%

Keywords	Visits	% visits
napa lafco	198	32.35%
napa county lafco	110	17.97%
lafco napa	59	9.64%
napa, alabama	35	5.72%
lafco of napa county	20	3.27%

Map Overlay

Jan 1, 2010 - Jul 21, 2010
Comparing to: Site



990 visits came from 9 countries/territories

Site Usage

Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
990 % of Site Total: 100.00%	4.71 Site Avg: 4.71 (0.00%)	00:03:42 Site Avg: 00:03:42 (0.00%)	47.88% Site Avg: 47.88% (0.00%)	24.85% Site Avg: 24.85% (0.00%)

Country/Territory	Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
United States	980	4.73	00:03:44	47.35%	24.49%
Canada	2	2.50	00:01:43	100.00%	0.00%
Taiwan	2	1.00	00:00:00	100.00%	100.00%
(not set)	1	1.00	00:00:00	100.00%	100.00%
Argentina	1	1.00	00:00:00	100.00%	100.00%
Netherlands	1	7.00	00:01:50	100.00%	0.00%
Mexico	1	3.00	00:04:49	100.00%	0.00%
United Kingdom	1	1.00	00:00:00	100.00%	100.00%
Philippines	1	1.00	00:00:00	100.00%	100.00%

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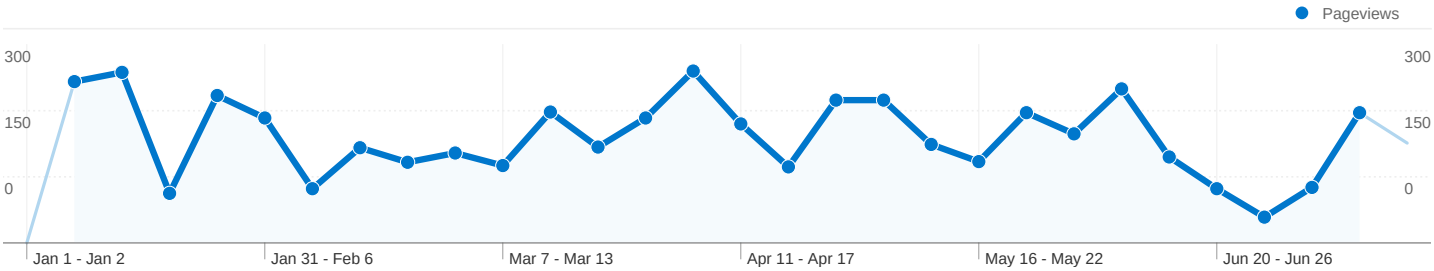
Content Overview

Jan 1, 2010 - Jul 21, 2010
Comparing to: Site



Pages on this site were viewed a total of 4,659 times

4,659 Pageviews

3,406 Unique Views

24.85% Bounce Rate

Top Content

Pages	Pageviews	% Pageviews
/	954	20.48%
/cm_meeting_schedule.aspx	415	8.91%
/staff_reports.aspx	363	7.79%
/default.aspx	260	5.58%
/cm_agendaminutes.aspx	226	4.85%

Local Agency Formation Commission
LAFCO of Napa County

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August 2, 2010
Agenda Item No. 3 (Minutes)

July 27, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Kathy Mabry, Commission Secretary

SUBJECT: **Meeting Minutes for June 7, 2010**
The Commission will consider approving meeting minutes for the June 7, 2010 meeting. It is also requested the Commission clarify its intent in conditioning its approval of the inclusion of certain territory into the City of American Canyon's sphere of influence.

A. Background/Discussion

Staff has prepared the attached meeting minutes for June 7, 2010 for Commission review and approval. Staff is also seeking clarification regarding the Commission's action to update the City of American Canyon's sphere of influence to include certain lands identified in the corresponding report from staff as Study Area A as part of Item 6a. These lands comprise 293 acres and include three properties commonly referred to as "Atkins," "Headwaters," and "Panattoni." The record is clear with respect to the Commission updating the sphere to conditionally include Study Area A on American Canyon first recording industrial easements for the lands as set forth in a 2008 agreement between the City and County before August 2, 2010. The record, however, is not clear with regards to the Commission's intent in applying the condition. Specifically, clarification is needed to determine whether it was the intent of the Commission to:

(a) allow Study Area A to be added to the sphere if industrial easements have been recorded for all of the affected properties by the deadline; or

(b) allow only those affected lands in Study Area A with recorded industrial easements by the deadline to be added to the sphere.

Commission clarification on the preceding matter will, among other issues, help guide the agency's consideration of the proposed annexation of the affected lands, which have been agendized today as part of Item 7a. Significantly, if the Commission clarifies its intent was (a), industrial easements for all of the affected lands within Study Area A will need to be recorded prior to the meeting for the agency to consider the annexation. Conversely, if the Commission clarifies its intent was (b), the agency can proceed with considering the annexation for any of the properties in which industrial easements have been recorded prior to the meeting.

Juliana Inman, Vice Chair
Councilmember, City of Napa

Bill Dodd, Commissioner
County of Napa Supervisor, 4th District

Brian J. Kelly, Chair
Representative of the General Public

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Keene Simonds
Executive Officer

B. Recommendation

Staff recommends the Commission approve the attached draft meeting minutes for June 7, 2010 with any corrections. Staff also requests the Commission clarify its intent in applying the condition discussed in the preceding section involving Study Area A.

Respectfully submitted,

_____	_____
Keene Simonds	Kathy Mabry
Executive Officer	Commission Secretary

Attachment:

1) Draft Meeting Minutes for June 7, 2010

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

DRAFT SUMMARY MEETING MINUTES

JUNE 7, 2010

1. CALL TO ORDER; ROLL CALL

Chair Inman called the regular meeting of June 7, 2010 to order at 4:03 P.M. At the time of roll call, the following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Juliana Inman, Chair	Joan Bennett	Keene Simonds, Executive Officer
Lewis Chilton	Mark Luce (*Voting*)	Jackie Gong, Commission Counsel
Brian J. Kelly	Gregory Rodeno	Brendon Freeman, Analyst
Brad Wagenknecht		Kathy Mabry, Secretary

Commissioner Dodd was excused.

2. PLEDGE OF ALLEGIANCE

American Canyon Councilmember Ed West led the Pledge of Allegiance.

3. APPROVAL OF AGENDA

Approved as presented.

4. PUBLIC COMMENT

Chair Inman invited members of the audience to provide public comment. No comments received.

5. CONSENT ITEMS

a) Abandonment of Borrette Lane No. 8 Annexation to the Napa Sanitation District

The Commission received a report confirming the conditions associated with the Borrette Lane No. 8 Annexation to the Napa Sanitation District proposal had not been satisfied. The applicant's failure to satisfy the outstanding conditions or request a time extension by the one-year deadline has caused the proposal to be abandoned in accordance with Government Code Section 57001.

b) Approval of Regular Meeting Calendar for Second Half of 2010

The Commission received a report considering approval of a regular meeting calendar for the last six months of 2010. Proposed dates include August 2nd, October 4th and December 6th.

c) Authorization to Approve Audit Expenditure

The Commission received a report considering authorization by the Chair to enter into an agreement with Gallina LLP for the preparation of an audit for the 2009-2010 fiscal year at a cost of $4,725.

d) Meeting Minutes for May 3, 2010

The Commission was presented with draft minutes from the May 3, 2010 meeting for approval.

e) Current and Future Proposals

The Commission received a report summarizing current and future proposals to receive and file.

Upon motion by Commissioner Wagenknecht and second by Commissioner Chilton, the consent items were unanimously approved or filed as recommended.

6. PUBLIC HEARING ITEMS

a) Sphere of Influence Update on the City of American Canyon: Continuation

The Commission continued a public hearing on its scheduled sphere of influence update on the City of American Canyon. Staff summarized the revised final report's recommendation to add four distinct areas to the sphere of influence identified as Study Areas A, D, F, and the portion of E designated and zoned by American Canyon as Town Center. Staff noted the revised final report incorporated additional information provided by American Canyon regarding land use and service planning for the Town Center portion. Staff stated the additional information provided by American Canyon along with written comments received by the County merited the Commission making a special exception to its policies and practices in adding the Town Center portion of Study Area E to the sphere of influence.

The Chair invited initial questions or comments from the Commission. Commissioner Wagenknecht suggested the Policy Committee consider identifying key local conditions in determining when the conversion of agricultural resources are appropriate, including adopted urban limit lines. Commissioner Luce commented Study Area F should be excluded from American Canyon's sphere of influence given the lands lie outside the City's urban limit line and were not contemplated for annexation as part of an agreement between the County and City. Commissioner Chilton stated adding Study Area F to the sphere of influence would avoid creating an unincorporated pocket or island.

Chair Inman returned to the public hearing and asked any members of the audience to provide their comments. The following comments were received.

- Keith Caldwell, County Supervisor, provided an overview of an agreement between the County and American Canyon supporting the addition of the Town Center portion of Study Area E. Supervisor Caldwell added it would be good government for the Commission to support the agreement between the County and American Canyon and noted it would help direct new housing demands away from unincorporated areas.

- Ed West, American Canyon Councilmember, commented on the improved working relationship between the County and American Canyon.

- Brent Cooper, American Canyon Community Development Director, commented American Canyon supports the recommendations in the revised final report to add Study Areas A, D and the Town Center portion of E. Mr. Cooper commented that American Canyon would defer to the Commission on whether to add Study Area F. Mr. Cooper requested the Commission condition its approval in adding Study Area A to require American Canyon first record industrial easements for the affected lands as required under its agreement with the County.

- Conner Massey, consultant representing landowner Pamela Smith, submitted a letter withdrawing Ms. Smith's previous opposition to adding the Town Center portion of Study Area E.

- Larry Florin, County Community Intergovernmental Affairs Director, stated the County supports the Commission taking action today to add Study Areas D and the Town Center portion of E to American Canyon's sphere of influence Mr. Florin noted the County's support for adding Study Area A is contingent on American Canyon recording industrial easements on the affected lands. Mr. Florin noted the easements have not been recorded and therefore the County requests the Commission defer consideration of Study Area A. Mr. Florin also referenced Commission Luce's earlier comments in restating the County's opposition to adding Study Area F.

PUBLIC HEARING ITEMS CONTINUED…

a) Sphere of Influence Update on the City of American Canyon: Continuation

- Doug Pope, partner representing landowner Headwaters, Inc., stated they have no problems with signing the industrial easements and supports the addition of the property to American Canyon's sphere of influence.

- William Ross, American Canyon City Attorney, reiterated American Canyon's support for the recommendations included in the revised final report. Mr. Ross also provided additional information in support of finding the proposed sphere of influence update qualifies for the common sense exemption under the California Environmental Quality Act.

- David Gilbreth, attorney representative landowner Ed Biggs, commented it would be appropriate to expand staff's recommendation to also include the portion of Study Area E designated and zoned by American Canyon as Special Study.

Chair Inman closed the public hearing and invited comments and direction from the Commission.

- Commissioner Luce stated it would be appropriate for the Commission to support the expansion of American Canyon's sphere of influence as recommended by staff with the exception of excluding Study Area F. Commissioner Luce added he was interested in moving forward today with Study Area A with the condition American Canyon record the industrial easements.

- Commissioner Wagenknecht stated he was comfortable with Commissioner Luce's approach.

- Commissioner Kelly stated he supported moving forward with Commissioner's Luce approach while asking the City and County to discuss Study Area F.

- Commissioner Chilton stated he supported conditioning the inclusion of Study Area A on the recording of industrial easements. Commissioner Chilton also stated excluding the Special Study portion of Study Area E is appropriate given the lack of land use information. Commissioner Chilton also reiterated his support for adding Study Area F.

- Chair Inman stated she supported adding Study Area F to American Canyon's sphere of influence for the reasons outlined in the revised final report.

- Commissioner Wagenknecht motioned and Commissioner Kelly seconded adopting the draft resolution to add Study Area A to American Canyon's sphere of influence as revised to condition approval on the execution and recording of industrial easements as set forth in the August 2008 agreement between the City and County. The motion included setting the deadline for recording the industrial easements by August 2, 2010. The motion was unanimously approved by the Commission. (**LAFCO Resolution No. 10-13**)

- Commissioner Chilton motioned and Commissioner Wagenknecht seconded adopting the draft resolution to add Study Area D to American Canyon's sphere of influence. The motion was unanimously approved by the Commission. (**LAFCO Resolution No. 10-14**)

- Commissioner Wagenknecht motioned and Commissioner Kelly seconded adopting the draft resolution updating American Canyon's sphere of influence to include the Town Center portion of Study Area E. The motion was unanimously approved by the Commission. (**LAFCO Resolution No. 10-15**)

b) Adoption of a Final Budget for Fiscal Year 2010-2011

On behalf of the Budget Committee, staff summarized the recommended final budget for 2010-2011 totaling $413,480 in operating costs. Staff noted the recommended final budgeted would reduce operating expenses over the current fiscal year by nearly one-fifth and was nearly identical to the proposed budget adopted by the Commission in April. Staff added the recommended final budget incorporates several key structural changes to the budget process, including the elimination of apportioning annual reserves and contingencies in favor of maintaining three months of operating reserves in the fund balance**.**

Chair Inman opened the public hearing. No comments were received. Chair Inman closed the public hearing. Commissioner Kelly motioned and Commissioner Chilton seconded adopting the draft resolution approving the final budget as recommended. The motion was unanimously approved by the Commission. (**Resolution No. 10-16**)

7. ACTION ITEMS

a) Amendments to Adopted Study Schedule

Staff summarized the current progress on completing the Commission's adopted study schedule calendaring municipal service reviews and sphere of influence updates for the 2008/09-2012/13 period. Staff reported the Commission is approximately one full year behind on the study schedule primarily due to delays in information collection. Staff recommended the Commission make several amendments to the study schedule to reflect the current status as well as economize resources going forward. The proposed amendments include extending the study schedule to 2013/14 and consolidating the reviews and updates on the three north valley cities into one study. Commissioner Kelly commented holding more meetings would not help expedite the study schedule given the bulk of the work involves staff preparing the actual studies. Commissioner Chilton cautioned consolidating the three north valley cities into one review may not necessarily save time, but would help focus on regional service issues.

Commissioner Luce motioned and Commissioner Kelly seconded amending the study scheduled as recommended. The motion was unanimously approved by the Commission.

b) Proposal to Establish Voting Regions within CALAFCO

Staff summarized a proposal by the California Association of Local Agency Formation Commissions to establish four voting regions for purposes of electing directors. Staff recommended the Commission support the proposal due to extenuating circumstances. Chair Inman noted the original proposal by CALAFCO to restructure appeared to be more aimed at facilitating regional planning while the current proposal is limited to addressing how directors are elected.

Commission Luce motioned and Commissioner Chilton seconded approving the proposal. The motion was unanimously approved by the Commission.

8. DISCUSSION ITEMS

a) Legislative Report

Staff provided the Commission with a report regarding the status report on the second year of the 2009-2010 session of the California Legislature relating to bills directly or indirectly effecting Local Agency Formation Commissions. No comments were received.

9. EXECUTIVE OFFICER REPORT

The Executive Officer reported the following:

- Ad Hoc Committee on Policies and Procedures had its initial meeting earlier in the day and is tentatively scheduled to meet before each regular Commission meeting.

10. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

A brief discussion was held regarding the October 4th Commission meeting, which will be followed by the annual CALAFCO conference held in Palm Spring, CA from October 6-8th.

11. ADJOURNMENT

The meeting was adjourned at 5:22 p.m.

_____
Juliana Inman, Chair

ATTEST: Keene Simonds
Executive Officer

Prepared by:

_____
Kathy Mabry
Commission Secretary