



LAFCO MEETING AGENDA

Monday, October 6, 2008

4:00 P.M

**Board Chambers, County Administration Building
1195 Third Street, Room 305
Napa, California 94559**

Brad Wagenknecht, Chair
Brian J. Kelly, Vice-Chair
Bill Dodd, Commissioner
Jack Gingles, Commissioner
Juliana Inman, Commissioner
Cindy Coffey, Alternate Commissioner
Mark Luce, Alternate Commissioner
Gregory Rodeno, Alternate Commissioner

Keene Simonds, Executive Officer
Jacqueline Gong, Commission Counsel
Brendon Freeman, Analyst
Kathy Mabry, Secretary

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

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

Minutes of August 4, 2008

4. PUBLIC COMMENT

In this time period, anyone may comment to the Commission regarding any subject over which the Commission has jurisdiction, or request consideration to place an item on a future agenda. No comments will be allowed involving any subject matter that is scheduled for hearing, action, or discussion as part of this 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 CALENDAR ITEMS

With the concurrence of the Chair, a Commissioner or member of the public may request discussion of an item on the consent calendar.

a) First Quarter Budget Report for Fiscal Year 2008-2009 (Action)

The Commission will receive a first quarter budget report for the 2008-2009 fiscal year. The budget report summarizes overall expenses through the first three months and is being presented to the Commission to receive and file.

6. PUBLIC HEARING ITEMS

a) Monticello Public Cemetery District: Sphere of Influence Review

The Commission will receive a report representing its scheduled sphere of influence review of the Monticello Public Cemetery District. The Commission will consider a draft resolution approving the recommendation of the report to modify the sphere of influence and make related statements as required under California Government Code Section 56425.

b) Pope Valley Cemetery District: Sphere of Influence Review

The Commission will receive a report representing its scheduled sphere of influence review of the Pope Valley Cemetery District. The Commission will consider a draft resolution approving the recommendation of the report to modify the sphere of influence and make related statements as required under California Government Code Section 56425.

c) Amendments to Adopted Conflict of Interest Code

The Commission will consider amendments to its adopted conflict of interest code. Amendments include transferring the filing and storage location of completed statement of economic interest forms from the County of Napa's Election Division to the LAFCO office and updating the legal monetary limit for gifts from a single source.

7. COMMISSION ACTION ITEMS

None

8. COMMISSION DISCUSSION ITEMS

a) Proposed Policy on Municipal Service Reviews

The Commission will review a proposed policy on conducting municipal service reviews. In conjunction with the proposed policy, the Commission will also review a revision to its study schedule calendaring municipal service reviews and sphere of influence updates for 2008-2012. The proposed policy and revision are being presented to the Commission for discussion.

b) Proposed Policy on Outside Service Agreements

The Commission will review a proposed policy regarding outside service agreements. The proposed policy provides guidance to the Commission in reviewing city and special district requests to provide new or extended services by agreement outside their jurisdictional boundaries in accordance with California Government Code Section 56133. The proposed policy is being presented to the Commission for discussion.

c) Legislative Report

The Commission will receive a verbal report on the legislative activities of the California Association of Local Agency Formation Commissions.

d) Report from 2008 CALAFCO Annual Conference

The Commission will receive a verbal report on issues and topics raised at the 2008 Annual Conference of the California Association of Local Agency Formation Commissions.

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:

- Unincorporated Islands
- Request for Proposal: Website Design and Development
- Request for Proposal: Electronic Document Management System

10. INFORMATION ITEMS

Information items are provided for the Commission to receive and file. The Commission may choose to discuss individual items or to receive and file the entire calendar.

a) Current and Future Proposals

The Commission will receive a report from staff regarding current and future proposals. The report is being presented for information.

11. CLOSED SESSION

None

12. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

13. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING:

Monday, November 3, 2008

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. If you intend to speak on any hearing item, please indicate in your testimony if you have made campaign contributions totaling \$250 or more to any Commissioner during the past 12 months. Any member of the public requiring special assistance with respect to attending or listening to the meeting should contact LAFCO staff 24 hours in advance at (707) 259-8645.



Local Agency Formation Commission
LAFCO of Napa County

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Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
<http://napa.lafco.ca.gov>

October 6, 2008
Agenda Item No. 5a

September 30, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: First Quarter Budget Report for Fiscal Year 2008-2009 (Consent: Action)
The Commission will receive a first quarter budget report for the 2008-2009 fiscal year. The budget report summarizes overall expenses through the first three months and is being presented to the Commission to receive and file.

The Commission's annual operating costs are entirely funded by the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and the Town of Yountville. State law provides the County is responsible for 50% of the Commission's operating costs with the remaining amount proportionally shared by the five cities based on a weighted calculation of population and general tax revenues. Each local agency is responsible for paying their share of the Commission's adopted budget at the beginning of each fiscal year. It is the practice of the Commission to only budget operating costs given its prescribed funding sources.

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

A. Discussion

The first quarter of the Commission's 2008-2009 fiscal year ended on September 30, 2008. Overall operating costs (expenditures and encumbrances) through the first quarter totaled \$73,218. This amount represents 15.9% of the total adopted budget (not including contingencies) with one-fourth of the fiscal year complete.

<u>Operating Budget</u>	<u>1st Quarter Expenses</u>	<u>Remaining Balance</u>	<u>Percent Available</u>
\$461,516	\$73,218	\$388,298	84.1

An overview of total expenses through the first quarter within the Commission's three budget units follows.

Jack Gingles, Commissioner
Mayor, City of Calistoga

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Juliana Inman, Commissioner
Councilmember, City of Napa

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

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

Keene Simonds
Executive Officer

Salaries and Benefits

At the end of the first quarter the Commission spent \$29,952 on salaries and benefits. This amount represents 10% of the total amount budgeted, as amended, in the eight affected accounts for the fiscal year. Savings are accumulating in several of these accounts as a result of hiring an extra help employee to fill the analyst position, which reduces benefit costs to the Commission. All accounts finished the first quarter with balances at or above 75%.

Services and Supplies

At the end of the first quarter the Commission spent \$43,266 on services and supplies. This amount represents 26% of the total amount budgeted in the 14 affected accounts for the fiscal year. Five accounts – memberships, office expenses, publications and notices, property lease, and training – finished the first quarter with balances below 75%. A summary of expenses in these five accounts follows.

Memberships

The membership account covers the Commission's annual due for the California Association of Local Agency Formation Commissions (CALAFCO). The Commission's budgeted membership due for CALAFCO in 2008-2009 is \$2,200, which was paid in full in July 2008.

Office Expenses

The office expense account covers general overhead supplies ranging from a copy machine lease with Xerox to weekly purchases with Office Depot. In the first quarter the Commission spent \$5,794 in this account, which represents approximately 39% percent of the total amount budgeted for the fiscal year. Staff will continue to monitor this account to help ensure a end-of-year deficit does not occur.

Publications and Notices

The publications and notices account covers the Commission's legal noticing requirements for all public hearings. Through the first quarter the Commission has spent \$862 in this account, which represents approximately 57% percent of the total amount budgeted for the fiscal year. These early expenses were anticipated and are associated with the noticing requirements for the four sphere of influence reviews the Commission has been processing during the beginning months of the fiscal year. Staff will continue to monitor this account to help ensure a end-of-year deficit does not occur.

Property Lease

The property lease account covers the Commission's lease for office space at 1700 Second Street, Suite 268 in Napa. The Commission's current lease provides a fixed monthly rate of \$2,250 through June 2009. The total lease amount for the fiscal year (\$27,000) has been encumbered by the County Auditor's Office for the purpose of simplifying payment to the landlord.

Training

The training account is used for a variety of instructional activities for staff and commissioners. Through the first quarter the Commission has spent \$1,170 in this account, which represents approximately 29% of the total amount budgeted for the fiscal year. The majority of first quarter expenses in this account were drawn from registration costs for the 2008 CALAFCO Annual Conference in Los Angeles, which was attended by two staff and one commissioner. Staff will continue to monitor the account to help ensure that a end-of-year deficit does not occur.

Contingencies

Through the first quarter the Commission has not drawn funds from its two budgeted contingency accounts, professional services reserve (\$50,000) and operating reserve (\$40,594). It is not expected the Commission will need to draw funds from either contingency account during the remainder of the fiscal year.

B. Summary

The Commission is on course to finish the 2008-2009 fiscal year with an overall positive balance. Unexpended budgeted funds will be returned to the agencies along with any other revenues, such as application fees, in the form of credits towards their calculated share of the Commission's operating costs in 2009-2010.

Staff will return to the Commission at the end of each quarter with a budget report. The second quarter ends on December 31, 2008 and will be reported to the Commission at its first regular meeting of 2009.

C. Recommendation

It is recommended that the Commission take the following action:

- 1) Receive and file the "First Quarter Budget Report for Fiscal Year 2008-2009."

Respectfully submitted,

Keene Simonds
Executive Officer

Attachment:

- 1) First Quarter General Ledger Report



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: 2009

9/30/2008

<u>Account</u>	<u>Account Description</u>	<u>Final Budget</u>	<u>Adjustments</u>	<u>Encumbrances</u>	<u>Expenditures</u>	<u>Remaining Balance</u>	<u>Percent Available</u>
5110000	S/W:REGULAR SALARIES	194,915	-26,010.00	0.00	14,445.27	154,460.16	91.45
51200100	S/W:EXTRA HELP	0	26,010.00	0.00	6,138.36	19,871.64	76.40
51200500	S/W:PER DIEM	9,600	0.00	0.00	500.00	9,100.00	94.79
51300100	E/B:RETIREMENT	34,551	0.00	0.00	2,463.34	32,087.59	92.87
51300120	OTHER POST EMPLOYMENT BENEFITS	11,295	0.00	0.00	2,824.00	8,471.00	75.00
51300300	E/B:MEDICARE	2,826	0.00	0.00	280.54	2,545.73	90.07
51300500	E/B:GROUP INSURANCE	40,148	0.00	0.00	3,160.83	36,987.21	92.13
51301200	E/B:INS:WORKERS COMP	149	0.00	0.00	37.25	111.75	75.00
51301800	E/B:CELL PHONE ALLOWANCE	840	0.00	0.00	101.93	738.07	87.87
	Total Salaries & Employee Benefits	294,325	0.00	0.00	29,951.52	264,373.15	89.82
52070000	COMMUNICATIONS	3,500	0.00	0.00	301.34	3,198.66	91.39
52100300	INSURANCE:LIABILITY	546	0.00	0.00	136.25	409.75	75.05
52150000	MEMBERSHIPS	2,200	0.00	0.00	2,200.00	0.00	0.00
52170000	OFFICE EXPENSE	15,000	0.00	4,499.84	1,293.73	9,206.43	61.38
52180200	PSS:MGMT INFO SVCS	17,768	0.00	0.00	4,442.01	13,325.99	75.00
52180500	PSS:LEGAL EXPENSE	26,320	0.00	0.00	0.00	26,320.00	100.00
52185000	PSS:OTHER	7,507	0.00	0.00	0.00	7,507.00	100.00
52190000	PSS:PUBLICATNS/LGL NOTICE	1,500	0.00	0.00	861.87	638.13	42.54
52235000	SDE:OTHER	56,000	0.00	0.00	290.05	55,709.95	99.48
52240500	SDE:PROPERTY LEASE	27,000	0.00	18,000.00	9,000.00	0.00	0.00
52243900	SDE:FILING FEE	850	0.00	0.00	150.00	700.00	82.35
52250000	TRANSPORTATION & TRAV	4,000	0.00	0.00	902.58	3,097.42	77.44
52250800	T/T:TRAINING	4,000	0.00	0.00	1,170.00	2,830.00	70.75
52251200	T/T:PRIVATE VEH MILE	1,000	0.00	0.00	18.72	981.28	98.13
	Total Services & Supplies	167,191	0.00	22,499.84	20,766.55	123,924.61	74.12
54000900	OPERATING RESERVE	40,594	0.00	0.00	0.00	40,594.00	100.00
54001000	PROFESSIONAL SERVICES RESERVE	50,000	0.00	0.00	0.00	50,000.00	100.00
	Total Contingencies & Reserves	90,594	0.00	0.00	0.00	90,594.00	100.00
02910	NAPA LAFCO	552,110	0.00	22,499.84	50,718.07	478,891.76	86.74
2910	NAPA CO LOCAL AGENCY FORMATION	552,110	0.00	22,499.84	50,718.07	478,891.76	86.74

ATTACHMENT ONE



Local Agency Formation Commission
LAFCO of Napa County

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October 6, 2008
Agenda Item No. 6a

September 29, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

**SUBJECT: Monticello Public Cemetery District: Sphere of Influence Review
(Public Hearing)**

The Commission will receive a report representing its scheduled sphere of influence review of the Monticello Public Cemetery District. The Commission will consider a draft resolution approving the recommendation of the report to modify the sphere of influence and make related statements as required under California Government Code Section 56425.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update the sphere of influence (“sphere”) of each city and special district within its jurisdiction every five years. LAFCO establishes and updates spheres to designate the territory it believes represents the appropriate and probable service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions. LAFCO prepares sphere reviews in conjunction with municipal service reviews, which assess the adequacy and range of governmental services provided in the region. The collective purpose of these reviews is to inform and direct LAFCOs in their legislative mandate to coordinate the orderly formation and development of governmental agencies and services.

A. Discussion

The attached report represents LAFCO of Napa County’s (“Commission”) scheduled sphere review of the Monticello Public Cemetery District (MPCD). The report marks the first comprehensive review of MPCD’s sphere in 23 years and draws on information collected as part of the Commission’s recent municipal service review on public cemetery districts completed in August 2008. The report focuses on whether changes to the sphere are appropriate with respect to facilitating MPCD’s orderly growth and development consistent with Commission policies. Notably, the report has been prepared in conjunction with a concurrent sphere review of the Pope Valley Cemetery District (PVCD). A report on PVCD’s sphere review is being presented today as part of a separate public hearing.

Jack Gingles, Commissioner
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

B. Summary

The report uses three factors in identifying possible study areas to evaluate adding or removing from MPCD's sphere. These factors are (a) relationship to MPCD's jurisdictional boundary, (b) relationship to PVCD's jurisdictional boundary, and (c) agency comments. A review of these factors identified two distinct study areas that are evaluated in the report and briefly summarized below.

- Study Area "A" is approximately 1,394 acres in size and has been chosen for analysis because the affected lands are inside MPCD's jurisdictional boundary but within PVCD's sphere. Study Area A is in the vicinity of Berryessa Estates and has been evaluated to consider the merits of its addition into MPCD's sphere.
- Study Area "B" is approximately 1,724 acres in size and has been chosen for analysis because the affected lands are inside MPCD's sphere but within PVCD's jurisdictional boundary. Study Area B is located along the eastern ridge of Pope Valley and has been evaluated to consider the merits of its removal from MPCD's sphere.

The report recommends the Commission approve two modifications to MPCD's sphere as part of this scheduled review. Both of these modifications would eliminate or reduce existing boundary line discrepancies between MPCD's sphere and jurisdictional boundary. The first recommended modification involves removing from the sphere all of the lands comprising Study Area B, which would eliminate the existing overlap with PVCD's jurisdictional boundary. The second recommended modification involves adding to the sphere the lands comprising the southern portion of Study Area A that lie outside the jurisdictional boundary of the Lake Berryessa Resort Improvement District (LBRID). This second recommended modification would serve three specific benefits. First, the Commission would support the orderly development of MPCD by modifying the sphere to better reflect its jurisdictional boundary in terms of the affected lands. Second, the Commission would continue to signal the remaining northern portion should be detached from MPCD and annexed to PVCD given its own established social and economic ties to the affected lands. Last, the Commission would create a more transparent and effective method in delineating an appropriate line between MPCD and PVCD's respective service areas south of Putah Creek by referencing LBRID.

A draft resolution has been prepared as part of this sphere review and is being presented for Commission consideration. The draft resolution codifies the recommendations of the report and makes statements addressing the four planning factors the Commission must consider anytime it makes a sphere determination. The adoption of the draft resolution would fulfill the Commission's sphere review requirement for MPCD through 2013.

C. Recommendation

After the Chair opens and closes the public hearing, it is recommended the Commission take the following actions:

- 1) Receive and file the attached report representing the scheduled sphere review of MPCD; and
- 2) Approve the attached draft resolution with any desired changes making statements with respect to updating MPCD's sphere in accordance with California Government Code Section 56425.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

- 1) Sphere of Influence Review: Final Report
- 2) Draft Resolution: Sphere of Influence Review

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**MONTICELLO PUBLIC CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW**

**Final Report
October 2008**

Prepared by:

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

Committed to serving the citizens and government agencies of its jurisdiction by encouraging the preservation of agricultural lands and open-space and coordinating the efficient delivery of municipal services.

Brad Wagenknecht, Chair, County Member
Brian J. Kelly, Vice-Chair, Public Member
Bill Dodd, Commissioner, County Member
Jack Gingles, Commissioner, City Member
Juliana Inman, Commissioner, City Member
Cindy Coffey, Alternate Commissioner, City Member
Mark Luce, Alternate Commissioner, County Member
Gregory Rodeno, Alternate Commissioner, Public Member

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I. INTRODUCTION

A. Local Agency Formation Commissions

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are responsible for administering a section of California Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are delegated regulatory and planning responsibilities to coordinate the logical formation and development of local governmental agencies and services. LAFCOs are located in all 58 counties in California and are generally governed by a five-member commission that includes two county supervisors, two city councilmembers, and one public representative.¹

B. Sphere of Influence

A central planning responsibility for LAFCO is the determination of a sphere of influence (“sphere”) for each local agency under its jurisdiction. LAFCO establishes, amends, and updates spheres to designate the territory it believes represents the appropriate and probable future service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, and outside service agreements must be consistent with the spheres of the affected local agencies with limited exceptions. LAFCO is required to review and update each local agency’s sphere by January 1, 2008 and every five years thereafter as needed.

In making a sphere determination, LAFCO is required to prepare written statements addressing four specific planning factors listed under California Government Code §56425. These factors range from present and planned land uses to the existence of any social or economic communities of interest. The intent in preparing the written statements is to capture the legislative intent of the sphere determination in coordinating the sensible and timely development of local agencies in relationship with the needs of the community.

Beginning in 2001, to help inform the sphere review process, LAFCO is responsible for preparing municipal service reviews to determine the level and range of governmental services provided in the region. The municipal service review process culminates with LAFCO making determinations on a number of governance related factors and may lead it to take other actions under its authority.

C. Monticello Public Cemetery District

This report represents LAFCO of Napa County’s (“Commission”) scheduled sphere review of the Monticello Public Cemetery District. The report marks the first comprehensive review of the District’s sphere in 23 years and draws on information collected as part of the Commission’s recent countywide municipal service review on public cemetery districts. The focus of the report is to consider whether changes to the sphere are warranted to facilitate the District’s orderly development consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Commission’s adopted policies.

¹ Several LAFCOs also have two members from independent special districts within their county. Each category represented on LAFCO has one alternate member.

II. OVERVIEW

A. Background

The Monticello Public Cemetery District (MPCD) was formed as an independent special district in 1936. MPCD was restructured in 1988 into a dependent special district and is now governed by the County of Napa Board of Supervisors serving as the Board of Trustees. MPCD owns and operates the Monticello Public Cemetery and provides interment services for property owners and residents within the District's approximate 219 square mile jurisdictional boundary as well as eligible non-residents.² Unincorporated communities served by MPCD include Berryessa Highlands, Berryessa Pines, and Spanish Flat. The current resident population within MPCD is estimated at 1,347 and is expected to increase modestly over the next five years to 1,428.³

MPCD reports there are a total of 978 plots in the Monticello Public Cemetery. Of this amount, 264 plots remain available for purchase. The current fee for a burial plot for residents and property owners is \$1,000 and \$1,150 for eligible non-residents.

MPCD's adopted budget in 2008-2009 is \$63,344. This amount reflects an overall increase in budgeted operating costs of approximately 25% over the prior fiscal year and 300% over the last five fiscal years. The current cost increase is primarily attributed to funding improvements to its irrigation system as well as new landscaping. Nearly all of MPCD's annual operating revenues are drawn from property taxes. This revenue source has proven robust and has more than doubled over the last five fiscal years as a result of rising property values within MPCD's jurisdictional boundary. However, as noted in the municipal service review, the recent growth rate between revenues and expenses indicates MPCD may begin experiencing ongoing operating shortfalls in the near future unless the District expands its revenue base or reduces service levels.

B. Sphere of Influence

MPCD's sphere was established by the Commission in March 1985. The Commission designated the sphere to include MPCD's entire jurisdictional boundary along with additional unincorporated lands extending south into Wooden Valley to include Circle Oaks. The Commission also included in the sphere unincorporated lands to the west of MPCD already in the Pope Valley Cemetery District (PVCD). Markedly, in adding these western lands to the sphere, the Commission determined MPCD is the more appropriate service provider based on similar geographic characteristics and encouraged the District to file for reorganization to annex the territory.

² California Health and Safety Code 9000 et seq. defines "eligible non-resident" as a person meeting all of the following criteria: (a) resident of the state at the time of death; (b) no public cemetery is within 15 miles of their residence; and (c) no non-public cemetery is closer to their residence than the district-owned cemetery. Additionally, a person may be considered an eligible non-resident if they died while (1) serving in the military or (2) in the line of duty as a peace officer or firefighter.

³ Population estimates were calculated by LAFCO staff as part of the municipal service review.

The only modification to MPCD’s sphere was initiated and approved by the Commission in May 1985. This modification involved the removal of an approximate 1,400 acre area that was already in MPCD and located in the vicinity of the Berryessa Estates after adding the same territory to PVCD’s sphere. In making this modification, the Commission determined the affected territory would be better served by PVCD based on its own communities of interest within the area and encouraged MPCD to file for reorganization to detach the territory.

In terms of current proportions, MPCD’s sphere is approximately 166,363 acres or 260 square miles in size. The sphere includes a total of 2,430 assessor parcels. The sphere is substantially larger than MPCD’s jurisdictional boundary, which is approximately 140,211 acres or 219 square miles in size and includes 1,677 assessor parcels.

Monticello Public Cemetery District: Adopted Boundaries
 (Source: County of Napa Geographic Information System)

	Sphere of Influence	Jurisdictional Boundary
Total Acres:	166,363	140,211
Assessor Parcels:	2,430	1,677

- * A map depicting MPCD’s sphere and jurisdictional boundary is provided in Attachment One.
- * A map depicting MPCD and PVCD’s spheres and jurisdictional boundaries is provided in Attachment Two.

C. Land Use Factors

MPCD is under the land use authority of the County. The County General Plan was recently updated and codifies land use policies for the unincorporated area through 2030. The majority of land within and adjacent to MPCD’s jurisdictional boundary and sphere is designated and zoned by the County as *Agriculture, Watershed and Open Space* and *Agricultural Watershed*, respectively. These land use assignments restrict new growth and development by requiring a minimum parcel size of 160 acres.

The County designates and or zones a small portion of land within MPCD’s jurisdictional boundary and sphere for urban use. These areas generally correspond with established unincorporated residential communities and include Spanish Flat, Berryessa Highlands, and Circle Oaks. It is estimated a total of 374 buildable lots remain vacant within these latter two residential communities.⁴ An additional 100 residential lots are also being proposed for development as part of a new subdivision within MPCD northwest of the Pope Creek Bridge known as Villa Berryessa.

- * A map depicting all land use designations under the County General Plan is provided in Attachment Three.

⁴ Staff estimates there are currently 230 and 144 vacant and buildable lots within Berryessa Highlands and Circle Oaks, respectively.

III. DISCUSSION

A. Objective

The objective of this report is to identify and evaluate areas that warrant consideration for inclusion or removal from MPCD's sphere as part of a comprehensive review. As mentioned, underlying this effort is to designate the sphere to facilitate the sensible and timely development of MPCD consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Commission's adopted policies.

B. Policy Considerations

The Commission's "Policy Determinations" provide general direction with respect to establishing and modifying an agency's sphere in relationship to local conditions and circumstances. The Policy Determinations include a broad statement that special districts' spheres shall reflect their existing and planned service facilities and exclude lands designated as agricultural or open-space to protect against premature urban development. The Policy Determinations also state the Commission will use the County General Plan to determine agricultural and open-space designations.

In establishing MPCD's sphere, the Commission adopted several policy statements regarding the function and purpose of the District. Most notably, this includes stating MPCD's interment services are "modern" in nature and appropriate in rural and remote areas in which traditional non-public interment services are not available.

C. Timeframe

State law requires all LAFCOs to review and update each local agency's sphere by January 1, 2008 and every five years thereafter as needed. Accordingly, it has been the practice of the Commission to review and update each local agency's sphere in a manner emphasizing a probable five-year service area.

IV. STUDY AREAS

A. Criteria and Selection

Three factors were used in considering areas to evaluate adding or removing from MPCD's sphere as part of this comprehensive review. These factors include (a) relationship to MPCD's jurisdictional boundary, (b) relationship to PVCD's jurisdictional boundary, and (c) agency comments. Based on these factors, two study areas have been selected for evaluation and are briefly summarized below.

- Study Area "A" has been chosen for analysis because the affected lands are inside MPCD's jurisdictional boundary but within PVCD's sphere. Study Area A will be evaluated to consider the merits of its addition into MPCD's sphere.

- Study Area “B” has been chosen for analysis because the affected lands are inside MPCD’s sphere but within PVCD’s jurisdictional boundary. Study Area B will be evaluated to consider the merits of its removal from MPCD’s sphere.

It is important to note consideration was given to establishing a third study area to evaluate adding additional unincorporated lands to MPCD’s sphere that extend southeast into Gordon Valley and southwest into Soda Canyon. The merits in establishing this third study area relates to the role of the sphere in facilitating the logical and orderly extension of MPCD with the presumption there may be a need within Gordon Valley and Soda Canyon for public interment services. However, it appears appropriate to defer consideration of this third study area until more information is collected and analyzed as it relates to the present level and availability of non-public interment services in these areas as well as throughout Napa County. Accordingly, expanding the sphere to include Gordon Valley and Soda Canyon is not further considered as part of this review.

- * A map depicting Study Areas A and B is provided in Attachment Four.

V. ANALYSIS

A. Evaluation Factors

Evaluation of each study area is organized 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 land uses, (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. Conclusions are offered for each study area with respect to whether a sphere modification appears appropriate.

B. Study Areas

Study Area A

Study Area A comprises 16 unincorporated parcels and is approximately 1,394 acres in size. The study area is located immediately south of Putah Creek in the vicinity of Berryessa Estates with a substantial portion also within the Lake Berryessa Resort Improvement District (LBRID). It appears the study area was included in MPCD at the time of its formation in 1936. The Commission originally included the study area in MPCD’s sphere at the time of its establishment in March 1985. The Commission reconsidered its action two months later and modified the sphere to remove the study area after determining PVCD was the more logical service provider based on shared communities of interest. No specific rationale is provided in the record in explaining why these specific lands were removed while other adjacent lands with similar characteristics remained inside the sphere.

- * A map depicting MPCD and LBRID’s spheres and jurisdictional boundaries is provided in Attachment Five.

Present and Planned Land Uses

The majority of the study area is undeveloped. Exceptions include four parcels that are part of the Berryessa Estates and have been developed with single-family residences. Parcels within the study area range in size from 0.25 to 607.6 acres. The average parcel size is 87.7 acres. As land use authority, the County designates the entire study area as *Agriculture, Watershed and Open Space* and zones approximately 90% of the lands as *Agricultural Watershed*. This zoning assignment requires a minimum parcel size of 160 acres, and as a result, could accommodate the creation of four additional lots within the affected area. The County zones the remaining 10% of the study area as *Planned Development*. This zoning standard does not require a minimum parcel size and therefore could allow for additional development upon approval by the County. None of the affected parcels are under a Williamson Act contract.

Present and Probable Need for Public Facilities and Services

The entire study area is located within MPCD and therefore the affected property owners and any residents are eligible to receive interment services from the District. Other public services provided within the study area are considered limited and include a basic level of law enforcement and fire protection from the County and/or CalFire, respectively, as well as mosquito abatement, flood control, and erosion management from various countywide special districts. Approximately one-third of the study area is also within LBRID and eligible to receive public water and sewer services. It appears this level and range of public services is consistent with the present and probable needs within the study area given its current and planned land uses under the County General Plan.

Present Capacity of Public Facilities and Adequacy of Public Services

The Commission's recent municipal service review on public cemetery districts indicates MPCD has adequate infrastructure capacities, administrative controls, and funding streams to provide interment services to the study area.

Existence of Social or Economic Communities of Interest

Nearly all the affected parcels comprising the study area are privately owned and have established economic ties to MPCD by contributing to the District's development as a result of paying property taxes. However, approximately one-third of the study area is located within LBRID and has also established economic and social ties to the Berryessa Estates community, which is predominately served by PVCD. The Commission has previously weighted the study area's economic and social ties to the Berryessa Estates as the rationale in including the affected lands in PVCD's sphere.

Conclusion

Modifying MPCD's sphere to include the southern portion of the study area that lies outside LBRID appears appropriate at this time. This change would support the orderly development of MPCD by modifying the sphere to better reflect its jurisdictional boundary while continuing to signal the remaining northern portion should be detached and annexed to PVCD given its social and economic ties to the affected lands. This change would also establish a more transparent and effective method to delineate an appropriate dividing line between MPCD and PVCD's respective service areas south of Putah Creek by referencing LBRID.

Study Area B

Study Area B comprises five unincorporated parcels and is approximately 1,724 acres in size. The study area is located along the eastern ridge of Pope Valley and was included in PVCD at the time of its formation in 1969. The Commission, however, added the study area to MPCD's sphere in 1985 after determining it is the more appropriate service provider based on similar geographic characteristics.

Present and Planned Land Uses

All five affected parcels comprising the study area are presently undeveloped. The parcels range in size from 80 to 592 acres. The average parcel size is 345 acres.⁵ As land use authority, the County designates and zones the entire study area as *Agriculture, Watershed and Open Space* and *Agricultural Watershed*, respectively. This zoning assignment requires a minimum parcel size of 160 acres, and as a result, could accommodate the creation of six additional lots within the study area. None of the affected parcels are under a Williamson Act contract.

Present and Probable Need for Public Facilities and Services

The entire study area is located within PVCD and therefore the affected property owners and any residents are eligible to receive interment services from the District. Other public services provided within the study area are considered limited and include a basic level of law enforcement and fire protection from the County and CalFire, respectively, as well as mosquito abatement, flood control, and erosion management from various countywide special districts. It appears this level and range of public services is consistent with the present and probable needs in the study area given its current and planned land uses under the County General Plan.

Present Capacity of Public Facilities and Adequacy of Public Services

The Commission's recent municipal service review on public cemetery districts indicates MPCD has adequate infrastructure capacities, administrative controls, and funding streams to provide interment services to the study area.

Existence of Social or Economic Communities of Interest

There are no discernable social or economic communities of interest existing between the study area and MPCD.

Conclusion

Modifying MPCD's sphere to remove the entire study area appears appropriate at this time. This change would recognize the expansion of MPCD to include the affected lands would not be orderly or logical given the territory is already located within and has established social ties with PVCD.

⁵ Two of the five parcels comprising the northern portion of Study Area B are currently owned by the United States.

VI. RECOMMENDATION

It is recommended the Commission approve two modifications to MPCD's sphere as part of this comprehensive review. These modifications involve adding the southern portion of Study Area A that lies outside of LBRID and removing all of Study Area B. The following statements have been prepared in support of the recommendation as required under California Government Code Section 56425:

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

The present and planned land uses in the sphere are contemplated under the County General Plan. The County General Plan and supporting zoning ordinances help ensure the majority of land within the sphere will remain rural and support agricultural and open-space uses. Existing and planned urban uses are limited and primarily directed to the unincorporated communities of Berryessa Highlands, Berryessa Pines, Circle Oaks, and Spanish Flat. These present and planned land uses are compatible and supported by MPCD's public interment services.

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

MPCD serves an important role in addressing the present and probable need for the respectful and cost-efficient interment of human remains for property owners and residents within the sphere.

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

MPCD has established sufficient infrastructure capacities, administrative controls, and funding streams to indicate it is capable of providing an appropriate level of public interment services within the sphere. These public interment services were comprehensively evaluated by LAFCO as part of a recent municipal service review completed in August 2008.

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.

MPCD has established distinct social and economic interdependencies within the sphere. The sphere facilitates the orderly development of the District in a manner that advantageously provides for the present and future needs of the community.

* A map depicting the recommended update to MPCD's sphere is provided in Attachment Six.

RESOLUTION NO. _____

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

**MONTICELLO PUBLIC CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW**

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 within Napa County as well as review the spheres of influence of the local governmental agencies whose jurisdictions are within Napa County; and

WHEREAS, the Executive Officer of the Commission, hereinafter referred to as “the Executive Officer”, conducted a review of the sphere of influence of the Monticello Public Cemetery District pursuant to said schedule and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Executive Officer prepared a report of this review, including his recommendations therein for updates to the Monticello Public Cemetery District’s sphere of influence; and

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

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on the said sphere of influence review on October 6, 2008; and

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

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

1. In accordance with the adopted Local Agency Formation Commission Environmental Impact Report Guidelines and applicable provisions of the California Environmental Quality Act, the Commission hereby determines this sphere of influence review of the Monticello Public Cemetery District is an exempt project under California Code of Regulations Section 15061(b)(3). Specifically, it can be seen with certainty there is no possibility the sphere of influence review and associated update will have a significant effect on the environment given it involves adding territory already in the District or removing territory outside the District.

2. The proposed sphere of influence review for the Monticello Public Cemetery District is APPROVED.
3. This sphere of influence review is assigned the following distinctive short-term designation:

**MONTICELLO PUBLIC CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW**

4. The sphere of influence for the Monticello Public Cemetery District is hereby updated and shown on the attached map identified as "Exhibit A."
5. Pursuant to California Government Code Section 56425, the Commission makes the statements of determinations in the attached "Exhibit B."
6. The effective date of this sphere of influence review shall be final upon the receipt by the Executive Officer of a written statement by the District pursuant to California Government Code Section 56425(i).
7. The Executive Officer shall revise the official records of the Commission to reflect the update to the sphere of influence.

The foregoing resolution was duly and regularly adopted by the Commission at a meeting held on the 6th day of October, 2008, by the following vote:

AYES:	Commissioners	_____
NOES:	Commissioners	_____
ABSENT:	Commissioners	_____
ABSTAIN:	Commissioners	_____

Attest: Keene Simonds
 Executive Officer

Recorded by: _____
 Kathy Mabry
 Commission Secretary

EXHIBIT B
STATEMENT OF DETERMINATIONS

MONTICELLO PUBLIC CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW

1. With respect to the present and planned land uses within the area, including agricultural and open-space lands, the Commission determines:

The present and planned land uses in the sphere are contemplated under the County General Plan. The County General Plan and supporting zoning ordinances help ensure the majority of land within the sphere will remain rural and support agricultural and open-space uses. Existing and planned urban uses are limited and primarily directed to the unincorporated communities of Berryessa Highlands, Berryessa Pines, Circle Oaks, and Spanish Flat. These present and planned land uses are compatible and supported by MPCD's public interment services.

2. With respect to the present and probable need for public facilities and services in the area, the Commission determines:

The Monticello Public Cemetery District serves an important role in addressing the present and probable need for the respectful and cost-efficient interment of human remains for property owners and residents within the sphere.

3. With respect to the present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, the Commission determines:

The Monticello Public Cemetery District has established sufficient infrastructure capacities, administrative controls, and funding streams to indicate it is capable of providing an appropriate level of public interment services within the sphere. These public interment services were comprehensively evaluated by LAFCO as part of a recent municipal service review completed in August 2008.

4. With respect to the existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency, the Commission determines:

The Monticello Public Cemetery District has established distinct social and economic interdependencies within the sphere. The sphere facilitates the orderly development of the District in a manner that advantageously provides for the present and future needs of the community.



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>

October 6, 2008
Agenda Item No. 6b

September 19, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

**SUBJECT: Pope Valley Cemetery District: Sphere of Influence Review
(Public Hearing)**

The Commission will receive a report representing its scheduled sphere of influence review of the Pope Valley Cemetery District. The Commission will consider a draft resolution approving the recommendation of the report to modify the sphere of influence and make related statements as required under California Government Code Section 56425.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update the sphere of influence (“sphere”) of each city and special district within its jurisdiction every five years. LAFCO establishes and updates spheres to designate the territory it believes represents the appropriate and probable service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions. LAFCO prepares sphere reviews in conjunction with municipal service reviews, which assess the adequacy and range of governmental services provided in the region. The collective purpose of these reviews is to inform and direct LAFCOs in their legislative mandate to coordinate the orderly formation and development of governmental agencies and services.

A. Discussion

The attached report represents LAFCO of Napa County’s (“Commission”) scheduled sphere review of the Pope Valley Cemetery District (PVCD). The report marks the first comprehensive review of PVCD’s sphere in 23 years and draws on information collected as part of the Commission’s recent municipal service review on public cemetery districts completed in August 2008. The report focuses on whether changes to the sphere are appropriate with respect to facilitating PVCD’s orderly growth and development consistent with Commission policies. Notably, the report has been prepared in conjunction with a concurrent sphere review of the Monticello Public Cemetery District (MPCD). A report on MPCD’s sphere review is being presented today as part of a separate public hearing.

Jack Gingles, Commissioner
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

B. Summary

The report uses three factors in identifying possible study areas to evaluate adding or removing from PVCD's sphere. These factors are (a) relationship to PVCD's jurisdictional boundary, (b) relationship to MPCD's jurisdictional boundary, and (c) agency comments. A review of these factors identified three distinct study areas that are evaluated in the report and briefly summarized below.

- Study Area "A" is approximately 1,394 acres in size has been chosen for analysis because the affected lands are inside PVCD's sphere but within MPCD's jurisdictional boundary. Study Area A is located in the vicinity of Berryessa Estates and has been evaluated to consider the merits of its removal from PVCD's sphere.
- Study Area "B" is approximately 1,724 acres in size has been chosen for analysis because the affected lands are inside PVCD's jurisdictional boundary but within MPCD's sphere. Study Area B is located along the eastern ridge of Pope Valley and has been evaluated to consider the merits of its addition into PVCD's sphere.
- Study Area "C" is approximately 4,392 acres in size and has been chosen for analysis because the affected lands are inside PVCD's jurisdictional boundary but outside its sphere. Study Areas C consists of three subareas located in the vicinity of Livermore Ranch, Angwin, and the intersection of Berryessa-Knoxville and Sage Canyon Roads and has been evaluated to consider the merits of its addition into PVCD's sphere.

The report recommends the Commission approve several modifications to PVCD's sphere as part of this comprehensive review. Almost all of the recommended modifications are aimed at eliminating existing boundary line discrepancies between PVCD's sphere and jurisdictional boundary. This includes adding to PVCD's sphere all the lands comprising Study Areas B and C, which will align the sphere to become coterminous with its jurisdictional boundary with respect to the affected lands.

The lone recommendation offered in the report that does not completely eliminate an existing boundary line discrepancy involves Study Area A. The report recommends only reducing the existing and above-described boundary line discrepancy within Study Area A by removing the southern portion of lands that lie outside the jurisdictional boundary of the Lake Berryessa Resort Improvement District (LBRID). This recommendation serves three benefits. First, the Commission would recognize the expansion of PVCD into the southern portion of Study Area A would not be orderly or logical given the affected lands are already within and have established economic ties with MPCD. Second, the Commission would continue to signal the remaining northern portion should be detached from MPCD and annexed to PVCD given its own established social and economic ties to the affected lands. Last, the Commission would also establish a more transparent and effective method in delineating an appropriate line between PVCD and MPCD's respective service areas south of Putah Creek by referencing LBRID.

A draft resolution has been prepared as part of this sphere review and is being presented for Commission consideration. The draft resolution codifies the recommendations of the report and makes statements addressing the four planning factors the Commission must consider anytime its makes a sphere determination. The adoption of the draft resolution would fulfill the Commission's sphere review requirement for PVCD through 2013.

C. Recommendation

After the Chair opens and closes the public hearing, it is recommended the Commission take the following actions:

- 1) Receive and file the attached report representing the scheduled sphere review of PVCD; and
- 2) Approve the attached draft resolution with any desired changes making statements with respect to updating PVCD's sphere in accordance with California Government Code Section 56425.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

- 1) Sphere of Influence Review: Final Report
- 2) Draft Resolution: Sphere of Influence Review

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**POPE VALLEY CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW**

**Final Report
October 2008**

Prepared by:

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

Committed to serving the citizens and government agencies of its jurisdiction by encouraging the preservation of agricultural lands and open-space and coordinating the efficient delivery of municipal services.

Brad Wagenknecht, Chair, County Member
Brian J. Kelly, Vice-Chair, Public Member
Bill Dodd, Commissioner, County Member
Jack Gingles, Commissioner, City Member
Juliana Inman, Commissioner, City Member
Cindy Coffey, Alternate Commissioner, City Member
Mark Luce, Alternate Commissioner, County Member
Gregory Rodeno, Alternate Commissioner, Public Member

Keene Simonds, Executive Officer
Jacqueline Gong, Commission Counsel
Brendon Freeman, Analyst
Kathy Mabry, Commission Secretary



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I. INTRODUCTION

A. Local Agency Formation Commissions

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are responsible for administering a section of California Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are delegated regulatory and planning responsibilities to coordinate the logical formation and development of local governmental agencies and services. LAFCOs are located in all 58 counties in California and are generally governed by a five-member commission that includes two county supervisors, two city councilmembers, and one public representative.¹

B. Sphere of Influence

A central planning responsibility for LAFCO is the determination of a sphere of influence (“sphere”) for each local agency under its jurisdiction. LAFCO establishes, amends, and updates spheres to designate the territory it believes represents the appropriate and probable future service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, and outside service agreements must be consistent with the spheres of the affected local agencies with limited exceptions. LAFCO is required to review and update each local agency’s sphere by January 1, 2008 and every five years thereafter as needed.

In making a sphere determination, LAFCO is required to prepare written statements addressing four specific planning factors listed under California Government Code §56425. These factors range from present and planned land uses to the existence of any social or economic communities of interest. The intent in preparing the written statements is to capture the legislative intent of the sphere determination in coordinating the sensible and timely development of local agencies in relationship with the needs of the community.

Beginning in 2001, to help inform the sphere review process, LAFCO is responsible for preparing municipal service reviews to determine the level and range of governmental services provided in the region. The municipal service review process culminates with LAFCO making determinations on a number of governance related factors and may lead it to take other actions under its authority.

C. Pope Valley Cemetery District

This report represents LAFCO of Napa County’s (“Commission”) scheduled sphere review of the Pope Valley Cemetery District. The report marks the first comprehensive review of the District’s sphere in 23 years and draws on information collected as part of the Commission’s recent countywide municipal service review on public cemetery districts. The focus of the report is to consider whether changes to the sphere are warranted to facilitate the District’s orderly development consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Commission’s adopted policies.

¹ Several LAFCOs also have two members from independent special districts within their county. Each category represented on LAFCO has one alternate member.

II. OVERVIEW

A. Background

The Pope Valley Cemetery District (PVCD) was formed in 1969. PVCD is an independent special district governed by local registered voters serving as the Board of Trustees. PVCD owns and operates the Pope Valley Cemetery and provides interment services for property owners and residents within the District's approximate 104 square mile jurisdictional boundary. PVCD is dependent on volunteers to provide time and equipment in operating and managing the District. Unincorporated communities served by PVCD include Berryessa Estates and Pope Valley. The current resident population within PVCD is estimated at 1,210 and is expected to increase slightly over the next five years to 1,284.²

PVCD reports there are a total of 343 plots in the Pope Valley Cemetery. Of this amount, 73 plots remain available for purchase. Nearly all of the available plots are located within land recently donated to PVCD by an adjacent property owner. Additional space is available to create more plots if needed. The current fee for a burial plot is \$1,250.

PVCD does not follow a formal budget process. PVCD's practiced budget process is generally limited to reconciling the District's checking account as needed. The checking account has a current balance of approximately \$8,000. Revenues are limited to burial plot sales. Property tax proceeds are not available to PVCD due to its decision to set its tax rate assignment to zero in 1977-1978, which was frozen one year later as a result of Proposition 13. As a result, and as mentioned in the municipal service review, PVCD's remaining revenue stream does not provide sufficient operating funding to carryout the services of the District in a manner consistent with its principal act.

B. Sphere of Influence

PVCD's sphere was established by the Commission in 1985. The Commission designated the sphere to include the majority of PVCD's jurisdictional boundary along with unincorporated lands extending south into Chiles Valley. The Commission also included in the sphere unincorporated lands to the east of PVCD already in the Monticello Public Cemetery District (MPCD). In adding these eastern lands to the sphere, the Commission determined PVCD is the more appropriate service provider based on communities of interest and encouraged the District to file for reorganization to annex the territory.

As noted, in establishing the sphere, the Commission did not include PVCD's entire jurisdictional boundary. Areas excluded from the sphere include lands located within and along PVCD's western border in the vicinity of Angwin and Livermore Ranch. Notably, the Commission excluded these two areas on the basis it believed the affected lands were adequately served by non-public interment service providers. Also excluded from the sphere include lands within and along PVCD's eastern border in which the Commission believed would be better served by MPCD.

² Population estimates were calculated by LAFCO staff as part of the municipal service review.

There have been no changes to PVCD’s sphere since its establishment in 1985. With regard to current proportions, the sphere is approximately 78,770 acres or 123 square miles in size. The sphere includes a total of 1,111 assessor parcels. The sphere is measurably larger than PVCD’s jurisdictional boundary, which is approximately 66,517 acres or 104 square miles in size and includes 1,041 assessor parcels.

Pope Valley Cemetery District: Adopted Boundaries
 (Source: County of Napa Geographic Information System)

	Sphere of Influence	Jurisdictional Boundary
Total Acres:	78,770	66,517
Assessor Parcels:	1,111	1,041

- * A map depicting PVCD’s sphere and jurisdictional boundary is provided in Attachment One.
- * A map depicting PVCD and MPCD’s spheres and jurisdictional boundaries is provided in Attachment Two.

C. Land Use Factors

PVCD is under the land use authority of the County. The County General Plan was recently updated and codifies land use policies for the unincorporated area through 2030. The majority of land within and adjacent to PVCD’s jurisdictional boundary and sphere is designated by the County as *Agriculture, Watershed and Open Space* or *Agricultural Resource* with a zoning standard *Agricultural Watershed*. This zoning standard restricts new growth and development by requiring a minimum parcel size of 160 acres.

The County designates and zones a small portion of land within PVCD’s jurisdictional boundary and sphere as *Rural Residential* and *Planned Development*, respectively. These urban land uses are confined to the residential community of Berryessa Estates, which represents PVCD’s largest concentration of residents with an estimated population of 427. Additional growth and development is expected to occur within Berryessa Estates given there are an estimated 186 buildable lots remaining vacant within the community.

- * A map depicting all land use designations under the County General Plan is provided in Attachment Three.

III. DISCUSSION

A. Objective

The objective of this report is to identify and evaluate areas that warrant consideration for inclusion or removal from PVCD’s sphere as part of a comprehensive review. As mentioned, underlying this effort is to designate the sphere to facilitate the sensible and timely development of PVCD consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Commission’s adopted policies.

B. Policy Considerations

The Commission's "Policy Determinations" provide general direction with respect to establishing and modifying an agency's sphere in relationship to local conditions and circumstances. The Policy Determinations include a broad statement that special districts' spheres shall reflect their existing and planned service facilities and exclude lands designated as agricultural or open-space to protect against premature urban development. The Policy Determinations also state the Commission will use the County General Plan to determine agricultural and open-space designations.

In establishing PVCD's sphere, the Commission adopted several policy statements regarding the function and purpose of the District. Most notably, this includes stating PVCD's interment services are "pioneer" in nature and appropriate for low-density rural and remote areas in which traditional non-public interment services are not available.

C. Timeframe

State law requires all LAFCOs to review and update each local agency's sphere by January 1, 2008 and every five years thereafter as needed. Accordingly, it has been the practice of the Commission to review and update each local agency's sphere in a manner emphasizing a probable five-year service area.

IV. STUDY AREAS

A. Criteria and Selection

Three factors were used in considering areas to evaluate adding or removing from PVCD's sphere as part of this comprehensive review. These factors include (a) relationship to PVCD's jurisdictional boundary, (b) relationship to MPCD's jurisdictional boundary, and (c) agency comments. Based on these factors, three distinct study areas have been selected for evaluation and are briefly summarized below.

- Study Area "A" has been chosen for analysis because the affected lands are inside PVCD's sphere but within MPCD's jurisdictional boundary. Study Area A will be evaluated to consider the merits of its removal from PVCD's sphere.
- Study Area "B" has been chosen for analysis because the affected lands are inside PVCD's jurisdictional boundary but within MPCD's sphere. Study Area B will be evaluated to consider the merits of its addition into PVCD's sphere.
- Study Area "C" has been chosen for analysis because the affected lands are inside PVCD's jurisdictional boundary but outside its sphere. Study Areas C will be evaluated to consider the merits of its addition into PVCD's sphere.

It is important to note consideration was given to establishing a third study area to evaluate adding additional unincorporated lands to PVCD's sphere that extend west into Deer Park and Angwin as well as south into Conn Valley. The merits in establishing this third study area relates to the role of the sphere in facilitating the logical and orderly extension of PVCD with the presumption there may be a need within these adjacent unincorporated areas for public interment services. However, it appears appropriate to defer consideration of this third study area until more information is collected and analyzed as it relates to the present level and availability of non-public interment services in these areas as well as throughout Napa County. Accordingly, expanding the sphere to include Angwin, Deer Park, or Conn Valley is not further considered as part of this review.

* A map depicting Study Areas A, B, and C is provided in Attachment Four.

V. ANALYSIS

A. Evaluation Factors

Evaluation of each study area is organized 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 land uses, (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. Conclusions are offered for each study area with respect to whether a sphere modification appears appropriate.

B. Study Areas

Study Area A

Study Area A comprises 16 unincorporated parcels and is approximately 1,394 acres in size. The study area is located immediately south of Putah Creek in the vicinity of Berryessa Estates with a substantial portion also within the Lake Berryessa Resort Improvement District (LBRID). It appears the study area was included in MPCD at the time of its formation in 1936. However, the Commission added the study area to PVCD's sphere at the time of its establishment in 1985 after determining the District was the more logical service provider based on shared communities of interest. No specific rationale is provided in the record in explaining why these specific lands were added while other adjacent lands with similar characteristics remained outside the sphere.

* A map depicting PVCD and LBRID's spheres and jurisdictional boundaries is provided in Attachment Five.

Present and Planned Land Uses

The majority of the study area is undeveloped. Exceptions include four parcels that are part of the Berryessa Estates and have been developed with single-family residences. Parcels within the study area range in size from 0.25 to 607.6 acres. The average parcel size is 87.7 acres. As land use authority, the County designates the entire study area as *Agriculture, Watershed and Open Space* and zones approximately 90% of the lands as *Agricultural Watershed*. This zoning assignment requires a minimum parcel size of 160

acres, and as a result, could accommodate the creation of four additional lots within the affected area. The County zones the remaining 10% of the study area as *Planned Development*. This zoning standard does not require a minimum parcel size and therefore could allow for additional development upon approval by the County. None of the affected parcels are under a Williamson Act contract.

Present and Probable Need for Public Facilities and Services

The entire study area is located within MPCD and therefore the affected property owners and any residents are eligible to receive interment services from the District. Other public services provided within the study area are considered limited and include a basic level of law enforcement and fire protection from the County and/or CalFire, respectively, as well as mosquito abatement, flood control, and erosion management from various countywide special districts. Approximately one-third of the study area is also located within LBRID and eligible to receive public water and sewer services. It appears this level and range of public services is consistent with the present and probable needs within the study area given its current and planned land uses under the County General Plan.

Present Capacity of Public Facilities and Adequacy of Public Services

The Commission's recent municipal service review on public cemetery districts indicates PVCD has adequate infrastructure capacities in terms of available burial plots, but lacks sufficient administrative controls and funding streams. These latter deficiencies must be addressed by PVCD to ensure it has sufficient resources to remain solvent in the future.

Existence of Social or Economic Communities of Interest

Nearly all of the affected parcels comprising the study area are owned by private individuals or entities and have established economic ties to MPCD by contributing to the District's development as a result of paying property taxes. However, approximately one-third of the study area is also located within LBRID and have established economic and social ties to the Berryessa Estates community, which is predominately served by PVCD. The Commission has previously weighted the study area's economic and social ties to the Berryessa Estates as the rationale in including the affected lands in PVCD's sphere.

Conclusion

Modifying PVCD's sphere to remove the southern portion of the study area that lies outside LBRID appears appropriate at this time. This change would recognize the expansion of PVCD into the southern portion of the study area would not be orderly or logical given the affected lands are already within and have established economic ties with MPCD. At the same time, the Commission would continue to signal the remaining northern portion should be detached from MPCD and annexed to PVCD given its own established social and economic ties to the affected lands. This change would also establish a more transparent and effective method in delineating an appropriate line between PVCD and MPCD's respective service areas south of Putah Creek by referencing LBRID.

Study Area B

Study Area B comprises five unincorporated parcels and is approximately 1,724 acres in size. The study area is located along the eastern ridge of Pope Valley and was included in PVCD at the time of its formation in 1969. The Commission, however, added the study area to MPCD's sphere in 1985 after determining it is the more appropriate service provider based on similar geographic characteristics.

Present and Planned Land Uses

All five affected parcels comprising the study area are presently undeveloped. The parcels range in size from 80 to 592 acres. The average parcel size is 345 acres.³ As land use authority, the County designates and zones the entire study area as *Agriculture, Watershed and Open Space* and *Agricultural Watershed*, respectively. This zoning assignment requires a minimum parcel size of 160 acres, and as a result, could accommodate the creation of six additional lots within the study area. None of the affected parcels are under a Williamson Act contract.

Present and Probable Need for Public Facilities and Services

The entire study area is located within PVCD and therefore the affected property owners and any residents are eligible to receive interment services from the District. Other public services provided in the study area are considered limited and include a basic level of law enforcement and fire protection from the County and CalFire, respectively, as well as mosquito abatement, flood control, and erosion management from various countywide special districts. It appears this level and range of public services is consistent with the present and probable needs in the study area given its current and planned land uses under the County General Plan.

Present Capacity of Public Facilities and Adequacy of Public Services

The Commission's recent municipal service review on public cemetery districts indicates PVCD has adequate infrastructure capacities in terms of available burial plots, but lacks sufficient administrative controls and funding streams. These deficiencies must be addressed by PVCD to ensure it has sufficient resources to remain solvent in the future.

Existence of Social or Economic Communities of Interest

The study area has established social ties with PVCD given the affected parcels have been part of the District since its formation in 1969.

Conclusion

Modifying PVCD's sphere to include the entire study area appears appropriate at this time. This change would recognize existing social ties and support the orderly development of PVCD by designating the sphere to reflect its jurisdictional boundary with respect to the affected lands.

³ Two of the five parcels comprising the northern portion of Study Area B are currently owned by the United States.

Study Area C

Study Area C consists of three non-contiguous subareas that include all or portions of 69 unincorporated parcels totaling approximately 4,392 acres. All three subareas were included in PVCD at the time of its formation in 1969. The Commission, however, excluded the subareas from the sphere at the time of its establishment in 1985. Subareas “C-1” and “C-2” are located within and along PVCD’s western border in the vicinity of Livermore Ranch and Angwin, respectively. The Commission excluded C-1 and C-2 from the sphere after determining the affected lands could be adequately served by non-public interment service providers. Subarea “C-3” is located within and along PVCD’s eastern border immediately south of Study Area B. It appears the Commission excluded C-3 from PVCD’s sphere with the intent of adding it to MPCD’s sphere as it did with the District lands comprising Study Area B. The Commission’s apparent intention of adding C-3 to MPCD’s sphere, though, was never completed.

Present and Planned Land Uses

The majority of the study area is undeveloped with the exception of several single-family residences and planted vineyards located within C-2. Parcels within the study area range in size from 0.7 to 610 acres. The average parcel size is 105 acres. As land use authority, the County designates and zones the entire study area as *Agriculture, Watershed and Open Space* and *Agricultural Watershed*, respectively. This zoning assignment requires a minimum parcel size of 160 acres, and as a result, could accommodate the creation of two additional lots in C-1 and one additional lot in C-2. One parcel approximately 40.1 acres in size in C-2 is under a Williamson Act contract.

Present and Probable Need for Public Facilities and Services

The entire study area is located within PVCD and therefore the affected property owners and any residents are eligible to receive interment services from the District. Other public services provided in the study area are considered limited and include a basic level of law enforcement and fire protection from the County and/or CalFire, respectively, as well as mosquito abatement, flood control, and erosion management from various countywide special districts. It appears this level and range of public services is consistent with the present and probable needs in the study area given its present and planned land uses.

Present Capacity of Public Facilities and Adequacy of Public Services

The Commission’s recent municipal service review on public cemetery districts indicates PVCD has adequate infrastructure capacities in terms of available burial plots, but lacks adequate administrative controls and funding streams. These deficiencies must be addressed by PVCD to ensure it has sufficient resources to remain solvent in the future.

Existence of Social or Economic Communities of Interest

The study area has established social ties with PVCD given the affected parcels have been part of the District since its formation in 1969.

Conclusion

Modifying PVCD’s sphere to include the entire study area appears appropriate at this time. This change would recognize existing social ties and support the orderly development of PVCD by designating the sphere to reflect its jurisdictional boundary with respect to the affected lands.

VI. RECOMMENDATION

It is recommended the Commission approve five modifications to PVCD's sphere as part of this comprehensive review. The first two recommended changes involve removing the southern portion of Study Area A that lies outside LBRID and adding all of Study Area B. The remaining three recommended changes involve adding all of Study Area C, which includes C-1, C-2, and C-3. The following statements have been prepared in support of the recommendation as required under California Government Code § 56425:

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

The present and planned land uses in the sphere are contemplated under the County General Plan. The County General Plan and supporting zoning ordinances help ensure the majority of land within the sphere will remain rural and support agricultural and open-space uses. Existing and planned urban uses are limited and primarily direct to unincorporated communities of Berryessa Estates and Pope Valley. These present and planned land uses are compatible and supported by PVCD's public interment services.

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

PVCD serves an important role in addressing the present and probable need for the respectful and cost-efficient interment of human remains for property owners and residents within the sphere.

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

PVCD has sufficient infrastructure capacities in terms of available burial plots, but lacks adequate administrative controls and funding streams. These deficiencies must be addressed by PVCD to help ensure it has sufficient resources to provide adequate public interment services within the sphere. These public interment services were comprehensively evaluated by the Commission as part of a recent municipal service review completed in August 2008.

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.

PVCD has established distinct social interdependencies within the sphere. The sphere facilitates the orderly and logical development of the District in a manner that advantageously provides for the present and future needs of the community.

- * A map depicting the recommended update to PVCD's sphere is provided in Attachment Six.

RESOLUTION NO. _____

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

**POPE VALLEY CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW**

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 within Napa County as well as review the spheres of influence of the local governmental agencies whose jurisdictions are within Napa County; and

WHEREAS, the Executive Officer of the Commission, hereinafter referred to as “the Executive Officer”, conducted a review of the sphere of influence of the Pope Valley Cemetery District pursuant to said schedule and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Executive Officer prepared a report of this review, including his recommendations therein for updates to the Pope Valley Cemetery District’s sphere of influence; and

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

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on the said sphere of influence review on October 6, 2008; and

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

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

1. In accordance with the adopted Local Agency Formation Commission Environmental Impact Report Guidelines and applicable provisions of the California Environmental Quality Act, the Commission hereby determines this sphere of influence review of the Pope Valley Cemetery District is an exempt project under California Code of Regulations Section 15061(b)(3). Specifically, it can be seen with certainty there is no possibility the sphere of influence review and associated update will have a significant effect on the environment given it involves adding territory that is already in the District or removing territory that is outside the District.

2. The proposed sphere of influence review for the Pope Valley Cemetery District is APPROVED.
3. This sphere of influence review is assigned the following distinctive short-term designation:

**POPE VALLEY CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW**

4. The sphere of influence for the Pope Valley Cemetery District is hereby updated and shown on the attached map identified as "Exhibit A."
5. Pursuant to California Government Code Section 56425, the Commission makes the statements of determinations in the attached "Exhibit B."
6. Pursuant to California Government Code Section 56426.5, the Commission has identified certain land added to the sphere as part of this review is under Williamson Act contracts. Pursuant to subsection (b), the Commission finds the addition of the affected land will not adversely impact the continuation of the contract. The affected land is identified as County of Napa Assessor Parcel Number 018-040-028 and is already in the Pope Valley Cemetery District.
7. The effective date of this sphere of influence review shall be final upon the receipt by the Executive Officer of a written statement by the Pope Valley Cemetery District pursuant to California Government Code Section 56425(i).
8. The Executive Officer shall revise the official records of the Commission to reflect the update to the sphere of influence.

The foregoing resolution was duly and regularly adopted by the Commission at a meeting held on the 6th day of October, 2008, by the following vote:

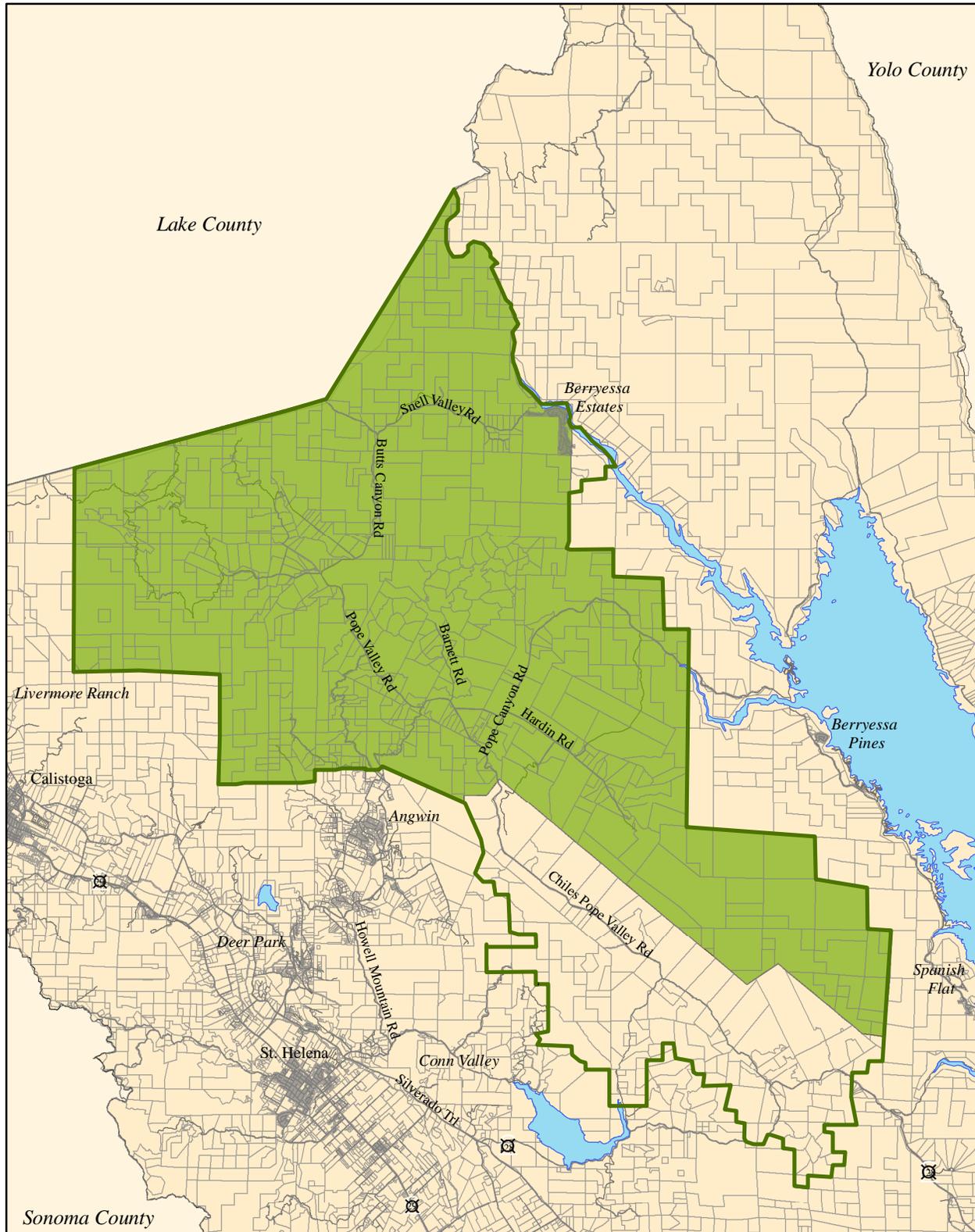
AYES:	Commissioners	_____
NOES:	Commissioners	_____
ABSENT:	Commissioners	_____
ABSTAIN:	Commissioners	_____

Attest: Keene Simonds
Executive Officer

Recorded by: _____
Kathy Mabry
Commission Secretary

Pope Valley Cemetery District

Exhibit A



Legend

-  Pope Valley Cemetery District
-  Pope Valley Cemetery District Proposed Sphere of Influence



0 0.5 1 2 Miles



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

September 18, 2008
Prepared by KS

EXHIBIT B
STATEMENT OF DETERMINATIONS

POPE VALLEY CEMETERY DISTRICT
SPHERE OF INFLUENCE REVIEW

1. With respect to the present and planned land uses within the area, including agricultural and open-space lands, the Commission determines:

The present and planned land uses in the sphere are contemplated under the County General Plan. The County General Plan and supporting zoning ordinances help ensure the majority of land within the sphere will remain rural and support agricultural and open-space uses. Existing and planned urban uses are limited and primarily direct to unincorporated communities of Berryessa Estates and Pope Valley. These present and planned land uses are compatible and supported by the Pope Valley Cemetery District's public interment services.

2. With respect to the present and probable need for public facilities and services in the area, the Commission determines:

The Pope Valley Cemetery District serves an important role in addressing the present and probable need for the respectful and cost-efficient interment of human remains for property owners and residents within the sphere.

3. With respect to the present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, the Commission determines:

The Pope Valley Cemetery District has sufficient infrastructure capacities in terms of available burial plots, but lacks adequate administrative controls and funding streams. These deficiencies must be addressed by the District to help ensure it has sufficient resources to provide adequate public interment services within the sphere. These public interment services were comprehensively evaluated by the Commission as part of a recent municipal service review completed in August 2008.

4. With respect to the existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency, the Commission determines:

The Pope Valley Cemetery District has established distinct social interdependencies within the sphere. The sphere facilitates the orderly and logical development of the District in a manner that advantageously provides for the present and future needs of the community.



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>

October 6, 2008
Agenda Item No. 6c

September 29, 2008

TO: Local Agency Formation Commission

FROM: Jacqueline M. Gong, Commission Counsel

SUBJECT: Amendments to Adopted Conflict of Interest Code (Public Hearing)

The Political Reform Act of 1974 requires the Commission to biannually review its Conflict of Interest Code, hereinafter referred to as the "Code." Commission Counsel has reviewed the Code and recommends two amendments. The first amendment would require the filing of statements of economic interests with the Executive Officer rather than with the County of Napa's Elections Division for administrative efficiencies. The second amendment would update the legal monetary limit for gifts from a single source from \$360 to \$390.

A public hearing notice for the Commission to consider amendments to the Code was published in the Napa Valley Register on September 12, 2008. Notices were also circulated to the Commission and interested persons. To date, no comments have been received in support of or in opposition to the proposed amendments.

Recommendation

It is recommended the Commission take the following actions:

1. Hold the public hearing for the adoption of amendments to the Conflict of Interest Code;
2. Adopt the attached draft resolution adopting a Conflict of Interest Code, as amended;
3. Direct the Executive Officer to file the Conflict of Interest Code, as amended, with the County of Napa Board of Supervisors, as the code reviewing body, for its consideration and confirmation of the Code.

Respectfully submitted,

Jacqueline M. Gong
Commission Counsel

Amendment:
1) Draft Resolution

Jack Gingles, Commissioner
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY AMENDING ITS CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act of 1974 (Government Code Sections 81000 et seq., hereinafter referred to as “Act”) requires the Local Agency Formation Commission of Napa County (hereinafter referred to as “LAFCO”) to adopt a Conflict of Interest; and

WHEREAS, the Fair Political Practices Commission (hereinafter referred to as “FFPC”) has adopted a regulation (Section 18730 of Title 2 of the California Code of Regulations) containing a standardized conflict of interest code which may be incorporated by reference into the code of a local government agency or the agency may develop its own Conflict of Interest Code as required by the Act; and

WHEREAS, LAFCO is required to amend its Conflict of Interest Code from time to time to conform to amendments to the Act and due to changed circumstances; and

WHEREAS, LAFCO has served notice of the proposed revisions to its Conflict of Interest Code on the Napa County Board of Supervisors, as the code reviewing body for LAFCO, and on all affected Commissioners, officers, employees and consultants of LAFCO, and has published in a newspaper of general circulation within the jurisdiction of LAFCO a Notice of Intention to Adopt the Conflict of Interest Code, including notice of a written comment period of not less than 21 days and the availability of the proposed Conflict of Interest Code (hereinafter referred to as the “Code”) and supporting documentation for inspection and copying; and

WHEREAS, at a regular meeting of LAFCO held on October 6, 2008, oral and/or written comments on the proposed Conflict of Interest Code were received from affected persons and/or the general public, and these comments and the proposed Code were considered by LAFCO;

NOW, THEREFORE, BE IT RESOLVED by LAFCO that the Conflict of Interest Code shall be amended and readopted in the manner set forth in Exhibit “A”, effective upon confirmation by the Napa County Board of Supervisors acting as the code reviewing body for LAFCO.

The foregoing resolution was duly and regularly adopted at a regular meeting of the Local Agency Formation Commission of Napa County, held on the 6th day of October, 2008, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

By: _____
BRAD WAGENKNECHT, Chair of LAFCO

ATTEST: Secretary of LAFCO

By: _____
KEENE SIMONDS, Executive Officer

APPROVED AS TO FORM:

By: E-Signature Jacqueline M. Gong,
LAFCO COUNSEL

Date: September 26, 2008

EXHIBIT "A"

THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY (“LAFCO”) CONFLICT OF INTEREST CODE

1. Incorporation of Definitions and Standard Terms of Model Code. The definitions contained in the Political Reform Act of 1974 (the “Act”) and in the model code set forth in Section 18730 of Title 2 of the California Code of Regulations (the “model code”), and any amendments to the Act or regulations, are incorporated by reference into this Code.

2. List of Designated Employees. The Designated Employees of LAFCO shall be the persons holding those offices and/or positions set forth in Appendix “A”. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on their economic interests.

3. List of Disclosure Categories. For purposes of the requirements of the Act, the disclosure categories for the Designated Employees of LAFCO shall be those set forth in Appendix “B”. These disclosure categories specify which kinds of economic interests are reportable.

4. Documents Comprising Conflict of Interest Code. For purposes of the Act, the provisions of this Code, the model code, and Appendices “A” and “B” shall together constitute the Conflict of Interest Code of LAFCO on and after the date of confirmation of the Code by the Napa County Board of Supervisors.

5. Effective Date of Code. This Conflict of Interest Code shall become effective when approved by the Napa County Board of Supervisors acting as the code reviewing body for LAFCO.

6. Documents to be filed with the Board of Supervisors. The LAFCO Executive Officer is the “Filing Officer” as referred to in this Code. The LAFCO Executive Officer shall file three certified copies of the Conflict of Interest Code, as approved/amended by the LAFCO Commission, with the Napa County Board of Supervisors along with a brief description of the duties and terms of all consultants working for the LAFCO who have been determined by the LAFCO Executive Officer as of the effective date of the Conflict of Interest Code to be exempt from the Designated Employee “contract consultant” category, and the reasons for such exemption. The LAFCO Executive Officer shall prepare and maintain an updated list whenever such exempt positions are added or dropped.

7. Time of Filing Statements of Economic Interests.

A. Statement of Economic Interests refers to that document developed by the Fair Political Practices Commission and more commonly known and referred to as “Form 700”.

B. Initial Statements-Amendments to Code. All employees already occupying a position when the position is newly designated as a result of an amendment to this Code shall file their initial

statements of economic interests within 30 days after the effective date of such an amendment to this Code.

C. Assuming Office Statements-Employees Not Previously Occupying a Designated Position.

Employees when first assuming a designated position shall file their initial statement of economic interests within 30 days after assuming the position.

D. Annual Statements. All designated employees shall file their annual statements of economic interests no later than April 1st of each year.

E. Leaving Office Statements. Leaving office statements of economic interests shall be filed within thirty (30) days of any of the events described below occurring:

1. Leaving a designated position (subject to the exception in Section 8 below).
2. Occupying a position which ceases to be a designated position due to a reclassification or other similar personnel action.
3. Occupying a position that due to an amendment to this Code is no longer classified as a designated position.

8. Statements of Economic Interests; Persons Who Resign From Office Prior To Making or Influencing Decisions or Receiving Compensation.

A. Persons who resign within 12 months of their initial appointment, or within 30 days of the date they are notified by the Filing Officer of the requirement to file an assuming office statement of economic interests, are not deemed to have assumed office or left office, provided they did not make or participate in the making of, or use their position to influence any decision and did not receive or become entitled to receive any form of payment as a result of their appointment. Such persons are not required to file either an assuming or leaving office statement of economic interests.

B. Persons who resign a position within 30 days of the date they are notified by the Filing Officer of the requirement to file an assuming office statement of economic interests shall do both of the following:

1. File a written resignation with LAFCO; and
2. File a written statement with the Filing Officer declaring under penalty of perjury that, during the period between appointment and resignation, they did not make, participate in the making, or use their position to influence any decision of the agency or board or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

9. Statement of Economic Interests; Contents of and Period Covered.

A. Contents of Initial Statements. Initial statements of economic interests shall disclose any reportable investments, interests in real property and business positions held on the effective date of the Code and income received during the 12 months prior to the effective date of the Code.

B. Contents of Assuming Office Statements. Assuming office statements of economic interests shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office, and income received during the 12 months prior to the date of assuming office or the date of being appointed.

C. Contents of Annual Statements. Annual statements of economic interests shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year. Notwithstanding the previous sentence, the period covered by a designated employee's first annual statement of economic interests shall begin on the date of assuming office.

D. Contents of Leaving Office Statements. Leaving office statements of economic interests shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

10. Place of Filing. Designated employees shall file their Statements of Economic Interests with the LAFCO Executive Officer who shall retain the original Statements in the LAFCO business office. .

11. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the Filing Officer, and shall contain the following information:

A. Investments and Real Property Disclosure. When an investment or an interest in real property is required to be reported the statement of economic interests shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;¹
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).²

¹ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

² Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro

B. Personal Income Disclosure. When personal income is required to be reported,³ the statement of economic interests shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

C. Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁴ the statement of economic interests shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

D. Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

E. Acquisition or Disposal During a Reporting Period. In the case of an annual or leaving office

rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

³ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁴ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

statement of economic interests, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement of economic interests, the statement of economic interests shall contain the date of acquisition or disposal.

12. Prohibition on Receipt of Honoraria.

No designated employee shall accept any honorarium from any source if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.⁵ Subdivisions (a), (b), and (c) of Government Code section 89501 shall apply to the prohibitions in this section. This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.⁶

13. Prohibition on Receipt of Gifts in Excess of the Allowed Statutory Amount.

No designated employee shall accept gifts with a total value of more than the amount established by 2 Cal. Code Regs. section 18703.4 in a calendar year from any single source (\$390 as of 2008), if the designated employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.⁷

14. Prohibition Regarding Certain Personal Loans.

A. Except as set forth in subsection B below, a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

B. This section shall not apply to the following types of loans:

⁵ § 89501. See Addendum.

⁶ § 89506. See Addendum.

⁷ § 89503. See Addendum.

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
 2. A loan that would otherwise not be a gift as defined in the Political Reform Act of 1974 and implementing regulations of the Fair Political Practices Commission.
 3. A loan that subsection A of this section would require to be treated as a gift but on which the creditor has taken reasonable action to collect the balance due.
 4. A loan that subsection A of this section would require to be treated as a gift but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision to not commence a collection action was based on reasonable business considerations.
 5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.
- C. Nothing in this section shall exempt any person from any other provisions of the Political Reform Act of 1974 and the implementing regulations of the Fair Political Practices Commission.

15. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the designated employee or a member of his or her immediate family or on:

- A. Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
- B. Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;
- C. Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by, or promised to, the designated employee within 12 months prior to the time when the decision is made;
- D. Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- E. Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating more

than that amount established by 2 Cal. Code Regs. Section 18703.4 (\$390 as of 2008) provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

16. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

17. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by a disclosure of the disqualifying interest.

18. Public Inspection of Conflict of Interest Code and Statements. A copy of the Conflict of Interest Code and all filed Statements shall be maintained in the office of the LAFCO Executive Officer and available for public inspection and copying during regular business hours. Copies shall be provided in accordance with LAFCO policy on fees for the production of public records.

19. LAFCO Review.

A. No later than October 1 of each even-numbered year, LAFCO shall submit to the Napa County Board of Supervisors, as the code reviewing body for LAFCO, a written statement signed by the LAFCO Executive Officer, or his designee, that either:

1. LAFCO has reviewed the Conflict of Interest Code, that the Conflict of Interest Code designates accurately all positions which make or participate in the making of governmental decisions for LAFCO, that the disclosure assigned those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income which may foreseeably be affected materially by the decisions made by those designated positions, and that the Conflict of Interest Code contains the provisions required by Government Code Section 87302; or

2. LAFCO has reviewed the Conflict of Interest Code and has determined that amendment is necessary to designate all positions which make or participate in the making of governmental decisions for LAFCO, or to update the disclosure categories assigned to require the disclosure of all investments, business positions, interests in real property and sources of income which may be affected materially by the designated positions, or to include other provisions required by Government Code Section 87302. If the statement contains this report, LAFCO shall submit the amendment to the Napa County Board of Supervisors within 90 days of the report.

B. Changed circumstances which require amendment of the Conflict of Interest Code shall include, but not be limited to:

1. The creation of positions which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest;
2. The reclassification, renaming, or deletion of previously designated positions;
3. The addition, deletion, or modification of statutorily-required provisions of this Conflict of Interest Code; or
4. The addition, deletion, or modification of the specific types of investments, business positions, interests in real property, and sources of income which are reportable unless such changes have been automatically incorporated into this Conflict of Interest Code as the result of inclusion of the changes into the model code by the Fair Political Practices Commission.

20. Conflict Between Local Code and California Code of Regulations.

If there are inconsistencies or conflicts between this Code and the state regulations found at 2 California Code of Regulations Section 18730, the state regulations will prevail and be the controlling authority unless this Code imposes a requirement for conflict avoidance that is more stringent than the state regulations.

ADDENDUM

§ 89501. Honorarium. (a) For purposes of this chapter, "honorarium" means, except as provided in subdivision (b), any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

(b) The term "honorarium" does not include:

(1) Earned income for personal services which are customarily provided in connection with the practice of a bona fide business, trade, or profession, such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting, unless the sole or predominant activity of the business, trade, or profession is making speeches. The commission shall adopt regulations to implement this subdivision.

(2) Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the State Controller for donation to the General Fund, or in the case of a public official for local government agency, delivered to his or her agency for donation to an equivalent fund, without being claimed as a deduction from income for tax purposes.

(c) Section 89506 shall apply to all payments, advances, or reimbursements for travel and related lodging and subsistence.

§ 89503. Acceptance of gifts by officers or employees. (a) No elected state officer, elected officer of a local government agency, or other individual specified in Section 87200 shall accept gifts from any single source in any calendar year with a total value of more than two hundred fifty dollars (\$250).

(b) (1) No candidate for elective state office, for judicial office, or for elective office in a local government agency shall accept gifts from any single source in any calendar year with a total value of more than two hundred fifty dollars (\$250). A person shall be deemed a candidate for purposes of this subdivision when the person has filed a statement of organization as a committee for election to a state or local office, a declaration of intent, or a declaration of candidacy, whichever occurs first. A person shall not be deemed a candidate for purposes of this subdivision after he or she is sworn into the elective office, or, if the person lost the election, after the person has terminated his or her campaign statement filing obligations for that office pursuant to Section 84214 or after certification of the election results, whichever is earlier.

(2) Paragraph (1) shall not apply to any person who is a candidate as described in paragraph (1) for judicial office on or before December 31, 1996.

(c) No member of a state board or commission or designated employee of a state or local government agency shall accept gifts from any single source in any calendar year with a total value of more than two hundred fifty dollars (\$250) if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(d) This section shall not apply to a person in his or her capacity as judge. This section shall not apply to a person in his or her capacity as a part-time member of the governing board of any public institution of higher education unless that position is an elective office.

(e) This section shall not prohibit or limit the following:

(1) Payments, advances, or reimbursements for travel and related lodging and subsistence permitted by Section 89506.

(2) Wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value.

(f) Beginning on January 1, 1993, the commission shall adjust the gift limitation in this section on January 1 of each odd-numbered year to reflect changes in the Consumer Price Index, rounded to the nearest ten dollars (\$10).

(g) The limitations in this section are in addition to the limitations on gifts in Section 86203.

§ 89506. Limitations on payments for travel; Gifts of travel. (a) Payments, advances, or reimbursements, for travel, including actual transportation and related lodging and subsistence that is reasonably related to a legislative or governmental purpose, or to an issue of state, national, or international public policy, are not prohibited or limited by this chapter if either of the following apply:

(1) The travel is in connection with a speech given by the elected state officer, local elected officeholder, candidate for elected state office or local elected office, an individual specified in Section 87200, member of a state board or commission, or designated employee of a state or local government agency, the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech, and the travel is within the United States.

(2) The travel is provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, as defined in Section 203 of the Revenue and Taxation Code, a nonprofit organization that is exempt from taxation under Section 501(c) (3) of the Internal Revenue Code, or by a person domiciled outside the United States which substantially satisfies the requirements for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

(b) Gifts of travel not described in subdivision (a) are subject to the limits in Section 89503.

(c) Subdivision (a) applies only to travel that is reported on the recipient's statement of economic interests.

(d) For purposes of this section, a gift of travel does not include any of the following:

(1) Travel that is paid for from campaign funds, as permitted by Article 4 (commencing with Section 89510), or that is a contribution.

(2) Travel that is provided by the agency of a local elected officeholder, an elected state officer, member of a state board or commission, an individual specified in Section 87200, or a designated employee.

(3) Travel that is reasonably necessary in connection with a bona fide business, trade, or profession and that satisfies the criteria for federal income tax deduction for business expenses in Sections 162 and 274 of the Internal Revenue Code, unless the sole or predominant activity of the business, trade, or profession is making speeches.

(4) Travel that is excluded from the definition of a gift by any other provision of this title.

(e) This section does not apply to payments, advances, or reimbursements for travel and related lodging and subsistence permitted or limited by Section 170.9 of the Code of Civil Procedure.

APPENDIX "A"

LIST OF DESIGNATED EMPLOYEES

Because of the nature of the powers and duties conferred on the Local Agency Formation Commission of Napa County under the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.), the policies adopted by the LAFCO Commission, and the terms of support services and consultant agreements approved by the LAFCO Commission, the following positions within LAFCO may involve the making or participation in the making of decisions of LAFCO which may foreseeably have a material effect on financial interests of the holders of the positions. The positions are listed because their scope of authority or work involve either making final decisions for LAFCO which have financial consequences or developing and/or exercising such a level of expertise and ongoing relationship with those who make such decisions that the decision-makers can reasonably be expected to routinely trust and rely upon their advice.

For purposes of filing Statements of Economic Interests as required by this Conflict of Interest Code, the “Designated Employees” of LAFCO shall be those persons who actually occupy or carry out the functions of the following positions, whether as elected or appointed officers, compensated employees, or contracted consultants:

DESIGNATED EMPLOYEE POSITIONS

Members of the LAFCO Commission (including any persons serving as **Alternate Commission Members** in the absence of a regular Commissioner)

LAFCO Executive Officer

LAFCO Legal Counsel

Auditor-Controller (Napa County Auditor-Controller, serving ex-officio)

Contract Consultants for LAFCO - Contract consultants shall be included in the list of Designated Employees and shall disclose their material financial interests in regard to all of the adopted disclosure categories, subject to the following limitation:

The LAFCO Executive Officer may determine in writing that a particular contract consultant, although a “designated position”, is hired to perform a range of duties that is limited in scope and thus is not required to comply or fully comply with all of the disclosure requirements described in Appendix “B”. This written determination shall include a description of the contract consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. This determination is a public record and shall be retained for public inspection and be available for inspection and copying in the same location and manner as LAFCO’s copy of the Conflict of Interest Code.

APPENDIX “B”

DISCLOSURE CATEGORIES

The decisions which the Designated Employees may make, or participate in making, for LAFCO may involve exercising or directly influencing the exercise of powers conferred on LAFCO by the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.).

The decisions by the Designated Employees in the course of their work for LAFCO may have the potential to materially impact any or all of those types of financial interests listed in all the Disclosure Schedules of the Statement of Economic Interests Form 700 adopted by the Fair Political Practices Commission.

For this reason, all of the Designated Employees under this Conflict of Interest Code, other than contract consultants who are exempted from disclosure pursuant to Appendix “A”, shall comply with the broadest possible Disclosure Category under the current Form 700 and Disclosure Schedules: disclosing all sources of income, interests in real property, investments and business positions in business entities.

CERTIFICATIONS

I hereby certify that I am the Secretary and custodian of records of the Local Agency Formation Commission and that the attached Resolution is a true and correct copy of the original approved by the LAFCO Commission and on file in the LAFCO office.

Keene Simonds,
LAFCO Secretary

By _____

I hereby certify that the Conflict of Interest Code for the Local Agency Formation Commission of Napa County was approved and confirmed by the Napa County Board of Supervisors, as the code reviewing body for LAFCO by action of the Board of Supervisors on _____, 20__, and recorded in the certified minutes of the Board of Supervisors for that date.

Clerk of the Napa County Board of Supervisors

By _____



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>

October 6, 2008
Agenda Item No. 8a

September 24, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Proposed Policy on Municipal Service Reviews (Discussion)

The Commission will review a proposed policy on conducting municipal service reviews. In conjunction with the proposed policy, the Commission will also review a revision to its study schedule calendaring municipal service reviews and sphere of influence updates for 2008-2012. The proposed policy and revision are being presented to the Commission for discussion.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs the Commission to prepare municipal service reviews in conjunction with updating each local agency's sphere of influence by January 1, 2008 and every five years thereafter as needed. The legislative intent of the municipal service review process is to inform the Commission with regard to the availability, capacity, and efficiency of governmental services provided within its jurisdiction prior to making sphere of influence determinations. Municipal service reviews must include written determinations making statements on the governance factors prescribed under California Government Code Section 56430 along with any other matters relating to service provision required by Commission policy.

A. Discussion

The Commission's inaugural study schedule calendaring its first round of municipal service reviews and sphere of influence updates is expected to be completed as part of the October 6, 2008 meeting. Staff has already initiated preliminary work on the Commission's new study schedule adopted in February 2008 calendaring a second round of municipal service reviews and sphere of influence updates for 2008-2012. Markedly, the second round of municipal service reviews will expand on the information previously collected and provides the Commission the opportunity to begin identifying and assessing service trends in Napa County. The second round of municipal service reviews also introduces the revised set of written determinations the Legislature approved last year for the Commission to address during each review. This revision consolidates and reduces the total number of written determinations required of the Commission from nine to six and are listed below.

1. Growth and population projections for the affected area.
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.

Jack Gingles, Commissioner
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

3. Financial ability of agencies to provide services.
4. The status, of, and opportunities for, shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by commission policy.

The start of the second study schedule coupled with the introduction of revised written determinations presents an opportunity for the Commission to develop and adopt policies to help guide staff in conducting municipal service reviews. With this in mind, staff has prepared the attached proposed policy for Commission review and discussion. The proposed policy distinguishes the Commission will prepare one of three types of municipal service reviews: 1) service-specific; 2) agency-specific; and 3) region-specific. Notably, it has been the practice of the Commission to only prepare service-specific and agency-specific municipal services reviews that evaluate particular governmental services across multiple agencies or the breadth of governmental services provided by one agency, respectively. The proposed policy includes region-specific municipal service reviews to provide a new instrument for the Commission to evaluate the range of services provided by local agencies with shared and interconnected interests within a common area. In addition, drawing from earlier Commission statements, the proposed policy adds a sixth written determination to be addressed in the municipal service reviews concerning the “relationship with regional growth goals and policies.” The proposed policy also increases accountability by requiring the Commission to consider final reports on municipal service reviews as part of public hearings.

In step with the proposed policy on conducting municipal service reviews, staff has prepared the attached revision to the Commission’s adopted second study schedule. The revision groups together nine previously agency-specific municipal service reviews into two regional and one service-specific municipal service review. These changes are summarized below.

- The “South Napa County” regional-municipal service review includes the City of American Canyon, American Canyon Fire Protection District, and County Service Area No. 4. Sphere of influence reviews for all three affected local agencies will be performed at the conclusion of the municipal service review.
- The “Central Napa County” regional-municipal review includes the City of Napa, Napa Sanitation District, Silverado Community Services District, and Congress Valley Water District. Sphere of influence reviews for all four affected local agencies will be performed at the conclusion of the municipal service review.
- The “Cemetery Services” municipal service review will examine public interment services provided in Napa County. Sphere of influence reviews for the Monticello Public Cemetery District and Pope Valley Cemetery District will be performed at the conclusion of the municipal service review.

C. Analysis

The proposed policy on conducting municipal service reviews generally reflects, refines, and expands on the established practices of the Commission. New approaches and requirements included in the proposed policy outlined in the preceding section would improve the municipal service review process by creating a more consistent approach and therefore greater value in terms of regional comparisons. The changes included in the revised study schedule are more consistent with the proposed policy and would serve several benefits. Most notably, creating two regional-specific municipal service reviews for the local agencies serving in and around American Canyon and Napa will help economize staff resources and better orient the Commission in understanding regional service capacities and demands. The revision would also transition the study schedule from calendar to fiscal years to correspond with the annual budget process. It is also important to note the revised study schedule would not alter existing time schedules given the consolidated agency-specific municipal service reviews were already calendared to occur within the same timeframe.

D. Commission Review

Staff respectfully request the Commission review and provide input regarding the proposed policy on conducting municipal service reviews and the revised study schedule. This includes offering suggestions with respect to identifying additional written determinations the Commission would like addressed as part of the municipal service review process. Staff will return to the Commission with the proposed policy and revised study schedule, with or without modifications, for adoption as part of the November 3, 2008 meeting.

Attachments:

- 1) Proposed Policy on Municipal Service Reviews (Draft)
- 2) Revised Study Schedule (Draft)



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
Policy on Municipal Service Reviews

Adopted: _____

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Commission to prepare municipal service reviews in conjunction with its mandate to review and update each local agency's sphere of influence every five years as necessary. The legislative intent of the municipal service review process is to inform the Commission with regard to the availability, capacity, and efficiency of governmental services provided within its jurisdiction prior to making sphere of influence determinations. Municipal service reviews must designate the geographic area in which the governmental service or services are under evaluation. Municipal service reviews must also include determinations addressing the governance factors prescribed under Government Code Section 56430 and any other matters relating to service provision as required by Commission policy.

II. Purpose

The purpose of these policies is to guide the Commission in conducting municipal service reviews. This includes establishing consistency with respect to the Commission's approach in the (a) scheduling, (b) preparation, and (c) adoption of municipal service reviews.

III. Objective

The objective of the Commission in conducting municipal service reviews is to proactively and comprehensively evaluate the level, range, and structure of governmental services necessary to support orderly growth and development in Napa County. Underlying this objective is to develop and expand the Commission's knowledge and understanding of the current and planned provision of local governmental services in relationship to the present and future needs of the community. The Commission will use the municipal service reviews not only to inform subsequent sphere of influence determinations but also to identify opportunities for greater coordination and cooperation between providers as well as possible government structure changes.

IV. Municipal Service Review Policies

A. Scheduling

Beginning in 2008, and every five years thereafter, the Commission will hold a public hearing to adopt a study schedule calendaring municipal service reviews over the next five year period. Public hearing notices will be circulated 21 days in advance to all local agencies as well as posted on the Commission website. The Commission will generally schedule municipal service reviews in conjunction with sphere of influence updates. The Commission, however, may schedule municipal service reviews independent of sphere of influence updates. The Commission may also amend the study schedule to add, modify, or eliminate calendared municipal service reviews to address changes in circumstances, priorities, and available resources.

In adopting a study schedule, the Commission will calendar three types of municipal service reviews. These three types of municipal service reviews are 1) service-specific, 2) region-specific, and 3) agency-specific and are summarized below.

- A service-specific municipal service review will examine particular governmental services across multiple local agencies on a countywide basis.
- A region-specific municipal service review will examine the range of governmental services provided by local agencies within a particular area.
- An agency-specific municipal service review will examine the breadth of governmental services provided by a particular local agency.

B. Preparation

The Commission will encourage input among affected local agencies in designing the municipal service reviews to enhance the value of the process among stakeholders and capture unique local conditions and circumstances effecting service provision. This includes identifying appropriate performance measures as well as regional growth and service issues transcending political boundaries. The Commission will also seek input from the affected local agencies in determining final geographic area boundaries for the municipal service reviews. Factors the Commission may consider in determining final geographic area boundaries include, but are not limited to, spheres of influence, jurisdictional boundaries, urban growth boundaries, general plan designations, and topography.

The Commission will prepare the municipal service reviews but may contract with outside consultants to assist staff as needed. Data collection is an integral component of the municipal service review process and requires cooperation from local agencies. The Commission will strive to reduce the demands on local agencies in the data collection process by using existing information resources when available and adequate. All service related information compiled by local agencies will be independently reviewed and verified by the Commission.

Each municipal service review will generally be prepared in three distinct phases. The first phase will involve the preparation of an administrative report and will include a basic outline of service information collected and analyzed by staff. The administrative report will be made available to each affected local agency for their review and comment to identify any technical corrections. The second phase will involve the preparation of a draft report that will be presented to the Commission for discussion at a public meeting. The draft report will incorporate any technical corrections identified during the administrative review and include determinations. The draft report will be made available to the public for review and comment for a period of no less than 21 days. The third phase will involve the preparation of a final report and will address any new information or comments generated during the public review period and will be presented to the Commission as part of a public hearing.

As noted, each municipal service review will include one or more determinations addressing each of the following governance factors required under Government Code Section 56430 and by Commission policy:

1. Growth and population projections for the affected area. (§56340(a)(1)).
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies. (§56340(a)(2))
3. Financial ability of agencies to provide services. (§56340(a)(3))
4. The status, of, and opportunities for, shared facilities. (§56340(a)(4))
5. Accountability for community service needs, including governmental structure and operational efficiencies. (§56340(a)(5))
6. Relationship with regional growth goals and policies. (Commission)

C. Adoption

The Commission will complete each scheduled municipal service review by formally receiving a final report and adopting a resolution codifying its determinations as part of public hearing.



**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
STUDY SCHEDULE (2008/09-2012/13)**

**Municipal Service Reviews (Government Code §56430)
Sphere of Influence Reviews (Government Code §56425)**

Adopted: February 4, 2008

Amended: _____

Fiscal Year 2008/2009

South Napa County

Municipal service review will examine the governmental services provided by the City of American Canyon, American Canyon Fire Protection District, and County Service Area No. 3. The municipal service review will precede sphere of influence reviews for all three local agencies.

Lake Berryessa Area

Municipal service review will examine the governmental services provided by the Lake Berryessa Resort Improvement District, Napa-Berryessa Resort Improvement District, and the Spanish Flat Water District. The municipal service review will precede sphere of influence reviews for all three local agencies.

Fiscal Year 2009/2010

County Service Area No. 4

Municipal service review will examine the governmental services provided by County Service Area No. 4 and will precede a sphere of influence review.

Napa County Regional Park & Open Space District

Municipal service review will examine the governmental services provided by the Napa County Regional Park & Open Space District will precede the establishment of a sphere of influence review.

Napa County Mosquito Abatement District

Municipal service review will examine the governmental services provided by the Napa County Mosquito Abatement District and will precede a sphere of influence review.

Law Enforcement Services

Municipal service review will examine public law enforcement (i.e., police protection) services provided in Napa County.

Fiscal Year 2010/2011

Central Napa County

Municipal service review will examine the governmental services provided by the City of Napa, Napa Sanitation District, Silverado Community Services District, and Congress Valley Water District. The municipal service review will precede sphere of influence reviews for all four local agencies.

Napa River Reclamation District No. 2109

Municipal service review will examine the governmental services provided by the Napa River Reclamation District No. 2109 and will precede a sphere of influence review.

Transportation Services

Municipal service review will examine public transit and road services provided in Napa County.

Fiscal Year 2011/2012

Town of Yountville

Municipal service review will examine the governmental services provided by the Town of Yountville and will precede a sphere of influence review.

Circle Oaks County Water District

Municipal service review will examine the governmental services provided by the Circle Oaks County Water District and will precede a sphere of influence review.

Napa County Flood Control and Water Conservation District

Municipal service review will examine the governmental services provided by the Napa County Flood Control and Water Conservation District and will precede a sphere of influence review.

Napa County Resource Conservation District

Municipal service review will examine the governmental services provided by the Napa County Resource Conservation District and will precede a sphere of influence review.

Fiscal Year 2012/2013

City of Calistoga

Municipal service review will examine the governmental services provided by the City of Calistoga and will precede a sphere of influence review.

City of St. Helena

Municipal service review will examine the governmental services provided by the City of St. Helena and will precede a sphere of influence review.

Los Carneros Water District

Municipal service review will examine the governmental services provided by the Los Carneros Water District and will precede a sphere of influence review.

Cemetery Services

Municipal service review will examine public interment services provided in Napa County and will precede a sphere of influence review of the Monticello Public Cemetery District and the Pope Valley Cemetery District.



Local Agency Formation Commission
LAFCO of Napa County

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October 6, 2008
Agenda Item No. 8b

September 25, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Proposed Policy on Outside Service Agreements (Discussion)

The Commission will review a proposed policy regarding outside service agreements. The proposed policy provides guidance to the Commission in reviewing city and special district requests to provide new or extended services by agreement outside their jurisdictional boundaries in accordance with California Government Code Section 56133. The proposed policy is being presented to the Commission for discussion.

California Government Code (G.C.) §56133 requires cities and special districts to request and receive written approval from Local Agency Formation Commissions (LAFCOs) before providing new or extended services by agreements outside their jurisdictional boundaries with limited exemptions. LAFCOs may approve a city or special district's request to provide new or extended service outside their jurisdictional boundary but within their sphere of influence in anticipation of a subsequent change of organization, such as an annexation. LAFCO may only approve a city or special district's request to provide new or extended service outside their jurisdictional boundary and sphere of influence to address an existing or future threat to the public health or safety.

As mentioned, exemptions to G.C. §56133 are limited and include agreements between two or more public agencies where the contracted service is a substitute for a service already being provided. Agreements involving the transfer of non-potable or non-treated water as well as surplus water to agricultural lands are exempt. Agreements involving an extended service a city or special district was providing on or before January 1, 2001 are also exempt.

A. Discussion

G.C. §56133 was enacted on January 1, 1994 to expand LAFCOs ability to effectively manage cities and special districts' service areas by requiring these agencies to receive approval before providing new or extended services outside their jurisdictional boundaries. Markedly, prior to this enactment, it was not uncommon for a city or special district to provide service outside its jurisdictional boundary after having been denied the annexation of the affected territory. Towards this end, the legislative intent of G.C. §56133 is to further empower LAFCOs in fulfilling their mandate to coordinate orderly growth and development while protecting agricultural and open-space resources.

Jack Gingles, Commissioner
Mayor, City of Calistoga

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Juliana Inman, Commissioner
Councilmember, City of Napa

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

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

Keene Simonds
Executive Officer

As previously discussed, it has been the general practice of LAFCO of Napa County (“Commission”) not to require cities or special districts to request and receive approval before providing new or extended services outside their jurisdictional boundaries. However, as a result of the inaugural round of municipal service reviews, the Commission has begun reviewing its role in administering G.C. §56133. This review recently resulted in the Commission adopting a policy establishing terms for the City of American Canyon to provide new or extended water and sewer services within certain unincorporated lands; a policy predicated on recognizing the City’s role as successor agency to an extinguished special district.¹

It is appropriate for the Commission to continue its review and consider a policy addressing its role in administering G.C. §56133 as it relates to the remaining cities and special districts in Napa County. The need for this type of policy is underscored by the expectation the City of Napa will soon be submitting a request to provide water service to a planned unincorporated single-family residence off of Montecito Boulevard as part of a concurrent sphere of influence amendment.² Staff has also been informed a planned unincorporated single-family residence off of Bentley Drive will be seeking outside water service from the City of Calistoga. Markedly, a policy is needed to provide guidance in reviewing and processing these types of requests to help ensure consistency with the goals and objectives of the Commission.

With the preceding context in mind, staff has prepared the attached proposed policy on outside service agreements for Commission review and discussion. The proposed policy includes general policy statements regarding the application of G.C. §56133 ranging from listing exemptions to empowering the Chair to approve outside service agreements if there is an existing and urgent public emergency. The proposed policy also establishes basic procedures with respect to the form, review, and consideration of requests for outside service agreements, including the creation of a standard application.

C. Analysis

The proposed policy on outside service agreements is intentionally broad and intended to provide general guidance to the Commission in considering requests by cities and special districts to provide new or extended services outside their jurisdictional boundaries. The proposed policy does not include definitions with regard to describing the constitution of “new” or “extended” service. The absence of definitions for new and extended service is consistent with previous statements by Commissioners to retain discretion in assessing the application of G.C. §56133 on an individual basis given the often unique circumstances underlying the established service practices of cities and special districts in certain unincorporated areas. Nevertheless, the proposed policy does provide sufficient and needed direction to the Commission as well as cities and special districts in complying with one another’s responsibilities under G.C. §56133.

¹ This policy was adopted in October 2007 and establishes extraterritorial water and sewer service areas for the City of American Canyon. The policy specifies American Canyon must receive Commission approval before providing new or extended services within the extraterritorial service areas with the exception of lands are part of the County of Napa’s Airport Industrial Area Specific Plan.

² A review of the proposed sphere amendment is provided as part of today’s meeting in Agenda Item No. 10a.

D. Commission Review

Staff respectfully requests the Commission review and provide input regarding the proposed policy on outside service agreements. Staff anticipates returning to the Commission with the proposed policy, with or without modifications, at a future meeting.

Attachment:

- 1) Proposed Policy on Outside Service Agreements (Draft)
- 2) G.C. §56133



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
Policy on Outside Service Agreements

Adopted: _____

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 includes provisions requiring cities and special districts to request and receive written approval from the Commission before providing new or extended services by agreements outside their jurisdictional boundaries with limited exemptions (Government Code Section 56133). The Commission may authorize a city or special district to provide new or extended service outside their jurisdictional boundary in anticipation of a subsequent change of organization, such as an annexation. The Commission may also authorize a city or special district to provide new or extended service outside their jurisdictional boundary and sphere of influence to address an existing or future threat to the public health or safety.

II. Purpose

The purpose of these policies is to guide the Commission in reviewing city and special district requests to provide new or extended services by agreement outside their jurisdictional boundaries. This includes making policy statements and establishing consistent procedures with respect to the form, review, and consideration of requests.

III. Objective

The objective of the Commission in implementing these policies is to ensure the extension of services by cities and special districts outside their jurisdictional boundaries is logical and consistent with supporting orderly growth and development in Napa County. The Commission recognizes the importance of considering local conditions and circumstances in implementing these policies.

IV. Outside Service Agreement Policies

A. General Statements

- 1) Annexations to cities and special districts involving territory located within the affected agency's sphere of influence is generally preferred to outside service agreements. The Commission recognizes, however, there may be instances when outside service agreements involving territory within the affected agency's sphere of influence is appropriate given local circumstances.
- 2) The Commission shall authorize a city or special district's request to provide new or extended services outside their jurisdictional boundary and sphere of influence only in response to an existing or future threat to public health or safety in accordance with Government Code Section 56133(c).

- 3) The Commission authorizes the Chair to approve a city or special district's request for an outside service agreement if there is an existing and urgent public emergency. The Executive Officer shall provide a report to the Commission at the next meeting addressing any emergency approvals.
- 4) All requests for outside service agreements are subject to the applicable provisions of the California Environmental Quality Act.
- 5) Commission approval is not required for cities or special districts to provide new or extended services outside their jurisdictional boundaries if any of the following conditions apply in accordance with Government Code Section 56133(e):
 - (a) The agreement involves two or more public agencies where the contracted service is an alternative or substitute for public services already provided.
 - (b) The agreement involves the transfer of non-potable or non-treated water.
 - (c) The agreement involves the provision of surplus water to agricultural lands for conservation projects or to directly support agricultural industries.
 - (d) The agreement involves an extended service that a city or special district was providing on or before January 1, 2001.

The Commission encourages cities and special districts to work with the Executive Office in determining when the above exemptions apply.

B. Form of Request

Requests to authorize an outside service agreement shall be filed with the Executive Officer by the affected city or special district. Requests shall be made in writing with a cover letter accompanying a completed application using the form provided in Attachment A. Requests shall also include a check in the amount prescribed under the Commission's adopted fee schedule along with a copy of the proposed service agreement. The application shall be signed by the city or special district manager.

C. Review of Request

The Executive Officer shall review and determine within 30 days of receipt whether the request to authorize an outside service agreement is complete. If a request is deemed incomplete, the Executive Officer shall immediately notify the applicant and identify the information needed to accept the request for filing.

D. Consideration of Request

Once a request is deemed complete, the Executive Officer will prepare a written report with a recommendation and schedule a public hearing for the Commission to consider the application within 90 days. The Executive Officer's written report will be made available to the public for review prior to the scheduled hearing and include an evaluation of the following three factors:

- 1) The ability of the applicant to extend the subject service to the affected land.
- 2) The application's consistency with the policies and general plans of all affected local agencies.
- 3) The application's effect on growth and development within and adjacent to the affected land.

The Commission may approve the request with or without conditions. If denied, the affected city or special district can ask for reconsideration within 30 days.



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**APPLICATION
OUTSIDE SERVICE AGREEMENT**

A. Applicant Information

- 1) Agency Name: _____
- 2) Contact Person and Title: _____
- 3) Contact Information: _____

Telephone	E-Mail
-----------	--------
- 4) Mailing Address: _____

Address	City, State, Zip Code
---------	-----------------------

B. Type of Outside Service Agreement

- 1) New Extended
- 2) Water Sewer Other: _____

C. Location of Territory to be Served
(attach additional sheets if necessary)

- 1) Assessor Parcel Number: _____
Size: _____ Current Use: _____
- 2) Assessor Parcel Number: _____
Size: _____ Current Use: _____
- 3) Assessor Parcel Number: _____
Size: _____ Current Use: _____

D. Service Information

- 1) Describe how the agency would provide the proposed new or extended service to the subject territory. Please identify any necessary infrastructure or facility improvements and associated funding requirements necessary to provide service to the subject territory.

- 2) If the proposed new or extended service involves water or sewer, identify the anticipated demand in terms of use (i.e., gallons) associated with serving the subject territory.

- 3) Does the agency have sufficient capacities to provide the proposed new or extended service to the subject territory without adversely effecting existing service levels?

- 4) What services, if any, are currently provided to the subject territory?

E. Additional Information

- 1) Identify the subject territory's land use designation and zoning standard along with the minimum parcel density requirements.

- 2) Are there any proposed or approved, but not yet built, development projects involving the subject territory?

Yes No

If yes, describe the proposed projects or the approved permits/land use entitlements.

- 3) The Commission's action regarding this request by the agency to provide new or extended services outside its jurisdictional boundary is subject to the requirements of the California Environmental Quality Act (CEQA). Has the agency conducted any CEQA reviews for any projects associated with this application?

Yes No

If yes, please provide copies of the environmental documentation, including the Notice of Exemption or Notice of Determination as well as proof of payment of applicable California Department of Fish & Game fees.

- 4) Is the subject territory located within the agency's sphere of influence?

Yes No

If no, please identify whether there is an existing or future threat to public health and safety or to the residents in support of the application.

California Government Code Section 56133

(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the commission in the affected county.

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.

(c) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:

- (1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
- (2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district of a contract to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of those requests to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the contract for extended services. If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

(e) This section does not apply to contracts or agreements solely involving two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider. This section does not apply to contracts for the transfer of nonpotable or nontreated water. This section does not apply to contracts or agreements solely involving the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county. This section does not apply to an extended service that a city or district was providing on or before January 1, 2001. This section does not apply to a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.



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>

October 6 2008
Agenda Item No. 10a

September 30, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Current and Future Proposals (Information)

The Commission will receive a report from staff regarding current and future proposals. The report is being presented for information.

A. Current Proposals

There are currently five active proposals on file with the Commission. A summary of these proposals follows.

Annexations

Linda Vista Avenue/Trojan Road No. 4 Annexation to Napa Sanitation District

This application has been submitted by the O'Doul Group, LLC. The applicant proposes the annexation of two incorporated parcels totaling 1.64 acres located at 3660 and 3724 Linda Vista Avenue to the Napa Sanitation District. Each parcel currently includes a single-family residence. The purpose of the proposal is to facilitate a 12-lot subdivision that has been tentatively approved by the City of Napa.

Status: Staff is awaiting the submittal of an application fee to begin evaluating the proposal for future consideration by the Commission.

Reorganizations

Wilkins Avenue Reorganization (City of Napa/CSA No. 4)

This application has been submitted by the City of Napa. The City proposes the annexation of an approximate 0.77 acre unincorporated parcel located at 2138 Wilkins Avenue north of its intersection with Imola Avenue. The affected parcel includes a single-family residence and is part of an unincorporated island substantially surrounded by the City comprising a total of 219 parcels and 294 registered voters. The purpose of the annexation is to facilitate the future division and development of the subject territory under the land use authority of the City. The proposal has been classified as a reorganization to account for automatic detachment proceedings involving County Service Area (CSA) No. 4.

Jack Gingles, Commissioner
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

Status: Staff is currently evaluating the proposal for future consideration by the Commission. This includes evaluating the potential modification of the proposal to eliminate the entire unincorporated island.

Silverado Trail Reorganization (City of Napa/CSA No. 4)

This application has been submitted by the City of Napa. The City proposes the annexation of eight unincorporated parcels totaling 28.8 acres and consisting of three non-contiguous areas in the vicinity of Silverado Trail's intersection with Soscol Avenue. One of the three non-contiguous areas includes three parcels totaling 11.6 acres and represents an unincorporated island completely surrounded by the City. The other two non-contiguous areas collectively include five parcels totaling 17.1 acres and are located on different sides of the same unincorporated island completely surrounded by the City. This unincorporated island comprises a total of 19 parcels and 20 registered voters. If the proposal is approved as submitted, this unincorporated island would be split into two unincorporated islands. The purpose of the annexation is to facilitate the future division and development of the subject territory under the land use authority of the City. The proposal has been classified as a reorganization to account for automatic detachment proceedings involving CSA No. 4.

Status: Staff is currently evaluating the proposal for future consideration by the Commission. This includes evaluating the potential modification of the proposal to eliminate both affected unincorporated islands.

Special District Formations

Formation of the Villa Berryessa Water District

This application has been submitted by Miller-Song Group, Inc. The applicants propose 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 be responsible for accepting responsibility for the construction and perpetual operation of the water and sewer systems serving the subdivision.

Status: Staff is currently evaluating the proposal for future consideration by the Commission.

Sphere of Influence Amendments

Montecito Boulevard Sphere of Influence Amendment: City of Napa

Shawn and Connie Gutteresen have submitted a request to amend the City of Napa's sphere of influence to include their property located near the northern terminus of Montecito Boulevard (attached). The owners are currently processing an application with the County of Napa to develop a single-family residence on the affected 44 acre parcel. As part of the development process, the owners are requesting their property be added to the City's sphere to facilitate an outside water service connection in accordance with California Government Code Section 56133.¹ The owners are seeking the outside water service connection from the City due to their concerns regarding the long-term reliability of groundwater. The property is located outside the City's adopted urban growth boundary line and therefore not eligible for annexation under the City General Plan. It is expected the City Council will consider taking action to request Commission approval to provide outside water service to the property in conjunction with the sphere amendment later this month.

Status: Staff will coordinate the review of the sphere amendment with the City's anticipated request to provide outside water service to the property.

B. Future Proposals

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

Reorganizations

Trancas Crossing Park Reorganization (City of Napa/CSA No. 4)

The City of Napa has initiated a planning process to develop a 33-acre undeveloped parcel north of the intersection of Trancas Street and Old Soscol Avenue for a public park. Current planning activities completed to date include the preparation of an initial study and adopted mitigated negative declaration. As part of the proposed project, Commission approval is required to concurrently annex and potentially add the subject territory to the City's sphere of influence. Detachment proceedings would also be required for CSA No. 4.

Status: The City Council approved a resolution of application proposing the annexation of the affected parcel on March 18, 2008. Staff is currently awaiting the submittal of an application fee from the City.

¹ This code section states the Commission may approve a city or special district's request to provide new or extended service outside their jurisdictional boundary but within their sphere of influence in anticipation of a subsequent change of organization, such as an annexation. This code section also specifies the Commission may only approve a city or special district's request to provide new or extended service outside their jurisdictional boundary and sphere of influence to address an existing or future threat to the public health or safety.

North Big Ranch Road Reorganization (City of Napa/CSA No. 4)

The City of Napa is expected to consider approving a resolution of application on behalf of interested property owners proposing the annexation of three non-contiguous areas located along the western side of Big Ranch Road. All three non-contiguous areas represent unincorporated islands that are substantially surrounded by the City. The purpose of the proposal would be to facilitate the future division and development of the subject territory under the land use authority of the City. Upon submittal, the proposal would be classified as a reorganization to account for automatic detachment proceedings involving CSA No. 4.

Status: It is expected the City Council will consider approving a resolution of application later this month.

American Canyon High School and American Canyon Middle School Reorganization (City of American Canyon/American Canyon Fire Protection District/ CSA No.4)

The Napa Valley Unified School District (NVUSD) has initiated a multi-phased planning process to construct a 2,200-student high school and 530-student middle school to serve the City of American Canyon. The project site is located at the northeast intersection of American Canyon Road and Newell Drive. NVUSD recently approved a final environmental impact report for the project. As part of the proposed project, Commission approval is required to annex the proposed high school site (45 acres) to American Canyon and the American Canyon Fire Protection District. Commission approval is also required to concurrently annex and add the proposed middle school site (17 acres) to both the City and District's sphere of influence. Upon submittal, the proposal would be classified as a reorganization to account for automatic detachment proceedings involving CSA No. 4.

Status: It appears this proposal will be brought to the Commission in phases. The first phase appears to involve NVUSD proposing annexation of the high school site to the District in the next few months. Additional phases of this project will likely be brought to the Commission over the next year.

Oat Hill Reorganization

(City of American Canyon/American Canyon Fire Protection District/CSA No. 4)

The City of American Canyon has initiated a planning process to develop approximately 364 acres of land comprising 72 parcels located north of Eucalyptus Drive west of its intersection with Highway 29. The proposed project includes the development of 1,300 to 1,600 new residential units along with a mixture of commercial and public uses. Current planning activities completed to date include the preparation of an initial study and notice to prepare a draft environmental impact report. As part of the proposed project, Commission approval is required to annex one of the affected parcels totaling 107 acres into American Canyon and the American Canyon Fire Protection District. Upon submittal, the proposal would be classified as a reorganization to account for automatic detachment proceedings involving CSA No. 4.

Status: The City has placed this project on administrative hold since August 2006.

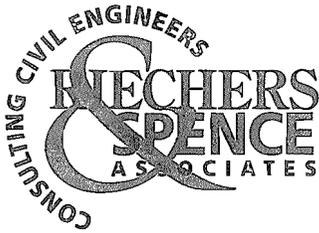
**American Canyon Town Center Reorganization
(City of American Canyon/American Canyon Fire Protection District/CSA No. 4)**

The City of American Canyon has initiated a planning process to develop approximately 100 acres of land comprising three parcels located southeast of the intersection of Highway 29 and South Napa Junction Road. The proposed project includes the development of 600 to 650 new residential units along with a mixture of commercial, retail, and public uses. Current planning activities completed to date include the preparation of a notice of preparation for a draft environmental impact report. As part of the proposed project, Commission approval is required to annex two of the three affected parcels totaling 70 acres into American Canyon. Commission approval is also required to annex one of the three affected parcels totaling 37 acres to the American Canyon Fire Protection District. Upon submittal, the proposal would be classified as a reorganization to account for automatic detachment proceedings involving CSA No. 4.

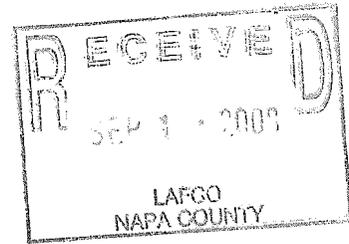
Status: The City has placed this project on administrative hold since July 2007.

Attachment:

- 1) Applicant Letter: *Monticello Boulevard Sphere of Influence Amendment*



#4105068.0
September 17, 2008



Keene Simonds
Executive Officer
Local Agency Formation Commission
1700 Second Street, Suite 268
Napa, CA 94559

RE: Sphere of Influence Amendment Request
Lands of Gutteresen (APN 045-170-006)

Dear Keene,

As you are aware, Shawn and Connie Gutteresen have applied to the City of Napa for an Outside Water Service Agreement in order to obtain City water service for their parcel at the end of Montecito Boulevard lying within the unincorporated lands of Napa County but contiguous to the City of Napa. While there is an average-producing well on the property, the subject property is within the MST groundwater deficient zone and the Gutteresens are concerned about the future reliability of the well to serve the property and the safety-zone water tank described below. Furthermore, anecdotal information from their well driller shows that wells are drying up on First Avenue north and east of the subject property.

This application is typical of previous Outside Water Service requests, but now must comply with Government Code section 56133 which limits the City to providing out-of-jurisdiction services only to parcels within its sphere of influence. As such, this will serve as our formal request for a sphere of influence amendment to expand the City's sphere to include the subject parcel. This request to LAFCO is intended only to facilitate the provision of water to the Gutteresen parcel, which City Staff supports. Given the property's location at the end of a City street with no other access, current services to the subject property are already provided by the City or by City forces. As such, this sphere amendment is a logical expansion of their service area in anticipation of a later change of organization.

As a matter of background, in exchange for the provision of City water, the Gutteresens propose to construct various improvements that will contribute to improved fire access and firefighter safety on Montecito Boulevard. As widely known, and of great concern to the City of Napa Fire Department, Montecito Boulevard above Lakeview Drive is currently an area of the City with poor access and circulation that is exposed to a high wildland-fire hazard. The proposed improvements have been carefully considered in coordination with Fire Marshal Darren Drake and Operations Chief Mike Randolph, and specifically involve the construction of a new,

standard cul-de-sac at the end of Montecito Boulevard and the preparation of a safety zone on the Guttersen property. Both are further described below.

The existing cul-de-sac on Montecito Boulevard is too small, falls well short of the current turnaround standard and does not accommodate the turning movement of a fire truck. The Guttersens' propose to construct a 70-foot diameter cul-de-sac in compliance with the current City of Napa requirements for a cul-de-sac turnaround. The larger cul-de-sac will allow fire trucks to turn around in one circular movement, faster than a multi-point turn. The land encumbered by the improvements will be dedicated in fee to the City by the Guttersens and their neighbor Mr. Sager at no charge to the City. And all construction costs will be borne by the Guttersens'.

The Guttersens also propose to prepare a safety zone on their property for use by City firefighters in the event of a fire event whereby they need to seek a safe harbor. The location of the safety zone has been selected upon the direction of Mike Randolph, with final tree removals and clearing to be determined by Mike and County Fire staff prior to construction. This work also involves the construction of a new 2500-gallon water tank within the safety zone and outfitted with a 2-1/2" outlet for use by the firefighters. In this case as well, all construction costs will be borne by the applicant.

These improvements have been reviewed and approved by the City of Napa Fire, Public Works and Community Development Departments, and provide enough public benefit to garner their broad support for this Outside Water Service Application and the necessary sphere amendment. City Staff is currently preparing a Staff Report for the application and a CEQA exemption pursuant to a City Council hearing on October 7, 2008, where we anticipate the necessary votes to approve the application.

To justify the proposed sphere amendment, pursuant to Government Code section 56425, here are statements of determination for the four factors:

(1) The present and planned land uses in the area, including agricultural and open-space lands.

Presently, the subject property is a vacant, 40-acre parcel with a zoning designation of AW and a partial General Plan designation of City and AW:OS. It is planned to develop the property as a residential estate parcel in compliance with the present zoning and land use regulations of Napa County.

(2) The present and probable need for public facilities and services in the area.

There will be no need for additional public facilities or services to serve a development on the subject parcel. City streets already provide access to the parcel, City water infrastructure already exists in Montecito Boulevard and emergency services are already provided to the area by City forces.

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

The City has determined that they have adequate capacity to serve the subject property, as described in their Staff Report.

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

The City of Napa is the social and economic community of interest related to this request. The subject property is at the edge of the City and accessed via City roads. Shopping, schools and other social and economic activity occurs within the City. The subject property is directly and most appropriately affiliated with the City of Napa.

Additional information regarding the sphere amendment and the City's findings can be found in the above-referenced Staff Report. Let me know if you need any additional information from me or the GutterSENS in order to process this request and schedule it for a hearing at the next available Commission meeting.

Sincerely,



Ryan Gregory, P.E.
Vice President

cc: Dana Smith, Assistant City Manager
Phil Brun, General Manager Water Division
Shawn GutterSEN