



LAFCO MEETING AGENDA

April 2, 2007

4:00 P.M.

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

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

Keene Simonds, Executive Officer
Jacqueline Gong, Commission Counsel
Tracy Geraghty, Analyst
Kathy Mabry, Secretary

1. CALL TO ORDER; ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

Minutes of March 5, 2007

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 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

Staff recommends approval of all items on the consent calendar without discussion. Proposed changes of organization or reorganization appearing on the consent calendar meet the provisions of applicable sections of the California Government Code that allow the Commission to waive subsequent protest proceedings.

a) Amendments to FY2006-2007 Budget (Action)

The Commission will consider two amendments to its FY2006-2007 Budget to address a new filing fee requirement of the County of Napa Clerk-Recorder's Office.

b) *Borrette Lane No. 7 District Annexation to the Napa Sanitation District* (Action)

The Commission will consider an application to annex approximately 6.04 acres of incorporated territory to the City of Napa. The annexation is intended to facilitate the division of the subject territory into four new residential lots with a remainder lot. (Assessor Parcel Number: 041-700-004)

6. PUBLIC HEARING ITEMS

a) Appointment of a Alternate Public Member: Continued

The Commission will continue a public hearing for its city and county members to consider the appointment of an alternate public member to fill an unexpired term ending in May 2008. The public hearing has been continued from the March 5, 2007 meeting.

b) Proposed Budget for Fiscal Year 2007-2008

The Commission will consider a proposed budget from the 2007-2008 Budget Committee. The proposed budget projects a total increase in operating expenses of 2.2% from the current fiscal year and is being presented to the Commission for adoption as part of a draft resolution.

7. COMMISSION ACTION ITEMS

a) Silverado Community Services District – Sphere of Influence Review

The Commission will receive a written report representing the sphere of influence review of the Silverado Community Services District. The Commission will consider a draft resolution approving the recommendation of the report to affirm the District's existing sphere of influence pursuant to Government Code §56425.

b) Napa River Reclamation District No. 2109 – Sphere of Influence Review

The Commission will receive a written report representing the sphere of influence review of the Napa River Reclamation District No. 2109. The Commission will consider a draft resolution approving the recommendation of the report to affirm the District's existing sphere of influence pursuant to Government Code §56425.

8. COMMISSION DISCUSSION ITEMS

a) Napa County Flood Control and Water Conservation District – Service Review

The Commission will receive a written report representing the service review of the Napa County Flood Control and Water Conservation District. The report is in draft-form and is being presented to the Commission for discussion.

b) Legislative Report

The Commission will receive a report from staff reviewing the current session of the California Legislature. The report discusses the adopted positions of CALAFCO is being presented for discussion.

9. EXECUTIVE OFFICER REPORT

The Commission will receive an oral report from the Executive Officer regarding staff activities, communication, and active and pending proposals and studies. This includes the following items:

- Fee Schedule Review; Reserve Policy Review
- County of Napa Draft General Plan Update and Draft Environmental Impact Report
- Countywide Review of Growth Trends
- CALAFCO Workshop (April 11-13)

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) Regular City Member Seat: Notice of Expiring Term

The Commission will receive a written report from staff advising that the regular "down-valley" city seat on LAFCO currently held by Commissioner Coffey is scheduled to expire on May 6, 2007.

11. CLOSED SESSION

None

12. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

13. ADJOURNMENT

Adjournment to next regular meeting scheduled for May 7, 2007.

In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Napa County Clerk of the Board's Office 24 hours prior to the meeting at (707) 253-4196.



Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, CA 94559
(707) 259-8645
FAX (707) 251-1053
<http://napa.lafco.ca.gov>

April 2, 2007
Agenda Item No. 5a

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Amendments to FY2006-2007 Budget (Action)

The Commission will consider two amendments to its FY2006-2007 Budget to address a new filing fee requirement of the County of Napa Clerk-Recorder's Office.

In February 2007, LAFCO was notified by the County of Napa Clerk-Recorder's Office that they have amended their fee schedule and now require all agencies to pay a \$50 processing fee whenever filing a document relating to the California Environmental Quality Act (CEQA). Previously, agencies were only required to pay a processing fee to the Clerk-Recorder's Office when filing a Negative Declaration, Environmental Impact Report, or a Notice of Determination. Agencies were not previously required to pay a processing fee when filing a Notice of Exemption.

Background

LAFCO's regulatory and planning responsibilities under California Government Code generally requires that the Commission serve as a responsible agency under CEQA. As a responsible agency, LAFCO reviews and considers the environmental documents prepared by the lead agency (typically a land use authority) and requires that the proposal applicant pay all filing fees required under CEQA. This generally involves LAFCO filing a Notice of Exemption or Notice of Determination.

In 2001, LAFCO's role as a lead agency under CEQA was expanded as the result of the Cortese-Knox-Hertzberg Local Government Reorganization Act. This legislation directs LAFCO to prepare service reviews and sphere updates for each local agency under its jurisdiction by January 1, 2008 and every five years thereafter as necessary. Without an applicant, LAFCO must serve as lead agency in preparing service reviews and sphere updates and is responsible for paying all costs associated with complying with CEQA, including filing fees with the Clerk-Recorder's Office.

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Mayor, City of Calistoga

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Councilmember, City of American Canyon

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County of Napa Supervisor, 1st District

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Vacant, Alternate Commissioner
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Keene Simonds
Executive Officer

Discussion

In the course of preparing the initial round of service reviews and sphere updates, LAFCO has generally found these projects to be exempt from CEQA and has filed Notice of Exemptions with the Clerk-Recorder's Office. Based on the current work plan, staff anticipates presenting one service review and four sphere updates accompanied with their own exemption for Commission approval through the end of the fiscal year. LAFCO also has an outstanding balance with the Clerk-Recorder's Office for three exemptions filed in February involving two service reviews and one sphere update.

In order to complete its work plan for service reviews and sphere updates for the remainder of the fiscal year and address the new filing fee requirements of the Clerk-Recorder's Office, LAFCO requires two amendments to its FY2006-2007 Budget. The first amendment is to establish a new expenditure account titled "special departmental expense." This account will be used by the Executive Officer to pay the filing fees of the Clerk-Recorder's Office. The second amendment is to transfer \$400 into the newly created special departmental expense account from the office expense account (52170000), which is expected to finish the fiscal year with a surplus.

Recommendation

It is recommended for the Commission to take the following actions:

- 1) Amend the FY2006-2007 Budget to include a new expenditure account titled special departmental expense for use by the Executive Officer to pay filing fees with the County of Napa Clerk-Recorder's Office; and
- 2) Amend the FY2006-2007 Budget to transfer \$400 into the special departmental expense account from the office expense account (52170000).

Respectfully submitted,

Keene Simonds
Executive Officer



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April 2, 2007
Agenda Item No. 5b

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Tracy Geraghty, Analyst

SUBJECT: *Borrette Lane No. 7 District Annexation to the Napa Sanitation District (Action)*

The Commission will consider an application to annex approximately 6.04 acres of incorporated territory to the Napa Sanitation District. The annexation is intended to facilitate the division of the subject territory into four new residential lots and a remainder lot.

Proposed is the annexation of approximately 6.04 acres of incorporated territory to the Napa Sanitation District. The subject territory is comprised of one parcel that includes a single family residence, vineyard, and winery in the City of Napa. The annexation is intended to facilitate the division of approximately half (3.02 acres) of the existing parcel into four new residential lots. The remaining portion of the existing parcel will include the current single-family residence, vineyard (reduced in size), and winery. This project was approved by the City of Napa Planning Commission on November 16, 2006. (The project qualifies for a parcel map and does not require City Council approval.)

The Napa Sanitation District is capable of extending services to the proposed development project without impacting service levels provided to current ratepayers. The Executive Officer recommends approval of this proposal.

General Information

Applicants: Kirk and Karen Reid, Property Owners.

Proposal: Applicants propose the annexation of approximately 6.04 acres to the Napa Sanitation District in order to make sewer services available for a proposed development project. The subject territory includes one parcel in the City of Napa. The underlying project is to divide half of the existing parcel into four new residential lots. This proposal has 100% consent from affected property owners. The District, as the subject agency, has offered its consent to the waiver of protest proceedings for this annexation.

Jack Gingles, Chair
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Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

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County of Napa Supervisor, 1st District

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Brian J. Kelly, Commissioner
Representative of the General Public

Vacant, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

Location: The subject territory is comprised of one parcel located at 1020 Borrette Lane in the City of Napa. It is depicted on the attached aerial map prepared by LAFCO. (Assessor Parcel Number: 041-700-004)

Purpose: The purpose of the annexation is to facilitate an underlying project to divide and develop the subject territory into 4 new single-family residential lots and one remainder lot. The remainder lot will include an existing single family residence.

Factors for Consideration

California Government Code §56668 et al provides a list of factors to be considered in the review of a proposal. The Commission's review shall include, but is not limited to, consideration of these factors. Additional information relating to these factors can be found in the attached *Justification of Proposal*.

<p>(a) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.</p>	<p>There is currently one single-family residence located in the subject territory with a resident population of two. The annexation of the subject territory to the Napa Sanitation District would facilitate the development of 4 new single-family residential lots located within an urbanized portion of the City of Napa. Based on the California Department of Finance's projection of 2.62 persons per household in Napa, the subject territory at project buildout will have a population of approximately 13 people. This density and projected growth is consistent with adjacent areas.</p> <p>The subject territory currently includes a single family residence, vineyard, a winery and winery-related structures on the southern portion of the property. Topography within the subject area is characterized by very gently sloping lands. An unnamed creek runs along the subject territory's southern boundary.</p> <p>The total assessed value of the subject territory is \$679,361.¹</p>
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¹ The annexation of the subject territory to the Napa Sanitation District will not change property taxes. Existing Tax Rate Areas (TRAs) will be matched to new TRAs. After annexation, the District will be permitted to charge property owners for services using the County's assessment rolls.

<p>(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.</p> <p>"Services," as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.</p>	<p>The annexation of the subject territory would facilitate the extension of public sewer service to serve one existing and four new single family residential units. Currently, the Napa Sanitation District has an average day sewer demand of 6.9 million gallons. At an expected use rate of 210 gallons per day (gpd) per residence, the underlying project will generate a new demand of 1,050 gpd. With a current capacity of 15.4 mgd, the Napa Sanitation District has sufficient capacity and facilities to provide service to the subject territory without impacting the service levels of current ratepayers.</p>
<p>(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.</p>	<p>Annexation to the Napa Sanitation District would facilitate the development of the subject territory in a manner that is consistent with the surrounding area. A substantial portion of the surrounding area is already served by the District.</p>
<p>(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377. (Note: Section 56377 encourages preservation of agricultural and open-space lands.)</p>	<p>The annexation of the subject territory to the Napa Sanitation District is consistent with the planned, orderly, and efficient patterns of urban development within the City of Napa.</p>
<p>(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.</p>	<p>The entire 6.04 acre subject territory is located within an urbanized portion of the City of Napa. The 3.02 acre portion which is the subject of the parcel division is currently in an agricultural use. Each of the four newly created parcels will include agricultural easements ranging in size from 10,780 acres to 13,330 acres. Extension of sewer service to the subject territory would contribute to the loss of approximately two acres of agricultural lands. However, this conversion is planned for in the General Plans of the City of Napa and County of Napa.</p>
<p>(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.</p>	<p>The subject territory is parcel specific with clear and certain boundaries.</p>

<p>(g) Consistency with city or county general and specific plans.</p>	<p>The annexation of the subject territory to the Napa Sanitation District is consistent with the City of Napa General Plan. The subject property has a General Plan designation of SFR-40 which provides for single-family detached housing at a density range of 0 to 2 units per acre. The proposed density of the underlying project is 0.82 units per acre, which is consistent with its General Plan designation.</p> <p>The subject territory is zoned by the City of Napa as RS-20. This zoning allows for single family detached housing on lots not smaller than 20,000 square feet. The newly created parcels will range in size between 24,355 and 38,271 square feet. The remainder lot will be 3.02 acres.</p>
<p>(h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.</p>	<p>The subject territory lies within the adopted sphere of influence of the Napa Sanitation District. The proposal is consistent with the sphere of influence.</p>
<p>(i) The comments of any affected local agency.</p>	<p>The County of Napa Assessor's Office prefers that assessor parcels not be split within Tax Rate Area (TRA) lines.</p> <p>No other substantive comments were received from an affected local agency during the review of this proposal.</p>
<p>(j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.</p>	<p>The Napa Sanitation District, through its resolution of consent, attests to its ability to extend sewer service to the subject territory without impact to existing ratepayers.</p>
<p>(k) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.</p>	<p>The subject territory is currently connected to the City of Napa's potable water system. The City's water management plan shows it is capable of delivering water to the subject territory to development levels consistent with the General Plan.</p>
<p>(l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.</p>	<p>The subject territory is located within the City of Napa. Annexation of the subject territory to the Napa Sanitation District will not impact the City in achieving its regional housing needs allocation.</p>
<p>(m) Any information or comments from the landowner or owners.</p>	<p>No comments were offered.</p>
<p>(n) Any information relating to existing land use designations.</p>	<p>None.</p>

5668.3(a)1 Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.	The proposed annexation is intended to benefit future inhabitants of the subject territory by providing future access to public sewer service.
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PROPERTY TAX AGREEMENT

In accordance with provisions of Revenue and Taxation Code §99, the County of Napa and the Napa Sanitation District by Resolution of the Board of Supervisors have agreed that no exchange of property taxes will occur as a result of annexation of lands to the Napa Sanitation District.

ENVIRONMENTAL ANALYSIS

As responsible agency, LAFCO has reviewed and considered the information included in the Initial Study and Negative Declaration prepared for the underlying development project approved by the lead agency, the City of Napa. The extension of sewer service to the underlying project was adequately contemplated as part of the Initial Study. In approving the Negative Declaration, the City has required standard mitigation measures to address less-than significant impacts identified in the Initial Study. LAFCO hereby makes and incorporates by reference the environmental findings set forth in the City of Napa Planning Commission Resolution 06-0037-CQ as required by Section 15091 of Title 14 of the California Administrative Code for each less-than significant impact of the project identified in the Initial Study. The Commission's findings are based on its independent judgment and analysis. The records upon which these findings are made are located at the LAFCO office at 1700 Second Street, Suite 268, Napa, California.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report, the Commission should consider taking one of the following actions:

Option A: Adopt the form of the attached resolution approving the proposed *Borrette Lane No. 7 District Annexation to the Napa Sanitation District*.

Option B: If the Commission requires more information, continue this matter to a future meeting.

RECOMMENDATION

Staff recommends Option A: approval of the annexation proposal as submitted.

Respectfully submitted,

Keene Simonds
Executive Officer

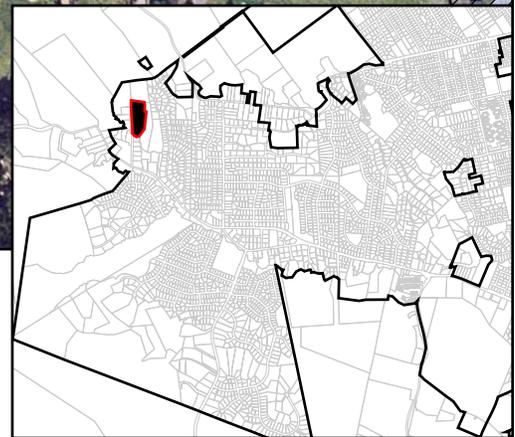
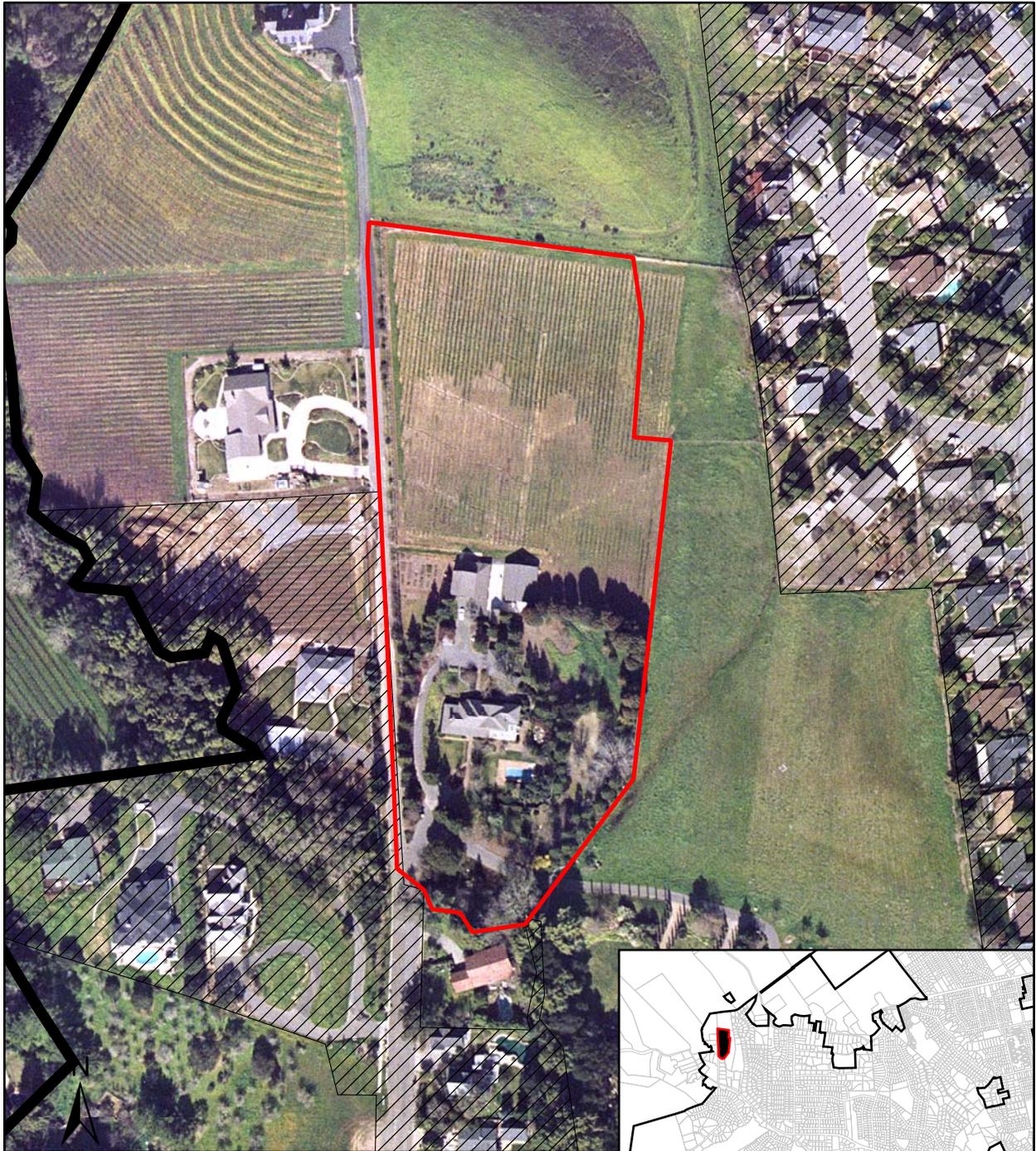
Tracy Geraghty
Analyst

Attachments:

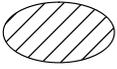
1. LAFCO Aerial Map
- ~~2. Draft LAFCO Resolution of Approval~~
- ~~3. Justification of Proposal~~
- ~~4. NSD Resolution No. 07-003~~
- ~~5. City of Napa Planning Commission 06-0037-CQ~~
6. Initial Study prepared by the City of Napa for Reid Parcel Map

Borrette Lane No. 7 Annexation to the Napa Sanitation District

Aerial Map



Legend

-  Proposed Annexation Area
APN 041-700-004
-  NSD Boundary
-  NSD Sphere of Influence



March 2007
Prepared by TLG
Not to Scale





Local Agency Formation Commission
LAFCO of Napa County

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April 2, 2007
Agenda Item No. 6a

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

**SUBJECT: Appointment of an Alternate Public Member
(Continued Public Hearing)**

The Commission will continue a public hearing for its city and county members to consider the appointment an alternate public member to fill an unexpired term ending in May 2008. This public hearing has been continued from the March 5, 2007 meeting.

At its March 5, 2007 meeting, the Commission opened a public hearing for city and county members to consider the appointment of an alternate public member to fill an unexpired term that ends in May 2008. In opening the public hearing, the Commission heard from and asked questions to candidates Gregory Rodeno and Bradford Simpkins. No other candidates were present. At the request of Commissioner Coffey, the Commission elected to continue the public hearing to the April 2, 2007 meeting to provide Commissioners additional time to speak with the candidates before proceeding with the nomination process.

A copy of the March 5, 2007 staff report is attached.

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Mayor, City of Calistoga

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March 5, 2007
Agenda Item No. 6a

February 24, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Appointment of an Alternate Public Member (Public Hearing)

The Commission will consider an appointment to fill the vacant and unexpired term of the alternate public member position. The term of the alternate public member position ends in May 2008.

Pursuant to California Government Code Sections 56325(d) and 56331, a public hearing has been scheduled for the city and county members of the Commission to consider an appointment to fill the vacant and unexpired term of the alternate public member position. The current term of the alternate public member position ends in May 2008.

There are four applicants for the vacant alternate public member position. The applicants include Dr. Ronald Citron, Dr. Vic Nienu, Gregory Rodeno, and Bradford Simpkins. Each applicant has been invited to attend the meeting and be available to the Commission for questions or to provide statements, though this is not a requirement for appointment.

Procedures for the appointment of the alternate public member are enumerated as part of the Commission's *Conducting Public Hearings for the Appointment of Regular and Alternate Public Members*. Staff has summarized these procedures as part of an attached memorandum.

Note: One of the applicants for the alternate public member position, Bradford Simpkins, currently serves on an advisory committee for the County of Napa. The Commission's *Policies Regarding the Positions of the Public Member and Alternate Public Member* specify that no public member shall serve at the same time as an officer or employee of a local public agency or as a member of a public board, commission, or committee that has the authority to make advisory or final decisions relating to the use of land. Mr. Simpkins has been advised of this policy and is prepared to resign from his committee position if appointed to the Commission.

Attachments:

- ~~1) Application Materials from Candidates~~
- ~~2) Memorandum on Commission's Conducting Proceedings for Appointment of Public Member Position~~
- ~~3) Commission's Policies Regarding the Positions of the Public Member and Alternate Public Member~~

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April 2, 2007
Agenda Item No. 6b

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Proposed Budget for Fiscal Year 2007-2008 (Public Hearing)

The Commission will receive a proposed budget from the 2007-2008 Budget Committee. The proposed budget projects a total increase in operating expenses of 2.2% from the current fiscal year and is being presented to the Commission for adoption as part of a draft resolution.

California Government Code §56381 directs the Commission to annually prepare and adopt a proposed budget by May 1st and a final budget by June 15th. In preparing for its own provisions, it is the policy of the Commission to establish a budget committee that includes two appointed Commissioners and the Executive Officer. The budget committee is responsible for preparing a draft proposed budget for review by the Commission and those agencies that are statutorily responsible for funding LAFCO no less than 30 days prior to its adoption. It has been the practice of the Commission to adopt proposed and final budgets at its April and June meetings, respectively.

Background

At its December 4, 2006 meeting, the Commission appointed Commissioners Kelly and Wagenknecht to serve on the 2007-2008 Budget Committee. The Committee met in January 2007 to review LAFCO's operating expenses for the upcoming fiscal year. (It is the practice of LAFCO to budget only for expenses.) A spending baseline was constructed to estimate how much it would cost to continue LAFCO's current level of services and activities at next fiscal year's price for labor and supplies. In reviewing these estimates, the Committee considered actual expenses from past fiscal years and whether increases or decreases in spending was appropriate to reflect anticipated changes in demand or need. Based on this initial review, the Committee presented a draft proposed budget identifying an overall increase in operating costs of 1.9% to the Commission at its February 5, 2007 for discussion. Following the meeting, the draft proposed budget was circulated for review and comment to each of the six local agencies that fund LAFCO. No written comments were received.

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Vacant, Alternate Commissioner
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Keene Simonds
Executive Officer

Discussion: Proposed Budget for 2007-2008

The proposed budget that is being presented to the Commission for consideration projects a total increase in LAFCO operating costs over the current fiscal year of 2.2%, which represents a dollar amount of \$9,914. Recalculations involving salaries, group insurance, and legal expenses contribute to the difference in projected operating costs from the draft budget that was presented in February. Staff has also added a new expenditure account titled "special department expense" with a budget amount of \$850 to reflect a new filing fee requirement of the County of Napa Clerk-Recorder's Office.

In terms of key increases to the proposed budget over the current fiscal year, the cost of group insurance is projected to increase by 20%, which represents a dollar amount of \$7,138. This cost is contractually determined by the County of Napa and reflects the Commission's contribution to employee healthcare costs. Additionally, the Budget Committee is recommending an increase in the Commission per diem from \$50 to \$100. This change, which is designed to reflect the medium per diem rate of the eight other Bay Area LAFCOs, is producing an overall increase in the proposed budget of \$6,000.

The proposed budget for 2007-2008 is being presented to the Commission for adoption as part of an attached draft resolution. Also attached to the staff report is a draft spreadsheet projecting the allocation of the proposed budget for 2007-2008 among LAFCO's six local funding agencies. This spreadsheet is being presented for information only. Actual allocations will not be determined until a final budget is adopted by the Commission and unexpended funds are totaled at the end of the fiscal year.

Recommendation

It is recommended for the Commission to take the following actions:

- 1) Adopt the form of the attached resolution approving the proposed budget for 2007-2008 along with any desired changes; and
- 2) Direct the Executive Officer to circulate the proposed budget for 2007-2008 review and comment to the six agencies that fund LAFCO.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

1. 2007-2008 Proposed Budget (Line Item Format)
2. ~~Draft Resolution~~
3. Draft Allocation of 2007-2008 Proposed Budget

**Local Agency Formation Commission of Napa County
Proposed Budget for 2007-2008**

		FINAL FY04-05	FINAL FY05-06	FINAL FY06-07	PROPOSED FY07-08 (3/19/07)	Difference From FY06-07	
Salaries and Wages							
<u>Account No.</u>	<u>Account</u>						
51100000	Regular Salaries	\$ 167,505.00	\$ 187,206.00	\$ 190,230.92	\$ 185,526.79 ^{1,2}	\$ (4,704.13)	
51200100	Extra Help	\$ 6,188.00	\$ 2,206.26	\$ -	\$ -	\$ -	
51200200	Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
51200500	Per Diems	\$ 4,050.00	\$ 4,050.00	\$ 3,600.00	\$ 9,600.00 ³	\$ 6,000.00	
51300100	Retirement	\$ 23,450.70	\$ 32,235.20	\$ 32,953.28	\$ 31,583.44	\$ (1,369.84)	
51300300	Medicare	\$ 2,428.82	\$ 2,674.13	\$ 2,849.46	\$ 2,649.92	\$ (199.54)	
51300500	Group Insurance	\$ 22,255.20	\$ 26,875.92	\$ 36,030.00	\$ 43,168.32	\$ 7,138.32	
51301200	Workers Compensation	\$ 533.00	\$ 749.00	\$ 685.00	\$ 185.00	\$ (500.00)	
51301700	401A Employer Contributions	-	\$ 1,500.00	\$ 1,500.00	\$ - ⁴	\$ (1,500.00)	
51301800	Cell Phone Allowance	-	\$ 840.00	\$ 840.00	\$ 840.00	\$ -	
		\$ 226,410.72	\$ 258,336.51	\$ 268,688.66	\$ 273,553.47	\$ 4,864.81	1.8%
Services and Supplies							
<u>Account No.</u>	<u>Account</u>						
TBD	Special Departmental Expenses	-	-	-	\$ 850.00 ⁵	\$ 850.00	
52070000	Communications	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ -	
52100300	Insurance: Liability	-	\$ 335.00	\$ 534.00	\$ 352.00	\$ (182.00)	
52150000	Memberships	\$ 1,368.00	\$ 1,400.00	\$ 2,200.00	\$ 2,000.00	\$ (200.00)	
52170000	Office Expenses	\$ 12,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ -	
52180200	Management Information Services	\$ 13,000.00	\$ 13,378.27	\$ 17,799.91	\$ 16,387.00	\$ (1,412.91)	
52180500	Legal	\$ 18,750.00	\$ 18,750.00	\$ 18,750.00	\$ 21,500.00 ⁶	\$ 2,750.00	
52190000	Publications and Notices	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00 ⁷	\$ 500.00	
52185000	PSS: Other (Accounting/Auditing)	\$ 4,000.00	\$ 5,000.00	\$ 6,500.00	\$ 7,150.00 ⁸	\$ 650.00	
52235000	SDE: Other (Office Improvements)	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ -	
52240500	Property Lease	\$ 24,038.40	\$ 25,540.80	\$ 26,307.02	\$ 27,000.00 ⁹	\$ 692.98	
52250000	Transportation and Travel	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ -	
52250800	Training	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 4,000.00 ¹⁰	\$ 1,000.00	
52251200	Private Mileage	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,000.00 ¹¹	\$ (500.00)	
		\$ 87,156.40	\$ 93,404.07	\$ 101,090.93	\$ 105,239.00	\$ 4,148.07	4.1%
	Sub Total Expenses	\$ 313,567.12	\$ 351,740.58	\$ 369,779.59	\$ 378,792.47	\$ 9,012.88	
Contingencies and Reserves							
<u>Account No.</u>	<u>Account</u>						
54000900	Operating Reserve (10% of Expenses)	\$ 31,356.71	\$ 35,174.06	\$ 36,977.96	\$ 37,879.25	\$ 901.29	
54001000	Professional Services Dedication	\$ 100,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	
		\$ 131,356.71	\$ 85,174.06	\$ 86,977.96	\$ 87,879.25	\$ 901.29	1.0%
	TOTAL	\$ 444,923.83	\$ 436,914.64	\$ 456,757.55	\$ 466,671.72	\$ 9,914.17	2.2%

NOTES

- Assumes a 3.0% cost-of-living adjustment for all employees. The County MOU with represented employees requires a cost-living-adjustment to be determined by an agreed formula. The adjustment could be as low as 2.5% and as high as 4.0%. The County advises using a 3.0% factor at this time.
- Anticipates scheduled salary increases for Keene Simonds, Executive Officer, and Tracy Geraghty, Analyst II. Kathy Mabry, Commission Secretary, is at the top of her classification range and is not eligible for a salary increase.
- An increase in the Commission's meeting per diem from \$50 to \$100 is recommended to reflect the medium per diem rate of the eight other Bay Area LAFCOs. This increase also takes into account that the Commission is now meeting on a monthly basis.
- The Executive Officer has elected not to participate in a 401A plan. No other employees are eligible to receive a matching contribution from the Commission.
- This account has been established to reflect the new requirement of the County Recorder to charge agencies a \$50 fee to file a Notice of Exemption.
- An increase in the amount of \$2,750 is recommended to reflect a projected 10% increase in the hourly rate charged to LAFCO by County Counsel for legal services provided by Commission Counsel Gong. The increase also takes into account that the Commission is now meeting on a monthly basis.
- An increase in the amount of \$500 is recommended to reflect the average cost to LAFCO for notices and publications over the last five fiscal years.
- An increase in the amount of \$650 is recommended to reflect an anticipated 10% increase in hourly staff rates for the County Auditor-Controller's Office.
- An amended lease agreement for office space at 1700 Second Street in Napa was approved by the Commission in June 2006. The amended lease agreement establishes a fixed monthly rent rate of \$2,250 through June 2009.
- An increase in the amount of \$1,000 is recommended to help ensure that sufficient training funds are available for current and new Commissioners to attend the 2007 CALAFCO Annual Conference, which is scheduled for August 28-31 in Sacramento.
- A decrease in the amount of \$500 is recommended to account for the car allowance that was established for the Executive Officer position in 2006.

FY2007-2008 Draft Allocation for Annual LAFCO Costs to County and Cities (3/19/07)
(Alternative Allocation Formula)

ATTACHMENT THREE

Step 1	LAFCO Budget		Final FY06-07	Proposed FY07-08	Difference Dollar	Difference Percentage								
	Total	\$	456,757.55	\$ 466,671.72	\$ 9,914.17	2.2%								
Step 2	Annual Allocation													
	50% to County	\$	228,378.78	\$ 233,335.86	\$ 4,957.08	2.2%								
	50% to Cities	\$	228,378.78	\$ 233,335.86	\$ 4,957.08	2.2%								
Step 3a	Cities' Share Based on Total General Taxes*													
	<u>General Tax Revenues</u>			<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>					
	Secured & Unsecured Property Tax	\$		3,839,971	\$ 735,185	\$ 9,637,033	\$ 1,826,438	\$ 335,403	\$ 16,374,030					
	Voter Approved Indentedness Property Tax	\$		-	\$ -	\$ -	\$ -	\$ -	\$ -					
	Other Property Tax	\$		4,437	\$ 9,018	\$ 514,912	\$ -	\$ -	\$ 528,367					
	Sales and Use Taxes	\$		1,139,782	\$ 631,570	\$ 10,782,765	\$ 2,116,958	\$ 446,040	\$ 15,117,115					
	Transportation Tax	\$		-	\$ -	\$ -	\$ -	\$ -	\$ -					
	Transient Lodging Tax	\$		3,975	\$ 2,161,628	\$ 5,198,316	\$ 1,143,556	\$ 2,411,098	\$ 10,918,573					
	Franchises	\$		268,421	\$ 127,052	\$ 1,798,541	\$ 132,475	\$ 49,789	\$ 2,376,278					
	Business License Taxes	\$		113,574	\$ 138,007	\$ 2,210,073	\$ 124,503	\$ 5,787	\$ 2,591,944					
	Real Property Transfer Taxes	\$		145,300	\$ 27,299	\$ 458,701	\$ 74,890	\$ 19,225	\$ 725,415					
	Utility Users Tax	\$		-	\$ -	\$ -	\$ -	\$ -	\$ -					
	Other Non-Property Taxes	\$		-	\$ 500	\$ -	\$ -	\$ -	\$ 500					
	Total	\$		5,515,460	\$ 3,830,259	\$ 30,600,341	\$ 5,418,820	\$ 3,267,342	\$ 48,632,222					
	Percentage of Total Taxes to all Cities			11.3%	7.9%	62.9%	11.1%	6.7%	100%					
Step 3b	Cities' Share Based on Total Population**			<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>					
	Population			14,961	5,258	76,705	5,989	3,264	106,177					
	Population Percentage			14.09%	4.95%	72.24%	5.64%	3.07%	100%					
Step 4	Cities Allocation Formula			<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>					
	Cities' Share Based on Total General Taxes			11.3%	7.9%	62.9%	11.1%	6.7%	100%					
	Portion of LAFCO Budget	\$		10,585.20	\$ 7,350.98	\$ 58,727.79	\$ 10,399.73	\$ 6,270.64	\$ 233,335.86					40%
	Cities' Share Based on Total Population			14.09%	4.95%	72.24%	5.64%	3.07%	100%					
	Portion of LAFCO Budget	\$		19,727.08	\$ 6,933.03	\$ 101,140.70	\$ 7,896.90	\$ 4,303.80	\$ 466,671.72					60%
	Total Agency Allocation	\$		30,312.29	\$ 14,284.01	\$ 159,868.49	\$ 18,296.63	\$ 10,574.44	\$ 233,335.86					
	Allocation Share			12.99%	6.12%	68.51%	7.84%	4.53%	100%					
Step 5	FY07-08 Invoice			<u>County</u>	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Agencies</u>				
	FY07-08 Agency Share	\$		233,335.86	\$ 30,312.29	\$ 14,284.01	\$ 159,868.49	\$ 18,296.63	\$ 10,574.44	\$ 466,671.72				
	Less Agency Credits***	\$		43,488.98	\$ 5,653.57	\$ 2,661.53	\$ 29,798.65	\$ 3,409.54	\$ 1,974.40	\$ 86,986.66				
	Net Invoice	\$		189,846.88	\$ 24,658.72	\$ 11,622.49	\$ 130,069.84	\$ 14,887.09	\$ 8,600.05	\$ 379,685.06				

Notes:

* Amounts are drawn from the FY03-04 State Controller's Report and does not include functional revenues.

** Amounts are drawn from the California Department of Finance, January 2006.

*** To assist agencies in their budgeting plans, LAFCO has included a draft projection of its unexpended funds for FY06-07 totaling \$86,986. It is the practice of LAFCO to return all unexpended funds to the agencies in the form of credits based on their percentage share of the budget in FY06-07. Actual credits will not be determined until the end of the fiscal year.



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LAFCO of Napa County

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April 2, 2007
Agenda Item No. 7a

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Silverado Community Services District – Sphere of Influence Review (Action)

The Commission will receive a written report representing the sphere of influence review of the Silverado Community Services District. The Commission will consider a draft resolution approving the recommendation of the report to affirm the District's existing sphere of influence.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review each local agency's sphere of influence by January 1, 2008 and every five years thereafter as necessary. This legislation also requires that LAFCOs conduct municipal service reviews in conjunction with the sphere reviews of local agencies to determine the adequacy of the governmental services that are being provided in the region. The collective purpose of these reviews is to inform and guide LAFCOs in their legislative mandate to plan and coordinate the orderly development of local agencies in a manner that provides for the present and future needs of the community.

Discussion

In August 2006, LAFCO of Napa County completed a municipal service review of the Silverado Community Services District as part of the *Comprehensive Study of Landscaping and Lighting Districts*. The municipal service review included an evaluation of the level and range of services provided by the District and included written determinations addressing the nine factors required for consideration under G.C. §56430.

Drawing on the information collected in the municipal service review, staff has prepared the attached written report representing the sphere review of the District. The report concludes that the existing sphere designates an appropriate service area for the District and that no changes are needed. Towards this end, staff has prepared the attached draft resolution codifying the recommendation of the written report to affirm the District's existing sphere and the written statements addressing the four planning factors the Commission is required to consider in making a sphere determination under G.C. §56425. The adoption of the resolution would fulfill the Commission's sphere review requirement for the District.

Jack Gingles, Chair
Mayor, City of Calistoga

Cindy Coffey, Commissioner
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

Brad Wagenknecht, Vice-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, Commissioner
Representative of the General Public

Vacant, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

Recommendation

It is recommended for the Commission to take the following actions:

- 1) Receive and file the attached written report representing the sphere of influence review of the Silverado Community Services District; and
- 2) Approve the form for the attached draft resolution with any desired changes that make statements with respect to affirming the sphere of influence for the Silverado Community Services District pursuant to Government Code §56425.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

- 1) Sphere of Influence Report
- ~~2) Draft Resolution~~

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**SILVERADO COMMUNITY SERVICES DISTRICT
SPHERE OF INFLUENCE REVIEW**

**Final Report
April 2007**

Prepared by:

LAFCO of Napa County

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.

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

Keene Simonds, Executive Officer
Jackie Gong, Commission Counsel
Tracy Geraghty, Analyst
Kathy Mabry, Commission Secretary



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INTRODUCTION

Local Agency Formation Commissions

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are responsible for administering California Government Code §56000 et seq., which is now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are delegated regulatory and planning responsibilities to encourage the orderly formation and development of local governmental agencies, preserve agricultural and open-space lands, and to discourage urban sprawl. Duties include regulating governmental boundary changes through annexations or detachments, approving or disapproving city incorporations, and forming, consolidating, or dissolving special districts. LAFCOs are also responsible for conducting studies that address a range of service and governance issues to inform and direct regional planning activities and objectives. LAFCOs are located in all 58 counties in California.

Spheres of Influence

Among LAFCO's primary planning responsibilities is the determination of a sphere of influence for each city and special district under its jurisdiction.¹ California Government Code (G.C.) §56076 defines a sphere as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission." LAFCO establishes, amends, and updates spheres to indicate to local agencies and property owners that, at some future date, a specific area will likely require the services provided by the subject agency. The sphere determination also indicates the agency LAFCO believes to be best situated to serve the subject area. LAFCO is required to review each agency's sphere by January 1, 2008 and every five years thereafter as necessary.

In establishing, amending, or updating a city or special district's sphere, LAFCO is required to consider and prepare written statements addressing four specific planning factors. These planning factors, which are enumerated under G.C. 56425(e), are intended to capture the legislative intent of the sphere determination with regard to promoting the logical and orderly development of each local agency. These planning factors are:

- The present and planned land uses in the area, including agricultural and open-space lands.
- The present and probable need for public facilities and services in the area.
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

¹ LAFCOs have been required to determine spheres for cities and special districts since 1972.

In addition, when reviewing a sphere for a special district, LAFCO must also do the following:

- Require the special district to file a written statement with the Commission specifying the functions or classes of services it provides.
- Establish the nature, location, and extent of any functions or classes of services provided by the existing special district.

Beginning in 2001, to help inform the sphere review process, LAFCO is responsible for preparing a municipal service review. A municipal service review can take on many different forms, including a review of a single agency, or a review of several agencies that provide a similar service, such as sewer, water, or fire protection. The municipal service review culminates in the preparation of written determinations that address nine specific factors enumerated under G.C. §56430. The municipal service review is a prerequisite to updating an agency's sphere and may also lead LAFCO to take other actions under its authority.

Silverado Community Services District

In August 2006, LAFCO of Napa County completed a municipal service review of the Silverado Community Services District as part of the *Comprehensive Study of Landscaping and Lighting Districts*. The municipal service review included an evaluation of the level and range of services provided by the District along with the development of written determinations addressing the nine factors required for consideration under G.C. §56430.²

Drawing from information collected and analyzed as part of the municipal service review referenced above, this report represents the sphere review of the District pursuant to G.C. §56425. The report considers whether changes to the sphere are warranted to plan the orderly development of the District in a manner that supports the provisions of California Government Code and the policies of the Commission.

² LAFCO Resolution No. 06-14

OVERVIEW

The Silverado Community Services District (SCSD) was formed in 1967 to facilitate and serve the planned development of the Silverado Country Club.³ From its formation until 1977, SCSD provided water, street lighting, street sweeping, landscape maintenance, and limited weed abatement services through contracts with outside entities. During this period, the City of Napa was contracted to supply and operate SCSD’s water system, which had been built and dedicated to the District by the developer of the Silverado Country Club.⁴ This contractual arrangement ended in 1977 when the City purchased and assumed full control of SCSD’s water system. Although it is empowered to offer a number of municipal services under its principal act, SCSD continues to provide only street lighting, street sweeping, landscape maintenance, and limited weed abatement. SCSD currently serves 1,082 residential units within the Silverado Country Club with an estimated population of 2,727.⁵

SCSD is a dependent special district governed by the County of Napa Board of Supervisors. Supervisors solicit and receive input from a municipal advisory committee it appoints that is comprised of registered voters within SCSD. Administrative oversight of SCSD is provided by the County Public Works Department, which charges the District an hourly staff rate for services provided. SCSD adopts an annual line-item budget projecting both operational and capital improvement expenses as well as revenues for the upcoming fiscal year. Over the last three fiscal years, SCSD’s final adopted budget for expenses has averaged \$161,964. SCSD’s operational and capital improvement costs are primarily funded by a voter-approved special assessment that is reviewed annually to determine whether an index adjustment is needed.

Silverado Community Services District

Date Formed	1967
District Type:	Dependent
Enabling Legislation	Government Code §61000-61850
Services Provided	Street Lighting Street Sweeping Landscape Maintenance Weed Abatement

Sphere of Influence

SCSD’s sphere was adopted by LAFCO in 1976. The sphere was designated to be coterminous with SCSD’s jurisdictional boundary. In 1990, LAFCO amended SCSD’s sphere as part of a concurrent annexation proposal to add approximately 28 acres consisting of 35 single-family residences located along Silver Trail. No other changes to the sphere have been made since its adoption. A map depicting SCSD’s sphere and jurisdictional boundary is provided as Attachment A.

³ The development of the Silverado Country Club was approved by the County of Napa in 1966 as part of the “Silverado General Development Plan.” The development plan originally provided for the construction of 1,393 residential units. However, through subsequent revisions to the development plan, the total number of residential units permitted for development has been reduced to 1,095, which is reflected in the County General Plan.

⁴ As part its development agreement with the County of Napa, the developer of the Silverado Country Club entered into a contract with the City of Napa in which the developer agreed to construct a water distribution system and the City agreed to deliver water to the then-proposed development project.

⁵ Estimate based on the 2005 California Department of Finance population per household estimate (2.52) assigned to Napa County. Because it does not account for rental and seasonal uses within the Silverado Country Club, this estimate should be considered the maximum resident population within SCSD.

Land Use Factors

SCSD operates under the land use authority of the County of Napa, which has designated the majority of land within the District as *Urban Residential* with a zoning standard of *Planned Development*.⁶ The County General Plan identifies land within SCSD as being part of the “Silverado Urban Area.” The County General Plan includes a policy limiting residential development within the SCSD portion of the Silverado Urban Area to a maximum of 1,095 units. Based on this policy coupled with zoning restrictions, it appears that land located within SCSD is at or near built-out.

DISCUSSION

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the objective of this report is to identify and evaluate areas that warrant consideration for inclusion or removal from SCSD’s sphere as part of a comprehensive review. Underlying this effort is to designate the sphere in a manner that promotes the logical and orderly development of SCSD in a manner that supports the provisions of California Government Code and the policies of the Commission.

ANALYSIS

The analysis conducted as part of the municipal service review of SCSD identified that the District is providing an adequate and effective level of street lighting, street sweeping, landscape maintenance, and limited weed abatement services within its jurisdictional boundary. SCSD has been successful in meeting its original service objective to facilitate and serve the planned development of the Silverado County Club that is consistent with the preferences of its constituents. SCSD has also been successful in developing sufficient capacities and funding streams to continue to provide an effective level of services within its existing jurisdictional boundary for the foreseeable future.

SCSD’s existing sphere designates an appropriate service area for the District in a manner that provides for the present and future needs of its constituents and is consistent with the land use policies of the County of Napa. The existing sphere is responsive to the current and planned service capacities and facilities of SCSD. SCSD has not planned or indicated an interest in amending its sphere to facilitate future annexations to the District. Lands located within SCSD’s existing sphere share common economic and social interdependencies that are distinct from areas outside the sphere.

⁶ The eastern portion of SCSD is designated and zoned by the County as *Agriculture, Watershed and Open-Space* and *Agricultural Watershed*, respectively. This zoning standard requires a minimum parcel density of 160 acres.

RECOMMENDATION

It is recommended that the Commission affirm SCSD's existing sphere. Pursuant to G.C. §56425(e), the following statements have been prepared in support of the recommendation:

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

The present and future land uses in the area are planned for in the County of Napa General Plan as the affected land use authority. The County General Plan and adopted zoning standards provide for the current and future residential and resort uses that characterize the majority of the area.

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

The Silverado Community Services District provides street lighting, street sweeping, landscape maintenance, and limited weed abatement services within the area. These public services support the planned urban and resort uses within the area as contemplated in the County of Napa General Plan. Constituents of the District have confirmed their desire for these public services by approving a special assessment.

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

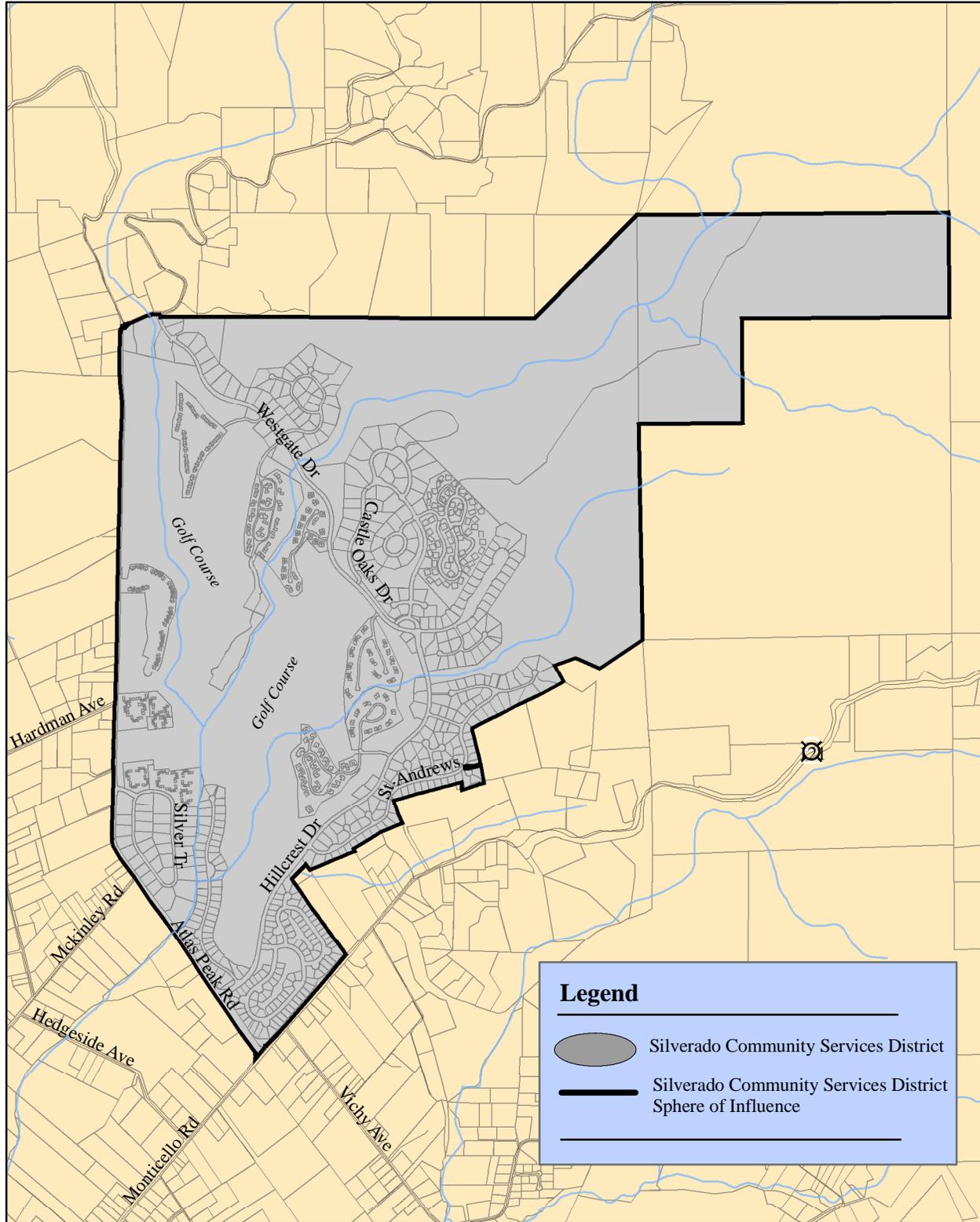
The Silverado Community Services District has demonstrated its ability to provide an adequate level of street lighting, street sweeping, landscape maintenance, and limited weed abatement services within the area.

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 Silverado Community Services District fosters social and economic interdependencies within the area by providing public services in support of the planned development of the Silverado Country Club.

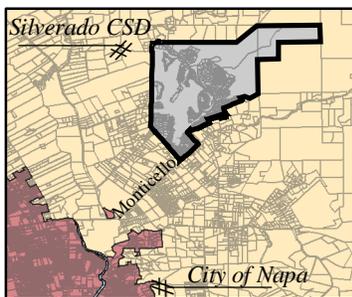
Attachment: as stated

Silverado Community Services District



Legend

-  Silverado Community Services District
-  Silverado Community Services District Sphere of Influence



March 5, 2007
Prepared by KS



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April 2, 2007
Agenda Item No. 7b

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Napa River Reclamation District No. 2109 – Sphere of Influence Review (Action)

The Commission will receive a written report representing the sphere of influence review of the Napa River Reclamation District No. 2109. The Commission will consider a draft resolution approving the recommendation of the report to affirm the District's existing sphere of influence.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review each local agency's sphere of influence by January 1, 2008 and every five years thereafter as necessary. This legislation also requires that LAFCOs conduct municipal service reviews in conjunction with the sphere reviews of local agencies to determine the adequacy of the governmental services that are being provided in the region. The collective purpose of these reviews is to inform and guide LAFCOs in their legislative mandate to plan and coordinate the orderly development of local agencies in a manner that provides for the present and future needs of the community.

Discussion

In August 2005, LAFCO of Napa County completed a municipal service review of the Napa River Reclamation District No. 2109. The municipal service review included an evaluation of the level and range of services provided by the District along with written determinations addressing the nine factors required for consideration under G.C. §56430. The municipal service review also included a recommendation directing LAFCO to conduct a governance study to consider the options and merits of reorganizing NRRD to address inconsistencies between its service activities and principal act. The governance study was completed in April 2006 and concluded that reorganizing NRRD into a community service district is the preferred option with respect to meeting the present and future needs of the District and its constituents.

Drawing from information collected as part of the governance study and municipal service review referenced above, staff has prepared the attached written report representing the sphere review of the District. The report notes that there may be merit in amending the sphere with respect to adding two parcel-specific areas. However, in the absence of

Jack Gingles, Chair
Mayor, City of Calistoga

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Cindy Coffey, Commissioner
Councilmember, City of American Canyon

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

Vacant, Alternate Commissioner
Representative of the General Public

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

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

Keene Simonds
Executive Officer

addressing the aforementioned inconsistencies between NRRD's service activities and principal act, the report concludes that any changes to the sphere are premature at this time. With this in mind, staff has prepared the attached draft resolution codifying the recommendation of the written report to affirm the District's existing sphere and the written statements addressing the four planning factors the Commission is required to consider in making a sphere determination under G.C. §56425. The adoption of the resolution would fulfill the Commission's sphere review requirement for the District.

Recommendation

It is recommended for the Commission to take the following actions:

- 1) Receive and file the attached written report representing the sphere of influence review of the Napa River Reclamation District No. 2109; and
- 2) Approve the form for the attached draft resolution with any desired changes that make statements with respect to affirming the sphere of influence for the Napa River Reclamation District No. 2109 pursuant to Government Code §56425.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

- 1) Sphere of Influence Report
- 2) ~~Draft Resolution~~

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**NAPA RIVER RECLAMATION DISTRICT NO. 2109
SPHERE OF INFLUENCE REVIEW**

**Final Report
April 2007**

Prepared by:

LAFCO of Napa County

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.

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

Keene Simonds, Executive Officer
Jackie Gong, Commission Counsel
Tracy Geraghty, Analyst
Kathy Mabry, Commission Secretary



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INTRODUCTION

Local Agency Formation Commissions

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are responsible for administering California Government Code §56000 et seq., which is now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are delegated regulatory and planning responsibilities to encourage the orderly formation and development of local governmental agencies, preserve agricultural and open-space lands, and to discourage urban sprawl. Duties include regulating governmental boundary changes through annexations or detachments, approving or disapproving city incorporations, and forming, consolidating, or dissolving special districts. LAFCOs are also responsible for conducting studies that address a range of service and governance issues to inform and direct regional planning activities and objectives. LAFCOs are located in all 58 counties in California.

Spheres of Influence

Among LAFCO's primary planning responsibilities is the determination of a sphere of influence for each city and special district under its jurisdiction.¹ California Government Code (G.C.) §56076 defines a sphere as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission." LAFCO establishes, amends, and updates spheres to indicate to local agencies and property owners that, at some future date, a specific area will likely require the services provided by the subject agency. The sphere determination also indicates the agency LAFCO believes to be best situated to serve the subject area. LAFCO is required to review each agency's sphere by January 1, 2008 and every five years thereafter as necessary.

In establishing, amending, or updating a city or special district's sphere, LAFCO is required to consider and prepare written statements addressing four specific planning factors. These planning factors, which are enumerated under G.C. 56425(e), are intended to capture the legislative intent of the sphere determination with regard to promoting the logical and orderly development of each local agency. These planning factors are:

- The present and planned land uses in the area, including agricultural and open-space lands.
- The present and probable need for public facilities and services in the area.
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

¹ LAFCOs have been required to determine spheres for cities and special districts since 1972.

In addition, when reviewing a sphere for a special district, LAFCO must also do the following:

- Require the special district to file a written statement with the Commission specifying the functions or classes of services it provides.
- Establish the nature, location, and extent of any functions or classes of services provided by the existing special district.

Beginning in 2001, to help inform the sphere review process, LAFCO is responsible for preparing a municipal service review. A municipal service review can take on many different forms, including a review of a single agency, or a review of several agencies that provide a similar service, such as sewer, water, or fire protection. The municipal service review culminates in the preparation of written determinations that address nine specific factors enumerated under G.C. §56430. The municipal service review is a prerequisite to updating an agency's sphere and may also lead LAFCO to take other actions under its authority.

Napa River Reclamation District No. 2109

In August 2005, LAFCO of Napa County completed a municipal service review of the Napa River Reclamation District No. 2109. The municipal service review included an evaluation of the level and range of services provided by the District along with written determinations addressing the nine factors required for consideration under G.C. §56430.² The municipal service review also included a recommendation prompting LAFCO to conduct a governance study to consider the options and merits of reorganizing NRRD to address inconsistencies between its service activities and principal act. The governance study was completed in April 2006 and concluded that reorganizing NRRD into a community service district is the preferred option with respect to meeting the present and future needs of the District and its constituents.³

Drawing from information collected as part of the governance study and municipal service review referenced above, this report represents the sphere review of the District pursuant to G.C. §56425. The report considers whether changes to the sphere are warranted to plan the orderly development of the District in a manner that supports the provisions of California Government Code and the policies of the Commission.

² LAFCO Resolution No. 05-17.

³ In October 2006, LAFCO completed a municipal service review on sewer services in Napa County. The countywide municipal service review included an expanded evaluation and cross-agency comparison of NRRD's sewer services.

OVERVIEW

The Napa River Reclamation District No. 2109 (NRRD) was formed in 1974 to maintain and improve an existing levee serving the “Edgerly Island Subdivision.”⁴ Following its formation, NRRD began providing levee control for Edgerly Island in a purely advisory capacity – actual maintenance of the levee by reason of ownership remained the responsibility of individual property owners. Advisory services were accomplished through regular inspections of the levee for consistency with structural standards recommended by NRRD and enforced by issuing nuisance complaints. In 1984, NRRD began providing sewer service following a special amendment to its principal act. The special amendment, which was enacted by the Legislature to address concerns that private septic systems were failing and threatening local groundwater supplies, coincided with NRRD’s annexation of the adjacent “Ingersoll Subdivision.”⁵ In 2002, NRRD suspended its advisory services relating to levee control after a court determined it did not have the authority to enforce uniform standards on property owners by issuing nuisance complaints. The lone reclamation service presently provided by NRRD involves the operation of the pump station on Edgerly Island that it inherited upon its formation from the Napa County Flood Control and Water Conservation District. NRRD currently serves 138 developed single-family residences within the Edgerly Island and Ingersoll Subdivisions with an estimated population of 348.⁶

NRRD is an independent special district governed by an elected five-member board of trustees that serve staggered four-year terms. Elections are based on the landowner-voter system, which allows each landowner one vote for each dollar that his or her property is assessed. Staffing for NRRD is provided by one half-time general manager who is a licensed sewer operator. NRRD adopts an annual line-item budget projecting both operational and capital improvement expenses as well as revenues for the upcoming fiscal year. Over the last three fiscal years, NRRD’s final adopted budget for expenses has averaged \$105,680. NRRD’s operational and capital improvement costs are primarily funded by sewer service charges.

Napa River Reclamation District No. 2109	
Date Formed	1974
District Type:	Independent
Enabling Legislation	Water Code §50000-53901
Services Provided	Sewer Limited Reclamation

Sphere of Influence

NRRD’s sphere was adopted by LAFCO in 1985. In determining the sphere, LAFCO included all lands within NRRD’s jurisdictional boundary with the exception of a 21-acre parcel owned by the District and is the site of its administrative office and sewer treatment and disposal facilities. No changes to the sphere have been made since its adoption in 1985. A map depicting NRRD’s sphere and jurisdictional boundary is provided as Attachment One.

⁴ The Edgerly Island Subdivision was approved by the County of Napa in 1950 and involved the creation of 112 lots, all of which were conjoined with a private and community-wide levee.
⁵ The Ingersoll Subdivision was approved by the County of Napa as part of two separate proposals in 1946 and 1949 and involved the creation of 49 lots that were also conjoined with the private and community-wide levee
⁶ Estimate based on the 2005 California Department of Finance population per household estimate (2.52) assigned to unincorporated Napa County.

Land Use Factors

NRRD is under the land use authority of the County of Napa. The County designates land located within NRRD as *Agriculture, Watershed and Open Space*. Development densities for the County are identified under its zoning standards. The principal zoning standard for parcels located within NRRD is *Residential Single: Airport Compatibility*.⁷ This zoning standard requires a minimum parcel size of 0.18 acres, which is consistent with existing lot sizes and limits additional subdivision and related growth from occurring in NRRD.

DISCUSSION

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the objective of this report is to identify and evaluate areas that warrant consideration for inclusion or removal from NRRD's sphere as part of a comprehensive review. Underlying this effort is to designate the sphere in a manner that promotes the logical and orderly development of NRRD in a manner that supports the provisions of California Government Code and the policies of the Commission.

ANALYSIS

The analysis conducted as part of the municipal service review of NRRD identified that the District is providing an adequate level of sewer service within its jurisdictional boundary.⁸ However, the analysis also identified an existing disconnect between the reclamation authority of NRRD and the preference of its constituents not to establish or fund public reclamation services in a manner consistent with the District's principal act. In addressing this issue, LAFCO recently completed a governance study evaluating the options and merits of reorganizing NRRD. The governance study concluded that reorganizing NRRD into a community service district is the preferred option with respect to meeting the present and future needs of the District and its constituents. Based on recent communication with NRRD staff, the District continues to review its options and preferences with regard to pursuing reorganization.

Based on the provisions of California Government Code and the policies of the Commission, there may be merit to consider amending NRRD's sphere to include two adjacent and separate areas. The first area includes a 21-acre parcel owned by NRRD that is within its jurisdictional boundary and the site of its administrative office and sewer treatment/disposal facilities. The second area includes a 38-acre parcel that is zoned and used for commercial purposes. However, in the absence of addressing the aforementioned inconsistencies between NRRD's service activities and principal act, any changes to the sphere appear premature at this time.

⁷ There are two parcels within NRRD zoned by the County as *Marine Commercial: Airport Compatibility*. This zoning standard does not require a minimum parcel size. One of the affected parcels is currently developed with a single-family residence. The second parcel, which is approximately 10 acres in size and located at the south terminus of Milton Road, could be developed at a density level approved by the County.

⁸ This statement was affirmed as part of the LAFCO's recently completed municipal service review of sewer services in Napa County.

RECOMMENDATION

It is recommended that the Commission affirm NRRD's existing sphere. Pursuant to G.C. §56425(e), the following statements have been prepared in support of the recommendation:

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

The present and future land uses in the area are planned for in the County of Napa General Plan as the affected land use authority. The County General Plan and adopted zoning standards provide for the current and future residential uses that characterize the majority of the area.

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

The Napa River Reclamation District No. 2109 provides sewer and limited reclamation services within the area. As previously determined by the Commission, there is a strong need for organized sewer and reclamation services in the form of uniform levee control within the area.

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

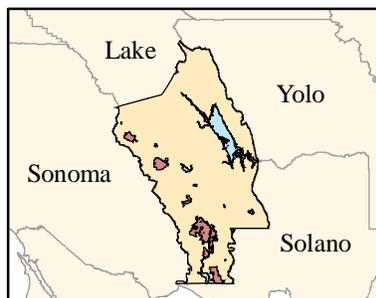
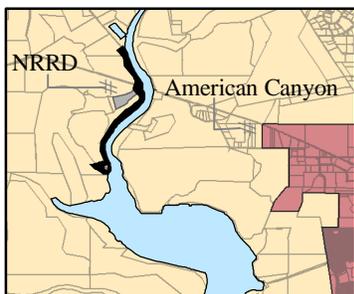
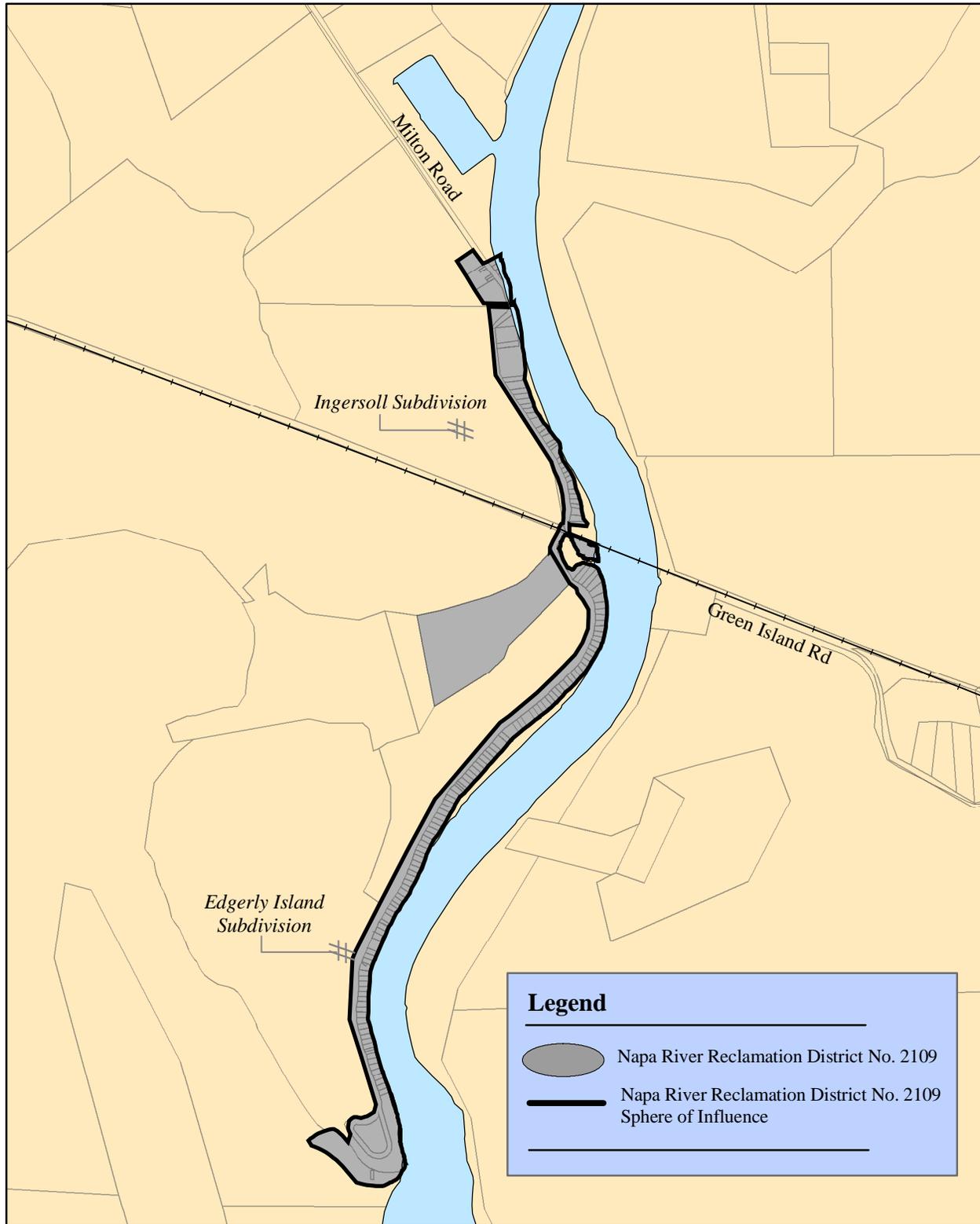
The Napa River Reclamation District No. 2109 has demonstrated its ability to provide an adequate level of sewer service to the area. The District has not demonstrated its ability to provide an adequate level of reclamation service to the area in a manner that is consistent with its principal act.

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 area is currently served by the Napa River Reclamation District No. 2109 and includes the Edgerly Island and Ingersoll Subdivisions. These two subdivisions share common social and economic characteristics that underlie the governance and service provision of the District.

Attachments: as stated

Napa River Reclamation District No. 2109



March 19, 2007
Prepared by KS



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April 2, 2007
Agenda Item No. 8a

March 26, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Tracy Geraghty, Analyst

**SUBJECT: Napa County Flood Control and Water Conservation District –
Municipal Service Review (Discussion)**

The Commission will receive a municipal service review report on the Napa County Flood Control and Water Conservation District. The report is in draft-form and is being presented for discussion.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCO to review and update the sphere of influence for each local agency within its jurisdiction by January 1, 2008 and every five years thereafter as necessary. In anticipation of reviewing an agency's sphere, this legislation also requires that LAFCO prepare a municipal service review that examines the level and range of services provided by the affected agency. The legislative intent of the municipal service review is to help inform the Commission in making sphere determinations and fulfill its long-standing mandate to encourage the orderly and planned development of local agencies.

Discussion

Drawing from LAFCO of Napa County's adopted study schedule, staff has prepared the attached municipal service review report on the Napa County Flood Control and Water Conservation District. The report is in draft-form and evaluates the service activities of the District in terms of capacity, funding, and governance. The report also includes written determinations addressing the nine service factors LAFCO is required to consider as part of its service review mandate as defined in Government Code §56430.

The report is being presented to the Commission for discussion. Staff will provide a brief presentation highlighting the key serve and policy issues discussed in the report. Following the meeting, staff will circulate a notice of review on the report to interested parties, including the District. Staff anticipates presenting a final report, with or without revisions, to the Commission for consideration at its next regularly scheduled meeting.

Attachment:

- 1) Municipal Service Review Report (Draft)

Jack Gingles, Chair
Mayor, City of Calistoga

Cindy Coffey, Commissioner
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

Brad Wagenknecht, Vice-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, Commissioner
Representative of the General Public

Vacant, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**NAPA COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT**

MUNICIPAL SERVICE REVIEW

**Draft Report
April 2007**

Prepared by:

LAFCO of Napa County

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.

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INTRODUCTION

Local Agency Formation Commissions

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are responsible for administering California Government Code §56000 et seq., which is now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are delegated regulatory and planning responsibilities to encourage the orderly formation and development of local governmental agencies, preserve agricultural and open-space lands, and to discourage urban sprawl. Duties include regulating governmental boundary changes through annexations or detachments, approving or disapproving city incorporations, and forming, consolidating, or dissolving special districts. LAFCOs are also responsible for conducting studies that address a range of service and governance issues to inform and direct regional planning activities and objectives. LAFCOs are located in all 58 counties in California.

Municipal Service Reviews

On January 1, 2001, the Cortese-Knox-Hertzberg Local Government Reorganization Act became the governing law of LAFCOs. One change brought by this legislation was the creation of a new LAFCO function, the municipal service review. California Government Code §56430 states that prior to any update of a sphere of influence, the Commission shall conduct a municipal service review – a comprehensive evaluation of the ability of the agency to provide service within its existing jurisdiction and sphere. This includes making determinations on the adequacy, efficiency, and effectiveness of these services in relationship to local conditions and circumstances. LAFCO is required to review and update each local agency's sphere by January 1, 2008 and every five years thereafter as necessary. Each of the 58 LAFCOs in California may adopt their own approach to fulfilling the service review and sphere update requirements.

As part of the service review process, LAFCOs are required to consider and make written determinations with regard to nine service factors enumerated under California Government Code §56430. These factors are intended to capture the legislative intent of the service review process and offers LAFCO key information to inform policy determinations necessary to complete a sphere update. These factors are:

1. Infrastructure needs or deficiencies.
2. Growth and population projections for the affected area.
3. Financing constraints and opportunities.
4. Cost avoidance opportunities.
5. Opportunities for rate restructuring.
6. Opportunities for shared facilities.
7. Government structure options.
8. Evaluation of management efficiencies.
9. Local accountability and governance.

Napa County Flood Control and Water Conservation District

This report represents the municipal service review of the Napa County Flood Control and Water Conservation District. The underlying objective of the report is to review the level and range of services provided by the District in terms of capacity, funding, and governance. The report also includes written determinations that address the nine service factors LAFCO is required to consider as part of its service review mandate under California Government Code §56430.

Note: The geographic region of the municipal service review includes all lands located within and in close proximity to the existing jurisdictional boundary of the Napa County Flood Control and Water Conservation District (depicted in Attachment A).

OVERVIEW

The Napa County Flood Control and Water Conservation District (NCFCWCD) was established in 1951 by a special act of the California Legislature. The District's formation was engendered by the County of Napa for the purpose of creating a separate government entity responsible for developing and managing domestic water supplies and controlling flood and storm waters in Napa County. Notably, the formation of the District enabled the County to begin participating in government programs and joint-use activities to augment and enhance local water supplies and obtain federal and state assistance to finance flood control projects.

Since its formation, NCFCWCD has developed two principal and distinct service activities with respect to water conservation and flood control. The District's water conservation services primarily involve administering contracts with the State of California and the United States Bureau of Reclamation for annual water supply entitlements from the State Water Project and the Solano Project, respectively. As part of its administrative duties, the District subcontracts its imported water supply entitlements to cities and special districts throughout Napa County. The District's flood control services focus on managing and coordinating projects intended to protect local communities from inundation by maintaining and clearing tributary channels and sponsoring capital improvements. This includes currently serving as the local sponsor of the voter-approved "Napa River/Napa Creek Flood Protection Project," which is designed to protect the City of Napa from a 100-year flood.

GOVERNANCE

NCFCWCD is organized under the Napa County Flood Control and Water Conservation District Act of 1951. From 1951 through 1996, the County of Napa Board of Supervisors acted *ex officio* as the District's Board of Directors. In 1996, in preparation for a countywide vote regarding the Napa River/Napa Creek Flood Protection Project, the Board was expanded to include 11 members consisting of all five County Supervisors, the mayors of the five incorporated cities, and a council member from the City of Napa. The Board is empowered to establish and enforce any rule or regulation deemed necessary to carry out the business of the District.¹ Meetings are conducted on the first and third Tuesdays of every month at the County of Napa's Administration Building and are open to the public.

NCFCWCD is authorized to provide a broad range of services relating to water conservation and flood control. Specific service powers enumerated under the District's legislative act include:

¹ In 2003, the Napa County Flood Control and Water Conservation District Act was amended to allow the Board its own purchasing and resolution powers. Prior to this amendment, the Board followed the policies and procedures of the County of Napa.

- Acquire, distribute, and store water for domestic, irrigation, and other beneficial uses. This includes storing water in surface or underground reservoirs, conserving and reclaiming water for present and future uses, and appropriating and acquiring water supplies and water rights. (Section Five, Part Five)
 - Control, reclaim, and retain flood and storm waters for beneficial uses. This includes spreading, storing, or causing water to percolate into the soil. (Section Five, Part Six)
 - Perform studies or analyses as it relates to water supplies, water rights, and the control of flood and storm waters for beneficial uses. (Section Five, Part Eight)
- * NCFWCWD is also authorized to exercise the right of eminent domain to take land, water, water rights, or other property necessary to carry out its duties. (Section Six)

ADMINISTRATION

NCFWCWD’s legislative act provides that all employees, deputies, and officers of the County of Napa may be asked to perform their respective duties *ex officio* for the District. In 2003, to clarify and expand its administrative authority, the enabling act was amended to allow the District Board to appoint, employ, or contract with any other persons or entities as necessary to carry out the duties of the District.

NCFWCWD is presently staffed by the County of Napa Public Works Department. This arrangement is based on practice and provides that the County Public Works Director serve as District Engineer. The District Engineer reports to the Board and is responsible for managing day-to-day activities. There are currently eight County Public Works employees assigned on a full-time basis to the District, including five that are assigned specifically to the Napa River/Napa Creek Flood Protection Project. In addition, two new positions were created in 2005, a Principal Water Resources Engineer and a Water Resources Specialist, whose duties are split between the District (managing the District’s water supply contracts) and the County (implementing County “Measure A”² projects).

SERVICE AREA AND POPULATION

NCFWCWD’s jurisdictional boundary is approximately 506,517 acres and includes all incorporated and unincorporated lands in Napa County. This jurisdictional boundary is coterminous with the District’s sphere of influence, which was established by LAFCO in 1984. The District operates under the land use authority of six agencies, which include the County of Napa, the Cities of American Canyon, Calistoga, Napa, St. Helena, and the Town of Yountville. The Association of Bay Area Governments (ABAG) estimates that there are 133,700 people currently residing in Napa County. ABAG also estimates an annual population growth rate for Napa County of 0.65 percent over the next 20 years.

² Measure A was enacted in 1998 and authorizes a half-cent special tax through 2018 for the purposes of funding specified flood and water quality and enhancement projects in Napa County.

ABAG Population Projections, 2005-2025

Jurisdiction	2005	2015	2025
American Canyon	14,700	18,300	19,900
Calistoga	5,200	5,300	5,300
Napa	80,100	86,100	89,900
St. Helena	6,100	6,100	6,200
Yountville	3,400	3,500	3,600
Unincorporated	24,200	25,400	26,200
Total	133,700	144,400	151,100

Source: ABAG, Projections 2007

MUNICIPAL SERVICES

Since its formation in 1951, NCFWCWD has developed two principal and distinct service activities with respect to flood control and water conservation. This includes managing and coordinating local and countywide flood control projects and administering water supply contracts with the State of California and the United States Bureau of Reclamation. A summary of the development and delivery of these services follows.

Flood Control

Upon formation in 1951, NCFWCWD's flood control activities involved coordinating small and supplemental projects with local communities. One of the first flood control projects undertaken by the District involved the purchase and operation of a pump station to serve the unincorporated community of Ederly Island.³ Other initial flood control activities of the District included providing channel maintenance and recording flow measurements for the Napa River and its tributaries.

Prior to NCFWCWD's formation, organized flood control activities in Napa County were primarily the responsibilities of local jurisdictions. However, in 1938, the United States Congress passed legislation authorizing and funding the Army Corps of Engineers (USACE) to study flood-hazard waterways throughout the nation for the purpose of developing and implementing protection plans.⁴ The Napa River, on record as having severely flooded more than a dozen times, was among the subjects studied.⁵

³ The pump station on Ederly Island was funded through an annual assessment paid by local property owners as part of a benefit zone established by NCFWCWD in 1952. This benefit zone was dissolved and the pump station was turned over to the Napa River Reclamation District No. 2109 following its formation in 1975.

⁴ Following the Great Mississippi Flood of 1927, recorded as the worst flood in United States history, the federal government began shifting policies toward more aggressive and direct involvement of flood control efforts throughout the nation. Legislation in 1938 put investigations of flood waters and the construction of flood protection projects under jurisdiction of the Department of War and directed the Secretary of War to begin the acquisition of all lands nationally needed for constructing flood control projects.

⁵ The Flood Control Act of 1944 authorized the construction of thousands of dams and levees across the United States. For the Napa River, the USACE study recommended channel improvements and construction of a dam on Conn Creek to establish a water supply reservoir for Napa County. Although this recommended project was authorized as part of the Flood Control Act of 1944, no appropriations were allocated because of a lack of local funds to help

As a step toward generating local assessment funds needed for financing USACE projects, NCFCWCD was formed in 1951 by special legislation at the request of the County of Napa. In 1965, Congress authorized a new flood protection project for the City of Napa in conjunction with the USACE and made a standing authorization of \$14.95 million for the project. However, local access to this funding was contingent upon the completion of a specific project design and designated local matching funds. With this in mind, by the mid-1970s, the District had set aside approximately \$3.0 million as a portion of the local cost-share for the project. Between 1976 and 1977, the District worked with local officials to generate the remaining matching funds through sponsoring special tax initiatives. However, after voters rejected two separate tax initiatives, USACE set aside the flood project for the City of Napa.

In 1977, in response to the failed tax measures, NCFCWCD reduced its tax rate to zero. One year later, Proposition “13” was passed by California voters curtailing the ability of the District to increase its tax rate without two-thirds voter approval.

In 1987, a year after a flood caused significant damage in the City of Napa, NCFCWCD began working with local and federal stakeholders to request assistance from USACE in developing and funding a comprehensive flood control project. In 1995, dissatisfied with the design plans developed by USACE, a community coalition emerged and began working with the District on developing a new flood protection plan. By 1997, the working group achieved consensus on a new design eventually culminating in the Napa River/Napa Creek Flood Protection Project.⁶

In order to fund the Napa River/Napa Creek Flood Protection Project, the County Board of Supervisors formed a special taxing authority, the Napa County Flood Protection and Watershed Improvement Authority.⁷ The “Authority,” whose Board consists of all five County Board of Supervisors, was established for the purpose of implementing a county-wide half-cent sales tax to serve as the local match required to receive the federal funds for the project. These efforts resulted in the drafting of “Measure A,” the Napa County Flood Protection Sales Tax Ordinance, which was approved by Napa County voters in 1998 and provides funding for specified flood and water quality and enhancement projects through 2018.⁸

finance and ultimately maintain the project. (In 1948, the City of Napa funded and constructed a dam on Conn Creek, which resulted in the creation of Lake Hennessey.)

⁶ The Napa River/Napa Creek Flood Protection Project affects six miles of the Napa River between Trancas Street on the north and the Butler Bridge on the south. The project includes riverbank terracing, the removal or replacement of seven bridges, and the creation of a dry bypass channel at the Oxbow where the Napa River and Napa Creek meet. Also, floodwalls, levees, and trails will be constructed throughout the project area. The project is designed to reduce flood levels to the point where water levels in the Napa River and Napa Creek will remain within the designated floodway during a “100-year” flood event.

⁷ NCFCWCD does not have the power to impose sale or use taxes.

⁸ The Napa River/Napa Creek Flood Project is identified as Napa County’s first priority with the majority of the tax money front-loaded toward that project. The Town of Yountville completed a Flood Barrier Project in December 2004. This project had a total cost of about \$6 million, on track with cost projections, and was funded by a variety of sources including Measure A, FEMA grants, bond proceeds, Town General Fund monies, and property owner contributions. The City of St. Helena Comprehensive Flood Project continues in the planning and engineering phase. \$2,040,289.26 in Measure A funds have been spent to date. The City of Calistoga’s Kimball Water Treatment Plant Maintenance Dredging Project is being conducted using \$106,901.41 of the City’s Measure A funds. American Canyon is implementing a Flood Control and Storm Drain master Plan and has spent \$506,671.85 to date of Measure

In addition to implementing certain Measure A projects, NCFWCWD continues to work with local jurisdictions with respect to implementing and maintaining local flood control improvements. This work includes:

- clearing and maintaining channels;
- clearing problem areas within the Napa River and its tributaries;
- repairing and stabilizing the Napa River and local stream banks;
- installing and operating a countywide early-warning system for flooding;
- replacing and installing major storm drain trunklines;
- managing and monitoring groundwater;
- overseeing adjudicated watersheds;
- preparing special studies for flood protection and water management;
- developing standardized and integrated flood plain management regulations; and
- assisting the local community in complying with National Pollutant Discharge Elimination System (NPDES) requirements.

Water Conservation

NCFWCWD’s water conservation services were initiated in 1963 following an agreement with the State of California’s Department of Water Resources (DWR). The agreement, which has been amended several times, provides the District with an annual entitlement of water drawn from the State Water Project (SWP) and enables the District to subcontract its annual entitlement with local agencies. This feature allows the cost of SWP water to be passed directly to the local subcontractors. In exchange for an annual entitlement, the District is responsible for repayment of costs for the construction, maintenance, and operation of SWP facilities. Notably, along with the Solano County Water Agency, the District is responsible for the costs associated with the construction and operation of the North Bay Aqueduct, which facilitates delivery of SWP entitlements to Napa and Solano Counties. The District currently subcontracts its annual entitlement to SWP water to the Cities of American Canyon, Calistoga, Napa, and the Town of Yountville. A current breakdown of the District’s local subcontracts follows.

**NCFWCWD Subcontracts involving the State Water Project
(acre feet)**

Year	Napa	American Canyon	Calistoga	Yountville	Total
2007	15,350	4,800	1,625	1,100	22,875
2008	15,600	4,850	1,650	1,100	23,200
2009	15,850	4,900	1,675	1,100	23,525
2010	16,100	4,950	1,700	1,100	23,850
2011	16,350	5,000	1,725	1,100	24,175
2012	16,600	5,050	1,750	1,100	24,500

A funds. Napa County has expended a portion of its Measure A \$976,438.52 funds for the unincorporated area on a Silverado Trail Flood Protection Feasibility study evaluating elevation of the roadway, and on the Lewelling Avenue Drainage Outfall Project, which installed a new and larger storm drain reducing flood damage to businesses and highway users. All amounts are as of June 30, 2005.

NCFCWCD also maintains a water supply agreement with the United States Bureau of Reclamation for an annual entitlement of water drawn from Lake Berryessa as part of the Solano Project.⁹ The District subcontracts this entitlement to several individual property owners in the Lake Berryessa area as well as to three special districts: Lake Berryessa Resort Improvement District (LBRID), Napa-Berryessa Resort Improvement District (NBRID), and Spanish Flat Water District. Each subcontractor is responsible for the construction and operation of their own intake and delivery system to Lake Berryessa.

**NCFCWCD Subcontracts for the Solano Project
(acre feet)**

Subcontractor	Amount
Lake Berryessa Resort Improvement District	200
Napa Berryessa Resort Improvement District	200
Spanish Flat Water District	200
Private Property Owners (five)	173

NCFCWCD’s water conservation services are provided with direction from its subcontractors. To increase its responsiveness to the collective needs of Napa County, the District formed an advisory group consisting of the public works directors and staffs of the five cities and the County. The group, the Water Technical Advisory Committee, also termed “Water TAC,” provides the District and the local jurisdictions a forum to discuss current and future water issues.

In addition, to help inform its planning activities, NCFCWCD facilitates collaborative studies aimed at examining local water supplies and enhancement opportunities. The District recently facilitated the countywide 2050 Napa Valley Water Resources Study, commonly referred to as the “2050 Study,” to identify current and projected water demand within each of its participating agency’s service areas as well as documenting agricultural demands in unincorporated areas served by groundwater. The District also participated in a study with the United States Geological Survey to update and review the hydrological and geological properties for the lower basins of the Milliken, Sarco, and Tulucay Creeks in Napa County. As a result of this study, the District has begun work on the Milliken-Sarco-Tulucay (MST) Recycled Water Plan. The MST Recycled Water Plan involves developing design plans, cost estimates, financing mechanisms, and implementation strategies for importing recycled water from the Napa Sanitation District to the MST area for landscaping uses in order to help offset demands on local groundwater supplies.

⁹ The Solano Project was developed between 1953 and 1958 and involved the construction of Monticello Dam on Putah Creek in Napa County for the purpose of forming Lake Berryessa. The majority of water drawn from Lake Berryessa is used by the Solano County Water Agency.

FINANCIAL

NCFCWD adopts an annual line-item budget that projects anticipated revenues and expenditures for the upcoming fiscal year. In 2006-2007, the District adopted a total operating budget of \$21,488,213.00. Over the last five fiscal years, the District's overall budget has fluctuated between revenues as high as nearly \$50 million dollars and as low as \$7.5 million. District expenditures during the same five years have been relatively stable averaging \$31.5 million dollars. The revenue fluctuations are primarily attributable to the Napa River/Napa Creek Flood Protection Project portion of the budget.

For administrative purposes, NCFCWCD segregates its annual budget into four units. A summary of these budget units follows.

Flood and Watershed Management

This unit is associated with the District's annual maintenance of the Napa River and its tributaries. This unit is primarily funded through tax assessments and intergovernmental service charges. In 2006-2007, the unit's adopted budget projected total revenues and expenses at \$962,000 and \$1,435,679.11.

Water Supply Contracts

This unit is associated with the District's contracts with the State of California and the United States Bureau of Reclamation for annual water supply entitlements to State Water Project and the Solano Project. The District's cost for these contracted water supplies are reimbursed by local subcontractors, which include cities, special districts, and property owners. In 2006-2007, the unit's adopted budget projected both total revenues and expenses at \$6,492,027.

Napa River/Napa Creek Flood Protection Project

This unit is associated with the District's local sponsorship of a comprehensive flood protection project for the City of Napa. The unit is funded by the Napa County Flood Protection and Watershed Improvement Authority through a transfer of sales tax revenues generated by Measure A and also with matching federal and state funds. Principal expenses include implementing design and construction costs along with acquiring all necessary lands, easements, right-of-ways, and relocating existing facilities and structures. In 2006-2007, the unit's adopted budget projected total revenues and expenses at \$13,934,186 and \$14,009,672.82.

Measure A - Other

This unit is associated with the District's contractual responsibility to administer and disperse funds for qualifying projects under Measure A. In 2006-2007, the unit's adopted budget projected both total revenues and expenses at \$100,000.

WRITTEN DETERMINATIONS

In anticipation of reviewing and updating NCFCWCD’s sphere of influence, and based on the above-mentioned information, the following written determinations are intended to fulfill the requirements of California Government Code §56430. When warranted, some determinations include supplemental information listed in italics to provide context to the underlying service factor.

General Statements:

- a) Determinations adopted by the Commission as part of the Comprehensive Water Service Study regarding the Napa County Flood Control and Water Conservation District remain valid and appropriate.
- b) In 1997, voters approved “Measure A,” a countywide sales tax aimed at funding specific flood protection and water quality enhancement projects in Napa County. As a sponsor of several authorized projects, including the Napa River/Napa Creek Flood Protection Project, the Napa County Flood Control and Water Conservation District has significantly expanded the focus and level of its services as a result of Measure A.

The Napa River/Napa Creek Flood Protection Project is designed to protect the City of Napa against all floods up to and including a 100-year storm event.

Infrastructure Needs or Deficiencies:

- a) The Napa County Flood Control and Water Conservation District operates and maintains an infrastructure system of channels, storm drains, and drainage basins designed to intercept and direct excessive storm and flood waters away from populated areas in Napa County. The District has established an annual maintenance program to help ensure this infrastructure system provides an adequate level of flood control service within its jurisdictional boundary.
- b) The Napa County Flood Control and Water Conservation District has experienced a measurable increase in staff resources and infrastructure holdings over the last several years. These changes reflect the expanded role of the District in fulfilling its legislative directive to provide enhanced flood control and water conservation services in Napa County.
- c) An important challenge for the Napa County Flood Control and Water Conservation District will be to transition and expand its service and funding capacities to operate and maintain infrastructure and facilities constructed as part of Measure A.

- d) On behalf of local agencies, the Napa County Flood Control and Water Conservation District administers water supply contracts for annual entitlements to the State Water Project and the Solano Project. These administrative services facilitate the delivery of needed imported water supplies underlying the ability of local agencies to meet present and future water demands within their respective service areas.

Growth and Population Projections:

- a) The projections prepared by the Association of Bay Area Governments are satisfactory estimates of the current and future service population of the Napa County Flood Control and Water Conservation District.
- b) All 133,700 people currently estimated by the Association of Bay Area Governments to reside in Napa County benefit from the services provided by the Napa County Flood Control and Water Conservation District.
- c) The Association of Bay Area Governments projects an annual population growth rate for Napa County at 0.6 percent over the next 20 years. Although limited, this projected growth rate will contribute to the intensification of land uses and result in the continued demand and need for adequate flood control and water conservation services in Napa County.
- d) Approximately 10 percent of Napa County Flood Control and Water Conservation District's jurisdictional boundary is located within a flood zone designated by the Federal Emergency Management Agency. A significant portion of these zones are located in or near existing urban areas within the Napa Valley, heightening the need for effective and timely flood control services.

Financing Constraints and Opportunities:

- a) The Napa County Flood Control and Water Conservation District serves as an important instrument in securing federal and state funding that would otherwise not be available for flood control and water conservation services in Napa County.
- b) The Napa County Flood Control and Water Conservation District is primarily funded by federal and state appropriations and local sales tax proceeds associated with Measure A. These funding sources fluctuate annually and create an external constraint on the District with respect to financing and implementing capital improvements in a timely manner.

- c) The Napa County Flood Control and Water Conservation District is empowered under its legislative act to establish zones for assessment purposes within its jurisdictional boundary. This feature allows the District to provide elevated and focused flood control and water conservation services to a particular area in a manner that is directly funded by benefiting property owners.

Cost Avoidance Opportunities:

- a) The Napa County Flood Control and Water Conservation District benefits from cost-savings associated with its relationship with the County of Napa. Savings drawn from this relationship include providing the District with administrative and operational staff support at a controlled and below market cost.
- b) In 2002, the State of California enacted legislation to measurably increase its reimbursement to local agencies to help offset their costs in implementing flood protection projects. This legislation represents a new cost avoidance opportunity for the Napa County Flood Control and Water Conservation District to develop and construct flood control projects within its jurisdictional boundary.

Opportunities for Rate Restructuring:

- a) The Napa County Flood Control and Water Conservation District does not have an adopted rate schedule.

Opportunities for Shared Resources:

- a) The Napa County Flood Control and Water Conservation District has established effective partnerships with other agencies to fund various flood control and water conservation activities within its jurisdictional boundary. These partnerships enhance and expand the District's service activities and produce mutually beneficial projects throughout Napa County.

Government Structure Options:

- a) In 1996, the Napa County Flood Control and Water Conservation District's governing board was restructured to include elected representatives from all five incorporated cities in Napa County. This restructuring has helped make the District more responsive to the collective needs of its jurisdictional boundary.
- b) The Napa County Flood Control and Water Conservation District has been successful in achieving its original service objective to enhance local water supplies and to provide an elevated level of flood control in Napa County.

Evaluation of Management Efficiencies:

- a) Services provided by Napa County Flood Control and Water Conservation District are guided by annual work plans that identify goals and objectives for the upcoming year. These work plans serve as effective performance measures and encourage management efficiencies by prioritizing District resources in a transparent manner.
- b) The Napa County Flood Control and Water Conservation District provides a summary of past and projected revenues and expenditures as part of its annual budget. The budget is adopted following a publicly noticed board meeting in which members of the public are allowed to comment and offer suggestions with respect to District expenditures. This budget process establishes efficiencies by providing a clear directive towards staff with respect to prioritizing District resources.
- c) Expenditures of the Napa County Flood Control and Water Conservation District involving Measure A funds are subject to the approval of the Napa County Flood Protection and Watershed Improvement Authority and a Fiscal Oversight Committee. These arrangements provide additional safeguards regarding the District's management and allocation of Measure A funds.

Local Accountability and Governance:

- a) The Napa County Flood Control and Water Conservation District is governed by 11 board members representing the five cities and County of Napa. As elected officials, District board members are accountable to the voters that reside within their appointing jurisdictions.
- b) Meetings of the Napa County Flood Control and Water Conservation District are conducted twice a month and are open to the public. These meetings provide an opportunity for District constituents to ask questions of their appointed elected representatives and help to ensure that service information is being effectively communicated to the public.
- c) It is important that the Napa County Flood Control and Water Conservation District make a concerted effort to distinguish its service and governance responsibilities apart from the Napa County Flood Protection and Watershed Improvement Authority.

SOURCES

Agency Contacts:

Napa County Flood Control and Water Conservation District

Robert Peterson, District Engineer

Felix Riesenber, Principal Water Resources Engineer

Greg Morgan, Supervising Office Assistant

Documents/Materials:

Association of Bay Area Governments, “Projections 2007.”

County of Napa approved budget reports, FY 2002/3 through 2006/7.

LAFCO of Napa County, file. “Comprehensive Water Service Study,” October, 2004.

LAFCOM of Napa County, file. “Napa County Flood Control & Water Conservation District 1984 Baseline Report Sphere of Influence Establishment,” November 1984.

Napa County Board of Supervisors Board Agenda Letter, December 14 2004. “Water Resources Work Plan.”

Napa County Flood Control and Water Conservation District, Maintenance and Watershed Programs Project No. 96-1. Project report for FY 2006-7.

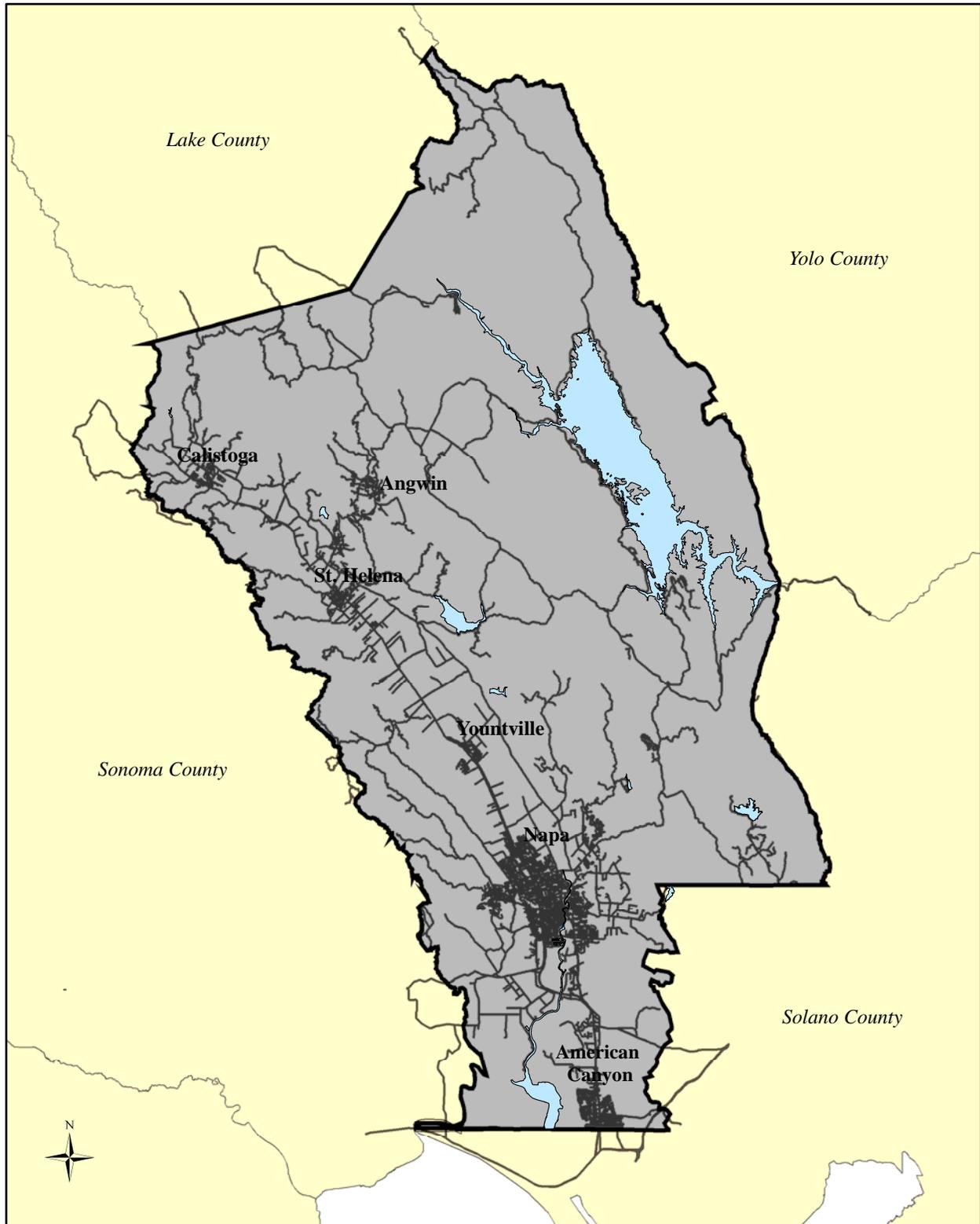
Napa County Flood Control and Water Conservation District website, <http://napacounty/fileframe.asp?exturl=http://flood>.

Napa County Flood Protection and Watershed Improvement Authority, Ordinance No. 1. November, 1997.

Napa County Joint Powers Agreement No. 4102.

West’s Annotated California Codes, Water Code Appendix. Chapter 61. Napa County Flood Control and Water Conservation District Act.

Napa County Flood Control and Water Conservation District



Legend

-  Napa County Flood Control and Water Conservation District
-  Napa County Flood Control and Water Conservation District Sphere of Influence



*Not to Scale
March 2007
Prepared by T.L.G.*



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Local Agency Formation Commission
LAFCO of Napa County

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April 2, 2007
Agenda Item No. 8b

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Legislative Report (Discussion)

The Commission will receive a report from staff on the current session of the California Legislature. The report discusses the adopted legislative positions of CALAFCO and is being presented for discussion.

Staff is a member of the CALAFCO Legislative Committee, which meets on a quarterly basis to review and offer legislative recommendations to the CALAFCO Board of Directors. On March 2, 2007, the CALAFCO Board met to consider positions on bills that has been introduced during the current legislative session and have either a direct impact on LAFCO law or the laws LAFCO helps to administer. A summary of these bills and the adopted positions of CALAFCO is provided below.

Support

- **Assembly Bill 745 (Jim Silva)**
Existing law authorizes LAFCO to adopt written policies and procedures requiring lobbying disclosures for persons attempting to influence pending Commission decisions. AB 745 would extend this authority by allowing LAFCO to require lobbying disclosures for persons attempting to influence others who are signing petitions or voting in elections under the purview of the Commission.
- **Assembly Bill 1263 (Anna Caballero)**
Existing law requires LAFCO to conduct municipal service reviews and make specific determinations in anticipation of updating an agency's sphere of influence. AB 1263 would revise the determinations LAFCO is required to make as part of the service review process. This bill is sponsored by CALAFCO.
- **Assembly Bill 819 (Dennis Hollingsworth)**
Existing law establishes a sunset date on the authority of LAFCO to consolidate districts formed under different statutes. AB 819 would remove the sunset date. AB 819 would also expand the authority of LAFCO to initiate a proposal for the formation of a successor special district. This bill is sponsored by CALAFCO.

Jack Gingles, Chair
Mayor, City of Calistoga

Cindy Coffey, Commissioner
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

Brad Wagenknecht, Vice-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, Commissioner
Representative of the General Public

Vacant, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

- **Assembly Bill 1262 (Anna Caballero)**
Existing law establishes a sunset date of January 1, 2008 for the required city/county meeting to discuss any proposed sphere changes. (This code section states that LAFCO shall “give great weight” to an agreement reached between a city and county regarding a proposed sphere in making its own determination.) AB 1262 would remove the sunset date and make the city/county meeting requirement a permanent feature of LAFCO law.

Watch

- **Assembly Bill 1019 (Sam Blakeslee)**
Existing planning and zoning laws in California require cities and counties to adopt general plans that include housing elements, which must provide a satisfactory plan for meeting their assigned regional housing needs. AB 1019 would require, where land proposed for annexation or incorporation to a city that includes parcels designated in a county's housing element to meet its regional housing need goal, the maximum number of units that may be constructed and transferred to the annexing or incorporating city as part of its fair share regional housing need.
- **Senate Bill 162 (Negrete McLeod)**
Existing law requires LAFCO to address certain factors in considering proposals involving change of organizations or reorganizations. SB 162 would require LAFCOs to also consider the effect of the proposal with respect to “environmental justice.”
- **Senate Bill 301 (Gloria Romero)**
SB 301 would provide funding to interested residents who want to commission a study on costs of incorporating a community.

The next meeting of the CALAFCO Legislative Committee is scheduled for May 4, 2007 in Sacramento. Staff will provide a report on the Committee’s discussion at the Commission’s May 7, 2007 meeting.

Attachments: none



Local Agency Formation Commission
LAFCO of Napa County

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April 2, 2007
Agenda Item No. 10a

March 27, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Regular City Member Seat: Notice of Expiring Term (Information)

The Commission is advised that the term of the regular “down-valley” city seat on LAFCO currently held by Commissioner Coffey is scheduled to expire on May 6, 2007. Staff has written the City Selection Committee requesting that they schedule a meeting to consider appointing a city representative to a new four-year term commencing on May 7, 2007. As part of the letter, staff also addresses what it believes to be the origins of an existing discrepancy between LAFCO and City Selection Committee records involving the ending term date of the regular down-valley seat.

Attachment

1. Letter to City Selection Committee, dated March 27, 2007

Jack Gingles, Chair
Mayor, City of Calistoga

Cindy Coffey, Commissioner
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
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March 27, 2007

City Selection Committee of Napa County
 c/o Gladys Coil, Clerk of the Board
 1195 3rd Street, Room 310
 Napa, CA 94559

SUBJECT: LAFCO Appointment

Honorable Mayors:

Please be advised that Commissioner Cindy Coffey's term as a regular city member on LAFCO is scheduled to expire on May 6, 2007. This pending expiration requires that you meet as the City Selection Committee to consider an appointment to LAFCO pursuant to California Government Code §56335. The new appointment shall be for a period of four years commencing on May 7, 2007.

The Committee's Policy Number 94-1 provides guidance with respect to the appointment and rotation of city members on LAFCO. Based on this policy, Commissioner Coffey's expiring term involves the regular "down-valley" seat, which is assigned to either the City of American Canyon or the City of Napa. The policy notes that anytime there is a vacancy in the down-valley seat that the Committee shall exercise its discretion in rotating appointments between American Canyon and Napa.

On a related matter, I would like to take this opportunity to address an existing discrepancy between LAFCO and Committee records involving the ending term date of the regular down-valley seat currently occupied by Commissioner Coffey. (LAFCO records indicate the term of the regular down-valley seat ends in 2007 while Committee records indicate the term ends in 2008.) Based on our research, it appears that this discrepancy dates back to 1976 when Commissioner Paul Gore vacated his seat after one year into a four-year term commencing in 1975. In filling this vacancy, the Committee appointed Harold Kelly to a full four-year term ending in 1980. Since that time, the Committee's records have been one year off the original term cycle.

Please feel free to contact me at your earliest convenience at (707) 259-8645 with any questions. I look forward to hearing of your appointment.

Sincerely,

Keene Simonds
 Executive Officer

Jack Gingles, Chair
 Mayor, City of Calistoga

Cindy Coffey, Commissioner
 Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
 Councilmember, City of Napa

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