



# **LAFCO MEETING AGENDA**

**Monday, May 4, 2009**

**4:00 P.M.**

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

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

---

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

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

**2. PLEDGE OF ALLEGIANCE**

**3. SPECIAL ANNOUNCEMENTS**

**a) Recognition of Service**

Cindy Coffey  
Jack Gingles

**b) Introduction of New Commissioners**

Joan Bennett  
Lewis Chilton

**4. PUBLIC COMMENT**

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

**5. CONSENT ITEMS**

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

**a) Approval of a Professional Services Agreement for Website Hosting and Maintenance Services**

The Commission will consider approving a professional services agreement with Planeteria to provide website hosting and maintenance services.

**b) Approval of Minutes**

The Commission will consider approving summary minutes from its April 6, 2009 regular meeting.

**6. PUBLIC HEARING ITEMS**

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

**a) Amendments to Adopted Fee Schedule**

The Commission will consider amendments to its adopted fee schedule. Proposed amendments include raising the composite hourly staff rate, increasing the number of fixed hours assigned to proposals, and establishing a surcharge to help recover costs for preparing municipal service reviews. The amendments are being presented to the Commission for adoption.

**7. ACTION ITEMS**

**a) Authorization to Negotiate a Professional Services Agreement for Electronic Document Management System Design and Implementation**

The Commission will consider authorizing the Executive Officer to negotiate a professional services agreement with Incrementum to design and implement an electronic document management system in an amount not-to-exceed \$25,000.

**8. DISCUSSION ITEMS**

**a) Southeast Napa County: Municipal Service Review**

The Commission will receive a municipal service review report on the southeast county region. The report is in draft-form and is being presented to the Commission for discussion.

**b) Report from the 2009 CALAFCO Staff Workshop**

The Commission will receive a verbal report on the 2009 CALAFCO Staff Workshop, held on April 29-30, 2009 in Shell Beach, California.

**9. EXECUTIVE OFFICER REPORT**

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

- CALAFCO Items
- Website Design and Development

**10. INFORMATION ITEMS**

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

**a) Current and Future Proposals**

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

**11. CLOSED SESSION**

None

**12. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS**

**13. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING:**

June 1, 2009

---

Materials relating to an item on this agenda that have been submitted to the Commission after distribution of the agenda packet are available for public inspection at the LAFCO office during normal business hours. Commissioners are disqualified from voting on any proposals involving entitlements of use if they have received campaign contributions from an interested party. The law prohibits a Commissioner from voting on any entitlement when he/she has received a campaign contribution(s) of more than \$250 within 12 months of the decision, or during the proceedings for the decision, from any interested party involved in the entitlement. An interested party includes an applicant and any person with a financial interest actively supporting or opposing a proposal. If you intend to speak on any hearing item, please indicate in your testimony if you have made campaign contributions totaling \$250 or more to any Commissioner during the past 12 months. Any member of the public requiring special assistance with respect to attending or listening to the meeting should contact LAFCO staff 24 hours in advance at (707) 259-8645.

---



**Local Agency Formation Commission**  
**LAFCO of Napa County**

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

**May 4, 2009**  
**Agenda Item No. 5a (Consent)**

April 27, 2009

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Approval of a Professional Services Agreement for Website Hosting and Maintenance Services**

The Commission will consider approving a professional services agreement with Planeteria to provide website hosting and maintenance services.

---

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

**A. Discussion**

In November 2008, LAFCO of Napa County (“Commission”) entered into a professional services agreement for Planeteria, Inc. to design and develop a new agency website for an amount not-to-exceed \$28,500. Staff is currently working with Planeteria on finalizing the layout and content of the new website. It is expected the new website will be completed by the end of the month and presented at the Commission’s June 1, 2009 meeting.

With the new website close to completion, staff believes it would be prudent for the Commission to enter into a separate professional services agreement with Planeteria to provide hosting and annual maintenance services. Planeteria’s hosting services cost \$39.95 a month and include 125MB of content storage along with daily backup. Planeteria’s maintenance services are billed as needed at \$99 and \$130 per hour and include generating new pages, database programming, and redesigns.

**B. Analysis**

The Commission’s current website is hosted by the Computer Engineering Group, Inc. (CEG) at a monthly cost of \$29.95. All maintenance services on the current website are provided by staff. While hosting services provided by CEG have been excellent, contacting with Planeteria would allow the Commission to consolidate all of its website related service needs with one vendor. Additionally, the \$10 more in monthly costs to the Commission for transferring hosting services to Planeteria are adequately covered under the adopted proposed budget for 2009-2010.

---

Juliana Inman, Vice Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

**C. Recommendation**

Staff recommends the Commission take the following actions:

- 1) Approve the attached professional services agreement for Planeteria, Inc. to provide website hosting and maintenance services.

Respectfully submitted,

---

Keene Simonds  
Executive Officer

Attached: as stated

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
AGREEMENT NO. 08-002**

**PROFESSIONAL SERVICES AGREEMENT**

**THIS AGREEMENT** is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY, a political subdivision of the State of California, hereinafter referred to as "LAFCO", and Planeteria, Inc., whose business address is 1955 Cleveland Avenue, Suite 201, Santa Rosa, California 95401, hereinafter referred to as "CONTRACTOR";

**RECITALS**

**WHEREAS**, LAFCO wishes to obtain specialized services for a contractor to provide website hosting and maintenance services; and

**WHEREAS**, CONTRACTOR is willing to provide such specialized services to LAFCO under the terms and conditions set forth herein;

**TERMS**

**NOW, THEREFORE**, LAFCO hereby engages the services of CONTRACTOR, and CONTRACTOR agrees to serve LAFCO in accordance with the terms and conditions set forth herein:

1. **Term of the Agreement.** The term of this Agreement shall commence on the date first above written and shall continue indefinitely unless terminated by either LAFCO or the CONTRACTOR. Either party may terminate the Agreement by giving written notice of such action to the other party not less than thirty days prior to the effective date of termination.
2. **Scope of Services.** CONTRACTOR shall provide LAFCO those services set forth in Exhibit "A", attached hereto and incorporated by reference herein.
3. **Compensation.**
  - (a) Rates. In consideration of CONTRACTOR's fulfillment of the promised work, LAFCO shall pay CONTRACTOR at the rates set forth in Exhibit "A", attached hereto and incorporated by reference herein.
  - (b) Expenses. No travel or other expenses will be reimbursed by LAFCO unless authorized by the LAFCO Executive Officer.
4. **Method of Payment.**
  - (a) Invoices. All payments for compensation and reimbursement for expenses shall be made only upon presentation by CONTRACTOR to LAFCO of an itemized billing invoice in a form acceptable to the LAFCO Executive Officer which indicates, at a minimum,

CONTRACTOR's name, address, Social Security or Taxpayer Identification Number, itemization of the hours worked or, where compensation is on a per-task basis, a description of the tasks completed during the billing period, the person(s) actually performing the services and the position(s) held by such person(s), and the approved hourly or task rate.

(b) Legal status. So that LAFCO may properly comply with its reporting obligations under federal and state laws pertaining to taxation, if CONTRACTOR is or becomes a corporation during the term of this Agreement, proof that such status is currently recognized by and complies with the laws of both the state of incorporation or organization and the State of California, if different, shall be provided to the LAFCO Executive Officer upon request in a form satisfactory to the Napa County Auditor. Such proof shall include, but need not be limited to, a copy of any annual or other periodic filings or registrations required by the state of origin or California, the current address for service of process on the corporation or limited liability partnership, and the name of any agent designated for service of process by CONTRACTOR within the State of California.

5. **Independent Contractor.** CONTRACTOR shall perform this Agreement as an independent contractor. CONTRACTOR and the officers, agents and employees of CONTRACTOR are not, and shall not be deemed, LAFCO employees for any purpose, including workers' compensation and employee benefits. CONTRACTOR shall, at CONTRACTOR's own risk and expense, determine the method and manner by which duties imposed on CONTRACTOR by this Agreement shall be performed; provided, however, that LAFCO may monitor the work performed by CONTRACTOR. LAFCO shall not deduct or withhold any amounts whatsoever from the compensation paid to CONTRACTOR, including, but not limited to amounts required to be withheld for state and federal taxes. As between the parties to this Agreement, CONTRACTOR shall be solely responsible for all such payments.

6. **Specific Performance.** It is agreed that CONTRACTOR, including the agents or employees of CONTRACTOR, shall be the sole providers of the services required by this Agreement. Because the services to be performed by CONTRACTOR under the terms of this Agreement are of a special, unique, unusual, extraordinary, and intellectual or time-sensitive character which gives them a peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action of law, LAFCO, in addition to any other rights or remedies which LAFCO may possess, shall be entitled to injunctive and other equitable relief to prevent a breach of this Agreement by CONTRACTOR.

7. **Insurance.** CONTRACTOR shall obtain and maintain in full force and effect throughout the term of this Agreement, and thereafter as to matters occurring during the term of this Agreement, the following insurance coverage:

(a) Workers' Compensation insurance. To the extent required by law during the term of this Agreement, CONTRACTOR shall provide workers' compensation insurance for the performance of any of CONTRACTOR's duties under this Agreement, including but not limited to, coverage for workers' compensation and employer's liability and a waiver of subrogation, and shall provide LAFCO with certification of all such coverages upon request by LAFCO's Risk Manager.

(b) Liability insurance. CONTRACTOR shall obtain and maintain in full force and effect during the term of this Agreement the following liability insurance coverages, issued by a company admitted to do business in California and having an A.M. Best rating of A:VII or better or equivalent self-insurance:

1. General Liability. Commercial general liability [CGL] insurance coverage (personal injury and property damage) of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, covering liability or claims for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of CONTRACTOR or any officer, agent, or employee of CONTRACTOR under this Agreement. If the coverage includes an aggregate limit, the aggregate limit shall be no less than twice the per occurrence limit.

2. Professional Liability/Errors and Omissions. Professional liability [or errors and omissions] insurance for all activities of CONTRACTOR arising out of or in connection with this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) per claim.

3. Comprehensive Automobile Liability Insurance. Comprehensive automobile liability insurance (Bodily Injury and Property Damage) on owned, hired, leased and non-owned vehicles used in conjunction with CONTRACTOR's business of not less than THREE HUNDRED THOUSAND DOLLARS (\$300,000) combined single limit per occurrence.

(c) Certificates. All insurance coverages referenced in 7(b), above, shall be evidenced by one or more certificates of coverage or, with the consent of LAFCO's Risk Manager, demonstrated by other evidence of coverage acceptable to LAFCO's Risk Manager, which shall be filed by CONTRACTOR with the LAFCO Executive Officer prior to commencement of performance of any of CONTRACTOR's duties; shall reference this Agreement by its LAFCO number or title and department; shall be kept current during the term of this Agreement; shall provide that LAFCO shall be given no less than thirty (30) days prior written notice of any non-renewal, cancellation, other termination, or material change, except that only ten (10) days prior written notice shall be required where the cause of non-renewal or cancellation is non-payment of premium; and shall provide that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, the coverage afforded applying as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability. For the commercial general liability insurance coverage referenced in 7(b)(1) and, where the vehicles are covered by a commercial policy rather than a personal policy, for the comprehensive automobile liability insurance coverage referenced in 7(b)(3) CONTRACTOR shall also file with the evidence of coverage an endorsement from the insurance provider naming LAFCO, its officers, employees, agents and volunteers as additional insureds and waiving subrogation, and the certificate or other evidence of coverage shall provide that if the same policy applies to activities of CONTRACTOR not covered by this Agreement then the limits in the applicable certificate relating to the additional insured coverage of LAFCO shall pertain only to liability for activities of CONTRACTOR under this Agreement, and that the insurance provided is primary coverage to LAFCO with respect to any insurance or self-insurance programs maintained by LAFCO. The additional insured endorsements for the general liability coverage shall use Insurance Services Office (ISO) Form No. CG 20 09 11 85 or CG 20 10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following

forms: CG 20 10 10 93 or 03 94. Upon request of LAFCO's Risk Manager, CONTRACTOR shall provide or arrange for the insurer to provide within thirty (30) days of the request, certified copies of the actual insurance policies or relevant portions thereof.

(d) Deductibles/Retentions. Any deductibles or self-insured retentions shall be declared to, and be subject to approval by, LAFCO's Risk Manager, which approval shall not be denied unless the LAFCO's Risk Manager determines that the deductibles or self-insured retentions are unreasonably large in relation to compensation payable under this Agreement and the risks of liability associated with the activities required of CONTRACTOR by this Agreement. At the option of and upon request by LAFCO's Risk Manager if the Risk Manager determines that such deductibles or retentions are unreasonably high, either the insurer shall reduce or eliminate such deductibles or self-insurance retentions as respects to LAFCO, its officers, employees, agents and volunteers or CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**8. Hold Harmless/Defense/Indemnification.**

(a) In General. To the full extent permitted by law, CONTRACTOR shall hold harmless, defend at its own expense, and indemnify LAFCO and the officers, agents, employees and volunteers of LAFCO from any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees, for personal injury (including death) or damage to property, arising from all acts or omissions of CONTRACTOR or its officers, agents, employees, volunteers, contractors and subcontractors in rendering services under this Agreement, excluding, however, such liability, claims, losses, damages or expenses arising from the sole negligence or willful acts of LAFCO or its officers, agents, employees, volunteers, or other contractors or their subcontractors. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

(b) Employee Character and Fitness. CONTRACTOR accepts responsibility for determining and approving the character and fitness of its employees (including volunteers, agents or representatives) to provide the services required of CONTRACTOR under this Agreement, including completion of a satisfactory criminal/background check and period rechecks to the extent permitted by law. Notwithstanding anything to the contrary in this Paragraph, CONTRACTOR shall hold LAFCO and its officers, agents and employees harmless from any liability for injuries or damages resulting from a breach of this provision or CONTRACTOR's actions in this regard.

**9. Termination for Cause.** If either party shall fail to fulfill in a timely and proper manner that party's obligations under this Agreement or otherwise breach this Agreement and fail to cure such failure or breach within 15 days of receipt of written notice from the other party describing the nature of the breach, the non-defaulting party may, in addition to any other remedies it may have, terminate this Agreement by giving 5 days prior written notice to the defaulting party in the manner set forth in Paragraph 13 (Notices). LAFCO hereby authorizes the LAFCO Executive Officer to make all decisions and take all actions required under this Paragraph to terminate this Agreement on behalf of LAFCO for cause.

10. **Termination for Convenience.** This Agreement may be terminated by either party for any reason and at any time by giving no less than 30 days prior written notice of such termination to the other party and specifying the effective date thereof; provided, however, that no such termination may be effected by LAFCO unless an opportunity for consultation is provided prior to the effective date of the termination. LAFCO hereby authorizes the LAFCO Executive Officer to make all decisions and take all actions required under this Paragraph to terminate this Agreement on behalf of LAFCO for the convenience of LAFCO.

11. **Disposition of, Title, to and Payment for Work upon Expiration or Termination.**

(a) Upon expiration of this Agreement or termination for cause under Paragraph 9 or termination for the convenience of a party under Paragraph 10, all finished or unfinished documents and other materials, if any, and all rights therein shall become, at the option of LAFCO, the property of and shall be promptly returned to LAFCO, although CONTRACTOR may retain a copy of such work for its personal records only. Unless otherwise expressly provided in this Agreement, any copyrightable or patentable work created by CONTRACTOR under this Agreement shall be deemed a "work made for hire" for purposes of copyright or patent law and only LAFCO shall be entitled to claim or apply for the copyright or patent thereof.

(b) CONTRACTOR shall be entitled to receive compensation for any satisfactory work completed prior to receipt of the notice of termination or commenced prior to receipt of the notice and completed satisfactorily prior to the effective date of the termination; except that CONTRACTOR shall not be relieved of liability to LAFCO for damages sustained by LAFCO by virtue of any breach of the Agreement by CONTRACTOR whether or not the Agreement expired or was terminated for convenience or cause, and LAFCO may withhold any payments not yet made to CONTRACTOR for purpose of setoff until such time as the exact amount of damages due to LAFCO from CONTRACTOR is determined.

12. **No Waiver.** The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

13. **Notices.** All notices required or authorized by this Agreement shall be in writing and shall be delivered in person or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any mailed notice, demand, request, consent, approval, or communication that either party desires to give the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Any notice sent by mail in the manner prescribed by this paragraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier.

LAFCO  
Keene Simonds, Executive Officer  
LAFCO of Napa County  
1700 Second Street, Suite 268  
Napa, California 94559

CONTRACTOR  
Jamie Spooner, President  
Planeteria, Inc  
1955 Cleveland Avenue, Suite 201  
Santa Rosa, California 95401

14. **Compliance with LAFCO Policies on Waste, Harassment, Drug/Alcohol-Free Workplace, and Computer Use.** CONTRACTOR hereby agrees to comply, and require its employees and subcontractors to comply, with the following policies, copies of which are on file with the Clerk of the Napa County Board of Supervisors and incorporated by reference herein. CONTRACTOR also agrees that it shall not engage in any activities, or permit its officers, agents, and employees to do so, during the performance of any of the services required under this Agreement, which would interfere with compliance or induce violation of these policies by LAFCO employees or contractors.

(a) Waste Source Reduction and Recycled Product Content Procurement Policy adopted by resolution of the Board of Supervisors on March 26, 1991.

(b) County of Napa "Policy for Maintaining a Harassment and Discrimination Free Work Environment" revised effective August 23, 2005.

(c) County of Napa Drug and Alcohol Policy adopted by resolution of the Board of Supervisors on June 25, 1991.

(d) Napa County Information Technology Use and Security Policy adopted by resolution of the Board of Supervisors on April 17, 2001. To this end, all employees and subcontractors of CONTRACTOR whose performance of services under this Agreement requires access to any portion of the COUNTY computer network shall sign and have on file with COUNTY's ITS Department prior to receiving such access the certification attached to said Policy.

(e) Napa County Workplace Violence Policy, adopted by the BOS effective May 23, 1995 and subsequently revised effective November 2, 2004, which is located in the County of Napa Policy Manual Part I, Section 37U.

15. **Confidentiality.** Confidential information is defined as all information disclosed to CONTRACTOR which relates to LAFCO's past, present, and future activities, as well as activities under this Agreement. CONTRACTOR shall hold all such information as CONTRACTOR may receive, if any, in trust and confidence, except with the prior written approval of LAFCO, expressed through its Executive Officer. Upon cancellation or expiration of this Agreement, CONTRACTOR shall return to LAFCO all written and descriptive matter which contains any such confidential information, except that CONTRACTOR may retain for its files a copy of CONTRACTOR's work product if such product has been made available to the public by LAFCO.

16. **No Assignments or Subcontracts.**

(a) In general. A consideration of this Agreement is the personal reputation of CONTRACTOR; therefore, CONTRACTOR shall not assign any interest in this Agreement or subcontract any of the services CONTRACTOR is to perform hereunder without the prior written consent of LAFCO, which shall not be unreasonably withheld. The inability of the assignee to provide personnel equivalent in experience, expertise, and numbers to those provided by CONTRACTOR, or to perform any of the remaining services required under this Agreement within the same time frame required of CONTRACTOR shall be deemed to be reasonable grounds for LAFCO to withhold its consent to assignment. For purposes of this subparagraph, the consent of LAFCO may be given by the LAFCO Executive Officer.

(b) Effect of Change in Status. If CONTRACTOR changes its status during the term of this Agreement from or to that of a corporation, limited liability partnership, limited liability company, general partnership, or sole proprietorship, such change in organizational status shall be viewed as an attempted assignment of this Agreement by CONTRACTOR. Failure of CONTRACTOR to obtain approval of such assignment under this Paragraph shall be viewed as a material breach of this Agreement.

17. **Amendment/Modification.** Except as specifically provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties. In particular, only LAFCO may authorize extra and/or changed work if beyond the scope of services prescribed by Exhibit "A". Failure of CONTRACTOR to secure such authorization in writing in advance of performing any of the extra or changed work shall constitute a waiver of any and all rights to adjustment in the contract price or contract time and no compensation shall be paid for such extra work.

18. **Interpretation; Venue.**

(a) Interpretation. The headings used herein are for reference only. The terms of the Agreement are set out in the text under the headings. This Agreement shall be governed by the laws of the State of California without regard to the choice of law or conflicts.

(b) Venue. This Agreement is made in Napa County, California. The venue for any legal action in state court filed by either party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement shall be in the Superior Court of California, County of Napa, a unified court. The venue for any legal action in federal court filed by either party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement lying within the jurisdiction of the federal courts shall be the Northern District of California. The appropriate venue for arbitration, mediation or similar legal proceedings under this Agreement shall be Napa County, California; however, nothing in this sentence shall obligate either party to submit to mediation or arbitration any dispute arising under this Agreement.

19. **Compliance with Laws.** CONTRACTOR shall observe and comply with all applicable Federal, State and local laws, ordinances, and codes. Such laws shall include, but not be limited to, the following, except where prohibited by law:

(a) Non-Discrimination. During the performance of this Agreement, CONTRACTOR and its subcontractors shall not deny the benefits thereof to any person on the basis of gender or self-identified gender, race, color, ancestry, religion or religious creed, national origin or ethnic group identification, sexual orientation, marital status, age (over 40), mental disability, physical disability or medical condition (including cancer, HIV and AIDS), nor shall they discriminate unlawfully against any employee or applicant for employment because of sex, race, color, ancestry, religion or religious creed, national origin or ethnic group identification, sexual orientation, marital status, age (over 40), mental disability, physical disability or medical condition (including cancer, HIV and AIDS), or use of family care leave. CONTRACTOR shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination or harassment. In addition to the foregoing general obligations, CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), the regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0, et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (sections 11135-11139.5) and any

state or local regulations adopted to implement any of the foregoing, as such statutes and regulations may be amended from time to time. To the extent this Agreement subcontracts to CONTRACTOR services or works required of LAFCO by the State of California pursuant to agreement between LAFCO and the State, the applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a) through (f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are expressly incorporated into this Agreement by reference and made a part hereof as if set forth in full, and CONTRACTOR and any of its subcontractors shall give written notice of their obligations thereunder to labor organizations with which they have collective bargaining or other agreements.

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

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

20. **Taxes.** CONTRACTOR agrees to file federal and state tax returns or applicable withholding documents and to pay all applicable taxes or make all required withholdings on amounts paid pursuant to this Agreement and shall be solely liable and responsible to make such withholdings and/or pay such taxes and other obligations including, without limitation, state and federal income and FICA taxes. CONTRACTOR agrees to indemnify and hold LAFCO harmless from any liability it may incur to the United States or the State of California as a consequence of CONTRACTOR's failure to pay or withhold, when due, all such taxes and obligations. In the event that LAFCO is audited for compliance regarding any withholding or other applicable taxes or amounts, CONTRACTOR agrees to furnish LAFCO with proof of payment of taxes or withholdings on those earnings.

21. **Access to Records/Retention.** LAFCO, any federal or state grantor agency funding all or part of the compensation payable hereunder, the State Controller, the Comptroller General of the United States, or the duly authorized representatives of any of the above, shall have access to any books, documents, papers and records of CONTRACTOR which are directly pertinent to the subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, CONTRACTOR shall maintain all required records for at least seven (7) years after LAFCO makes final payment for any other work authorized hereunder and all pending matters are closed, whichever is later.

22. **Authority to Contract.** CONTRACTOR and LAFCO each warrant hereby that they are legally permitted and otherwise have the authority to enter into and perform this Agreement.

23. **Conflict of Interest.**

(a) Covenant of No Undisclosed Conflict. The parties to the Agreement acknowledge that they are aware of the provisions of Government Code section 1090, et seq., and section 87100, et seq., relating to conflict of interest of public officers and employees. CONTRACTOR hereby covenants that it presently has no interest not disclosed to LAFCO and shall not acquire any interest, direct or indirect, which would conflict in any material manner or degree with the performance of its services or confidentiality obligation hereunder, except as such as LAFCO may consent to in writing prior to the acquisition by CONTRACTOR of such conflict. CONTRACTOR further warrants that it is unaware of any financial or economic interest of any public officer or employee of LAFCO relating to this Agreement. CONTRACTOR agrees that if such financial interest does exist at the inception of this Agreement, LAFCO may terminate this Agreement immediately upon giving written notice without further obligation by LAFCO to CONTRACTOR under this Agreement.

(b) Statements of Economic Interest. CONTRACTOR acknowledges and understands that LAFCO has developed and approved a Conflict of Interest Code as required by state law which requires CONTRACTOR to file with the Elections Division of the Napa County Assessor-Clerk Recorder "assuming office", "annual", and "leaving office" Statements of Economic Interest as a "consultant", as defined in section 18701(a)(2) of Title 2 of the California Code of Regulations, unless it has been determined in writing by the LAFCO Executive Officer that CONTRACTOR, although holding a "designated" position as a consultant, has been hired to perform a range of duties so limited in scope as to not be required to fully comply with such disclosure obligation. CONTRACTOR agrees to timely comply with all filing obligations for a consultant under LAFCO's Conflict of Interest Code unless such a determination is on file on the filing dates for each of the required Statements of Economic Interest.

24. **Non-Solicitation of Employees.** Each party agrees not to solicit for employment the employees of the other party who were directly involved in the performance of the services hereunder for the term of this Agreement and a period of six (6) months after termination of this Agreement except with the written permission of the other party, except that nothing in this Paragraph shall preclude either party from publishing or otherwise distributing applications and information regarding that party's job openings where such publication or distribution is directed to the public generally.

25. **Third Party Beneficiaries.** Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

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

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

28. **Entirety of Contract.** This Agreement constitutes the entire agreement between the parties relating to the subject of this Agreement and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.

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

PLANETERIA, INC.  
"CONTRACTOR"

By: \_\_\_\_\_  
Jamie Spooner, President

\_\_\_\_\_  
Carolyn Mayes, Chief Financial Officer

LAFCO OF NAPA COUNTY

By: \_\_\_\_\_  
Brian J. Kelly, Chair

<p><b>APPROVED AS TO FORM</b> Jacqueline Gong, LAFCO Counsel</p> <p>By: _____</p> <p>Date: _____</p>
--

**EXHIBIT "A"**  
**SCOPE OF SERVICES**  
**AND**  
**COMPENSATION REIMBURSEMENT**

The CONTRACTOR shall provide website hosting and maintenance services consistent with the scope of work and costs outlined in EXHIBIT "A-1."

---

p l a n e t e r i a  
**Hosting and Maintenance Agreement**  
General Terms and Conditions

**Effective Date:** 9/24/2008

**Parties:**

Planeteria, Inc. ("Planeteria")  
1955 Cleveland Ave., Suite 201  
Santa Rosa, CA 95401

LAFCO of Napa County ("Customer")  
1700 Second Street, Suite 268  
Napa, CA 94559

**1. DEFINITIONS.** When used in this agreement, unless otherwise required by the context:

**1.1** "Planeteria" means Planeteria, a corporation whose mailing address is 1955 Cleveland Avenue, Suite 201, Santa Rosa, CA 95401.

**1.2** "Client" means **LAFCO of Napa County**

**1.3** "Agreement" means this instrument in its entirety as signed by the parties.

**1.4** "Host" or "Hosting" means to have any or part of client's Web site to reside and utilize the resources all or in part of the Net server chosen by Planeteria.

**1.5** "Creation" means the actual process of designing and programming a Web site, to include content creation and editing.

**1.6** "Maintenance" means the act of updating the Web site and/or keeping the actual files on the Host server functioning correctly.

**2. CIRCUMSTANCES.** The client requests that Planeteria perform any or all of the following activities, or allows Planeteria to subcontract any or all of the following: hosting, domain registration, database functionality, registration of Web site with various Internet search engines, site creation, site maintenance, graphic design for Web site.

---

### 3. RATES & PAYMENT.

#### **Maintenance Updates**

Maintenance of the site is available for an hourly fee of \$99.00. The following items fall under the category of maintenance: content updates, addition of an image to the site, basic HTML changes such as table formatting, font size or color changes, communication with Hosting provider for technical support issues.

#### **Front end development Updates**

Generation of new pages or templates not associated with database design billed at \$99.00 per hour.

#### **Back end development Updates**

Generation of database programming billed at \$130.00 per hour.

#### **Design Updates**

Site redesigns, creation of new pages or content areas, creation/modification of site artwork billed at \$130.00 per hour.

For work not included in categories above, an estimate on costs will be provided upon request of the work.

**4. APPROVAL OF CONTENT.** Planeteria reserves the right to censor, reject, alter, or refuse any content at its sole discretion in accordance with any rules Planeteria (or company chosen Planeteria for hosting of site) may now have, or may adopt in the future concerning acceptance of content matter. No change will be made in content without client's prior consent.

**5. RECOGNITION.** Planeteria reserves the right to place a creation logo linked to Planeteria web site at the bottom of the main index (home) page that will be no larger than 350 x 100 pixels in size.

**6. HOSTING/SUPPORT SERVICES.** Services are maintained as agreed to by Planeteria, at rates as agreed to by both parties or as laid out in Planeteria Pricing Policies.

**BUSINESS PLUS PACKAGE \$39.95/month.** This solution is good for business web sites utilizing a database-driven application such as a Content Management System. Excellent bandwidth. FREE DeepMetrix Live Stats included in this package to track detailed hits, sessions, and visitors to your site.

#### **Features:**

- 7 GB per month of data transfer

- 
- 125MB\* of disk storage space
  - DeepMetrix Live Statistics
  - Shared SQL Server database (50 MB)
  - 24/7 FTP access to your account
  - Microsoft Index Server
  - Dell Power Edge Xeon Processor
  - 30-day money-back guarantee
  - Daily Backup

**E-mail:**

- Up to 100 POP e-mail accounts

**Technology supported:**

- Active Server Pages (ASP)
- Perl, Java
- Microsoft Access
- Macromedia Flash/Shockwave
- On-demand streaming media (Windows Media, Real Audio, QuickTime)

**One-time set up fee: \$75**

\* additional space available in 10Mb increments for \$5/mo.

**7. INDEMNIFICATION.** Client assumes full and complete responsibility and liability for the content produced or published and shall indemnify and hold Planeteria harmless from and against all demands, claims, or liability of any legal action, including but not limited to libel, copyright, trademark, or licenses, or any other wrongful conduct. Client shall reimburse Planeteria for any amount paid Planeteria in settlement of claims or in satisfaction of judgments obtained by reason of publication of such content together with all expenses incurred in connection therewith, including, but not limited to, attorney's fees and costs of litigation. The provisions of this paragraph shall remain effective and inure to the benefit of the respective parties notwithstanding the expiration, cancellation, or termination of this agreement.

**8. IMPOSSIBILITY OF PERFORMANCE.** Planeteria shall not be responsible or liable for any damages to the client for failing to perform the above services if the cause is technical difficulties or mechanical failure of Planeteria's (or sub-contracted party's) computer equipment, provided Planeteria (or sub-contracted party) has taken reasonable steps to avoid such difficulties or failures, or their reoccurrence; labor disputes or strikes; wars; riots; civil unrest; or insurrections; fires; floods; accidents; storms; acts of God; or any other cause beyond Planeteria's control. If the client's site cannot be accessed because of an occurrence described in this paragraph for a period

---

of more than twenty-four hours, and Planetaria is the Host of the site, Planetaria shall at its option, ( a ) extend the term of the agreement for an equivalent period without additional charge to client, or ( b ) refund the prorated value of the advertising.

**9. COPYRIGHTS AND TRADEMARKS.** Any of client's trademarks or copyrighted material is permitted for use by Planetaria on or in relation to client's Web page. Content is copyrighted in the name of the client while coding is copyrighted in the name Planetaria.

**10. ADDITIONAL ITEMS.** Additional terms, addendums, or changes to this agreement before signing may be made either directly on the pages of the agreement to be signed or on a separate page. Any copies made after the agreement is signed must contain the changes made to the agreement before signing.



**Local Agency Formation Commission**  
**LAFCO of Napa County**

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

February 9, 2009

Mr. Mike Rice  
Miller-Sorg Group, Inc.  
710 Kellogg Street  
Suisun City, California 94585

**SUBJECT: *Proposed Formation of the Villa Berryessa Water District***

Mr. Rice:

This letter serves as a follow up to my October 9, 2008 e-mail to you regarding the Miller-Song Group's application with the Local Agency Formation Commission (LAFCO) of Napa County to form the Villa Berryessa Water District (attached). The referenced e-mail noted four outstanding issues relating to the review of the proposal – two of which remain unaddressed and are summarized below.

- Written confirmation on whether the use-permit with the County of Napa to develop the 100-lot subdivision requires you to bond for both the sewer and water systems.
- Written confirmation on whether you have communicated with the Pensus Group regarding the possibility of the Villa Berryessa Water District entering into outside service agreements to provide water and/or sewer services to Putah Creek.

The above issues need to be addressed to complete the review of the proposal. Additionally, as previously discussed, LAFCO requires documentation to help assess the financial capacity of the Miller-Sorg Group to fulfill its stated commitment to cover the monthly sewer and water charges for unsold properties in Villa Berryessa. With this in mind, please provide LAFCO copies of Miller-Sorg Group's latest financial statements.

At your earliest convenience, please contact me by telephone at (707) 259-8645 to discuss LAFCO's review of your proposal and the requests outlined in this letter.

Sincerely,

Keene Simonds  
Executive Officer

cc: William Abbott, Abbott & Kindermann  
Leslie Z. Walker, Abbott & Kindermann

Attachment: as stated

Juliana Iman, Vice Chair  
Councilmember, City of Napa

Jack Gingles, Commissioner  
Mayor, City of Calistoga

Cindy Coffey, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer



**Local Agency Formation Commission**  
**LAFCO of Napa County**

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

**May 4, 2009**  
**Agenda Item No. 6a (Public Hearing)**

April 14, 2009

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Amendments to Adopted Fee Schedule**

The Commission will consider amendments to its adopted fee schedule. Proposed amendments include raising the composite hourly staff rate, increasing the number of fixed hours assigned to proposals, and establishing a surcharge to help recover costs for preparing municipal service reviews. The amendments are being presented to the Commission for adoption.

---

Local Agency Formation Commissions (LAFCOs) are authorized to establish fee schedules for the costs associated with processing proposals under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Proposals include change of organizations (annexations, detachments, formations, and dissolutions), outside service requests, and sphere of influence amendments. The law specifies LAFCOs' fee schedules shall not exceed the estimated "reasonable costs" in providing services. The law also empowers LAFCOs to waive fees if it determines the payment would be detrimental to public interest.

**A. Background**

At its June 4, 2007 meeting, LAFCO of Napa County ("Commission") adopted a comprehensive update to its fee schedule to improve cost-recovery for personnel and administrative overhead expenses associated with processing proposals. The update included re-categorizing annexation and detachment proposals for purposes of assigning fixed application fees based on the (a) level of consent and (b) type of environmental review required. The update also included establishing a new method to calculate a composite hourly staff rate which resulted in an increase from \$50 to \$90. The Commission increased the composite hourly staff rate in June 2008 to \$97.

**B. Discussion**

In anticipation of the new fiscal year, staff has reviewed the Commission's fee schedule to consider whether amendments are warranted to help ensure an appropriate level of cost-recovery as well as to address other considerations. This review indicates three substantive amendments appear appropriate which are summarized below.

---

Juliana Inman, Vice Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

- **Raising the Composite Hourly Staff Rate**

Staff's review indicates it would be appropriate for the Commission to amend the fee schedule to raise the composite hourly staff rate from \$97 to \$103. The proposed new rate has been calculated using the same method established two years ago as part of the comprehensive update and reflects the Commission's projected personnel and administrative overhead costs in 2009-2010.

	Executive Officer	Analyst	Secretary
Salary/Benefit/Overhead Rate	\$123.30	\$88.37	\$95.63
Time Processing Proposals	40%	55%	5%

Composite Hourly Rate: \$102.71

- **Increasing the Number of Fixed Hours Assigned to Proposals**

Staff's review indicates it would be appropriate for the Commission to amend the fee schedule to increase the number of fixed staff hours assigned to proposals. The new assignments reflect the average time currently needed to process proposals. The majority of the increase is drawn from the additional time dedicated to preparing staff reports necessary to sufficiently address all the factors the Commission is mandated to consider when reviewing proposals under the law or by local policy.

Annexation and Detachment Proposals	Current Hours	Proposed Hours
With 100% Consent/Categorical Exemption	15	30
Without 100% Consent/Categorical Exemption	25	40
With 100% Consent/Negative Declaration	20	35
Without 100% Consent/Negative Declaration	30	45
With 100% Consent/Environmental Impact Report	25	40
Without 100% Consent/Environmental Impact Report	35	50

Other Proposals	Current Hours	Proposed Hours
Outside Service Agreement Requests *	10	20
Activation of Latent Power Requests **	10	40

\* In 2008, the Commission adopted a policy regarding the review of outside service agreement requests. The policy directs the Commission to evaluate specific factors in reviewing outside service requests and requires proposals be considered at noticed public hearings.

\*\* In 2008, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 was amended to classify requests to activate latent powers as a change of organizations and thereby elevating the level of analysis to match an annexation.

- **Establishing a Surcharge for Municipal Service Reviews**

Staff’s review indicates it would be appropriate for the Commission to amend the fee schedule to establish a surcharge on proposals to help contribute to the costs in preparing municipal service reviews. A surcharge is justified given municipal service reviews provide baseline information on the level and range of services provided throughout the region which helps to inform the evaluation of subsequent individual proposals. Although full cost-recovery for municipal service reviews is impractical, a reasonable and equitable method would be to apply a variable surcharge on all proposals equal to 20% of the application fee. Notably, this percentage represents the estimated time saved in staff hours expended in processing a proposal as a result of the preparation of municipal service reviews.

### C. Analysis

The proposed amendments – raising the composite hourly staff rate, increasing the number of fixed hours assigned to proposals, and establishing a municipal service review surcharge – will result in substantial increases to the fee schedule. The most common proposal received by the Commission involve annexations and detachments and their application fees would increase 80% to 150%. The increases, however, reflect the costs to the Commission in processing proposals. The increases are also comparative to the amounts charged by the other four Bay Area LAFCOs with similar schedules (Alameda, Contra Costa, Santa Clara, and Sonoma) that assign flat application fees based on the level of consent and type of environmental review required. Markedly, incorporating the increases, Napa’s application fees for annexations and detachments would represent the median rate among these four other Bay Area LAFCOs as reflected below.

Proposals with 100% Consent (Categorically Exempt)		Proposals without 100% Consent (Categorically Exempt)	
Alameda	\$900	Alameda	\$1,575
Contra Costa	\$2,765	Contra Costa	\$2,765
<i>Napa</i>	<i>\$3,708</i>	<i>Napa</i>	<i>\$4,944</i>
Sonoma	\$4,350	Sonoma	\$7,790
Santa Clara	\$5,656	Santa Clara	\$11,408

Proposals with 100% Consent (Negative Declaration)		Proposals without 100% Consent (Negative Declaration)	
Alameda	\$1,930	Alameda	\$2,590
Contra Costa	\$3,515	Contra Costa	\$3,515
<i>Napa</i>	<i>\$4,326</i>	<i>Napa</i>	<i>\$5,562</i>
Sonoma	\$5,300	Sonoma	\$8,940
Santa Clara	\$5,869	Santa Clara	\$11,408

Proposals with 100% Consent (Environmental Impact Report)		Proposals without 100% Consent (Environmental Impact Report)	
Alameda	\$3,135	Contra Costa	\$3,765
Contra Costa	\$3,765	Alameda	\$3,800
<i>Napa</i>	<i>\$4,944</i>	<i>Napa</i>	<i>\$6,180</i>
Santa Clara	\$6,525	Sonoma	\$10,490
Sonoma	\$6,850	Santa Clara	\$11,408

#### D. Alternatives for Commission Action

After opening the public hearing, the Commission should consider taking one of the following actions.

**Option One:** Close the public hearing and adopt the attached draft resolution approving the amended fee schedule with or without changes. Effective date of the amended fee schedule shall be July 6, 2009.

**Option Two:** Close the public hearing and take no action.

**Option Three:** Continue the public hearing if more information is needed.

#### E. Recommendation

Staff recommends the Commission approve the proposed amendments to the fee schedule which is identified in the preceding section as Option One.

Respectfully submitted,

---

Keene Simonds  
Executive Officer

Attachments:

- 1) Current Fee Schedule
- 2) Proposed Amended Fee Schedule (Changes Tracked )
- 3) Draft Resolution Approving Amended Fee Schedule
- 4) Calculation for Composite Hourly Staff Rate
- 5) Calculation for Fixed Hours for Annexations and Detachments



## **Local Agency Formation Commission of Napa County** *Schedule of Fees and Deposits*

Effective Date: April 6, 2009

The policy of the Commission is:

1. This fee schedule shall be administered in accordance with the provisions of California Government Code §56383.
2. Applications submitted to the Commission shall be accompanied by a non-refundable initial fee as detailed in this schedule.
3. Applicants are responsible for any fees or charges incurred by the Commission or required by other agencies in the course of the processing of an application.
4. Initial fees include a fixed number of staff hours as detailed in the fee schedule or are designated as “at cost.”
5. Additional Commission staff time shall be charged to the applicant at an hourly rate of \$97.00.
6. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
7. Additional Commission staff time and administrative costs shall not be charged for city annexation applications that are comprised solely of one, entire unincorporated island.
8. If the Executive Officer estimates that a proposal will require more than 20 hours staff time to complete, he or she shall provide a written statement to that effect to the applicant and request a deposit in an amount sufficient to cover anticipated costs. If this or any subsequent deposit proves insufficient, the Executive Officer shall provide an accounting of expenditures and request deposit of additional funds.
9. If the processing of an application requires the Commission contract from another agency or from a private firm or individual for services that are beyond the normal scope of staff work (such as the drafting of an Environmental Impact Report or Comprehensive Fiscal Analysis), the applicant shall be responsible for all costs associated with that contract. The applicant will provide the Commission with a deposit sufficient to cover the cost of the contract.
10. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.
11. Written appeal of fees and/or deposits, specifying the reason for the appeal, may be submitted to the Commission prior to the submission of an application or prior to the submission of a deposit requested by the Executive Officer. The appeal will be considered at the next regular meeting of the Commission.

12. Upon completion of a project, the Executive Officer shall issue to the applicant a statement detailing all expenditures from a deposit for additional time and materials and shall have a refund for any remaining funds issued to the applicant.

## **INITIAL APPLICATION FEES**

### **Change of Organization or Reorganizations: Annexations and Detachments**

Exempt from the California Environmental Quality Act

- With 100% consent of property owners and affected agencies: \$1,455 (15 hours)
- Without 100% consent of property owners and affected agencies: \$2,425 (25 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Negative Declaration)

- With 100% consent of property owners and affected agencies: \$1,940 (20 hours)
- Without 100% consent of property owners and affected agencies: \$2,910 (30 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Environmental Impact Report)

- With 100% consent of property owners and affected agencies: \$2,425 (25 hours)
- Without 100% consent of property owners and affected agencies: \$3,395 (35 hours)

\* City annexations involving entire unincorporated islands will be charged a flat fee of \$500.

\* Annexation or detachment proposals that involve boundary changes for more than two agencies will be charged an additional fee of \$485 (5 hours).

\* If the Commission is the Lead Agency and it is determined that the proposal requires a Negative Declaration or an Environmental Impact Report, applicants will be charged at the hourly staff rate.

### **Change of Organizations or Reorganizations: Other**

- Special District Formations, Consolidations, Mergers, and Dissolutions: Actual Cost
- City Incorporations or Dissolutions: Actual Cost

### **Special Studies**

- Municipal Service Review: Actual Cost
- Sphere of Influence Review: Actual Cost  
(Establishment, Amendment, or Update)

**Activation of a Latent Power Request** \$970 (10 hours)

**Extension of Time Request** \$485 (5 hours)

**Review of Out-of-Agency Agreements or Contracts** \$970 (10 hours)

**Request for Reconsideration** \$1,940 (20 hours)

**Special Meeting Fee** \$800

**Alternate Legal Counsel Fee** Actual Cost

## OTHER APPLICATION FEES

### Assessor Mapping Service

(Made payable to the "County of Napa")

\$125

### Map and Geographic Description Review

(Made payable to the "County of Napa")

\$149 (1 hour)

### Registered Voter List for Public Hearing Notice

(Made payable to the "County of Napa")

\$55 (1 hour)

### Geographic Information Service

(Made payable to "LAFCO of Napa County")

\$125 (1 hour)

### California Department of Fish and Game Environmental Filing Fees

(Made payable to the "County of Napa Clerk Recorder")

#### Commission as Lead Agency

- Environmental Impact Report: \$2,768.25
- Negative Declaration: \$1,993.00
- Mitigated Negative Declaration \$1,993.00
- Clerk-Recorder Filing Fee: \$50

#### Commission Responsible Agency

- Notice of Determination (Represents Clerk Filing Fee): \$50
- Notice of Exemption (Represents Clerk Filing Fee): \$50

### Change of Jurisdictional Boundary

(Made payable to the "State Board of Equalization")

<u>Acre Amount</u>	<u>Fee</u>	<u>Acre Amount</u>	<u>Fee</u>
Less than 1:	\$300	51 to 100:	\$1,500
1 to 5:	\$350	101 to 500:	\$2,000
6 to 10:	\$500	500 to 1,000:	\$2,500
11 to 20:	\$800	1,000 to 2,000:	\$3,000
21 to 50:	\$1,200	2,000 and above:	\$3,5000

## ADMINISTRATIVE SERVICE FEES

The following are charges to be assessed to persons or entities other than the applicant.

- Copying (no color): \$0.10 per page
- Copying (color): \$0.40 per page
- Faxing: \$1.00 service charge, plus \$0.15 per page
- Mailing: Actual Cost
- Audio Tape Recording of Meeting: Actual Cost
- Research/Achieve Retrieval: \$97 per hour (minimum of one hour)



## Local Agency Formation Commission of Napa County

### *Schedule of Fees and Deposits*

Effective Date: ~~April 6, 2009~~ July 6, 2009

The policy of the Commission is:

1. This fee schedule shall be administered in accordance with the provisions of California Government Code §Section 56383.
2. Applications submitted to the Commission shall be accompanied by a non-refundable initial fee as detailed in this schedule.
3. Applicants are responsible for any fees or charges incurred by the Commission or required by other agencies in the course of the processing of an application.
4. Initial fees include a fixed number of staff hours as detailed in the fee schedule or are designated as “at cost.”
5. Additional Commission staff time shall be charged to the applicant at an hourly rate of \$97103.00.
6. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
7. Additional Commission staff time and administrative costs shall not be charged for city annexation applications that are comprised solely of one, entire unincorporated island.
8. If the Executive Officer estimates a proposal will require more than 20 hours staff time to complete, he or she shall provide a written statement to that effect to the applicant and request a deposit in an amount sufficient to cover anticipated costs. If this or any subsequent deposit proves insufficient, the Executive Officer shall provide an accounting of expenditures and request deposit of additional funds.
9. If the processing of an application requires the Commission contract from another agency or from a private firm or individual for services that are beyond the normal scope of staff work (such as the drafting of an Environmental Impact Report or Comprehensive Fiscal Analysis), the applicant shall be responsible for all costs associated with that contract. The applicant will provide the Commission with a deposit sufficient to cover the cost of the contract.
10. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.
11. Written appeal of fees and/or deposits, specifying the reason for the appeal, may be submitted to the Commission prior to the submission of an application or prior to the submission of a deposit requested by the Executive Officer. The appeal will be considered at the next regular meeting of the Commission.

12. Upon completion of a project, the Executive Officer shall issue to the applicant a statement detailing all expenditures from a deposit for additional time and materials and shall have a refund for any remaining funds issued to the applicant.

## INITIAL APPLICATION FEES

### **Change of Organization or Reorganizations: Annexations and Detachments**

Exempt from the California Environmental Quality Act

- With 100% consent of property owners and affected agencies: \$1,455,708 (~~15-30~~ hours)
- Without 100% consent of property owners and affected agencies: \$2,425,944 (~~25-40~~ hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Negative Declaration)

- With 100% consent of property owners and affected agencies: \$1,940,326 (~~20-35~~ hours)
- Without 100% consent of property owners and affected agencies: \$2,910,562 (~~30-45~~ hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Environmental Impact Report)

- With 100% consent of property owners and affected agencies: \$2,425,944 (~~25-40~~ hours)
- Without 100% consent of property owners and affected agencies: \$3,395,180 (~~35-50~~ hours)

\* All initial application fees for annexation and detachment proposals include a 20% surcharge to contribute to the costs in preparing municipal service reviews.

\* Annexation or detachment proposals that involve boundary changes for more than two agencies and qualify as reorganizations will be charged an additional fee of \$515 (5 hours).

\* City annexations involving entire unincorporated islands and subject to California Government Code Section 56375.3 will be charged a flat fee of \$500.

~~\* Annexation or detachment proposals that involve boundary changes for more than two agencies will be charged an additional fee of \$485 (5 hours).~~

\* If the Commission is the Lead Agency and ~~it is determined that the proposal requires an~~ Initial Study is needed to determine whether a Negative Declaration or ~~an~~ Environmental Impact Report is appropriate, applicants will be charged at the hourly staff rate.

### **Change of Organizations or Reorganizations: Other**

- Special District Formations, Consolidations, Mergers, and Dissolutions: Actual Cost
- City Incorporations or Dissolutions: Actual Cost

### **Special Studies**

- Municipal Service Review: Actual Cost
- Sphere of Influence Review: Actual Cost  
(Establishment, Amendment, or Update)

**Request to Activate Latent Power** \$~~970~~4,944 (~~10~~40 hours)

\* The initial application fee for the activation of a latent power includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.

**Request for an Extension of Time** \$~~485~~515 (5 hours)

**Request to Approve an Outside Service Agreement** \$~~970~~2,417 (~~10~~20 hours)

\* The initial application fee to approve an outside service agreement includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.

**Request for Reconsideration** \$~~1,940~~2,060 (20 hours)

**Special Meeting Fee** \$800

**Alternate Legal Counsel Fee** Actual Cost

**OTHER APPLICATION FEES**

**Assessor Mapping Service**

(Made payable to the "County of Napa") \$125

**Map and Geographic Description Review**

(Made payable to the "County of Napa") \$~~149~~447 (~~1~~3 hours)

**Registered Voter List for Public Hearing Notice**

(Made payable to the "County of Napa") \$55 (1 hour)

**Geographic Information Service**

(Made payable to "LAFCO of Napa County") \$125 (1 hour)

**California Department of Fish and Game Environmental Filing Fees**

(Made payable to the "County of Napa Clerk Recorder")

Commission as Lead Agency

- Environmental Impact Report: \$2,768.25
- Negative Declaration: \$1,993.00
- Mitigated Negative Declaration \$1,993.00
- Clerk-Recorder Filing Fee: \$50.00

Commission as Responsible Agency

- Notice of Determination (Represents Clerk Filing Fee): \$50.00
- Notice of Exemption (Represents Clerk Filing Fee): \$50.00

**Filing of Change-of- to Jurisdictional Boundary**

(Made payable to the “State Board of Equalization”)

<u>Acre Amount</u>	<u>Fee</u>	<u>Acre Amount</u>	<u>Fee</u>
Less than 1:	\$300	51 to 100:	\$1,500
1 to 5:	\$350	101 to 500:	\$2,000
6 to 10:	\$500	500 to 1,000:	\$2,500
11 to 20:	\$800	1,000 to 2,000:	\$3,000
21 to 50:	\$1,200	2,000 and above:	\$3,5000

**ADMINISTRATIVE SERVICE FEES**

The following are charges to be assessed to persons or entities other than the applicant.

- Copying (no color): \$0.10 per page
- Copying (color): \$0.40 per page
- Faxing: \$1.00 service charge, plus \$0.15 per page
- Mailing: Actual Cost
- Audio Tape Recording of Meeting: Actual Cost
- Research/Achieve Retrieval: \$97 per hour (minimum of one hour)

**RESOLUTION NO: \_\_\_\_\_**

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
AMENDMENTS TO ADOPTED SCHEDULE OF FEES AND DEPOSITS**

**WHEREAS**, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) authorizes the Local Agency Formation Commission of Napa County (hereinafter referred to as “LAFCO”) to adopt a fee schedule; and

**WHEREAS**, LAFCO established and adopted by resolution a “Schedule of Fees and Deposits” on December 1, 2001 in a manner provided by law; and

**WHEREAS**, LAFCO has amended the adopted Schedule of Fees and Deposits as appropriate since its establishment on December 1, 2001; and

**WHEREAS**, LAFCO has scheduled and noted a public hearing on May 4, 2009 to consider new amendments to its Schedule of Fees and Deposits; and

**WHEREAS**, as part of a scheduled and noticed public hearing on May 4, 2009 verbal and written comments on the proposed amendments to the adopted Schedule of Fees and Deposits were received from the general public, and these comments were considered by LAFCO; and

**WHEREAS**, the Commission has determined that the adoption of amendments to its Schedule of Fees and Deposits is exempt from the provisions of CEQA under Section 15273(a) of the State CEQA Guidelines and Section 21080(b)(8) of the Public Resources Code.

**NOW, THEREFORE, BE IT RESOLVED** by LAFCO that the Schedule of Fees and Deposits shall be amended and readopted in the manner set forth in Exhibit “A” effective July 6, 2009 and that this action is categorically exempt from the provisions of CEQA.

The foregoing resolution was duly and regularly adopted at a regular meeting of LAFCO, held on May 4, 2009, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ATTEST: Keene Simonds  
Executive Officer

RECORDED: \_\_\_\_\_  
Kathy Mabry  
Commission Secretary



## **Local Agency Formation Commission of Napa County** *Schedule of Fees and Deposits*

Effective Date: July 6, 2009

The policy of the Commission is:

1. This fee schedule shall be administered in accordance with the provisions of California Government Code Section 56383.
2. Applications submitted to the Commission shall be accompanied by a non-refundable initial fee as detailed in this schedule.
3. Applicants are responsible for any fees or charges incurred by the Commission or required by other agencies in the course of the processing of an application.
4. Initial fees include a fixed number of staff hours as detailed in the fee schedule or are designated as "at cost."
5. Additional Commission staff time shall be charged to the applicant at an hourly rate of \$103.00.
6. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
7. Additional Commission staff time and administrative costs shall not be charged for city annexation applications that are comprised solely of one, entire unincorporated island.
8. If the Executive Officer estimates a proposal will require more than 20 hours staff time to complete, he or she shall provide a written statement to that effect to the applicant and request a deposit in an amount sufficient to cover anticipated costs. If this or any subsequent deposit proves insufficient, the Executive Officer shall provide an accounting of expenditures and request deposit of additional funds.
9. If the processing of an application requires the Commission contract from another agency or from a private firm or individual for services that are beyond the normal scope of staff work (such as the drafting of an Environmental Impact Report or Comprehensive Fiscal Analysis), the applicant shall be responsible for all costs associated with that contract. The applicant will provide the Commission with a deposit sufficient to cover the cost of the contract.
10. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.
11. Written appeal of fees and/or deposits, specifying the reason for the appeal, may be submitted to the Commission prior to the submission of an application or prior to the submission of a deposit requested by the Executive Officer. The appeal will be considered at the next regular meeting of the Commission.

12. Upon completion of a project, the Executive Officer shall issue to the applicant a statement detailing all expenditures from a deposit for additional time and materials and shall have a refund for any remaining funds issued to the applicant.

## **INITIAL APPLICATION FEES**

### **Change of Organization or Reorganizations: Annexations and Detachments**

Exempt from the California Environmental Quality Act

- With 100% consent of property owners and affected agencies: \$3,708 (30 hours)
- Without 100% consent of property owners and affected agencies: \$4,944 (40 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Negative Declaration)

- With 100% consent of property owners and affected agencies: \$4,326 (35 hours)
- Without 100% consent of property owners and affected agencies: \$5,562 (45 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Environmental Impact Report)

- With 100% consent of property owners and affected agencies: \$4,944 (40 hours)
- Without 100% consent of property owners and affected agencies: \$6,180 (50 hours)

- \* All initial application fees for annexation and detachment proposals include a 20% surcharge to contribute to the costs in preparing municipal service reviews.
- \* Annexation or detachment proposals that involve boundary changes for more than two agencies and qualify as reorganizations will be charged an additional fee of \$515 (5 hours).
- \* City annexations involving entire unincorporated islands and subject to California Government Code Section 56375.3 will be charged a flat fee of \$500.
- \* If the Commission is the Lead Agency and an Initial Study is needed to determine whether a Negative Declaration or Environmental Impact Report is appropriate, applicants will be charged at the hourly staff rate.

### **Change of Organizations or Reorganizations: Other**

- Special District Formations, Consolidations, Mergers, and Dissolutions: Actual Cost
- City Incorporations or Dissolutions: Actual Cost

### **Special Studies**

- Municipal Service Review: Actual Cost
- Sphere of Influence Review: Actual Cost  
(Establishment, Amendment, or Update)

<b>Request to Activate Latent Power</b>	\$4,944 (40 hours)
* The initial application fee for the activation of a latent power includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.	
<b>Request for an Extension of Time</b>	\$515 (5 hours)
<b>Request to Approve an Outside Service Agreement</b>	\$2,417 (20 hours)
* The initial application fee to approve an outside service agreement includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.	
<b>Request for Reconsideration</b>	\$2,060 (20 hours)
<b>Special Meeting Fee</b>	\$800
<b>Alternate Legal Counsel Fee</b>	Actual Cost

**OTHER APPLICATION FEES**

<b>Assessor Mapping Service</b> (Made payable to the “County of Napa”)	\$125
<b>Map and Geographic Description Review</b> (Made payable to the “County of Napa”)	\$447 (3 hours)
<b>Registered Voter List for Public Hearing Notice</b> (Made payable to the “County of Napa”)	\$55 (1 hour)
<b>Geographic Information Service</b> (Made payable to “LAFCO of Napa County”)	\$125 (1 hour)
<b>California Department of Fish and Game Environmental Filing Fees</b> (Made payable to the “County of Napa Clerk Recorder”)	

Commission as Lead Agency

- Environmental Impact Report: \$2,768.25
- Negative Declaration: \$1,993.00
- Mitigated Negative Declaration: \$1,993.00
- Clerk-Recorder Filing Fee: \$50.00

Commission as Responsible Agency

- Notice of Determination (Represents Clerk Filing Fee): \$50.00
- Notice of Exemption (Represents Clerk Filing Fee): \$50.00

**Filing of Change to Jurisdictional Boundary**  
(Made payable to the “State Board of Equalization”)

<u>Acre Amount</u>	<u>Fee</u>	<u>Acre Amount</u>	<u>Fee</u>
Less than 1:	\$300	51 to 100:	\$1,500
1 to 5:	\$350	101 to 500:	\$2,000
6 to 10:	\$500	500 to 1,000:	\$2,500
11 to 20:	\$800	1,000 to 2,000:	\$3,000
21 to 50:	\$1,200	2,000 and above:	\$3,5000

**ADMINISTRATIVE SERVICE FEES**

The following are charges to be assessed to persons or entities other than the applicant.

- Copying (no color): \$0.10 per page
- Copying (color): \$0.40 per page
- Faxing: \$1.00 service charge, plus \$0.15 per page
- Mailing: Actual Cost
- Audio Tape Recording of Meeting: Actual Cost
- Research/Achieve Retrieval: \$97 per hour (minimum of one hour)



## Local Agency Formation Commission of Napa County

### LAFCO of Napa County

#### Composite Hourly Staff Rate Calculation as of July 1, 2009

##### Step One: Calculating Hourly Input Rates

###### Input No. 1: Staff Salaries

<u>Budgeted Position</u>	<u>Hourly Rate</u>	
Executive Officer	\$ 50.11	(Step Four: 1.0 FTE)
Staff Analyst	\$ 26.01	(Step One: 1.0 FTE)
Secretary	\$ 22.56	(Step Five: 0.5 FTE)

###### Input No. 2: Staff Benefits

<u>Benefit</u>	<u>Executive Officer</u>		<u>Staff Analyst</u>		<u>Secretary</u>	
Retirement (Pension)	\$ 9.81	\$	4.64	\$	3.86	\$
Retirement (OPEB)	\$ 1.67	\$	1.67	\$	1.61	\$
Medicare	\$ 0.81	\$	0.39	\$	0.33	\$
Health/Dental Insurance	\$ 6.05	\$	3.78	\$	15.40	\$
Car Allowance	\$ 2.54	\$	-	\$	-	\$
Cell Phone Allowance	\$ 0.43	\$	-	\$	-	\$
Total	\$ 21.32	\$	10.48	\$	21.20	\$

###### Input No. 3: Administrative Overhead Costs

<u>Overhead</u>	<u>Total Budget</u>		<u>Hourly Cost</u>	
Office Lease	\$ 29,280	\$	14.08	\$
Insurance	\$ 347	\$	0.17	\$
Communications	\$ 3,500	\$	1.68	\$
Legal Expense	\$ 24,990	\$	12.01	\$
ITS	\$ 18,705	\$	8.99	\$
EDMS/Website Support	\$ 4,575	\$	2.20	\$
Auditing Services	\$ 6,500	\$	3.13	\$
Training	\$ 4,000	\$	1.92	\$
Special Dept. Expenses	\$ 1,000	\$	0.48	\$
Office Supplies	\$ 15,000	\$	7.21	\$
Total	\$ 107,897	\$	51.87	\$

\* Total budget divided by the number of work hours for one fulltime employee in a year (2,080)

##### Step Two: Calculating Hourly Staff Rates Per Budgeted Position

<u>Input</u>	<u>Executive Officer</u>		<u>Staff Analyst</u>		<u>Secretary</u>	
Staff Pay	\$ 50.11	\$	26.01	\$	22.56	\$
Staff Benefit	\$ 21.32	\$	10.48	\$	21.20	\$
Overhead	\$ 51.87	\$	51.87	\$	51.87	\$
Total	\$ 123.30	\$	88.37	\$	95.63	\$

##### Step Three: Calculating a Weighted Hourly Staff Rate

<u>Factor</u>	<u>Executive Officer</u>		<u>Staff Analyst</u>		<u>Secretary</u>	
Staff Rate	\$ 123.30	\$	88.37	\$	95.63	\$
% Processing Proposal	40.0%		55.0%		5.0%	
<b>Weighted Staff Rate</b>	<b>\$</b>		<b>\$</b>		<b>102.71</b>	



**Local Agency Formation Commission of Napa County**  
LAFCO of Napa County

**Fixed Application Fees for Annexations and Detachments**  
**(LAFCO as Responsible Agency)**

Step	Process	Staff Hours (CEQA: Exemption)		Staff Hours (CEQA: Initial Study/ND)		Staff Hours (CEQA: EIR/ND)	
		With	Without	With	Without	With	Without
		<u>100 % Consent</u>	<u>100% Consent</u>	<u>100% Consent</u>	<u>100% Consent</u>	<u>100% Consent</u>	<u>100% Consent</u>
1	Initial Consultation	1.0	1.0	1.0	1.0	1.0	1.0
2	Receive and Set Up Proposal File	0.5	0.5	0.5	0.5	0.5	0.5
3	Preliminary Proposal Review	1.0	1.0	1.0	1.0	1.0	1.0
4	Preliminary CEQA Review	1.0	1.0	2.5	2.5	5.0	5.0
5	Prepare and Circulate Agency Review	2.0	2.0	2.0	2.0	2.0	2.0
6	Prepare and Circulate Property Tax Exchange Notice	1.5	1.5	1.5	1.5	1.5	1.5
7	Prepare and Circulate Request for Registered Voter List	-	2.0	-	2.0	-	2.0
8	Prepare and Circulate Status Letter	2.0	2.0	2.0	2.0	2.0	2.0
9	Prepare and Post Hearing Notice	-	1.5	-	1.5	-	1.5
10	Prepare Staff Report and Resolution	10.0	10.0	12.0	12.0	14.0	14.0
11	Review and Finalize Staff Report and Resolution	2.0	2.0	2.0	2.0	2.0	2.0
12	Prepare and Circulate Certificate of Filing	1.0	1.0	1.0	1.0	1.0	1.0
13	Commission Meeting	0.5	1.0	0.5	1.0	0.5	1.0
14	Prepare and Record Environmental Document	1.5	1.5	1.5	1.5	1.5	1.5
15	Prepare and Circulate Notice of Commission Action	1.0	1.0	1.0	1.0	1.0	1.0
16	Conducting Authority Proceedings	-	5.0	-	5.0	-	5.0
17	Finalize Resolution	1.0	1.0	1.0	1.0	1.0	1.0
18	Prepare and Record Certificate of Completion	1.5	1.5	1.5	1.5	1.5	1.5
19	Prepare and File Boundary Change with SBE	2.0	2.0	2.0	2.0	2.0	2.0
20	Close Proposal File and Scan Contents	2.0	2.0	2.0	2.0	2.0	2.0
Total Staff Hours:		31.5	40.5	35.0	44.0	39.5	48.5
Total Staff Hours Rounded:		30.0	40.0	35.0	45.0	40.0	50.0
Application Fee							
Staff Hours (@ \$103 Hourly Rate)		3,090.00	4,120.00	3,605.00	4,635.00	4,120.00	5,150.00
Municipal Service Review Surcharge (@ 20%)		618.00	824.00	721.00	927.00	824.00	1,030.00
		<b>\$ 3,708.00</b>	<b>\$ 4,944.00</b>	<b>\$ 4,326.00</b>	<b>\$ 5,562.00</b>	<b>\$ 4,944.00</b>	<b>\$ 6,180.00</b>



**Local Agency Formation Commission**  
**LAFCO of Napa County**

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

**Agenda Item No. 7a**  
**May 4, 2009 (Action)**

April 22, 2009

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer  
Brendon Freeman, Analyst

**SUBJECT: Authorization to Negotiate a Professional Services Agreement for Electronic Document Management System Design and Implementation**

The Commission will consider authorizing the Executive Officer to negotiate a professional services agreement with Incrementum to design and implement an electronic document management system in an amount not-to-exceed \$25,000.

---

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes Local Agency Formation Commissions (LAFCOs) to establish policies and procedures with respect to maintaining records. This includes designing and implementing a document management system to organize the storing and destruction of records consistent with national standards for governmental agencies.

**A. Discussion**

LAFCO of Napa County's ("Commission") current document management system consists of perpetually retaining records in their original paper form. The Commission retains nearly half of its records, which range from resolutions approving boundary changes to employee timesheets, in file cabinets located at its administrative office. The remaining records of the Commission are located at the County of Napa's storage facility.

At the June 4, 2008 meeting, the Commission adopted a final budget for 2008-2009. The final budget includes the allocation of \$25,000 to fund an electronic document management system to improve and formalize the management of agency records. The Commission directed staff to prepare and circulate a request for proposal (RFP) and return with a recommendation to approve a contract with a qualified consultant with respect to designing and implementing an electronic document management system consistent with the needs of the agency.

On February 4, 2009, staff prepared and circulated an RFP to design and implement a stand-alone electronic document management system to several local and national consulting firms. Staff also posted the RFP on the website. A total of 11 responses were received by the March 11, 2009 deadline. Staff reviewed each response and narrowed the list down to four finalists: AMI, ECS, Incrementum, and NEKO.

---

Juliana Inman, Vice Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
*Executive Officer*

On March 25, 2009, staff interviewed and ranked the four finalists based on the selection factors outlined in the RFP. These factors were weighted and included proposed scope of services (30%), implementation costs (25%), interviews (20%), annual maintenance costs (10%), experience (5%), references (5%), and responses to the questionnaires prepared by the County's Information Technology Services Department (5%).

## **B. Analysis**

Based on the factors outlined in the preceding section, staff believes Incrementum is the most qualified firm to design and implement the Commission's new electronic document management system. Incrementum's proposal was the most complete of the four finalists and will provide the Commission the ability to efficiently capture (importing and exporting), index, search, retrieve, and distribute documents using Laserfiche software. Incrementum's proposal was also the only one of the four finalists to include a module to copy and transfer stored documents to compact discs with integrated search and viewing capabilities enabling access on computers without requiring Laserfiche software. Additionally, while not the lowest bid of the four finalists, Incrementum's proposed cost of \$20,500 is reasonable given its extended scope of services and falls within the budgeted amount appropriated for the project.<sup>1</sup>

In discussing the project with Incrementum, staff believes it would be reasonable to authorize the expenditure of up to the full budgeted amount of \$25,000 to ensure adequate funds are available to cover sales tax, equipment shipping, and nominal service changes.

## **C. Recommendation**

Staff recommends the Commission take the following actions:

- 1) Authorize the Executive Officer to negotiate a contract with Incrementum to design and implement an electronic document management system consistent with its submitted written proposal for an amount not to exceed \$25,000; and
- 2) Authorize the Chair to execute the contract upon Commission Counsel approval.

Respectfully submitted,

---

Keene Simonds  
Executive Officer

---

Brendon Freeman  
Analyst

### Attachments:

- 1) Request for Proposal, dated February 4, 2009
- 2) Proposal from Incrementum (Commissioners Only)
- 3) Proposal from AMI (Commissioners Only)
- 4) Proposal from ESC (Commissioners Only)
- 5) Proposal from NEKO (Commissioners Only)

---

<sup>1</sup> Incrementum's proposed annual maintenance cost is \$2,223, which is adequately budgeted in 2009-2010.

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

### REQUEST FOR PROPOSAL (RFP)

---

### ELECTRONIC DOCUMENT MANAGEMENT SYSTEM: DESIGN AND IMPLEMENTATION

---

RFP Circulation Date:  
Wednesday, February 4, 2009

Proposal Submission Deadline:  
Wednesday, March 11, 2009

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

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

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

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



**This page has been left intentionally blank**

## TABLE OF CONTENTS

<b>Section</b>	<b>Page Number</b>
<b>I. Agency Profile.....</b>	<b>5</b>
<b>II. Proposal Description.....</b>	<b>5</b>
<b>III. Proposal Objective.....</b>	<b>5</b>
<b>IV. Proposal Timeline and Selection Process.....</b>	<b>5</b>
<b>V. Technical Requirements.....</b>	<b>6</b>
<b>VI. Proposal Cost and Schedule.....</b>	<b>7</b>
<b>VII. Proposal Requirements.....</b>	<b>7</b>
<b>VIII. Other Information.....</b>	<b>8</b>
<b>Attachment: Sample Professional Services Agreement</b>	<b>A</b>

---

**This page has been left intentionally blank**

## **I. AGENCY PROFILE**

The Local Agency Formation Commission (LAFCO) of Napa County is a political subdivision of the State of California with regulatory and planning responsibilities to coordinate the formation and development of local governmental agencies and services. LAFCO's regulatory duties include managing governmental boundary lines by approving or disapproving proposals involving the formation, expansion, or dissolution of cities and special districts. LAFCO also conducts studies to evaluate the level and range of local governmental services to inform and direct its regulatory duties.

LAFCO annually generates and receives a considerable amount of documentation relating to its regulatory and planning responsibilities. This includes certificates and resolutions confirming governmental boundary changes, which must be retained in perpetuity for legal purposes. Additional documents, such as studies and staff reports, must also be retained for historical records. It has been the practice of LAFCO to retain documents in their original paper form in onsite and offsite storage facilities. This practice, however, has proven inefficient and ineffective given a number of documents have been accidentally misplaced, lost, or destroyed.

## **II. PROPOSAL DESCRIPTION**

LAFCO is seeking proposals from qualified firms to design and implement an electronic document management system, hereinafter referred to as the "project." The scope of the project includes the (a) purchase, (b) set-up, and (c) training for all associated software and equipment necessary to support an electronic document management system.

## **III. PROPOSAL OBJECTIVE**

The underlying objective of the project is to allow LAFCO to efficiently scan and import documents into a central repository. The electronic document management system should include the ability to store, index, search, retrieve, and distribute documents. The electronic document management system should also be user-friendly while providing an appropriate level of security to protect against unauthorized use. Additionally, the electronic document management system should have the ability to transmit and archive data on compact discs.

## **IV. PROPOSAL TIMELINE AND SELECTION PROCESS**

All proposals must be submitted in writing to the LAFCO office no later than 5:00 P.M. on Wednesday, March 11, 2009. Proposals received after this date will not be considered. No changes or adjustments to the deadline shall be made without a written amendment to this RFP signed by the Executive Officer and circulated to all firms on the circulation list. Facsimile and e-mail proposals are not acceptable.

Consultants may submit questions seeking clarification or additional information regarding this RFP. Questions may be submitted by e-mail and directed to Keene Simonds at [ksimonds@napa.lafco.ca.gov](mailto:ksimonds@napa.lafco.ca.gov). All questions must be received no later than 5:00 P.M. on Wednesday, February 18, 2009. Responses will be sent to all firms on the RFP circulation list and posted on the LAFCO website no later than 5:00 P.M. on Wednesday, February 25, 2009.

LAFCO staff will review all written proposals received. Staff will rank each firm based on the content and quality of their written proposal. Specific evaluation factors include (a) project approach, (b) relevant work experience, (c) reference checks, (d) schedule, and (e) cost. Based on its review, staff will identify the written proposal that best meets the needs of LAFCO and will negotiate a final scope of services along with price and schedule with the selected firm. It is anticipated a professional services agreement with the selected firm will be presented to the LAFCO Board for approval at its Monday, April, 6, 2009 meeting.

Please note LAFCO reserves the right to adjust this timeline as it deems necessary. Notification of any timeline adjustments will be sent to all firms on the RFP circulation list and posted on the LAFCO website.

## **V. TECHNICAL REQUIREMENTS**

Nearly all documents imported by LAFCO are drawn from Microsoft Office applications, such as Word, Excel, and Outlook. The remaining imported documents are generally generated from ArcGIS and can be converted into a JPEG or TIFF.

Any electronic document management system must be compatible on PC-based client/server platform. The user interface must be programmed using Microsoft Windows standards and compatible with the following operating systems and technology:

- Windows 2003 Server
- Microsoft SQL Server 2005
- Windows XP, IE 6, or ID 7 on client PCs
- MS Exchange 2003 for e-mail service
- SMS management software
- Norton Enterprise Anti-virus software
- Veritas Backup Exec tape backup software.
- Product must be certified or in process for certification for MS Office

## VI. PROPOSAL COST AND SCHEDULE

LAFCO has budgeted \$25,000 in 2008-2009 for the project. Additional funds may be allocated to the project if deemed appropriate and available. LAFCO would like to complete the project by the end of the fiscal year, June 30, 2009. As mentioned, the final project cost and schedule will be negotiated with the selected firm.

## VII. PROPOSAL REQUIREMENTS

All proposals must be accompanied by a cover letter. The letter must identify the complete name of the firm submitting the proposal along with its federal identification number and designated contact person. The letter must summarize the proposed approach, cost, and schedule for the project. The letter must also include a statement acknowledging the firm has reviewed and accepted LAFCO's sample professional services agreement (Attachment A) with or without qualifications. If qualifications are involved, those items requiring adjustments must be identified along with suggested changes. If no qualifications are noted, LAFCO will assume the firm is capable of performing all normal managerial tasks and services without reservations or qualifications to the agreement.

As for the actual proposal, it should address the content sections presented below in narrative format. Information should be as concise as possible. Any supporting materials included with the proposal should be directly related to one of the content sections.

- **Firm Description and Summary of Qualifications**  
Provide a description of the firm, including type of business, years in business, and office location(s). Identify the key staff members that would be assigned to the project. Summarize the firm's qualifications to design and implement an electronic document management system.
- **Related Work Experience and References**  
Provide a summary of the firm's previous work experience in designing and implementing an electronic document management system. Provide a list of at least three (3) client references. The reference list must include the client name, location, and contact person with telephone number.
- **Proposed Scope of Services**  
Provide a proposed scope of services for the design and implementation of the electronic document management system. The proposed scope of services should divide the project into major tasks.
- **Proposed Cost**  
Identify a proposed not-to-exceed cost to complete the project. The proposed cost of the project should itemize each major task or product and include appropriate training for LAFCO staff. All hourly rates and fees should be clearly stated. Please identify additional post-project costs as appropriate, including annual licensing fees and technical support services.

- **Proposed Schedule**  
Identify an overall project schedule, including the timing of major work tasks.

Please provide one unbounded and three bounded copies of the proposal.

## VIII. OTHER PROPOSAL INFORMATION

The following information applies to this RFP:

- **Validation Period**  
Price quotations and other time dependent information contained in any proposal shall remain firm for a minimum of 90 days from the proposal submission deadline.
- **Property of LAFCO**  
All proposals received will become the property of LAFCO and will not be returned. LAFCO reserves the right to copy the materials for evaluation purposes.
- **Acknowledgement of Amendments**  
Each firm receiving a copy of this RFP shall acknowledge receipt of any subsequent amendment from LAFCO with their completed proposal.
- **Collusion Among Respondents**  
Each firm, by submitting a proposal, certifies it is not party to any collusive action relating to this RFP.
- **Exceptions**  
A firm taking exception to any part of this RFP shall indicate such exceptions in a separate section of their submitted proposal. Failure to indicate any exception will be interpreted as the firm's intent to comply fully with the requirements of this RFP.
- **Expenses Incurred**  
There is no expressed or implied obligation for LAFCO to reimburse firms for any expenses associated with this RFP.
- **Late Submissions**  
Any proposal received after 5:00 P.M. on Wednesday, March 11, 2009 will not be considered.
- **Nonconforming Terms and Conditions**  
Any proposal that includes terms and conditions that do not conform to this RFP is subject to rejection as non-responsive. LAFCO reserves the right to waive any informalities or minor irregularities in connection with proposals received. LAFCO reserves the right to permit a firm to withdraw non-conforming terms and conditions from their proposal prior to the Board taking action.

- **Withdrawal of Proposal**

Firms may withdraw all or portions of their proposal up to the ratification of a contract between LAFCO and the selected firm.

- **Withdrawal of RFP**

LAFCO retains the right to withdraw, modify, or amend this RFP at anytime.

- **Negotiated Contract**

A negotiated contract will be awarded to the consultant that best meets the proposed needs at a reasonable price. Although cost is a factor, LAFCO is under no obligation to award this project to the proposal that represents the lowest cost.

**SAMPLE PROFESSIONAL SERVICES AGREEMENT**

**AGREEMENT NO.** \_\_\_\_\_

**PROFESSIONAL SERVICES AGREEMENT**

**THIS AGREEMENT** is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the Local Agency Formation Commission of Napa LAFCO, a political subdivision of the State of California, hereinafter referred to as "LAFCO", and \_\_\_\_\_ **[TYPE IN LEGAL NAME OF CONTRACTOR; IF THE CONTRACTOR USES A FICTITIOUS BUSINESS NAME AS WELL, ADD "doing business as \_\_\_\_\_"; IF THE CONTRACTOR IS A CORPORATION, ADD THE STATE OF INCORPORATION BY SAYING, "a \_\_\_\_\_ corporation"]**, whose mailing [or business] address is \_\_\_\_\_, hereinafter referred to as "CONTRACTOR";

**RECITALS**

**WHEREAS**, LAFCO wishes to obtain specialized services, as authorized by \_\_\_\_\_, in order to \_\_\_\_\_; and

**WHEREAS**, CONTRACTOR is willing to provide such specialized services to LAFCO under the terms and conditions set forth herein;

**TERMS**

**NOW, THEREFORE**, LAFCO hereby engages the services of CONTRACTOR, and CONTRACTOR agrees to serve LAFCO in accordance with the terms and conditions set forth herein:

1. **Term of the Agreement.** The term of this Agreement shall commence on the date first above written and shall expire on \_\_\_\_\_, unless terminated earlier in accordance with Paragraphs 9 (Termination for Cause), 10 (Other Termination) or 23(a) (Covenant of No Undisclosed Conflict); except that the obligations of the parties under Paragraphs 7 (Insurance) and 8 (Indemnification) shall continue in full force and effect after said expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the Agreement, and the obligations of CONTRACTOR to LAFCO shall also continue after said expiration date or early termination in relation to the obligations prescribed by Paragraphs 15 (Confidentiality), 20 (Taxes) and 21 (Access to Records/Retention). **[IF THE TERM NEEDS TO ROLLOVER, ADD THE FOLLOWING]** The term of this Agreement shall be automatically renewed for an additional year at the end of each fiscal year, under the terms and conditions then in effect, unless either party gives the other party written notice of intention not to renew no less than thirty (30) days prior to the expiration of the then current term. Such notice of nonrenewal may be given on behalf of LAFCO by the Napa LAFCO Executive Officer or designee thereof. For purposes of this Agreement, "fiscal year" shall mean

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

the period commencing on July 1 and ending on June 30.

2. **Scope of Services.** CONTRACTOR shall provide LAFCO those services set forth in Exhibit "A", attached hereto and incorporated by reference herein.

3. **Compensation.**

(a) Rates. In consideration of CONTRACTOR's fulfillment of the promised work, LAFCO shall pay CONTRACTOR at the [rate of \_\_\_\_\_] **[OR, IF THERE IS MORE THAN A SINGLE RATE, USE THE FOLLOWING]** [at the rates set forth in Exhibit "B", attached hereto and incorporated by reference herein].

(b) Expenses. No travel or other expenses will be reimbursed by LAFCO. **[OR, USE THIS ALTERNATE LANGUAGE]** Travel and other expenses will be reimbursed by LAFCO upon submission of an invoice in accordance with Paragraph 4 at the rates and/or in accordance with the policy(s) set forth in Exhibit "B".

(c) Maximum Amount. Notwithstanding subparagraphs (a) and (b), the maximum payments under this Agreement **[ADD "per fiscal year" IF PARAGRAPH 1 HAS AN AUTOMATIC ROLLOVER]** shall be a total of \_\_\_\_\_ (\$\_\_\_\_\_) for professional services and \_\_\_\_\_ (\$\_\_\_\_\_) for expenses; provided, however, that such amounts shall not be construed as guaranteed sums, and compensation shall be based upon services actually rendered and expenses actually incurred. **[DELETE THE TWO REFERENCES TO EXPENSES IF (b) SAYS NO EXPENSES WILL BE REIMBURSED]**

4. **Method of Payment.**

(a) Invoices. All payments for compensation and reimbursement for expenses shall be made only upon presentation by CONTRACTOR to LAFCO of an itemized billing invoice in a form acceptable to the LAFCO Executive Director which indicates, at a minimum, CONTRACTOR's name, address, Social Security or Taxpayer Identification Number, itemization of the hours worked or, where compensation is on a per-task basis, a description of the tasks completed during the billing period, the person(s) actually performing the services and the position(s) held by such person(s), and the approved hourly or task rate. Requests for reimbursement shall also describe the nature and cost of the expense and the date incurred. CONTRACTOR shall submit invoices not more often than \_\_\_\_\_ to the

\_\_\_\_\_ **[INSERT POSITION TITLE]** who, after review and approval as to form and content, shall submit the invoice to the Napa County Auditor no later than fifteen (15) calendar days following receipt. **[DELETE ALL SENTENCES AND PHRASES IN THIS SUBPARAGRAPH WHICH REFER TO EXPENSES IF PARAGRAPH 3(b) DOES NOT PROVIDE FOR EXPENSE REIMBURSEMENT]**

(b) Legal status. So that LAFCO may properly comply with its reporting obligations under federal and state laws pertaining to taxation, if CONTRACTOR is or becomes a corporation during the term of this Agreement, proof that such status is currently recognized by and complies with the laws of both the state of incorporation or organization and the State of California, if different, shall be provided to the **[INSERT POSITION TITLE]** upon request in a form satisfactory to the LAFCO Executive Director. Such proof shall include, but need not be limited to, a copy of any annual or other periodic filings or registrations required by the state of origin or California, the current address for service of process on the corporation or limited liability partnership, and the name of any agent designated for service of process by

**SAMPLE PROFESSIONAL SERVICES AGREEMENT**

CONTRACTOR within the State of California.

5. **Independent Contractor.** CONTRACTOR shall perform this Agreement as an independent contractor. CONTRACTOR and the officers, agents and employees of CONTRACTOR are not, and shall not be deemed, LAFCO employees for any purpose, including workers' compensation and employee benefits. CONTRACTOR shall, at CONTRACTOR's own risk and expense, determine the method and manner by which duties imposed on CONTRACTOR by this Agreement shall be performed; provided, however, that LAFCO may monitor the work performed by CONTRACTOR. LAFCO shall not deduct or withhold any amounts whatsoever from the compensation paid to CONTRACTOR, including, but not limited to amounts required to be withheld for state and federal taxes. As between the parties to this Agreement, CONTRACTOR shall be solely responsible for all such payments.

6. **Specific Performance.** It is agreed that CONTRACTOR, including the agents or employees of CONTRACTOR, shall be the sole providers of the services required by this Agreement. Because the services to be performed by CONTRACTOR under the terms of this Agreement are of a special, unique, unusual, extraordinary, and intellectual or time-sensitive character which gives them a peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action of law, LAFCO, in addition to any other rights or remedies which LAFCO may possess, shall be entitled to injunctive and other equitable relief to prevent a breach of this Agreement by CONTRACTOR.

7. **Insurance.** CONTRACTOR shall obtain and maintain in full force and effect throughout the term of this Agreement, and thereafter as to matters occurring during the term of this Agreement, the following insurance coverage:

(a) Workers' Compensation insurance. To the extent required by law during the term of this Agreement, CONTRACTOR shall provide workers' compensation insurance for the performance of any of CONTRACTOR's duties under this Agreement, including but not limited to, coverage for workers' compensation and employer's liability and a waiver of subrogation, and shall provide LAFCO with certification of all such coverages upon request by LAFCO's Risk Manager.

(b) Liability insurance. CONTRACTOR shall obtain and maintain in full force and effect during the term of this Agreement the following liability insurance coverages, issued by a company admitted to do business in California and having an A.M. Best rating of A:VII or better or equivalent self-insurance:

1. General Liability. Commercial general liability [CGL] insurance coverage (personal injury and property damage) of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, covering liability or claims for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of CONTRACTOR or any officer, agent, or employee of CONTRACTOR under this Agreement. If the coverage includes an aggregate limit, the aggregate limit shall be no less than twice the per occurrence limit.

**[COMMENT: IF THIS IS A CONSTRUCTION CONTRACT, THE AGGREGATE LIMIT SHALL BE NO LESS THAN FIVE MILLION DOLLARS OR, IF CRANES ARE INVOLVED, NO LESS THAN TEN MILLION DOLLARS. CHECK WITH THE**

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

**LAFCO'S RISK MANAGER FOR THE CORRECT AGGREGATE AMOUNT, BEFORE LETTING BIDS BECAUSE THE AMOUNTS MUST BE STATED IN THE BID SOLICITATION, NOT JUST IN THE EVENTUAL CONTRACT DOCUMENT]**

2. Professional Liability/Errors and Omissions. Professional liability [or errors and omissions] insurance for all activities of CONTRACTOR arising out of or in connection with this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) per claim. **[NOTE: CONTACT LAFCO'S RISK MANAGER ABOUT WHETHER THIS TYPE AND AMOUNT OF INSURANCE IS RELEVANT TO THE SERVICES BEING PROVIDED. IF IT IS NOT, DELETE THE TEXT OF THIS SUBPARAGRAPH (2) AND ADD "[RESERVED]" NEXT TO THE NUMBER AND SUBHEADING. PROFESSIONAL LIABILITY INSURANCE IS GENERALLY ONLY REQUIRED WHERE CONTRACTOR PROVIDES LICENSED PROFESSIONAL SERVICES, WHEREAS ERRORS AND OMISSIONS INSURANCE MAY BE REQUIRED FOR CLAIMS ADJUSTMENT SERVICES AND CERTAIN OTHER SPECIALTIES.]**

3. Comprehensive Automobile Liability Insurance. Comprehensive automobile liability insurance (Bodily Injury and Property Damage) on owned, hired, leased and non-owned vehicles used in conjunction with CONTRACTOR's business of not less than THREE HUNDRED THOUSAND DOLLARS (\$300,000) combined single limit per occurrence.

(c) Certificates. All insurance coverages referenced in 7(b), above, shall be evidenced by one or more certificates of coverage or, with the consent of LAFCO's Risk Manager, demonstrated by other evidence of coverage acceptable to LAFCO's Risk Manager, which shall be filed by CONTRACTOR with the **[INSERT NAME OF LAFCO DEPARTMENT MANAGING THE AGREEMENT]** prior to commencement of performance of any of CONTRACTOR's duties; shall reference this Agreement by its LAFCO number or title and department; shall be kept current during the term of this Agreement; shall provide that LAFCO shall be given no less than thirty (30) days prior written notice of any non-renewal, cancellation, other termination, or material change, except that only ten (10) days prior written notice shall be required where the cause of non-renewal or cancellation is non-payment of premium; and shall provide that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, the coverage afforded applying as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability. For the commercial general liability insurance coverage referenced in 7(b)(1) and, where the vehicles are covered by a commercial policy rather than a personal policy, for the comprehensive automobile liability insurance coverage referenced in 7(b)(3) CONTRACTOR shall also file with the evidence of coverage an endorsement from the insurance provider naming LAFCO, its officers, employees, agents and volunteers as additional insureds and waiving subrogation, and the certificate or other evidence of coverage shall provide that if the same policy applies to activities of CONTRACTOR not covered by this Agreement then the limits in the applicable certificate relating to the additional insured coverage of LAFCO shall pertain only to liability for activities of CONTRACTOR under this Agreement, and that the insurance provided is primary coverage to LAFCO with respect to any insurance or self-insurance programs maintained by LAFCO. The additional insured endorsements for the general liability coverage shall use Insurance Services

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

Office (ISO) Form No. CG 20 09 11 85 or CG 20 10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following forms: CG 20 10 10 93 or 03 94. Upon request by LAFCO's Risk Manager, CONTRACTOR shall provide or arrange for the insurer to provide within thirty (30) days of the request, certified copies of the actual insurance policies or relevant portions thereof.

(d) Deductibles/Retentions. Any deductibles or self-insured retentions shall be declared to, and be subject to approval by, LAFCO's Risk Manager, which approval shall not be denied unless the LAFCO's Risk Manager determines that the deductibles or self-insured retentions are unreasonably large in relation to compensation payable under this Agreement and the risks of liability associated with the activities required of CONTRACTOR by this Agreement. At the option of and upon request by LAFCO's Risk Manager if the Risk Manager determines that such deductibles or retentions are unreasonably high, either the insurer shall reduce or eliminate such deductibles or self-insurance retentions as respects LAFCO, its officers, employees, agents and volunteers or CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

### 8. **Hold Harmless/Defense/Indemnification.**

(a) In General. To the full extent permitted by law, CONTRACTOR shall hold harmless, defend at its own expense, and indemnify LAFCO and the officers, agents, employees and volunteers of LAFCO from any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees, for personal injury (including death) or damage to property, arising from all acts or omissions of CONTRACTOR or its officers, agents, employees, volunteers, contractors and subcontractors in rendering services under this Agreement, including any patent or copyright infringements, but excluding, however, such liability, claims, losses, damages or expenses arising from the sole negligence or willful acts of LAFCO or its officers, agents, employees, volunteers, or other contractors or their subcontractors. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

(b) Employee Character and Fitness. CONTRACTOR accepts responsibility for determining and approving the character and fitness of its employees (including volunteers, agents or representatives) to provide the services required of CONTRACTOR under this Agreement, including completion of a satisfactory criminal/background check and period rechecks to the extent permitted by law. Notwithstanding anything to the contrary in this Paragraph, CONTRACTOR shall hold LAFCO and its officers, agents and employees harmless from any liability for injuries or damages resulting from a breach of this provision or CONTRACTOR's actions in this regard.

9. **Termination for Cause.** If either party shall fail to fulfill in a timely and proper manner that party's obligations under this Agreement or otherwise breach this Agreement and fail to cure such failure or breach within \_\_\_\_\_ ( ) days of receipt of written notice from the other party

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

describing the nature of the breach, the non-defaulting party may, in addition to any other remedies it may have, terminate this Agreement by giving \_\_\_\_\_ (\_\_) days prior written notice to the defaulting party in the manner set forth in Paragraph 13 (Notices). LAFCO hereby authorizes the LAFCO Executive Officer to make all decisions and take all actions required under this Paragraph to terminate this Agreement on behalf of LAFCO for cause.

**[NOTE: THE TOTAL OF THE TIME PERIODS IN PARAGRAPH 9 MUST BE SHORTER THAN THE TIME PERIOD IN PARAGRAPH 10 OR ELSE THE TEXT IN PARAGRAPH 9 SHOULD BE DELETED AND “[reserved]” INSERTED AFTER THE HEADING. FOR INSTANCE, IN PARAGRAPH 9, 10 DAYS TO CURE PLUS 5 DAYS NOTICE OF DEFAULT IS TYPICAL; IN PARAGRAPH 10, 30 DAYS IS USUAL, BUT THE PERIOD MAY NEGOTIATED TO BE LONGER IF, FOR EXAMPLE, CONTRACTOR HAS HAD TO HIRE SPECIFIC STAFF FOR THE PROJECT AND NEEDS TIME FOR LAYOFF OR REASSIGNMENT PROCEDURES]**

10. **Other Termination.** This Agreement may be terminated by either party for any reason and at any time by giving prior written notice of such termination to the other party specifying the effective date thereof at least \_\_\_\_\_ days prior to the effective date, as long as the date the notice is given and the effective date of the termination are in the same fiscal year; provided, however, that no such termination may be effected by LAFCO unless an opportunity for consultation is provided prior to the effective date of the termination. LAFCO hereby authorizes the LAFCO Executive Officer to make all decisions and take all actions required under this Paragraph to terminate this Agreement on behalf of LAFCO for the convenience of LAFCO.

11. **Disposition of, Title to and Payment for Work upon Expiration or Termination.**

(a) Upon expiration or termination of this Agreement, all finished or unfinished documents and other materials, if any, and all rights therein shall become, at the option of LAFCO, the property of and shall be promptly returned to LAFCO, although CONTRACTOR may retain a copy of such work for its personal records only. Unless otherwise expressly provided in this Agreement, any copyrightable or patentable work created by CONTRACTOR under this Agreement shall be deemed a “work made for hire” for purposes of copyright or patent law and only LAFCO shall be entitled to claim or apply for the copyright or patent thereof. **[ADD THE FOLLOWING LANGUAGE ONLY IF THE SERVICES INVOLVE DEVELOPMENT OF PREVIOUSLY PATENTED INVENTIONS OR PREVIOUSLY COPYRIGHTED SOFTWARE]** Notwithstanding the foregoing, upon expiration or termination of this Agreement, title to, ownership of, and all applicable patents, copyrights and trade secrets in the products developed or improved under this Agreement, shall remain with CONTRACTOR or any other person or entity if such person previously owned or held such patents, copyrights, and trade secrets, and such persons shall retain complete rights to market such product; provided, however, that LAFCO shall receive, at no additional cost, a perpetual license to use such products for its own use or the use of any consortium or joint powers agency to which LAFCO is a party. If the product involves a source code, CONTRACTOR shall either provide a copy of the source code to LAFCO or shall place the source code in an escrow account, at CONTRACTOR's expense, from which the source code may be withdrawn and used by LAFCO for the sole purpose of maintaining and updating the system dependent upon such

**SAMPLE PROFESSIONAL SERVICES AGREEMENT**

code when such use is necessary to prevent loss of service to LAFCO.

(b) CONTRACTOR shall be entitled to receive compensation for any satisfactory work completed prior to receipt of the notice of termination or commenced prior to receipt of the notice and completed satisfactorily prior to the effective date of the termination; except that CONTRACTOR shall not be relieved of liability to LAFCO for damages sustained by LAFCO by virtue of any breach of the Agreement by CONTRACTOR whether or not the Agreement expired or was otherwise terminated, and LAFCO may withhold any payments not yet made to CONTRACTOR for purpose of setoff until such time as the exact amount of damages due to LAFCO from CONTRACTOR is determined.

12. **No Waiver.** The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

13. **Notices.** All notices required or authorized by this Agreement shall be in writing and shall be delivered in person or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any mailed notice, demand, request, consent, approval or communication that either party desires to give the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Any notice sent by mail in the manner prescribed by this paragraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier.

LAFCO

CONTRACTOR

[Name]

[Name]

[Address]

[Address]

14. **Reserved.**

15. **Confidentiality.** Confidential information is defined as all information disclosed to CONTRACTOR which relates to LAFCO's past, present, and future activities, as well as activities under this Agreement. CONTRACTOR shall hold all such information as CONTRACTOR may receive, if any, in trust and confidence, except with the prior written approval of LAFCO, expressed through its \_\_\_\_\_ **[INSERT POSITION TITLE]**. Upon cancellation or expiration of this Agreement, CONTRACTOR shall return to LAFCO all written and descriptive matter which contains any such confidential information, except that CONTRACTOR may retain for its files a copy of CONTRACTOR's work product if such product has been made available to the public by LAFCO.

16. **No Assignments or Subcontracts.**

(a) **In general.** A consideration of this Agreement is the personal reputation of CONTRACTOR; therefore, CONTRACTOR shall not assign any interest in this Agreement or subcontract any of the services CONTRACTOR is to perform hereunder without the prior written consent of LAFCO, which shall not be unreasonably withheld. The inability of the

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

assignee to provide personnel equivalent in experience, expertise, and numbers to those provided by CONTRACTOR, or to perform any of the remaining services required under this Agreement within the same time frame required of CONTRACTOR shall be deemed to be reasonable grounds for LAFCO to withhold its consent to assignment. For purposes of this subparagraph, the consent of LAFCO may be given by the \_\_\_\_\_ **[INSERT POSITION TITLE]**.

(b) **Effect of Change in Status.** If CONTRACTOR changes its status during the term of this Agreement from or to that of a corporation, limited liability partnership, limited liability company, general partnership, or sole proprietorship, such change in organizational status shall be viewed as an attempted assignment of this Agreement by CONTRACTOR. Failure of CONTRACTOR to obtain approval of such assignment under this Paragraph shall be viewed as a material breach of this Agreement.

17. **Amendment/Modification.** Except as specifically provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties. In particular, only LAFCO, through its Commission in the form of an amendment of this Agreement, may authorize extra and/or changed work if beyond the scope of services prescribed by Exhibit "A". Failure of CONTRACTOR to secure such authorization in writing in advance of performing any of the extra or changed work shall constitute a waiver of any and all rights to adjustment in the contract price or contract time and no compensation shall be paid for such extra work.

18. **Interpretation; Venue.**

(a) **Interpretation.** The headings used herein are for reference only. The terms of the Agreement are set out in the text under the headings. This Agreement shall be governed by the laws of the State of California without regard to the choice of law or conflicts.

(b) **Venue.** This Agreement is made in Napa LAFCO, California. The venue for any legal action in state court filed by either party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement shall be in the Superior Court of California, LAFCO of Napa, a unified court. The venue for any legal action in federal court filed by either party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement lying within the jurisdiction of the federal courts shall be the Northern District of California. The appropriate venue for arbitration, mediation or similar legal proceedings under this Agreement shall be Napa LAFCO, California; however, nothing in this sentence shall obligate either party to submit to mediation or arbitration any dispute arising under this Agreement.

19. **Compliance with Laws.** CONTRACTOR shall observe and comply with all applicable Federal, State and local laws, ordinances, and codes. Such laws shall include, but not be limited to, the following, except where prohibited by law:

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

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

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

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

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

20. **Taxes.** CONTRACTOR agrees to file federal and state tax returns or applicable withholding documents and to pay all applicable taxes or make all required withholdings on amounts paid pursuant to this Agreement and shall be solely liable and responsible to make such withholdings and/or pay such taxes and other obligations including, without limitation, state and federal income and FICA taxes. CONTRACTOR agrees to indemnify and hold LAFCO harmless from any liability it may incur to the United States or the State of California as a consequence of CONTRACTOR's failure to pay or withhold, when due, all such taxes and obligations. In the event that LAFCO is audited for compliance regarding any withholding or other applicable taxes or amounts, CONTRACTOR agrees to furnish LAFCO with proof of payment of taxes or withholdings on those earnings.

21. **Access to Records/Retention.** LAFCO, any federal or state grantor agency funding all or part of the compensation payable hereunder, the State Controller, the Comptroller General of the United States, or the duly authorized representatives of any of the above, shall have access to any books, documents, papers and records of CONTRACTOR which are directly pertinent to the

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, CONTRACTOR shall maintain all required records for at least seven (7) years after LAFCO makes final payment for any of the work authorized hereunder and all pending matters are closed, whichever is later.

22. **Authority to Contract.** CONTRACTOR and LAFCO each warrant hereby that they are legally permitted and otherwise have the authority to enter into and perform this Agreement.

23. **Conflict of Interest.**

(a) Covenant of No Undisclosed Conflict. The parties to the Agreement acknowledge that they are aware of the provisions of Government Code section 1090, et seq., and section 87100, et seq., relating to conflict of interest of public officers and employees. CONTRACTOR hereby covenants that it presently has no interest not disclosed to LAFCO and shall not acquire any interest, direct or indirect, which would conflict in any material manner or degree with the performance of its services or confidentiality obligation hereunder, except as such as LAFCO may consent to in writing prior to the acquisition by CONTRACTOR of such conflict. CONTRACTOR further warrants that it is unaware of any financial or economic interest of any public officer or employee of LAFCO relating to this Agreement. CONTRACTOR agrees that if such financial interest does exist at the inception of this Agreement, LAFCO may terminate this Agreement immediately upon giving written notice without further obligation by LAFCO to CONTRACTOR under this Agreement.

(b) Statements of Economic Interest. CONTRACTOR acknowledges and understands that LAFCO has developed and approved a Conflict of Interest Code as required by state law which requires CONTRACTOR to file with the Elections Division of the Napa LAFCO Assessor-Clerk Recorder "assuming office", "annual", and "leaving office" Statements of Economic Interest as a "consultant", as defined in section 18701(a)(2) of Title 2 of the California Code of Regulations, unless it has been determined in writing that CONTRACTOR, although holding a "designated" position as a consultant, has been hired to perform a range of duties so limited in scope as to not be required to fully comply with such disclosure obligation.

By authorizing its Chair to execute this Agreement on its behalf, LAFCO's Commission hereby determines in writing on behalf of LAFCO that CONTRACTOR has been hired to perform a range of duties so limited in scope as to not be required to comply with such disclosure obligation.

24. **Non-Solicitation of Employees.** Each party agrees not to solicit for employment the employees of the other party who were directly involved in the performance of the services hereunder for the term of this Agreement and a period of six (6) months after termination of this Agreement except with the written permission of the other party, except that nothing in this Paragraph shall preclude either party from publishing or otherwise distributing applications and information regarding that party's job openings where such publication or distribution is directed to the public generally.

25. **Third Party Beneficiaries.** Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

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

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

28. **Entirety of Contract.** This Agreement, including any documents expressly incorporated by reference whether or not attached hereto, constitutes the entire agreement between the parties relating to the subject of this Agreement and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.

29. **Year 2000 Warranties and Assurances.**

**[USE THIS PARAGRAPH ONLY IF THE CONTRACTOR WILL BE WORKING ON, SUPPLYING OR RECOMMENDING ACQUISITION OF ANY SOFTWARE SYSTEMS OR EQUIPMENT CONTAINING OR SUSPECTED OF CONTAINING CLOCKS OR EMBEDDED CHIPS FUNCTIONING AS OR DEPENDENT UPON THE USE OF CLOCKS OR CALENDARS.]**

(a) CONTRACTOR warrants and represents to LAFCO that any property (including any software, firmware, hardware, equipment and systems, hereinafter referred to collectively as Systems) which is developed, purchased and/or installed based upon CONTRACTOR's recommendation, or programmed by or under the direction and control of CONTRACTOR or its officers, agents, or employees as part of the provision of the services required of CONTRACTOR under this Agreement shall be Year 2000 compliant in that:

- the Systems shall be designed to be used prior to, during, and after the calendar year 2000 A.D.
- the Systems shall operate consistently, predictably and accurately, without interruption or manual intervention, and in accordance with all requirements of this Agreement, including without limitation all specification and/or functionality and performance requirements, during each such time period, and transitions between them, in relation to dates the Systems encounter or process
- all date recognition and processing by the Systems shall include the four-digit-year format and shall correctly recognize and process the date of February 29, and any related data, during any Leap Years;
- all date sorting by the Systems that includes a "year category" shall be done based on the four-digit-year format
- to the extent that the Systems will accept data from other systems and sources that are not Year 2000 compliant, the Systems shall properly recognize, calculate, sort, store, output and otherwise process such data in a manner that eliminates any

## SAMPLE PROFESSIONAL SERVICES AGREEMENT

century ambiguity so that the Systems remain Year 2000 compliant.

(b) CONTRACTOR hereby expressly agrees that upon notification in writing by LAFCO of the failure of the Systems or any portion thereof to comply with the requirements set forth in (a) of this Paragraph, CONTRACTOR shall, with 60 days and at no cost to LAFCO, replace or correct the non-complying Systems or portion thereof with software, firmware, hardware, equipment or systems that comply with such requirements as well as with all other requirements of this Agreement.

(c) The warranties set forth in this Paragraph shall not be subject to any disclaimer or exclusion of warranties or to any limitation of CONTRACTOR's liability under any other provision of this Agreement; provided, however, that these warranties shall not apply if the licensing rights of third parties in the Systems prohibit LAFCO or CONTRACTOR from reprogramming the Systems in such a manner as to correct any identified Year 2000 compliance problems and if CONTRACTOR, upon detection of a Year 2000 non-compliance problem notifies LAFCO of such prohibition immediately following detection.

**IN WITNESS WHEREOF**, this Agreement was executed by the parties hereto as of the

**SAMPLE PROFESSIONAL SERVICES AGREEMENT**

date first above written.

**TYPE IN LEGAL NAME OF CONTRACTOR; IF THE CONTRACTOR USES A FICTITIOUS BUSINESS NAME AS WELL, ADD "doing business as \_\_\_\_\_" FOLLOWED BY THE FICTITIOUS BUSINESS NAME]**

By \_\_\_\_\_  
[NAME] , [Title]

**[IF CONTRACTOR IS A CORPORATION, EITHER ADD A SECOND SIGNATURE LINE AND MAKE SURE THAT ONE SIGNATURE IS BY THE CORPORATION'S PRESIDENT, VICE-PRESIDENT OR CHAIRMAN AND THE OTHER IS BY THE SECRETARY, TREASURER OR CHIEF FINANCIAL OFFICER OR OBTAIN AUTHORIZATION FROM THE CORPORATION FOR A SINGLE PERSON OR POSITION TO SIGN THE CORPORATION'S CONTRACTS]**

By \_\_\_\_\_  
[NAME] , [Title]

"CONTRACTOR"

Local Agency Formation Commission of Napa County, a political subdivision of the State of California

By \_\_\_\_\_  
 , Commission Chair

"LAFCO"

ATTEST: Clerk of LAFCO

By: \_\_\_\_\_

**APPROVED AS TO FORM**  
Commission Counsel  
By: \_\_\_\_\_  
Date: \_\_\_\_\_

**APPROVED BY LAFCO**  
Date: \_\_\_\_\_  
Processed by: \_\_\_\_\_  
Clerk of LAFCO





**Local Agency Formation Commission**  
**LAFCO of Napa County**

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

**May 4, 2009**

**Agenda Item No. 8a (Discussion)**

April 28, 2009

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer  
Brendon Freeman, Analyst

**SUBJECT: Southeast Napa County: Municipal Service Review**

The Commission will receive a municipal service review report on the southeast county region. The report is in draft-form and is being presented to the Commission for discussion.

---

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update each local agency's sphere of influence every five years as needed. As a prerequisite to sphere reviews, LAFCOs must prepare municipal service reviews to determine the adequacy and range of governmental services provided within their respective jurisdictions. The intent of the municipal service review is to evaluate the adequacy, efficiency, and effectiveness of services in relationship to local needs and circumstances. The municipal service review includes LAFCOs making determinations on a range of service and organizational issues and may lead the agency to take other actions under its authority.

**A. Discussion**

In accordance with LAFCO of Napa County's ("Commission") adopted study schedule, the attached report represents the municipal service review of the southeast county region. The report examines the level and range of governmental services provided in the region, which consists of all lands south of the Soscol Ridge, east of the Napa River, and west and north of Solano County. The three main local agencies operating in the region and evaluated in the report are the City of American Canyon, American Canyon Fire Protection District (ACFPD), and County Service Area (CSA) No. 3.

The report is being presented to the Commission for discussion. Staff will provide a brief presentation highlighting the key service and policy issues discussed in the report. A notice of review on the report has already been circulated to interested parties and posted on the website. Staff anticipates presenting a final report, with or without revisions, to the Commission for consideration at its next regularly scheduled meeting.

---

Juliana Inman, Vice Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
*Executive Officer*

**B. Commission Review**

Staff respectfully requests the Commission review and provide any comments or direction with respect to the report.

Attachment: as stated

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

---

### MUNICIPAL SERVICE REVIEW: SOUTHEAST NAPA COUNTY

---

#### **Agencies Evaluated:**

City of American Canyon  
American Canyon Fire Protection District  
County Service Area No. 3

#### **Draft Report May 2009**

#### **Prepared by:**

#### **LAFCO of Napa County**

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

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

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

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



**This page has been left intentionally blank for photocopying**

## TABLE OF CONTENTS

Section	Page
<b>I. INTRODUCTION</b>	
<b>A. Local Agency Formation Commissions</b> .....	4
<b>B. Municipal Service Reviews</b> .....	4
<b>C. South Napa County</b> .....	5
<b>II. EXECUTIVE SUMMARY</b>	
<b>A. Overview</b> .....	8
<b>B. Determinations</b> .....	9
Present and Planned Capacities of Public Facilities.....	9
Growth and Population Projections.....	10
Financial Ability of Agencies to Provide Service.....	11
The Status and Opportunities for Shared Facilities.....	11
Accountability for Community Service Needs.....	11
Relationship with Regional Growth Goals and Policies.....	12
<b>III. AGENCY REVIEWS</b>	
<b>A. City of American Canyon</b>	
Overview.....	14
Formation and Development.....	14
Adopted Commission Boundaries.....	15
Population and Growth.....	15
Organizational Structure.....	18
Municipal Services.....	20
Financial.....	32
<b>B. American Canyon Fire Protection District</b>	
Overview.....	36
Formation and Development.....	36
Adopted Commission Boundaries.....	37
Population and Growth.....	38
Organizational Structure.....	40
Municipal Services.....	40
Financial.....	42
<b>C. County Service Area No. 3</b>	
Overview.....	46
Formation and Development.....	46
Adopted Commission Boundaries.....	46
Population and Growth.....	47
Organizational Structure.....	50
Municipal Services.....	51
Financial.....	53

**IV. SOURCES**

<b>A. American Canyon.....</b>	<b>56</b>
<b>B. ACFPD.....</b>	<b>57</b>
<b>C. CSA No. 3.....</b>	<b>57</b>
<b>D. Other Agencies.....</b>	<b>58</b>

**APPENDICES**

	<b>No.</b>
Government Code Section 56430.....	A
Commission Policy on Municipal Service Reviews.....	B
American Canyon General Plan Land Use Map.....	C
American Canyon General Plan Urban Limit Line Map.....	D
County of Napa General Plan Land Use Map.....	E
County Service Area No. 3 Benefit Zones.....	F

**FIGURES**

	<b>Page</b>
Map of Southeast Region.....	6
Map of American Canyon.....	16
Map of American Canyon Fire Protection District.....	39
Map of County Service Area No. 3.....	48

## **I. INTRODUCTION**

### **A. Local Agency Formation Commissions**

Local Agency Formation Commissions (LAFCOs) are political subdivisions of the State of California and are responsible for administering a section of Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are located in all 58 counties in California and delegated regulatory and planning responsibilities to coordinate the logical formation and development of local governmental agencies and their services while protecting agricultural and open space resources. Key regulatory duties include approving proposals involving the creation, expansion, and dissolution of cities and special districts. LAFCOs inform their regulatory duties through a range of planning activities. This includes establishing and updating spheres of influence for all cities and special districts. Markedly, spheres of influence outline the territory LAFCO believes represents the appropriate future jurisdictional boundaries and service areas of local agencies. All jurisdictional changes, such as annexations, must be consistent with the spheres of influence of the affected local agencies with limited exceptions.

### **B. Municipal Service Reviews**

As part of the aforementioned Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, LAFCOs are now required to prepare municipal service reviews in conjunction with updating each local agency's sphere of influence every five years as needed. The legislative intent of municipal service review is to inform LAFCOs with regard to the availability and sufficiency of governmental services provided within their respective jurisdictions prior to making sphere of influence determinations. Municipal service reviews vary in scope and can focus on particular agency, service, or geographic region. Municipal service reviews may also lead LAFCO to take other actions under its authority, such as initiating a reorganization involving two or more special districts. All municipal service reviews, however, must include written statements making determinations with respect to the following six factors pursuant to Government Code (G.C.) Section 56340.

1. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
2. Growth and population projections for the affected area.
3. Financial ability of agencies to provide services.
4. Status of, and opportunities for, shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by commission policy.

### C. Southeast Napa County

This report represents LAFCO of Napa County's ("Commission") scheduled municipal service review of the southeast county region. The report examines the level and range of governmental services provided in the region, which consists of all lands south of the Soscol Ridge, east of the Napa River, and west and north of Solano County. The three main local agencies operating in the region and evaluated in this report are the City of American Canyon, American Canyon Fire Protection District (ACFPD), and County Service Area (CSA) No. 3.<sup>1</sup>

The report has been prepared in a manner consistent with the Commission's *Policy on Municipal Service Reviews* and is organized into two principal sections. The first section is an executive summary addressing the overall adequacy, efficiency, and effectiveness of governmental services provided in the region. This includes making determinations with respect to the factors the Commission is required to address as part of its municipal service review mandate. The second section includes individual reviews of the three affected local agencies operating in the region. Specific issues examined in these individual reviews include formation and development, population and growth, organizational structure, municipal service provision, and financial. Standard service indicators as well as regional comparisons are incorporated into the individual reviews when appropriate to help contextualize and evaluate service levels.

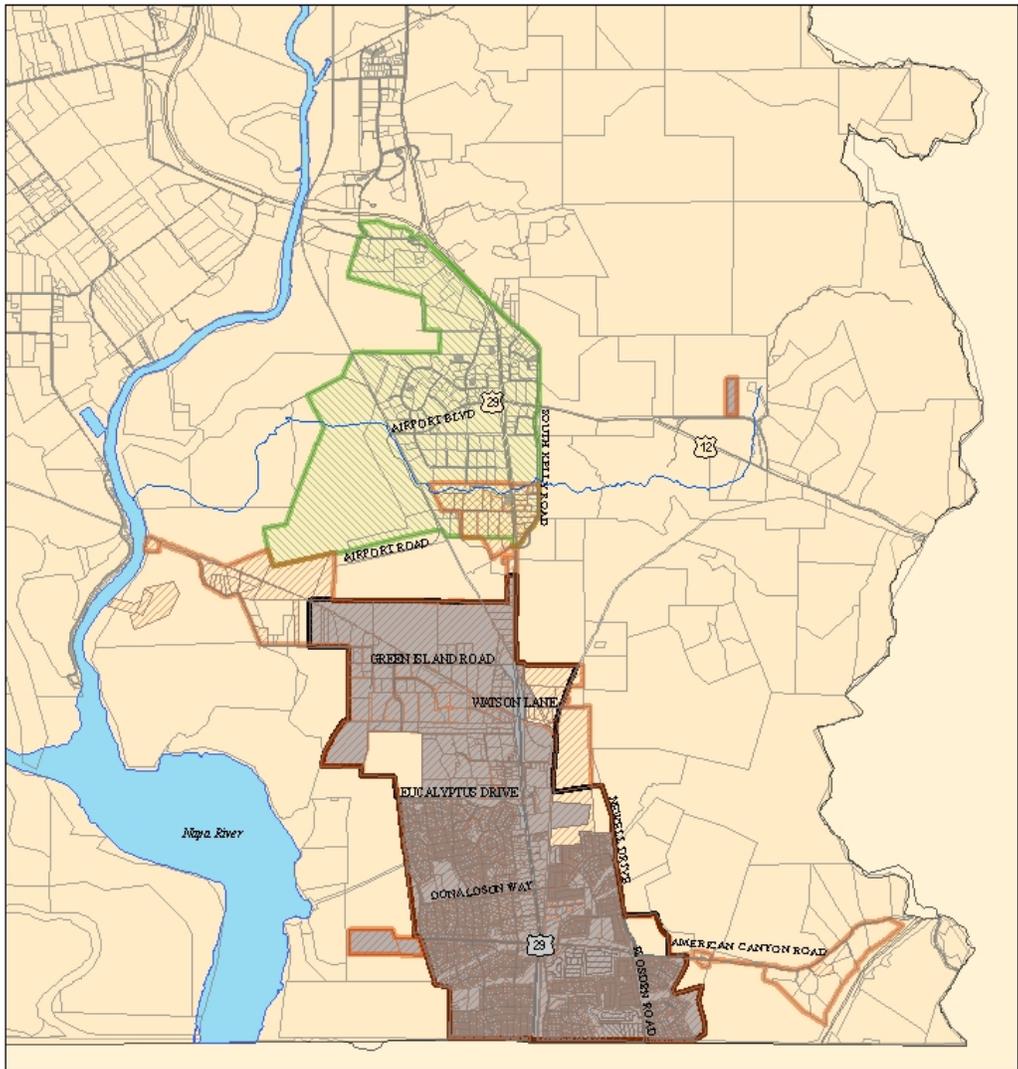
The main objective of the report is to develop and expand the Commission's knowledge and understanding of the current and planned provision of local government services in the region. The Commission will use the report to inform its decision-making as it relates to performing subsequent sphere of influence updates for all three affected local agencies. The Commission will also use the report in evaluating future boundary change proposals in the region.

---

<sup>1</sup> The Napa Sanitation District (NDS) provides sewer service south of the Soscol Ridge to unincorporated lands associated with the Napa County Airport and Chardonnay Golf Club. LAFCO is scheduled to review NSD as part of its "Central Napa County" municipal service review calendared for 2010-2011.

Figure One

### Southeast County Region American Canyon, ACFPD, and CSA No. 3



**Legend**

- City of American Canyon Jurisdictional Boundary
- City of American Canyon Sphere of Influence
- ACFPD Jurisdictional Boundary
- ACFPD Sphere of Influence
- CSA No. 3 Jurisdictional Boundary
- CSA No. 3 Sphere of Influence



0 0.375 0.75 Miles

March 20, 2009  
Prepared by EF



**LAFCO of Napa County**  
1700 Second Street, Suite 268  
Napa, California 94959  
<http://napa.lafco.ca.gov>

**This page has been left intentionally blank for photocopying**

## II. EXECUTIVE SUMMARY

### A. Overview

Napa County's southeast region has experienced significant growth over the last 10 years. This growth is evident in the region's population, which has increased by more than two-thirds from an estimated 9,497 to 16,347. Comparatively, the rest of Napa County has experienced a population increase over the same period of less than one-tenth from an estimated 111,048 to 120,357. The primary factors contributing to the region's growth have been the continued development of American Canyon and the Napa County Airport area. The development of these two distinct communities has not only contributed to the region's growth in terms of population and building but also in expanding the level and range of municipal services to accommodate increasing demands. The relationship is best illustrated by considering the increase demand for water, which is provided throughout the region by American Canyon. During the last 10 years, water demands in the region have more than doubled from 1,761 to 3,953 acre-feet. This increase of 2,192 acre-feet in water demands roughly equals the size of Bell Canyon Reservoir in St. Helena.

This report identifies the three local agencies responsible for directly supporting the region's growth, American Canyon, ACFPD, and CSA No. 3, have generally established adequate administrative controls and service capacities consistent with the needs of their communities. This includes all three agencies making considerable investments in expanding public infrastructure and facilities to accommodate their growing constituencies. Prominent examples include American Canyon building a wastewater treatment plant and administrative center as well as partnering with ACFPD on a new joint-use public safety facility. The investment in new public infrastructure and facilities in the region has largely been funded by increasing development-related revenues, such as property taxes, special parcel assessments, and building fees. Notably, American Canyon and ACFPD's annual shares of property tax revenues have increased by 326% and 239%, respectively, during the last 10 years. These amounts represent the largest percentage increases in property tax revenues for all cities and special districts in Napa County.

Given all three agencies in the region are largely dependent on development-related revenues, the current downturn in the economy and its impact in declining property values presents new and considerable challenges in balancing costs with available funding. Effective financial management in the years leading up to the current downturn has positioned all three agencies to rely on accumulated reserves to absorb spending shortfalls in the short-term. Further, all three agencies currently have fund balances representing more than 20% of their operating costs, which exceeds the national standard of 10%. The longer the downturn persists, however, the more likely capital improvements will need to be deferred and service levels reduced. Additionally, while the downturn has decreased the volume of activity, it is still expected the region will continue to experience the largest percentage of growth in Napa County over the next several years as several vested projects materialize. This includes several non-residential projects that will further diversify land uses in the region, such as the Town Center and Monticello Resort. Importantly, this anticipated growth will continue to generate new and increasing demands for municipal services.

## B. Determinations

As mentioned, as part of the municipal service review process, the Commission must prepare written determinations addressing the service factors enumerated under G.C. Section 56430. The service factors range in scope from considering infrastructure needs and deficiencies to relationships with growth management policies. The determinations serve as statements or conclusions and are based on information collected, analyzed, and presented in the individual agency reviews.

### **Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.**

- American Canyon, ACFPD, and CSA No. 3 have made considerable investments in their public facilities over the last several years to improve the level and range of their respective services in the region.
- American Canyon has made a concerted effort to address the service needs of the unincorporated territory located within its adopted urban limit line. This planning effort provides reasonable assurances American Canyon is capable of efficiently extending services to annexed territory within its urban limit line without adversely affecting existing constituents.
- American Canyon is the only public water service provider in the region and has contracted adequate supplies to meet the current and future needs under normal conditions within the timeframe of this review. These contracted supplies, however, are not sufficient to meet current or future water demands during dry-year conditions when significant cutbacks are made to the State Water Project.
- American Canyon has been diligent in addressing anticipated shortfalls in water supplies during dry-years by proactively purchasing additional supplies as needed. This practice, however, is becoming increasingly expensive and is not recovered by American Canyon through its water service rates.
- American Canyon requires infrastructure improvements to expand its water treatment and storage capacities to independently accommodate existing and future peak demands in the region. In the absence of these improvements, American Canyon's water system is subject to pressure losses and service interruptions during high-demand periods.
- American Canyon is the primary public sewer service provider in the region and has established adequate collection, treatment, and discharge capacities to meet current and future service demands within the timeframe of this review.
- American Canyon's contract with the County of Napa's Sheriff Department for staffing resources provides an appropriate and flexible level of police protection services in the City.

- ACFPD and CSA No. 3 have established effective fire protection services in their respective jurisdictions as measured by their current response times, which both average less than five minutes from dispatch to arrival. These average response times are within the national standard of six minutes and demonstrate both agencies are meeting the service demands in their jurisdictions in an efficient and timely manner.
- CSA No. 3 should adopt and incorporate a standard response time into their contract with the County of Napa for fire protection services. The adoption of a standard response time will help CSA No. 3 measure and manage fire protection resources within its jurisdiction.
- The majority of intersections along State Highway 29 in the region are operating at unacceptable levels of service resulting in significant traffic congestion during peak commute hours. Addressing these deficiencies is critical to improving quality of life for affected commuters and residents. Actual solutions will require considerable funding as well as cooperation between state and local agencies in implementing coordinated traffic circulation improvements in the region.

#### **Growth and population projections for the affected area.**

- The region has experienced an approximate two-thirds increase in population over the last five years. This increase has made the region one of the fastest growing areas in terms of percentages in the Bay Area.
- The significant rise in the region's population over the last five years directly corresponds with an influx of new residential construction in American Canyon, which increased its total number of housing units from 3,246 to 5,591. Nearly four-fifths of the new housing in American Canyon involves single-family residences.
- American Canyon will continue to develop given its land supply and expanding job market. However, it is reasonable to project the current downturn in the economy will reduce American Canyon's population increase relative to recent years to no more than 2.0% annually over the next several years. This projection will result in American Canyon's population reaching an estimated 17,989 by 2013.
- CSA No. 3's jurisdiction has experienced an approximate one-fifth increase in building square feet over the last five years. A review of existing entitlements in CSA No. 3 indicate this growth will continue as nearly all vacant land within its jurisdiction is already tied to an approved or underway project.
- The region has experienced the development of its first four hotels over the last five years. If fully occupied, these hotels are expected to produce an estimated visitor serving population of 824 and will produce new impacts on the region's service infrastructure.

**Financial ability of agencies to provide services.**

- American Canyon, ACFPD, and CSA No. 3 have prudently managed their finances over the last several years allowing the agencies to utilize accumulated reserves to help absorb cost-increases while maintaining service levels during the current economic downturn.
- American Canyon, ACFPD, and CSA No. 3 are in relatively good financial standing given the agencies are expected to finish the current fiscal year with reserves equaling 20% or more of their respective operating costs. Additionally, these agencies have very low debt-to-equity ratios, indicating healthy capital structures.
- American Canyon and ACFPD are dependent on property taxes to fund significant portion of their services. This dependency makes these agencies particularly vulnerable to reducing costs the longer the current economic downturn continues given its negative impact on new building construction and assessed values in the region.
- The extent of the current economic downturn's impact on the region is illustrated by the estimated 1.8% loss in total assessed values in American Canyon since 2007-2008. This estimate represents the first decline in overall assessed values in American Canyon since its incorporation.

**Status of, and opportunities for, shared facilities.**

- American Canyon, ACFPD, and CSA No. 3 actively partner with other local public and private entities to share facilities and resources. These efforts strengthen social and economic ties while expanding and economizing services throughout the region.

**Accountability for community service needs, including governmental structure and operational efficiencies.**

- American Canyon and ACFPD's meetings are conducted together on the first and third Tuesday of each month and broadcast on local public access television. These regularly scheduled meetings provide an opportunity for the agencies' constituents to ask questions of their representatives and help ensure service information is being effectively communicated to the public.
- The County of Napa conducts the business of CSA No. 3 as needed. Given the lack of meetings, CSA No. 3 should consider establishing a website dedicated to agency business to help inform and engage its constituents.

**Relationship with regional growth goals and policies.**

- American Canyon and the County of Napa recently negotiated an agreement regarding the planned development of the City. The agreement includes American Canyon reducing its urban limit line in exchange for the County supporting the City's request on file with the Commission to amend the sphere of influence to match the revised urban limit line. This agreement represents a collaborative effort by the agencies to establish shared value and vision with regard to regional growth goals and policies.
- CSA No. 3 serves a key role in facilitating the implementation of the County of Napa's Airport Industrial Area Specific Plan with respect to providing organized fire protection and street maintenance services for the affected community.

**This page has been left intentionally blank for photocopying**

### III. AGENCY REVIEWS

#### A. City of American Canyon

##### Overview

The City of American Canyon was incorporated in 1992 and provides a full range of municipal services either directly or through outside contractors with limited exceptions. American Canyon has a current operating budget of \$16.48 million with 75 fulltime employees. American Canyon is the second largest municipality in Napa County and has been one of the fastest growing communities in the Bay Area as measured by percentage change with an average annual population increase of 7.2% over the last 10 years. American Canyon's current population is estimated at 16,293 by the California Department of Finance.

##### Formation and Development

American Canyon's development began in the early 1900s as the unincorporated community transitioned from agriculture and cattle grazing to rural residential and industrial land uses. In the 1950s, after decades of nominal growth, the community's first residential subdivision was constructed (Rio Del Mar) and the population reached an estimated 1,000 by 1960. As the population increased, a collective need for organized community services emerged resulting in the creation of ACFPD and American Canyon County Water District (ACCWD) in 1959 and 1961, respectively. The creation of these two independent special districts established local fire protection, water, and sewer services within the community and helped facilitate a relatively rapid increase in growth and development over the next several years. A third special district, CSA No. 1, was formed in 1967 by the County Board of Supervisors to provide public street lighting services in the community. Markedly, the community's population between 1960 and 1970 more than tripled to 3,800.

In 1980, local residents petitioned the Commission to incorporate American Canyon. This incorporation attempt was approved by the Commission but subsequently terminated after receiving only one-fourth support from voters. A second incorporation petition was filed with the Commission in 1990. This second incorporation attempt was also approved by the Commission and confirmed by voters after receiving nearly two-thirds support from voters. The incorporation included dissolving CSA No. 1, merging ACCWD into American Canyon, and reorganizing ACFPD as a subsidiary of the City.

Since incorporation, American Canyon has been actively expanding the scope and level of its municipal services to meet the increasing needs of its constituents while becoming more self-supporting. In 1994, American Canyon sought and obtained the dissolution of a joint-powers authority with the Napa Sanitation District in order to begin providing its own wastewater treatment services rather than rely on the District's facilities. The dissolution agreement enabled American Canyon to continue to send wastewater to the District for treatment until construction on the City's own wastewater treatment facility was completed in 2002. At the same time, American Canyon restructured its contract with the County Sheriff Department to establish the City's own police department. More recently, American Canyon has expanded recreational services within the City to include a fully developed park system and a new community center with a public pool.

## Adopted Commission Boundaries

American Canyon's jurisdictional boundary is approximately 4.9 square miles or 3,114 acres in size. The Commission has approved a total of six jurisdictional changes involving American Canyon since its incorporation in 1992. All six jurisdictional changes have involved annexations totaling 830.2 acres and are identified below.

### Approved Jurisdictional Changes involving American Canyon

(Source: LAFCO)

Proposal Name	Type	Acres	Completion Date
American Canyon Road/ Flosden Road	Annexation	244.1	May 4, 1998
Flosden Road Extension	Reorganization	157.2	November 17, 1999
American Canyon Road/Flosden Road	Reorganization	4.8	April 25, 2003
Green Island Road No. 2	Reorganization	7.5	July 6, 2004
Wastewater Treatment Plant	Reorganization	58.5	March 3, 2005
Green Island Road No. 3	Reorganization	358.1	April 6, 2005

\* All proposals cited as reorganizations involved concurrent annexations to ACFPD.

American Canyon's jurisdictional boundary is approximately 60% coterminous with its adopted sphere of influence. The sphere of influence was comprehensively updated by the Commission in 2004 and includes a total of 302.8 unincorporated acres. These unincorporated acres are concentrated within four distinct areas and summarized below.

### Unincorporated Areas within American Canyon's Sphere of Influence

(Source: LAFCO)

Location Description	Acres	Current Land Use
State Highway 29/Watson Lane	76.7	Residential
American Canyon Road/Newell Drive	49.5	Under Construction: School Site
Eucalyptus Drive/Wetlands Edge Drive	106.6	Undeveloped
State Highway 29/Poco Way	70.0	Undeveloped

## Population and Growth

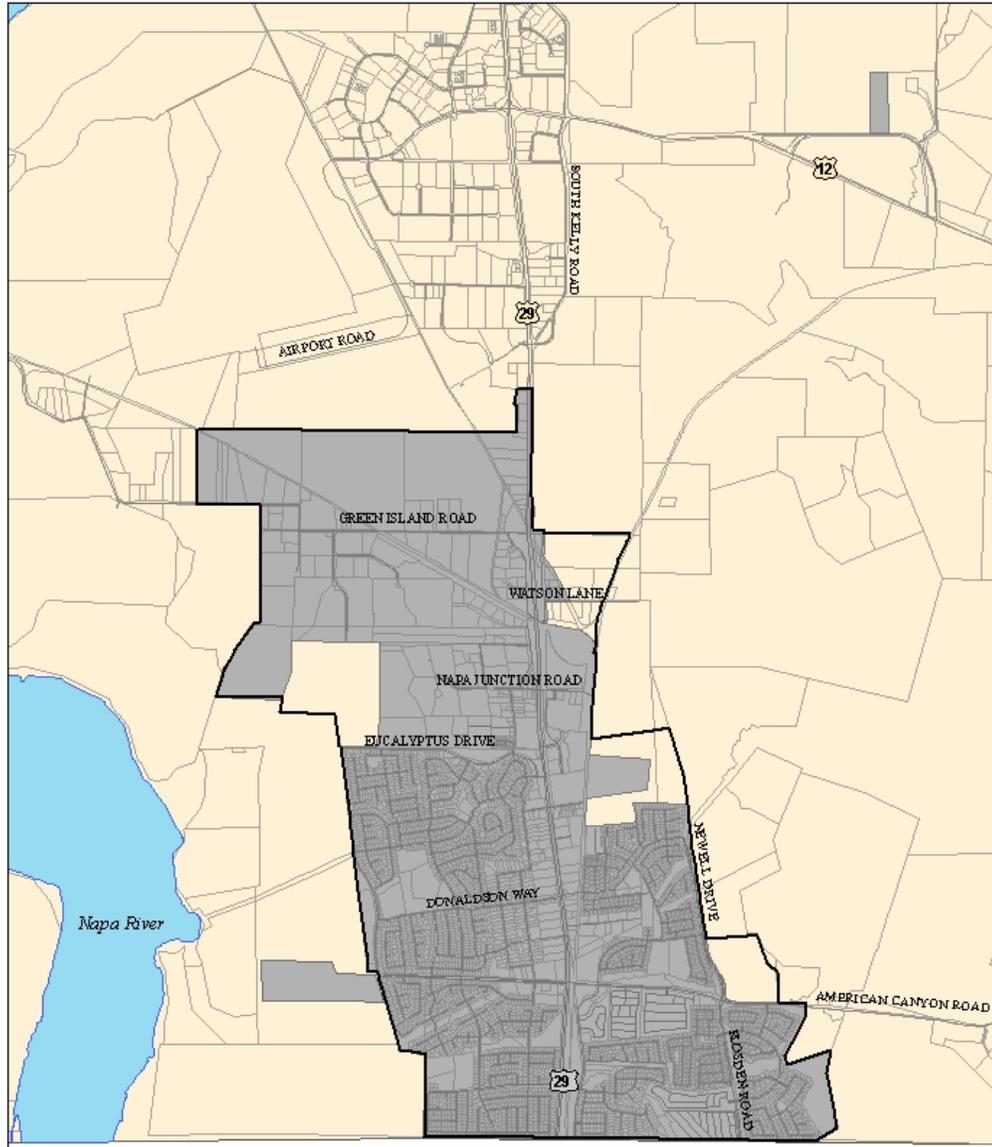
### *Residential*

American Canyon's current resident population is estimated at 16,293. Although one of the smaller cities in the region, American Canyon has experienced a 72% overall rise in population over the last 10 years and the fourth highest percentage increase among all 101 cities in the Bay Area.<sup>2</sup> The population increase directly corresponds with an influx of new residential construction in American Canyon during the period, which increased its total number of housing units from 3,246 to 5,591. Nearly four-fifths of all new housing units added in American Canyon during this period were single-family residences. This includes the construction of nine subdivisions each with 100 or more single-family residential units. Additionally, within the last two years, American Canyon experienced an increase in multi-family residences with the construction of Vineyard Crossing and the Lodge at Napa Junction. These two projects have collectively produced 360 new apartment units.

<sup>2</sup> Between 1998 and 2008, only Brentwood (Contra Costa), Rio Vista (Solano), Dublin (Alameda) have experienced a larger percentage increase in population than American Canyon at 214%, 119%, and 91%, respectively.

Figure Two

City of American Canyon



**Legend**

-  City of American Canyon Jurisdictional Boundary
-  City of American Canyon Sphere of Influence



0 0.25 0.5 Miles

March 20, 2009  
Prepared by EF



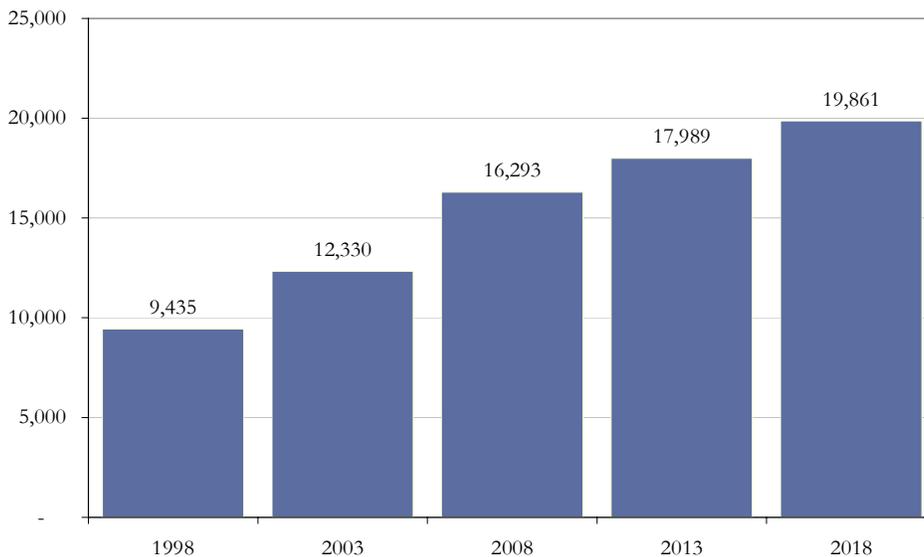
**LAFCO of Napa County**  
1700 Second Street, Suite 268  
Napa, California 94559  
<http://napalafco.ca.gov>

Residential projects approved by American Canyon but awaiting construction include the final buildout of Vintage Ranch, which will involve the creation of 250 single-family residences. Other approved projects include the Village at Vintage Ranch and Valley Vista and will involve the construction of 164 multi-family and 35 single-family residences, respectively. These three approved projects are expected to produce an overall increase to American Canyon's population of approximately 1,302.<sup>3</sup>

In terms of future residential growth, the Association of Bay Area Governments (ABAG) requires American Canyon to accommodate 728 new housing units as part of its updated Housing Element for the 2007-2014 period. This amount represents slightly more than one-tenth of American Canyon's existing housing supply and one-fifth of the total number of new housing units assigned by ABAG among all six land use authorities in Napa County. American Canyon reports it has recently completed a land survey in anticipation of preparing a draft update to its Housing Element indicating the City has sufficient supply of residentially-zoned sites to accommodate its housing unit assignments for the 2007-2014 period.

Although American Canyon will continue to develop given its land supply and increasing job market, it is reasonable to assume the current downturn in the economy will reduce the City's annual population increase relative to recent years. This reduction is already reflected in the most recent collected data, which estimates American Canyon's population increased by only 2.3% between 2007 and 2008. This amount represents a sharp decline from the estimated 6.9% increase in American Canyon's population between 2006 and 2007. Accordingly, for the purpose of this review, it is reasonable to assume American Canyon's population will increase over the next 10 years by no more than 2.0% annually. The following chart provides estimates for American Canyon's recent, current, and future population.

**Population Projections for American Canyon**



<sup>3</sup> Population estimates for the three approved residential development projects based on a per unit factor of 2.9.

## ***Non Residential***

The majority of non-residential growth and development in American Canyon consists of commercial and industrial uses located along State Highway 29. This includes an increasing number of businesses and services supporting the region's wine industry, such as warehouses used to bottle, store, and transport local wines. Beginning in 2004 with the opening of the American Canyon Market Place at State Highway 29 and American Canyon Road, there has been a measurable diversification in American Canyon's non-residential uses to include more retail-oriented commercial sites. Most recently, this includes the opening of Canyon Corners, Canyon Plaza, and Napa Junction. Napa Junction represents American Canyon's largest commercial site and is anchored by a Wal-Mart Supercenter, which has over 500 employees and is the largest single employer in the City.<sup>4</sup> A third phase of Napa Junction representing an additional 131,000 square feet has also been approved but not yet constructed. Additionally, within the last five years, American Canyon has experienced the construction of its first three hotels (Gaia, Fairfield Suites, and Holiday Inn Express) with a combined room total of 312. If fully occupied, these three hotels will produce an estimated visitor serving population of 624.<sup>5</sup> Overall, it is estimated commercial, industrial and retail related uses in American Canyon have increased by 23% as measured by the total number of jobs in the City.

## **Organizational Structure**

### ***Governance***

American Canyon is a general-law municipality operating under the council-manager system of government. Decision-making authority under this system is equally distributed among American Canyon's five-member City Council, which includes a directly elected mayor. Elections are conducted by general vote; the mayor serves a two-year term while four councilmembers serve staggered four-year terms. Key duties of the City Council include adopting an annual budget, establishing and amending policies and ordinances, making committee appointments, and hiring the City Manager. Meetings are currently conducted on the first and third Tuesday of each month and broadcast on local public access television.

The American Canyon City Council has established three advisory bodies to assist the City in its decision-making processes. All three advisory bodies consist of five members appointed by the City Council to staggered four-year terms. Appointees must be registered voters residing in American Canyon. Specific responsibilities of these advisory bodies are summarized below.

### ***Open Space Advisory Committee***

---

The Open Space Advisory Committee meets on the first Wednesday of each month and is responsible for making recommendations to the City Council on matters involving the restoration and preservation of open space resources. Current projects assigned to the Committee include participating in the review and design of several walking trails, including connecting to the San Francisco Bay Trail.

---

<sup>4</sup> American Canyon's Comprehensive Annual Financial Report for 2006-2007.

<sup>5</sup> Calculation assumes two persons per lodging unit.

### ***Parks and Community Services Commission***

---

The Parks and Community Services Commission meets on the second Thursday of each month and is responsible for making recommendations to the City Council and Community Services Director on matters involving parks and recreational resources. The Commission is also responsible for facilitating community benefit activities as well as recreation programs and special events. Current projects assigned to the Commission include overseeing the completion of the Parks and Community Services Master Plan.

### ***Planning Commission***

---

The Planning Commission meets on the fourth Thursday of each month and is responsible for approving modifications to approved projects, design permits, conditional use permits, parcel maps, and variances. The Commission also makes recommendations to the City Council on General Plan amendments, zoning changes, and development agreements. All actions of the Commission are subject to appeal to the City Council.

### ***Administration***

The City Manager is responsible for administering American Canyon's governmental operations. The City Manager serves at-will to the City Council and is delegated authority to appoint and remove all employees with limited exceptions. The City Manager's key duties include preparing an annual budget and faithfully enforcing all ordinances and policies enacted by the City Council. The City Manager is also responsible for overseeing American Canyon's six municipal departments with their combined 75.4 budgeted full-time employees.<sup>6</sup> The composition and duties of the six municipal departments are summarized below.

#### ***Administration Department***

---

The Administration Department includes divisions for the City Manager, City Clerk, City Attorney, and Human Resources. These divisions collectively direct all municipal activities, maintain official records, provide legal notices, and oversee labor and risk management. The Department currently budgets for 7.25 full-time employees.

#### ***Community Development Department***

---

The Community Development Department includes divisions for Planning, Building, Engineering, Economic Development, and Housing. These divisions are responsible for implementing land use policies and procedures adopted by the City Council. Specific tasks include reviewing parcel and subdivision maps, issuing building permits, enforcing codes, updating the zoning code, facilitating local economic growth, maintaining the General Plan, and serving as the liaison with other local and regional planning agencies.<sup>7</sup> The Department currently budgets for 12.2 full-time employees.

---

<sup>6</sup> Does not include the 23 sworn officers assigned by the County to the American Canyon Police Department.

<sup>7</sup> Current projects in the Community Development Department include facilitating a citywide effort to streamline the development review process, reviewing traffic impact fees, establishing a plan to update the image and function of State Highway 29, and updating the sign ordinance.

### ***Finance Department***

---

The Finance Department includes divisions for Finance, Information Technology, Utility Billing, and Debt Service. These divisions are responsible for providing financial management and related administrative services, including accounting, auditing, budget monitoring, cash investments, and utility invoicing. The Department currently budgets for 8.3 full-time employees.

### ***Parks and Recreation Department***

---

The Parks and Recreation Department includes divisions for Recreation, Sports, Aquatics, Parks, Building Maintenance, and Public Transit. These divisions are responsible for managing all public parks and recreational services and serve as the City's liaison with the Napa County Transportation and Planning Agency on matters pertaining to public transportation. The Department currently budgets for 12 full-time employees.

### ***Police Department***

---

The Police Department includes sworn and non-sworn personnel and is responsible for maintaining law and order within American Canyon. This includes providing patrol, traffic enforcement, vehicle abatement, criminal investigation, and community outreach services. The Department currently budgets for 25.7 full-time employees, which includes 23 sworn officers contracted from County Sheriff.

### ***Public Works Department***

---

The Public Works Department includes divisions for Administration, Capital Improvement Plan, Engineering, Curb and Sidewalk, Street Maintenance, Storm Drainage, Fleet, and the Water and Sewer Enterprise Funds. These divisions are responsible for managing all public facilities and infrastructure owned and operated by American Canyon.<sup>8</sup> The Department currently budgets for 33.9 full-time employees.

## **Municipal Services**

American Canyon provides a full range of municipal services either directly or through outside contractors to support urban uses within and adjacent to its jurisdictional boundary. American Canyon's municipal services are classified in this review into five broad categories: 1) community development; 2) culture and leisure; 3) public safety; 4) public works; and 5) other. An overview of the municipal services provided by American Canyon within each of these categories in terms of organization, demands, and capacities follows.

### ***Community Development***

#### ***Planning, Building, Engineering, and Economic Development***

---

American Canyon provides planning, building, engineering, and economic development services to support and direct community development within the City. Planning services include approving parcel and subdivision maps while building services focus on issuing permits and code enforcement. Engineering supports planning and is intended to provide

---

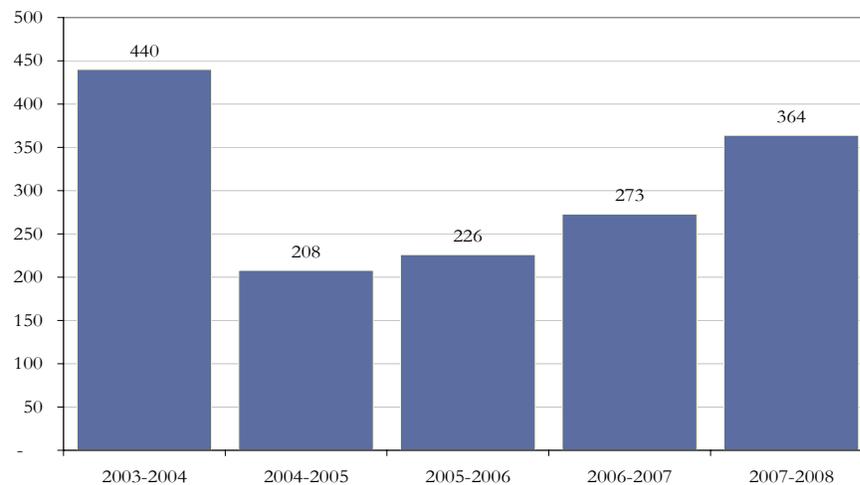
<sup>8</sup> The Public Works Department recently updated the City's water conservation program and is currently working on funding and completing water, sewer, and circulation infrastructure improvements.

a “one-stop-shop” by streamlining the application review process. Economic development services involve partnering with for-profit entities to attract and retain businesses within American Canyon to enhance municipal revenues while creating jobs and supporting residential uses. All four services are provided in conjunction with the policies, goals, and objectives outlined in the American Canyon General Plan, which was adopted in 1994. The General Plan includes four broad community development goals: (a) serve as a bedroom community for the greater region; (b) create a sufficient commercial base for residents; (c) become a subregion employment center; and (d) emerge as a destination for visitors to the Napa Valley.

The General Plan also includes an urban limit line (ULL) that was negotiated with the County Board of Supervisors and recently amended through a citizen’s initiative. The ULL directs American Canyon’s future growth to extend north towards the Napa County Airport and east towards the foothills of Sulpher Mountain.<sup>9</sup> All lands within the ULL are assigned land use designations. These designations orient American Canyon’s development to emphasize predominately residential uses in the east, south, and west while a mix of commercial and industrial uses are planned in the central and north, respectively, along State Highway 29.

Measuring the number of issued building permits is a standard benchmark in assessing overall community development activity within a municipality. In addition, in contrast to other Napa County cities, American Canyon does not have an adopted policy limiting the number of permits it will issue in a given year providing a more direct and unfiltered assessment of activity. With this context in mind, between 1998 and 2008, the number of annual building permits issued by American Canyon has increased from three to 364. The largest single year issuance occurred in 2001 and totaled 542. More recently, the number of building permits issued by American Canyon has averaged approximately 300 over the last five years as reflected in the following chart.

**Building Permits Issued by American Canyon**



\* Chart reflects permit activity for new structures, building alterations, re-roofing, electrical systems, and water heaters.

<sup>9</sup> The ULL contemplates American Canyon’s boundary extending as far north to include the “Headwaters,” “Atkins,” and “Panattoni” properties and as far east to the 15% slope line of the Sulpher Mountain range.

The provision of planning, building, engineering, and economic development services in American Canyon is the principal responsibility of the Community Development Department. The Department has a current budget of \$2.1 million and primarily supported by the General Fund with additional funding drawn from developer deposits and permit fees.<sup>10</sup> This amount currently accounts for 12.7% of American Canyon's total operating budget and represents an individual resident expense of \$129.

- \* American Canyon General Plan Land Use Map is depicted in Appendix C.
- \* American Canyon's adopted ULL is depicted in Appendix D.

## ***Culture and Leisure***

### ***Parks and Recreation***

American Canyon owns and operates 23 public parks collectively comprising 86.3 developed acres. The most recent public park developed by American Canyon is Veterans Memorial, which opened in late 2008. The current ratio of parkland acres for every 1,000 residents in American Canyon is 5.3. This amount exceeds the minimum standard of 5.0 acres of public parkland for every 1,000 residents under the American Canyon General Plan. This amount also equals the average ratio of public parkland acres for every 1,000 residents among the other four cities in Napa County.

Recreational services provided by American Canyon have measurably expanded over the last several years and now includes a community gymnasium, which is operated jointly with the Napa Valley Unified School District. American Canyon has also recently begun developing a walking trail along its western border with the goal of connecting to trails with the Cities of Napa and Vallejo. Additionally, American Canyon owns 640 acres immediately northeast of the City known as the "Newell Reserve" for the purpose of preserving the undeveloped area for open-space and passive recreational uses.

American Canyon's Parks and Recreation Department is currently working on developing a master plan to direct future park development and recreation services in American Canyon. The Department has a current budget of \$2.6 million and is supported through the General Fund.<sup>11</sup> This amount accounts for 15.8% of American Canyon's total operating budget for the fiscal year and represents an individual resident expense of \$160.

### ***Library***

American Canyon contracts with the County to provide public library services within the City. The contract specifies the County will operate a public library branch in American Canyon no less than three days a week. The contract states the public library shall include a minimum of 7,000 reading and visual material items. American Canyon reimburses the County for its annual lease, which is currently \$81,501 at Canyon Plaza. This amount represents 0.5% of American Canyon's total operating budget for the fiscal year and represents an individual resident expense of \$5.

<sup>10</sup> A small portion of this budget amount is dedicated to funding housing services in American Canyon. Planning fees, such as use permits, are deposited directly into the General Fund.

<sup>11</sup> A small portion of this budget amount is dedicated to funding a shuttle system in American Canyon.

## ***Public Safety***

### ***Police Protection***

American Canyon contracts with the County to provide police protection services within the City. The contract outlines terms and conditions for County Sheriff to provide sworn officers to staff American Canyon's Police Department (ACPD). Services provided through this contract include regular patrol, traffic enforcement, vehicle abatement, and criminal investigations. A lieutenant or captain with County Sheriff is mutually selected by the Sheriff-Coroner and City Council to serve as ACPD's Police Chief.<sup>12</sup> The annual cost to American Canyon for the staffing services provided under the contract is determined prior to the beginning of each fiscal year. The current contract cost to American Canyon is \$3.8 million.

ACPD currently budgets 23 sworn officers. This amount provides American Canyon with approximately 1.4 sworn officers for every 1,000 residents in the City. This ratio is slightly less than the combined average of 1.8 sworn officers for every 1,000 residents for the other three Napa County cities with their own police departments.<sup>13</sup> American Canyon does not have an adopted policy identifying a specific goal with respect to staffing levels for sworn officers.

ACPD estimates its current average response time for high-priority service calls from dispatch to arrival throughout the City is approximately two minutes and is well within its operating standard of five minutes. Additionally, while the population has increased, there has been a measurable decline in the total number of service calls in each of the last five years from 19,204 to 16,883. Reported crimes in American Canyon have also slightly declined over the last five years from 2,352 to 2,013.

#### **Police Projection Service Demands in American Canyon**

(Source: American Canyon)

<b>Fiscal Year</b>	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>
Service Calls	19,204	15,511	19,047	17,544	16,883
Reported Crimes	2,352	1,825	2,058	1,952	2,013
Calls to Crimes Ratio	12.2%	11.7%	10.8%	11.1%	11.9%

The current total budget for ACPD is \$4.4 million and is supported through the General Fund. This amount represents 26.7% of American Canyon's total operating budget for the fiscal year and represents an individual resident expense of \$270.

<sup>12</sup> ACPD's Police Chief reports to the City Manager and City Council. All related law enforcement equipment, such as patrol vehicles, is furnished by American Canyon.

<sup>13</sup> The combined average ratio was calculated by LAFCO and reflects the number of budgeted sworn officers for every 1,000 residents within Calistoga (2.07), Napa (0.96), and St. Helena (2.36).

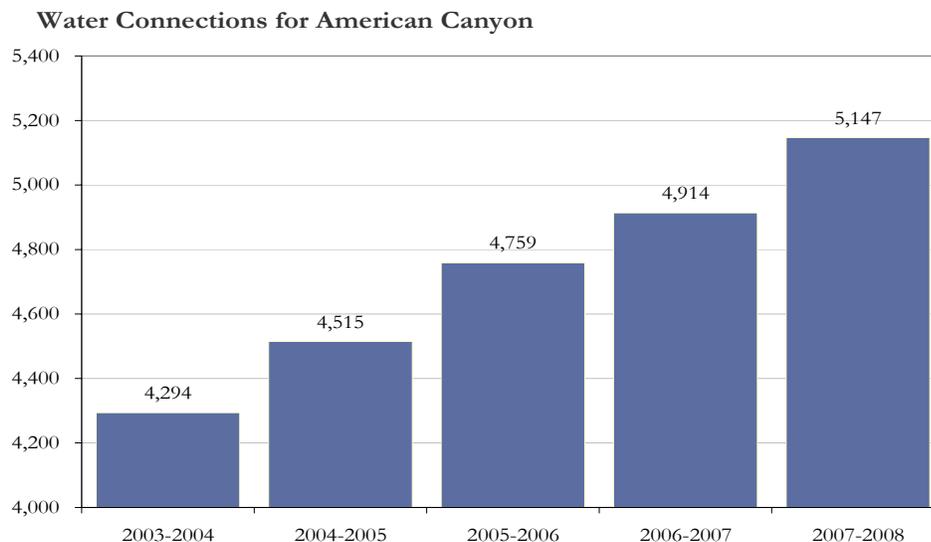
### *Animal Control*

American Canyon contracts with the County to provide animal control services within the City. The contract specifies the County will make available at least one of its animal control officers to respond to service calls within American Canyon during all regular work hours and on-call during non-regular work hours. Service calls covered under the contract include pickup of stray dogs, animal bite investigations, injured animal pickup and treatment, and removal of dead cats and dogs on public property. The contract also provides American Canyon access to services provided at the County Animal Shelter. The annual cost for these services to American Canyon is determined prior to the beginning of each fiscal year based on an agreed upon formula. The current cost to American Canyon is budgeted at \$33,000 and supported through the General Fund. This amount represents 0.2% of American Canyon's total general operating budget for the fiscal year and represents an individual resident expense of \$2.

### *Public Works*

#### *Water*

American Canyon currently provides water service to 5,147 connections. Nearly all of these water connections are located within American Canyon with the exception of approximately 200 that generally serve unincorporated commercial and industrial customers in and around the Napa County Airport.<sup>14</sup> American Canyon has experienced a 20% overall increase in the number of its water connections in the last five years as reflected in the following chart.



<sup>14</sup> American Canyon provides water service to unincorporated lands north of its jurisdiction as a result of serving as successor agency to ACCWD. The Commission recognizes American Canyon's outside service responsibilities associated with its role as a successor agency and recently established an extraterritorial water service area for the City. The extraterritorial water service area includes all unincorporated lands extending north of American Canyon to the Soscol Ridge that are designated for an urban use under the County General Plan. American Canyon must receive Commission approval, however, before providing new or extended service within the extraterritorial water service area with the key exception of lands located within the County's Airport Industrial Area Specific Plan.

American Canyon’s annual water supplies are secured through contracts with the Napa County Flood Control and Water Conservation District (“Flood District”) and City of Vallejo. These contracts currently provide American Canyon with annual water entitlements totaling 6,751 acre-feet. Almost three-fourths of the annual entitlements are drawn from the State Water Project (SWP) and secured through American Canyon’s contract with the Flood District. The remaining one-fourth of the entitlements are contracted from Vallejo and divided between “baseline” and “permit” water. Vallejo’s baseline water is pretreated and drawn from local sources, such as Lake Berryessa (Napa County) and Lake Frey (Solano County). Vallejo’s permit water is untreated and drawn from Lindsey Slough in the Sacramento-San Joaquin Delta. The following table summarizes American Canyon’s contracted annual water entitlements through 2018.

**American Canyon’s Contracted Annual Water Entitlements**

(Source: American Canyon)

Fiscal Year	SWP	Vallejo: Baseline	Vallejo: Permit	Total
2009	4,900	1,351.5	500	6,751.5
2010	4,950	1,351.5	500	6,801.5
2011	5,000	1,351.5	500	6,851.5
2012	5,050	1,351.5	500	6,901.5
2013	5,100	1,351.5	500	6,951.5
2014	5,150	1,351.5	500	7,001.5
2015	5,200	1,351.5	500	7,051.5
2016	5,200	1,351.5	500	7,051.5
2017	5,200	1,351.5	500	7,051.5
2018	5,200	1,351.5	500	7,051.5

\* Measurements are in acre-feet.

The reliability of American Canyon’s contracted annual water entitlements is affected by several outside factors. Most importantly, the amount of water American Canyon receives from its annual entitlement to the SWP is dependent on available supplies generated through snow fall in the Sierra Mountains. SWP entitlements are also impacted by levee maintenance and environmental regulations within the Delta. To help manage these outside factors, the State of California’s Department of Water Resources (DWR) issues monthly allocation assignments to all SWP users estimating the percentage of water entitlements it expects to actually deliver during the year. Over the last five years, actual SWP allocations have averaged 70% of each contractor’s annual entitlement. In 2007-2008, due to low snow fall during the year, the final SWP allocation was only 35% of each contractor’s annual entitlement. This cutback resulted in American Canyon receiving just 1,697.5 of its 4,850 acre-feet of its annual entitlement to SWP in the prior year.

Given the increasing outside constraints associated with the SWP, American Canyon recently exercised its right under its agreement with Vallejo and purchased additional entitlements to baseline water. This purchase was completed in 2006 and more than doubled American Canyon’s annual entitlement to baseline water from 628.6 to 1,351.5 acre-feet.<sup>15</sup> Baseline water from Vallejo is considered relatively reliable given it is drawn

<sup>15</sup> American Canyon’s contract specifies it may purchase additional baseline water entitlements from Vallejo over the course of three specific planning periods: 2007-2011 (722 acre-feet); 2012-2016 (566 acre-feet); and 2017-2021 (566 acre-feet).

from all local sources. The cost of baseline water, however, is significantly more expensive for American Canyon at \$1,568 per acre-foot compared to \$314 for an equivalent amount of water from the SWP.<sup>16</sup>

American Canyon's water treatment facility processes all SWP and Vallejo permit water before entering the distribution system. (Vallejo baseline water is pretreated and enters American Canyon's distribution system through an interconnection between the two agencies' water systems.) The treatment facility was recently upgraded and is capable of processing up to 16.8 acre-feet of water daily. Treated water enters and pressurizes American Canyon's distribution system by collecting within one of four reservoir tanks that have a combined storage capacity of 14.4 acre-feet.

In 2007-2008, American Canyon's total water demand equaled approximately 3,953 acre-feet resulting in an average daily demand of nearly 11 acre-feet. This total demand amount exceeded American Canyon's available contracted entitlements given the reduction in SWP deliveries and required the City to purchase additional supplies through various supplemental water supply programs administered by DWR. The total demand amount also represents an approximate 40% total increase in water demand over the last five years. The peak-day water demand was recorded on July 9<sup>th</sup> and equaled 16.8 acre-feet. An overview of American Canyon's water system's capacities and demands follows.

#### **American Canyon's Water System Demands and Capacities**

(Source: American Canyon)

<b>Demands</b>	<b>Gallons</b>	<b>Acre-Feet</b>
Current Total Water Demand	1.3 billion	3,953
Current Average Day Water Demand	3.5 million	10.8
Current Peak-Day Water Demand	5.5 million	16.8

<b>Capacities</b>		
Current Water Supply *	2.2 billion	5,281
Current Water Treatment Plant Daily Capacity	5.5 million	16.8
Current Water Storage Capacity	4.7 million	14.4

- \* Total water supply assumes American Canyon will receive 70% of its contracted annual entitlement to the SWP, which represents the average amount delivered over the last five years.

American Canyon recently prepared an update to its Urban Water Management Plan (UWMP) evaluating the relationship between water supplies and demands through 2025. The UWMP considers current and planned land uses within American Canyon's historic water service area and projects demands will increase on average by 8.0% annually through 2015 before settling at 2.0% annually through 2025. The UWMP concludes American Canyon has sufficient supplies to meet projected demands under normal conditions through 2025. However, the UWMP states American Canyon's supplies are not sufficient to meet projected demands under single-dry and multiple-dry years. The UWMP includes a contingency plan outlining specific actions to help meet demands

<sup>16</sup> Calculation for SWP water was calculated with the assistance of the NCFWCWD.

during water shortages. These actions include American Canyon exercising all of its options to purchase additional baseline water from Vallejo, expanding its reclaimed water system, and, if needed, developing municipal groundwater wells.<sup>17</sup> A summary of the UWMP's projected water demands in American Canyon through 2025 follows.

#### American Canyon's Projected Annual Water Demands

(Source: American Canyon)

Year	2010	2015	2020	2025
Annual Water Demand	5,455	6,688	6,855	7,026

\* Measurements are in acre-feet.

American Canyon's water system is managed by the City's Public Works Department and operates as an enterprise. The water rate schedule was last updated in January 2009. The schedule includes bimonthly usage charges and fixed availability charges. Both charges distinguish between inside and outside as well as residential and non-residential customers. It is estimated the average bimonthly water service charge for a single-family residence in American Canyon totals \$81.94.<sup>18</sup> This amount represents close to a one-quarter increase compared to American Canyon's water rate schedule five years ago. This amount is also slightly above the average rate of \$80.66 for single-family residences among the other four Napa County cities for an equivalent amount of water.<sup>19</sup> A listing of American Canyon's current water rate schedule follows.

#### American Canyon's Water Service Charges

(Source: American Canyon)

Category	10,000 Gallons	20,000 Gallons	30,000 Gallons	40,000 Gallons
Single-Family Residential	\$39.08	\$81.94	\$128.09	\$174.24
Multi-Family Residential	\$40.93	\$77.46	\$113.99	\$150.52
Commercial	\$51.20	\$87.73	\$124.26	\$160.79

\* Calculations are for inside City customers and assume a 0.75, 1.0, and 1.5 inch meters for single-family, multi-family, and commercial users, respectively.

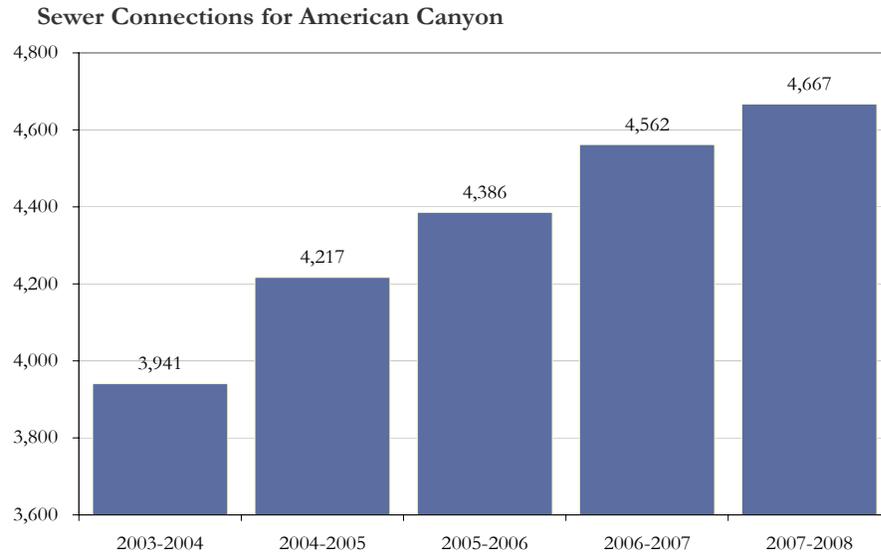
<sup>17</sup> American Canyon currently produces approximately 107 acre-feet per year of tertiary reclaimed water, which is sold under a user agreement to Green Island Vineyards. American Canyon anticipates increasing its annual production of tertiary reclaimed water to 858 acre-feet by 2010 for purchase by other users in the region.

<sup>18</sup> Estimate reflects the usage of 20,000 gallons of water over the affected two month period.

<sup>19</sup> The current estimated bimonthly water rates for a single-family residence using 20,000 gallons in Calistoga, Napa, St. Helena, and Yountville are \$125.46, \$80.80, \$67.61, and \$48.76, respectively.

## Sewer

American Canyon currently provides sewer service to 4,667 connections. Nearly all of these sewer connections are located within American Canyon with the exception of approximately 25 that are located north of the City up to Fagan Creek and serve mostly unincorporated commercial and industrial customers.<sup>20</sup> American Canyon has experienced an overall increase of 18% in the number of its sewer connections in the last five years as reflected in the following chart.



American Canyon's sewer system includes the collection, treatment, and discharge of wastewater. The collection system is divided between three distinct basins covering the central, west, and northern portions of American Canyon's historical service area. Wastewater collected in the central basin is primarily generated from residential users and represents approximately four-fifths of the total average demand. The remaining amount is generated by commercial and industrial users in the western and northern basins. Each basin includes its own pump station and conveys raw wastewater to American Canyon's wastewater treatment facility located at the western terminus of Eucalyptus Drive. The facility was recently upgraded and now provides tertiary treatment to wastewater before it is discharged into the Napa River between November and April or reclaimed for irrigation use between May and October.

<sup>20</sup> American Canyon provides sewer service to unincorporated lands north of its jurisdictional boundary as a result of serving as successor agency to the American Canyon County Water District. The Commission recognizes American Canyon's outside service responsibilities associated with its role as a successor agency and recently established an extraterritorial sewer service area for the City. The extraterritorial sewer service area includes all unincorporated lands extending north of American Canyon to Fagan Creek that are designated for an urban use under the County General Plan. American Canyon must receive Commission approval, however, before providing new or extended service within the extraterritorial sewer service area with the exception of lands located within the County's Airport Industrial Area Specific Plan.

The treatment facility is designed with daily capacities to accommodate average dry weather flows of 2.5 million gallons and peak wet weather flows of 5.0 million gallons.<sup>21</sup> The current average dry and peak wet weather flows are estimated to be 1.5 and 3.8 million gallons, respectively. These current amounts represent 60% and 76% of the treatment plant's design capacities. Notably, these current amounts also represent an approximate 15% increase in wastewater flows over the last five years. An overview of American Canyon's sewer system's capacities and demands follows.

#### American Canyon's Sewer System Demands and Capacities

(Source: American Canyon)

Demands	Gallons
Average Day Dry Weather Flow (07-08)	1.5 million
Peak Day Wet Weather Flow (07-08)	3.8 million
<b>Capacities</b>	
Average Day Dry Weather Design	2.5 million
Peak Day Wet Weather Design	5.0 million

American Canyon's sewer system is managed by the City's Public Works Department and operates as an enterprise. The sewer rate schedule was last updated in January 2009. The schedule includes a monthly usage charge that distinguishes between inside and outside as well as residential and non-residential customers. It is estimated the average single-family residence in American Canyon is currently charged \$40.29 per month for sewer service.<sup>22</sup> This amount is slightly less than the average rate for single-family residential sewer service within the remaining four Napa County municipalities based on an equivalent amount of sewer usage.<sup>23</sup> The following table identifies American Canyon's current sewer rates for residential and commercial customers.

#### American Canyon's Sewer Service Charges

(Source: American Canyon)

Category	<10,000 Gallons	>10,000 Gallons
Single-Family Residential	\$40.29	\$41.73
Multi-Family Residential	\$30.21	\$30.21
Commercial	\$40.29	\$40.29

<sup>21</sup> The facility includes a 4.99 million gallon earthen basin to store wastewater during peak inflow/infiltration periods when treatment capacities are insufficient.

<sup>22</sup> Amount based on average winter water use.

<sup>23</sup> The current estimated monthly sewer rates for a single-family residence for 10,000 gallons in Calistoga, Napa (NSD), St. Helena, and Yountville are \$43.41, \$34.67, \$43.74, and \$41.77, respectively.

---

### *Storm Drainage*

---

American Canyon provides storm drainage service within its jurisdictional boundary to capture, control, and direct runoff to protect existing development from flooding. These drainage services are guided by American Canyon's Storm Drainage Master Plan (SDMP) dated December 1996. The SDMP states drainage within and around American Canyon flows in a westerly direction towards the Napa River by way of five major tributaries; Walsh Creek, American Canyon Creek, Rio Del Mar Creek, North Slough, and Fagan Creek. The SDMP concludes the development of American Canyon will not significantly increase peak drainage flows within the five major tributaries given the watersheds primarily lie upstream from planned urban uses under the General Plan. The SDMP includes a capital improvement program that directs American Canyon to perform regular clearing of the major tributaries. The SDMP also identifies improvements to be made by private developers in conjunction with future development projects, ranging from channel improvements to onsite detention ponds.

American Canyon's Public Works Department is responsible for operating, maintaining, and improving storm drainage services within the City. The Department has a current budget of \$0.71 million for storm drainage services which is supported through the General Fund. This amount accounts for 4.3% of American Canyon's total operating budget for the fiscal year representing an individual resident expense of \$44.

---

### *Street Maintenance and Traffic Circulation*

---

American Canyon provides a range of services relating to street maintenance and traffic circulation with the City. This includes the operation and maintenance of roadways, sidewalks, streetlights, signs, and traffic signals. These services are primarily guided by policies and objectives outlined in the American Canyon General Plan's Circulation Element. In all, it is estimated American Canyon currently maintains and operates 53 street miles, 1,233 streetlights, and 4 traffic signals.

Roadway conditions in American Canyon are considered good as measured by the Metropolitan Transportation Commission (MTC). MTC's most recent evaluation of pavement conditions rated American Canyon's roadways 20<sup>th</sup> out of 109 for all local jurisdictions within the Bay Area. Further, American Canyon's roadway rating was best among all other jurisdictions in Napa County. American Canyon performs minor on-going roadway rehabilitation to maintain the current street system. Typical roadway rehabilitation includes overlaying new asphalt on streets, pothole patching, and crack sealing. American Canyon also regularly repairs and replaces damaged concrete sidewalks, curbs, and gutters as a need. American Canyon contracts out major roadway rehabilitation and improvement projects to outside contractors.

American Canyon recently retained an outside consultant to prepare a multi-phase traffic model report to assess current flow patterns and forecast future demands within and adjacent to the City for purposes of informing capital improvements. The most recently prepared report notes there are 11 intersections currently operating at unacceptable levels of service (LOS) during peak commute hours, the majority of which are located along State Highway 29 between State Highway 12 and Kimberly Drive:

- State Highway 29/State Highway 12
- State Highway 29/Rio Del Mar
- State Highway 29/American Canyon Rd
- American Canyon Road/Broadway
- State Highway 29/Tower Road
- State Highway 29/Green Island Road
- State Highway 29/Napa Junction
- State Highway 29/ Poco Way
- State Highway29/Donaldson Way
- State Highway 29/ Crawford Way
- State Highway 29/Kimberly Drive

The report assesses traffic demands within and adjacent to American Canyon through 2030 based on the land use assumptions in the City General Plan and the buildout of the ULL. Several planned improvements are incorporated into the buildout traffic model. These improvements include: 1) extending Newell Drive from American Canyon Road to South Kelly Road; 2) extending Commerce Boulevard from Green Island Road to Airport Boulevard; 3) extending Devlin Road from Green Island Road to Airport Boulevard; and 4) widening State Highway 29 from four to six lanes from Green Island Road to State Highway 37. The report concludes these improvements will reduce intersections operating at unacceptable LOS in the region to the following four:

- State Highway 29/State Highway 12
- State Highway 29/American Canyon Rd
- State Highway 29/Green Island Road
- State Highway 29/Mini Drive

American Canyon's Public Works Department is responsible for providing and managing street maintenance and traffic circulation services within the City. The Department has a current budget of \$1.26 million for street maintenance and traffic circulation services which is supported through the General Fund. This amount accounts for 7.6% of American Canyon's total operating budget for the fiscal year representing an individual resident expense of \$77.

## ***Other Services***

### ***Garbage Service***

American Canyon contracts with Vallejo Garbage Service, Inc. (VGS) to provide garbage service within the City. The contract was established in 2003 and assigns exclusive rights to VGS to collect and dispose of all residential, commercial, and industrial garbage generated in American Canyon.<sup>24</sup> The contract specifies VGS is responsible for all labor and equipment necessary to fulfill its duties, and in return, the company bills and collects a monthly service charge. VGS is allowed to increase its monthly service charge up to 1% annually to adjust to the consumer price index. Only garbage collection is subject to monthly service charge; yard waste and recyclables are collected by VGS at no cost to customers. American Canyon receives a monthly franchise service fee equal to 6.0% of VGS' total revenue collected within the City.

<sup>24</sup> The contract was originally entered into by American Canyon and USA Waste of California, Inc. The contract was amended in 2005 to allow VGS to assume solid waste duties from USA Waste of California.

VGS divides its monthly service charges between residential and commercial users. American Canyon recently approved a request from VGS to increase its monthly service charges by 2.5% beginning January 1, 2009. This increase accounts for the annual consumer price index adjustment along with covering the cost increases to VGS depositing collected garbage at a local landfill. Markedly, even with the pending increase, residential garbage rates in American Canyon will remain nearly 50% less than the combined average rate among the other four Napa County cities.<sup>25</sup> A list of monthly garbage rates in American Canyon as of January 1, 2009 follows.

**American Canyon's Monthly Garbage Rates**  
(Source: Vallejo Garbage Services, Inc.)

Category	32 Gallon Bin	64 Gallon Bin	96 Gallon Bin
Residential	\$13.02	\$19.79	\$28.75
Commercial *	\$15.19	\$26.84	\$36.88

\* Commercial rates reflect one scheduled pick-up per week.

### ***Public Transit***

American Canyon recently transferred operation of American Canyon Transit (ACT) to the Napa County Transportation and Planning Agency (NCTPA). ACT consists of a bus service known as the "Duck" that operates Monday through Friday between 7:30 A.M. and 6:00 P.M. The Duck runs every 90 minutes and extends north to south from Napa Junction to the Sereno Transfer Station in Vallejo. On request, the Duck will also provide door-to-door transit service for seniors and disabled persons. NCTPA also provides funding for American Canyon to offer a taxi-scrip program for senior and disabled persons. NCTPA's Vine Bus No. 10 also serves American Canyon by way of having stops within the City on its way north to Calistoga and south to the Vallejo Ferry Terminal. An evaluation of public transit services throughout Napa County will be the subject of a separate municipal service review scheduled for 2010-2011.

## **Financial**

### ***Assets, Liabilities, and Equity***

American Canyon prepares an annual report following the end of each fiscal year summarizing its overall financial standing. The most recent report was prepared for the 2006-2007 fiscal year and includes audited financial statements identifying American Canyon's assets, liabilities, and equity as of June 30, 2007.<sup>26</sup> These audited financial statements provide quantitative measurements in assessing American Canyon's short and long term fiscal health and are summarized below.

<sup>25</sup> The currently monthly garbage rate for single-family customers with a 64 gallon bin is as follows: Calistoga at \$41.70; Napa at \$29.96; St. Helena at \$40.28; and Yountville at \$41.68.

<sup>26</sup> The government-wide financial statements include assets, liabilities, and equity associated with the American Canyon Fire Protection District given the City is financially accountable for the District.

### *Assets*

American Canyon's assets at the end of the fiscal year totaled \$396.5 million. Assets classified as current, with the expectation they could be liquidated into currency within a year, represented less than one-tenth of the total amount and were generally tied to cash, investments, and receivables. Assets classified as non-current represented the remaining nine-tenths of the total amount with the majority attached to capital holdings, such as American Canyon's water and sewer infrastructure systems.

### *Liabilities*

American Canyon's liabilities at the end of the fiscal year totaled \$61.1 million. Current liabilities representing obligations owed within a year accounted for less than one-fifth of the total amount and primarily consisted of accounts payable and short-term debt payments. Non-current liabilities accounted for the remaining four-fifths of the total amount and generally consisted of long-term debt payments.

### *Equity*

American Canyon's equity at the end of the fiscal year totaled \$335.4 million. This amount represents the difference between American Canyon's total assets and total liabilities and confirms the City's overall profit since its incorporation.

American Canyon's financial statements for 2006-2007 reflect the City experienced a positive change in its fiscal standing as its overall equity or net worth increased by 2.7% or \$8.8 million. American Canyon also finished the fiscal year with strong liquidity given

its total current assets more than doubled its current liabilities.<sup>27</sup> Further, American Canyon finished the fiscal year holding a low amount of debt relative to its equity indicating a healthy capital structure.<sup>28</sup> American Canyon did experience a slight negative change in equity within its General Fund with an ending balance of \$7.9 million, which is \$0.2 million less than the amount existing at the beginning of the fiscal year.

#### **2006-2007 Financial Statements**

Assets	\$396.5 million
Liabilities	\$61.1 million
Equity	\$335.4 million

### *Annual Budget*

American Canyon's adopted budget for the 2008-2009 fiscal year totals \$28.53 million. This amount represents American Canyon's total approved expenses or appropriations for the fiscal year and reflects an approximate 14.4% increase from the prior year budget. American Canyon's estimates total revenues for the fiscal year will exceed expenses by \$2.5 million and total \$31.05 million. Revenues overall are expected to decrease by 8.8% from the prior year due to the downturn in the economy. An expanded review of expenses and revenues within each of American Canyon's five governmental funds for the fiscal year follows.

<sup>27</sup> American Canyon's current ratio at the end of 2006-2007 was 2.7.

<sup>28</sup> American Canyon's debt-to-equity ratio at the end of 2006-2007 was 15%.

---

***General Fund***

---

American Canyon's General Fund supports basic municipal services and supported through taxes and service fees. Approved expenses are estimated at \$16.48 million with the largest apportionment dedicated to police protection at 27%. Estimated revenues are projected at \$14.73 million with the majority of the proceeds expected to be generated from property (50%) and sales taxes (15%). After inter-transfers it is anticipated the General Fund will experience a decrease in its overall unreserved balance during the fiscal year from \$5.15 to \$4.33 million.

---

***Special Revenue Funds***

---

American Canyon's Special Revenue Funds accounts for the receipt and expense of monies earmarked for specific activities. Approved expenses are estimated at \$0.84 million while revenues are projected at \$1.32 million. The largest expense and revenue source is associated with an assessment district which assesses all new development in American Canyon for purposes of funding landscaping and lighting services. After inter-transfers it is anticipated the Special Revenue Funds will experience a decrease in its overall balance during the fiscal year from \$3.72 to \$3.23 million.

---

***Governmental Capital Project Funds***

---

American Canyon's Governmental Capital Project Funds accounts for the receipt and expense of acquiring or constructing major infrastructure commonly through bonds, grants, impact fees, or transfers. Approved expenses are estimated at \$0.18 million while revenues are projected at \$3.94 million. Nearly one-half of projected revenues are expected from traffic impact fees associated with development projects. Additionally, as part of the budget, American Canyon has approved approximately \$11.36 million in general capital improvement projects. All of these projects have been carried-forward from the previous fiscal year budget with the largest amount dedicated to completing the purchase and associated improvements to American Canyon's new City Hall (\$2.36 million). If impact fees and grants are not generated in sufficient amounts to fund a particular project, it will be deferred to a later year which reflects the American Canyon's practice to build projects on a "pay-as-you-go" basis. After inter-transfers as well as capital improvement apportionments it is anticipated the Capital Project Fund will experience a decrease in its overall balance during the fiscal year from \$10.92 to \$5.06 million.

---

***Debt Service Funds***

---

American Canyon's Debt Service Funds accounts for paying the principal and interest on general long-term debt. Approved operating expenses are estimated at \$2.46 million while revenues are projected at \$1.43 million. The largest expense and revenue source is associated with a bond to make improvements to American Canyon East Road. After inter-transfers it is anticipated the Debt Service Funds will experience a decrease in their overall balance during the fiscal year from \$3.66 to \$3.06 million.

### *Enterprise Funds*

American Canyon's Enterprise Funds accounts for specific municipal services that are intended to be self-supporting through the collection of user fees and charges. Enterprises in American Canyon include water and sewer services. Approved expenses are estimated at \$8.01 while revenues are projected at \$9.41 million. Nearly all estimated revenues are expected to be drawn from user charges and impact fees. American Canyon has also approved approximately \$5.44 million in capital improvement projects to the water and sewer systems. All approved projects have been carried-forward from the previous fiscal year with nearly three-fourths dedicated to the sewer system. Approved sewer system projects include making electrical repairs to the treatment plant (\$1.88 million) and replacing a main line at State Highway 29 and American Canyon Road (\$1.18 million). Notable water system projects include purchasing land for a future water storage tank (\$0.44 million). After inter-transfers and capital improvement apportionments it is anticipated the Enterprise Funds will experience a decrease in its overall balance during the fiscal year from \$10.27 to \$4.87 million.

The 2008-2009 budget marks a transitional period for American Canyon as the downturn in the economy is expected to curb its principal revenue sources after several consecutive years of increases. Nonetheless, American Canyon is expected to achieve a budget surplus. Prudent financial management in the years leading up to the present economic downturn has advantageously positioned American Canyon to utilize accumulated reserves to help absorb cost-increases and fund capital improvements while maintaining current service levels. Additionally, while an overall decrease is anticipated, the projected General Fund balance of \$4.33 million by the end of the current fiscal year equals 25% of American Canyon's current operating costs and exceeds the 20% reserve policy adopted by the City.

#### **2008-2009 Adopted Budget**

Total Expenses:	\$28.53 million
Total Revenues:	\$31.05 million
Difference:	\$2.52 million

## **B. American Canyon Fire Protection District**

### **Overview**

ACFPD was formed in 1957 and later reorganized into a subsidiary district to American Canyon. ACFPD provides a range of municipal services relating to the protection of life and property, including fire protection, emergency medical, and rescue. ACFPD's jurisdictional boundary is approximately 6.0 square miles in size and includes all of American Canyon as well as surrounding unincorporated lands extending as far north as Fagan Creek. ACFPD has a current operating budget of \$3.79 million with an estimated resident population of 16,334.

### **Formation and Development**

ACFPD's formation was engendered by local landowners to provide an elevated level of fire protection and related emergency services for the community of American Canyon. Prior to ACFPD's formation, the community received a basic level of fire protection service from the County with their closest station located at the intersection of Jefferson and Trancas Streets in the City of Napa. This basic level of fire protection service, however, was deemed insufficient for the community as it began developing and transitioning from rural to urban land uses beginning in the early 1950s.

ACFPD's was formed as an independent special district governed by an elected five-member board of directors and funded through an apportionment of property tax proceeds. At the time of its formation, ACFPD was structured as an all-volunteer agency and completely dependent on local landowners, residents, and workers to organize and respond to service calls as needed. In 1959, ACFPD was restructured into a combination paid/volunteer agency with the hiring of fulltime firefighters.

In 1961, ACFPD entered into an agreement with the County to provide first-response services for all unincorporated lands located south of the Soscol Ridge and east of the Napa River in exchange for an annual fee. ACFPD continued to serve as first-responder within this contracted service area until the County terminated the agreement in 1978. Notably, the termination of its agreement with the County coupled with the concurrent loss in property tax proceeds associated with Proposition 13 threatened ACFPD's financial solvency until voters approved a fire assessment fee on all properties in 1980.

In 1992, the Commission reorganized ACFPD into a subsidiary district of American Canyon as part of the City's incorporation. The reorganization transitioned ACFPD's governance from an independent board consisting of locally elected residents to the American Canyon City Council. More recently, ACFPD has expanded its service area through automatic aid agreements with the County and Vallejo. These agreements establish an approximate 20 square mile outside service area for ACFPD extending north to Jameson Canyon, west to the Napa River, east to Solano County, and south to State Highway 37. In return, the County and Vallejo automatically respond to service calls within ACFPD south and north to Green Island Road, respectively.

## Adopted Commission Boundaries

ACFPD's jurisdictional boundary is approximately 6.0 square miles or 3,623 acres in size. The Commission has approved a total of 28 jurisdictional changes involving ACFPD since 1963. All of these jurisdictional changes have involved annexations totaling 1,097 acres and are identified below.

### Jurisdictional Changes Involving ACFPD

(Source: LAFCO)

Proposal Name	Type	Acres	Completion Date
Green Island Road No. 3	Reorganization	256.4	April 6, 2005
American Canyon Wastewater Treatment Plant	Reorganization	58.5	March 3, 2005
Green Island Road No. 2	Reorganization	7.5	July 6, 2004
American Canyon Road/Flosden Road	Reorganization	4.8	April 25, 2003
Green Island Road	Annexation	13.0	June 13, 2002
South Kelly/Devlin Road	Annexation	12.8	September 27, 2001
Flosden Road Extension	Reorganization	71.3	November 17, 1999
American Canyon Road/Flosden Road	Reorganization	230.6	January 29, 1999
Green Island Road/State Highway 29	Annexation	130.6	November 3, 1988
Napa Junction Road/Lombard Road	Annexation	6.0	October 28, 1988
Green Island Road	Annexation	10.0	September 8, 1988
Eucalyptus Drive	Reorganization	0.4	September 1, 1987
Tower Road/State Highway 29	Annexation	12.2	October 23, 1986
Tower Road	Annexation	10.0	November 29, 1984
Green Island Road No. 2	Annexation	5.0	November 30, 1983
Paoli Loop Road/State Highway 29	Annexation	3.4	July 19, 1983
American Canyon Rd/Flosden Rd/Broadway	Annexation	70.2	November 30, 1982
Gardner – Pacific Corporation	Annexation	8.0	November 24, 1981
ACFPD Annexation 1-81	Annexation	91.1	November 24, 1981
Hognestad Property	Annexation	2.6	November 24, 1981
Stocco Stone Property	Annexation	12.6	November 24, 1981
ACFPD Annexation 2-78	Annexation	15.5	August 7, 1980
ACFPD Annexation 6-78	Annexation	4.0	August 7, 1980
ACFPD Annexation 1-78	Annexation	22.0	January 2, 1979
ACFPD Annexation 4-78	Annexation	11.9	January 2, 1979
ACFPD Annexation 3-78	Annexation	17.0	January 2, 1979
ACFPD Annexation 2-76-A	Annexation	2.2	December 30, 1977
ACFPD Annexation 6-77	Annexation	7.7	December 30, 1977

ACFPD's jurisdictional boundary is approximately 71.2% coterminous with its adopted sphere of influence. The sphere of influence was comprehensively updated by the Commission in 2007 and includes 430.9 total non-jurisdictional acres. These non-jurisdictional acres are concentrated within six distinct areas and identified below.

### Non-Jurisdictional Areas in ACFPD's Sphere of Influence

(Source: LAFCO)

Location Description	Acres	Current Land Use
Tower Road	11.15	Undeveloped
American Canyon/Newell Drive	48.74	Under Construction: School Site
North Town Center	37.03	Undeveloped
West Green Island Road	80.86	Undeveloped
West Eucalyptus Road	106.57	Undeveloped
East American Canyon Road	146.51	Undeveloped

## Population and Growth

### *Residential*

Nearly all of ACFPD's residential growth and development is concentrated within American Canyon. As previously noted, American Canyon has been one of the fastest growing cities in the Bay Area averaging an annual population increase of 7.2% over the last 10 years. This increase is primarily attributed to the significant rise in single-family residential construction and has contributed to American Canyon's population increasing over the period from 9,435 to 16,293. The remaining portion of ACFPD's residential growth and development is limited to approximately 16 unincorporated single-family residences principally located along American Canyon Road and Watson Lane. It is estimated these unincorporated residences have a total population of 41.

It is expected new residential growth and development in ACFPD will be generally limited to American Canyon given the use restrictions on unincorporated lands within and adjacent to the District under the County General Plan. The concentration of ACFPD's new residential growth and development within American Canyon is anticipated to produce an average annual increase to the District's population of nearly 2.0% over the next ten years. The following chart estimates ACFPD's past, current, and future population.

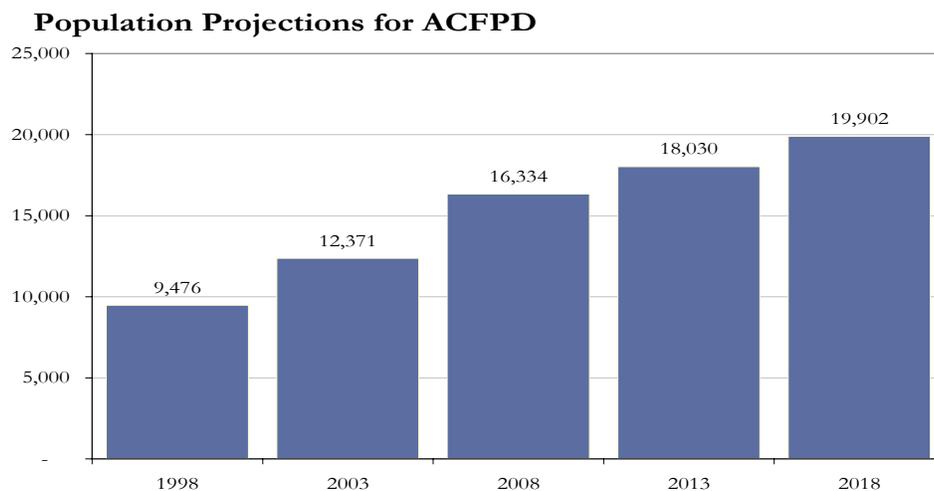
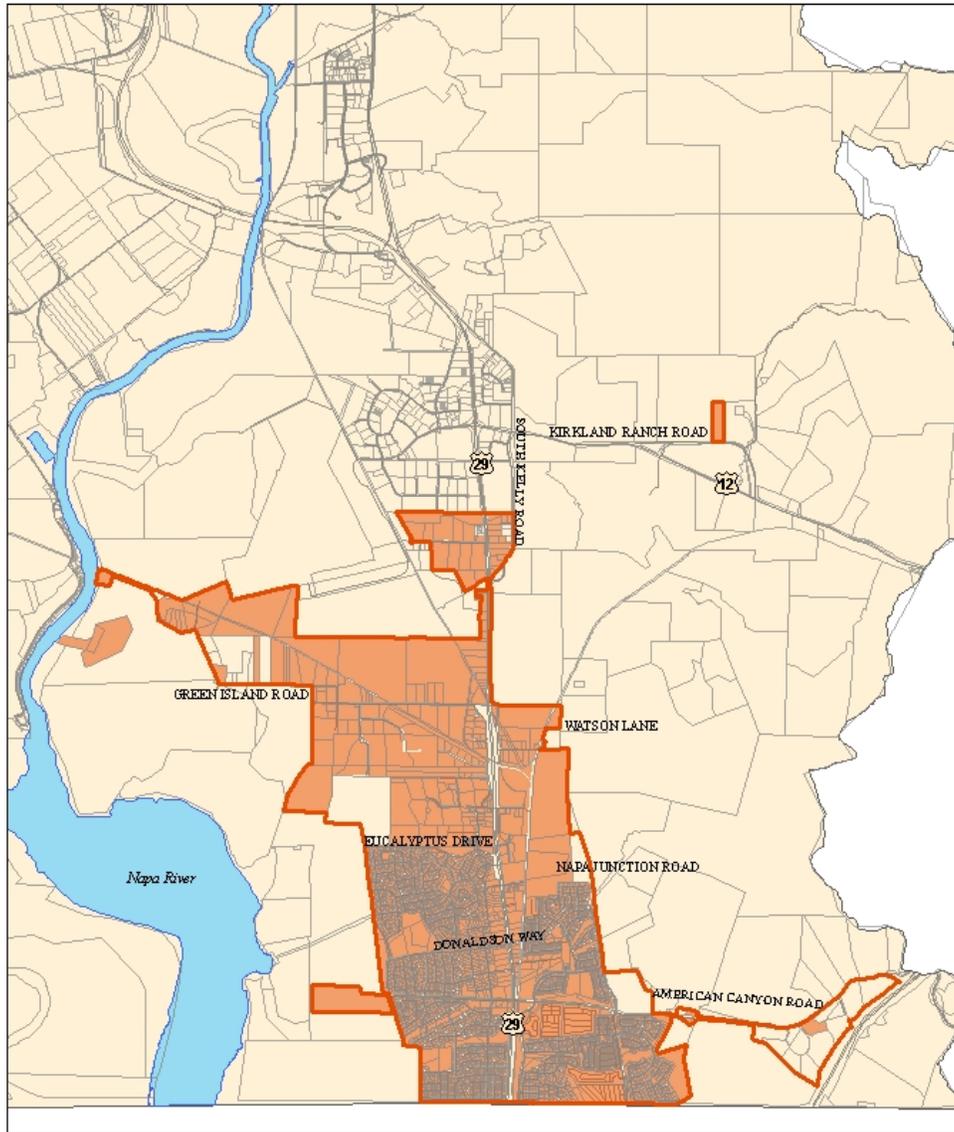


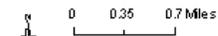
Figure Three

American Canyon Fire Protection District



**Legend**

- ACFPD Jurisdictional Boundary
- ACFPD Sphere of Influence



March 20, 2009  
Prepared by BF



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

## ***Non-Residential***

Non-residential growth and development in ACFPD is concentrated within its north and northwest jurisdiction and generally tied to commercial and industrial uses. The majority of non-residential development in ACFPD is located within American Canyon. The current amount of non-residential development within the unincorporated portion of ACFPD is not readily quantifiable. However, the County has approved two non-residential development projects within ACFPD that will total 5,550 in new building square feet. There are also two project applications on file with the County that collectively propose to construct 13,640 in new building square feet in ACFPD within the Tower Road area.

## **Organizational Structure**

### ***Governance***

ACFPD operates under California Health and Safety Code Sections 13800 et seq., which is known as the Fire Protection District Law.<sup>29</sup> The law was enacted in the 1920s and comprehensively updated in 1987. The legislative intent of this law is to empower residents and landowners to organize, fund, and provide fire protection and related services consistent with local needs and resources. To this end, the law provides broad authority for ACFPD to protect life and property by providing (a) fire protection, (b) rescue, (c) emergency medical, (d) hazardous emergency response, and (e) ambulance services.

As mentioned, ACFPD is unique given it was reorganized in 1992 as a subsidiary special district of American Canyon and as a result the City Council serves *ex officio* as the District Board. Key tasks of the District Board include adopting an annual budget, establishing and amending policies, and hiring the Fire Chief. The District Board meets separately during each regular meeting of the City Council, which is generally scheduled on the first and third Tuesdays of the month and broadcast on local public access television.

### ***Administration***

ACFPD's administration is the principal responsibility of the Fire Chief. The Fire Chief serves at-will to the ACFPD Board is responsible for directing all field operations, performing policy reviews, and preparing and monitoring an annual budget. The Fire Chief is also responsible for hiring all employees and managing labor negotiations. ACFPD is currently staffed with 18.5 fulltime equivalent employees, which includes 17 career firefighters. ACFPD also has a current reserve force of 20 volunteer firefighters.

## **Municipal Services**

ACFPD provides a range of municipal services relating to the protection of life and property. These municipal services are classified in this review into three broad and interrelated categories: 1) fire protection, 2) emergency medical, and 3) rescue. An evaluation of these municipal services in terms of organization, capacities, and demands follows.

---

<sup>29</sup> As of January 2002, there were 386 fire protection districts in California.

### *Fire Protection, Emergency Medical, and Rescue*

ACFPD organizes the provision of fire protection, emergency medical, and rescue services by dividing 15 of its career firefighters into three field shifts identified as “A,” “B,” and “C.” Each field shift consists of five career firefighters and is responsible for staffing an engine and truck company. Each field shift is on duty for 48 consecutive hours before going off duty for 96 consecutive hours. Volunteer firefighters report to the station as needed to backfill staffing when one of the field shift companies is out responding to a service call or to substitute for an absent career firefighter.<sup>30</sup>

ACFPD’s field shifts are all deployed directly from the District’s fire station located on Donaldson Drive east of its intersection with State Highway 29. Dispatch services are provided by the County by way of CalFire without charge and processed at a central command center located outside of St. Helena. ACFPD’s total service area is approximately 26 square miles and extends west to the Napa River, north to Jameson Canyon, east to Solano County, and south to State Highway 37 based on automatic aid agreements with the County and Vallejo.<sup>31</sup> ACFPD’s principal field equipment supporting its fire protection, emergency medical, and rescue services is listed below.

- Engine 11
- Engine 211
- Truck 11
- Reserve Engine 311
- Engine 411 (Wildland)
- Attach 11 (Wildland)
- Sports Utility Vehicle 11
- Sports Utility Vehicle 211
- Command C11 Pickup
- Command 211 Pickup
- Boat 211
- Boat 11
- Cargo Trailer 1
- Cargo Trailer 2
- Water Tender 11
- Interstate Trailer
- Van 11

In terms of demands, ACFPD has experienced an approximate 10% increase in total service calls over the last five years from 1,237 to 1,365. Almost three-fourths of all service calls received during this period have related to emergency medical.<sup>32</sup> The remaining one-fourth of ACFPD’s service calls over the last five years have related to fire protection and rescue as well

<sup>30</sup> Volunteer firefighters generally do not respond to serve calls without the supervision of at least one career firefighter. All volunteers participate in basic life support activities under the supervision of a career firefighter. Volunteers do not have a specific work schedule but are assigned to a shift. Volunteers are paid a stipend based on the percentage of their time spent 1) responding to calls, 2) training, and 3) participating in public educational activities. The current stipend formula allows for a maximum total monthly payment of \$2,000.

<sup>31</sup> These automatic aid agreements commit the County and Vallejo to respond to service calls within ACFPD’s northern and southern jurisdictional boundary, respectively.

<sup>32</sup> ACFPD’s emergency medical services are regulated by regional joint-powers authority known as the Central Valley Regional Medical Services Agency. This joint-powers authority licenses ACFPD to administer basic life support, which consists of providing emergency first-aid and cardiopulmonary resuscitation procedures, or CPR. ACFPD coordinates its emergency medical services with Piner Ambulance Service, which is contracted by the County to provide ambulatory transport throughout the south county region. ACFPD is currently evaluating the merits of expanding the level of its emergency medical services to include advance life support which would require approval from the Coastal Valley Regional Medical.

as miscellaneous. A complete listing of the type and volume of service calls received by ACFPD over the last five years follows.<sup>33</sup>

#### ACFPD's Service Calls

(Source: ACFPD)

Incident Type	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Fire	76	56	69	67	92
Rescue	3	15	5	9	6
Medical	871	928	913	856	907
Miscellaneous	287	250	243	305	360
<b>Total</b>	<b>1,237</b>	<b>1,249</b>	<b>1,230</b>	<b>1,237</b>	<b>1,365</b>
<b>Increase From Prior Year</b>	<b>***</b>	<b>1.0%</b>	<b>(1.5%)</b>	<b>0.6%</b>	<b>10.3%</b>

In 2007-2008, ACFPD reported 1,269 of the 1,365 total calls the District received involved an emergency incident relating to fire protection, medical, or rescue within its combined jurisdictional and contracted service area. ACFPD's overall response times for these calls as measured from dispatch to arrival averaged four minutes and twenty seconds. ACFPD was also able to respond to 81% of these calls within five minutes, which represents the Districts adopted response standard. ACFPD's average response times to emergency incidents within its contracted service area with the County, however, did exceed five minutes and is largely attributed to traffic. A complete listing of ACFPD's response times during the year is summarized below.

#### ACFPD's Response Times in 2007-2008

(Source: ACFPD)

Location	Incidents	Average Response	Response within Five Minutes
Incidents in ACFPD	1,159	4:10	84%
Incidents in County Auto-Aid Service Area	76	6:20	45%
Incidents in Vallejo Auto-Aid Service Area	34	4:00	76%
<b>Total</b>	<b>1,269</b>	<b>4:10</b>	<b>81%</b>

## Financial

### *Assets, Liabilities, and Equity*

ACFPD's financial statements are prepared by American Canyon and included in the City's annual report issued at the conclusion of each fiscal year. The most recent issued report was prepared for the 2006-2007 fiscal year and includes audited financial statements identifying ACFPD's total assets and liabilities, and equity as of June 30, 2007. These audited financial statements provide quantitative measurements in assessing ACFPD's short and long term fiscal standing and are summarized below.

<sup>33</sup> Fire protection services generally involve responding to structural, vehicle, and vegetation fires. ACFPD also provides preventive fire protection services, such as performing building plan reviews and conducting community educational programs. Rescue services typically involve extricating people from vehicles that have been damaged in accidents. ACFPD is also licensed by the California Office of Emergency Services to conduct search and rescue services within collapsed and confined spaces. Calls classified as miscellaneous generally involve non-emergency incidents.

### *Assets*

ACFPD's assets at the end of the fiscal year totaled \$9.05 million. Assets classified as current with the expectation they could be liquidated into currency within a year represented approximately one-third of the total amount with the majority tied to cash and investments.<sup>34</sup> Assets classified as non-current represented the remaining two-thirds of the total amount and primarily associated with ACFPD's new fire station building.

### *Liabilities*

ACFPD's liabilities at the end of the fiscal year totaled \$2.67 million. Current liabilities representing obligations owed within a year accounted for nearly four-fifths of the total amount with the largest item tied to an interagency transfer associated with funding ACFPD's new fire station. Liabilities deemed non-current accounted for the remaining one-fifth of the total amount with the majority attached to ACFPD's outstanding financing payments associated with purchasing two new engines in 2005.

### *Equity*

ACFPD's equity at the end of the fiscal year totaled \$6.38 million. This amount represents the difference between ACFPD's total assets and liabilities and reflects the District's overall profit since its formation.

ACFPD's financial statements for 2006-2007 reflect the District experienced a positive change in its fiscal standing as its equity or net worth increased by nearly one-tenth or \$0.51 million over the 12 month period.

<b>2006-2007 Financial Statements</b>	
Assets	\$9.05 million
Liabilities	\$2.67 million
Equity	\$6.38 million

Notably, ACFPD's ability to fund the new fire station with accumulated cash reserves allowed the District to finish the fiscal year with an exceptional low amount of long-term indebtedness relative to its equity.<sup>35</sup> ACFPD also finished the fiscal year with an adequate level of liquidity given its current assets exceeded its current liabilities by almost one-half.<sup>36</sup>

### *Annual Budget*

ACFPD's adopted budget for the 2008-2009 fiscal year totals \$3.88 million. This amount represents ACFPD's total approved expenses or appropriations for the fiscal year and reflects an approximate 6% decrease from the prior year budget. ACFPD estimates total revenues for the fiscal year will exceed expenses by \$0.51 million and total \$4.40 million. Revenues overall are expected to decrease by 8% from the prior year budget due to anticipated reductions in development-related service charges and earned interest. An expanded review of expenses and revenues within each of ACFPD's five governmental funds for the fiscal year follows.

<sup>34</sup> ACFPD finished 2006-2007 with \$1.56 million in cash and investments.

<sup>35</sup> ACFPD's debt-to-net assets ratio at the end of 2006-2007 was 0.7%.

<sup>36</sup> ACFPD's current ratio at the end of 2006-2007 was 1.46.

### ***General Fund***

---

ACFPD's General Fund supports basic District operations. Approved expenses are estimated at \$3.79 million with the largest apportionments dedicated to salaries and benefits (83%) and service supplies (11%). Estimated revenues are projected at \$3.99 million with the majority of proceeds expected to be generated from property taxes (82%) and an annual service fee assessment (15%). After interdepartmental transfers it is anticipated the General Fund will experience a decrease in its overall balance during the fiscal year from \$2.45 to \$1.01 million.<sup>37</sup>

### ***Retiree Health Care Fund***

---

ACFPD's Retiree Health Care Fund was established in 2006-2007 and serves as a repository for cash dedicated to covering the District's retiree benefit costs. Approved expenses are estimated at \$0.05 million and dedicated entirely to services and supported by a matching transfer from the General Fund. The budgeted expense is considered a placeholder until a more thorough analysis of ACFPD's long term costs for retiree benefits is completed by an outside consultant. No change is anticipated in the Retiree Health Care Fund's overall balance during the fiscal year which currently totals \$0.15 million.

### ***Fire Mitigation Fund***

---

ACFPD's Fire Mitigation Fund serves as a repository for revenue collected through a voter-approved special parcel assessment within the District for the purpose of purchasing new equipment and facilities. No expenses were approved for the fiscal year. Estimated revenues are projected at \$0.38 million. After interdepartmental transfers it is anticipated the Fire Mitigation Fund will experience an increase in its overall balance during the fiscal year from (\$1.48) to \$0.34 million.

### ***Fire Equipment Replacement Fund***

---

ACFPD's Fire Equipment Replacement Fund serves as a repository for cash dedicated to replacing existing equipment. Approved expenses are estimated at \$0.04 million along with an additional \$0.18 million dedicated to debt service. Estimated revenues are projected at \$0.01 million. After interdepartmental transfers it is anticipated the Fire Equipment Replacement Fund will experience a decrease in its overall balance during the fiscal year from \$0.09 to \$0.04 million.

### ***State and Federal Grants Fund***

---

ACFPD's State and Federal Grants Fund serves as a repository for governmental subventions received by the District. No expenses or revenues are budgeted for the fiscal year which will leave the current balance of \$0.003 intact.

---

<sup>37</sup> The majority of this balance decline is attributed to a \$1.46 million loan to the Fire Mitigation Fund.

ACFPD's adopted budget in 2008-2009 marks the first decrease in overall approved expenditures in several years. The decrease in expenses is primarily attributed to completing the construction and outfitting of ACFPD's new fire station in the prior year. It is expected the reduction in expenses will help offset anticipated declines in revenues and thereby allow ACFPD to maintain existing service levels. Additionally, the projected decline in ACFPD's General Fund balance from \$2.45 to \$1.01 million is drawn from an interdepartmental loan and does not preclude the District from meeting its 20% adopted reserve policy relative to annual operating expenses.

**2008-2009 Adopted Budget**

Total Expenses:	\$3.88 million
Total Revenues:	\$4.40 million
Difference:	\$0.52 million

## C. County Service Area No. 3

### Overview

County Service Area (CSA) No. 3 was formed in 1979 and is a dependent special district governed by the County Board of Supervisors. CSA No. 3 provides fire protection and miscellaneous street maintenance services through contracts with other public and private entities. These municipal services are entirely funded through two voter-approved special taxes. CSA No. 3's jurisdictional boundary is approximately 2.7 square miles in size and comprises mostly commercial and industrial land uses along with a small number of preexisting single-family residences. The jurisdictional boundary is anchored by the Napa County Airport. CSA No. 3 has a current operating budget of \$0.37 million with an estimated 5.1 million in total building square feet and approximately 13 residents.

### Formation and Development

CSA No. 3's formation was originally sought by the Board of Supervisors to help facilitate the development of commercial and industrial uses in the Napa County Airport area. At the time of formation, CSA No. 3 was authorized to provide water and sewer services with the expectation it would eventually provide additional municipal services as the area developed. It was also expected CSA No. 3 would not exercise its powers directly, but would instead contract for services from willing providers. This expectation included entering into contracts with ACCWD and NSD, which were already providing a limited number of properties in the area with water and sewer services, respectively. However, such contracts did not emerge, and these outside agencies continued to provide new and extended water and sewer services directly to the area following CSA No. 3's formation.

CSA No. 3 remained dormant until 1994 when the Board of Supervisors restructured the District and authorized it to provide fire protection and miscellaneous street maintenance services, the latter including street sweeping, street lighting, and streetside landscaping. The Board of Supervisors also formally deactivated CSA No. 3's authority to provide water and sewer services.<sup>38</sup> After its restructuring, CSA No. 3 established an assessment district to sponsor two separate voter-approved special taxes to fund its fire protection and miscellaneous street maintenance services. The assessment district is divided between three overlapping benefit zones representing separate and distinct service areas within CSA No. 3. Each zone is assigned a different special tax rate which is set at the beginning each of fiscal year based on the benefit the properties will receive from the subject service.

### Adopted Commission Boundaries

CSA No. 3's jurisdictional boundary is approximately 2.7 square miles or 1,742 acres in size. The Commission has approved one jurisdictional change involving CSA No. 3 since its formation in 1979. This jurisdictional change involved an annexation totaling 291 acres and is identified below.

---

<sup>38</sup> State law has been subsequently amended to require Commission approval for special districts to either activate a latent power or eliminate an established service.

### Approved Jurisdictional Changes Involving CSA No. 3

(Source: LAFCO)

Proposal Name	Type	Acres	Completion Date
North Area	Annexation	291	July 29, 2005

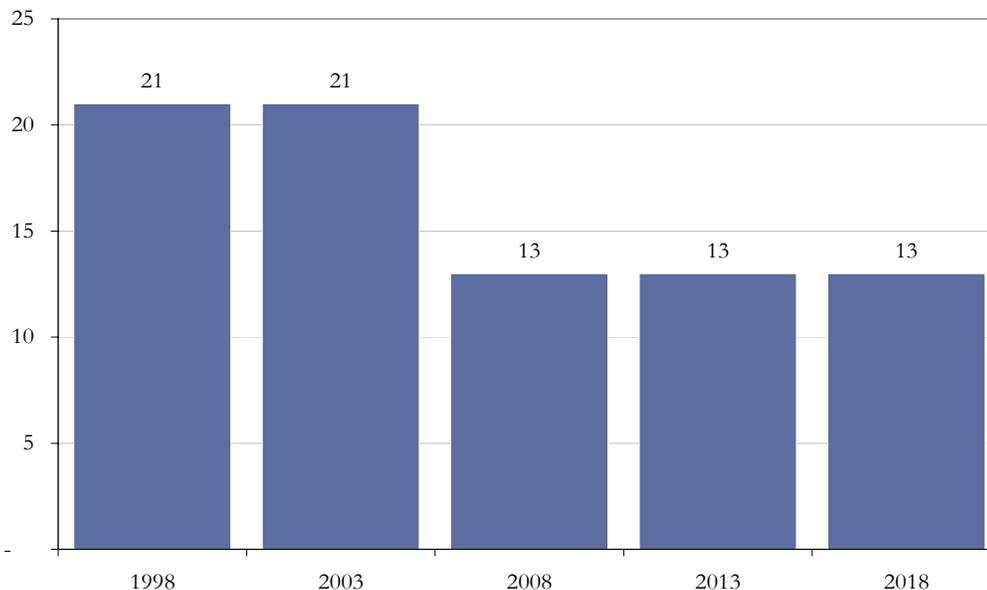
CSA No. 3's jurisdictional boundary is coterminous with its adopted sphere of influence. The sphere of influence was comprehensively updated with no changes in 2007.

## Population and Growth

### *Residential*

Residential uses within CSA No. 3 are limited. A review of the parcel database maintained by the County Assessor's Office indicates there are currently five occupied residences within CSA No. 3. This includes four single-family residences built several decades earlier relative to the more recent commercial and industrial development of the area. There is also one residential unit in CSA No. 3 associated with a commercial storage facility. Three additional single-family residences are also located within CSA No. 3, but they appear vacant and are owned by commercial developers. These factors collectively indicate CSA No. 3's current resident population is 13 with no expectation of a future increase given the current land use policies of the County.<sup>39</sup> The following chart reflects these assumptions in projecting CSA No. 3's recent, current, and future population.

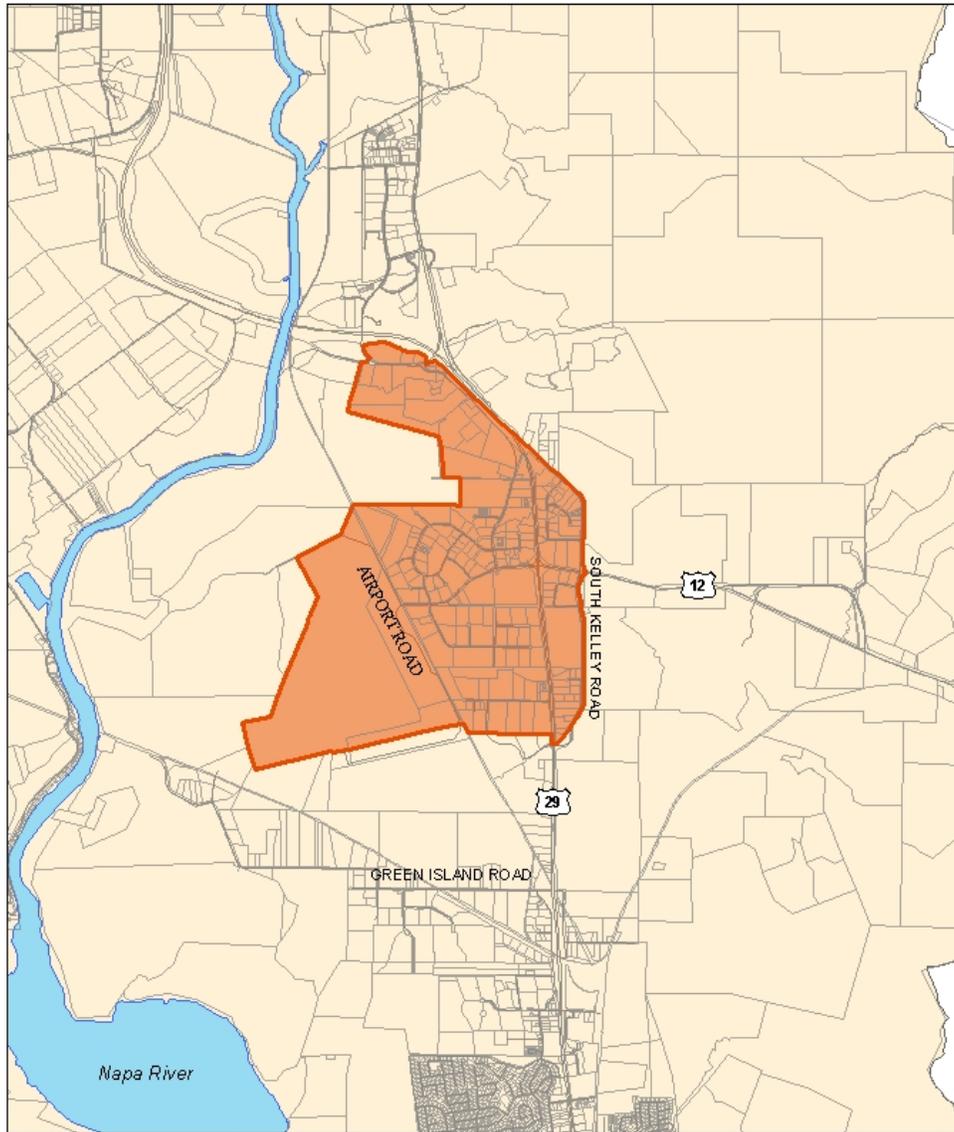
**Population Projections for CSA No. 3**



<sup>39</sup> Population estimate calculated by the staff based on California Department of Finance's projection that there are approximately 2,571 persons for every residential unit in unincorporated Napa County.

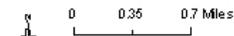
Figure Four

### County Service Area No. 3



**Legend**

- County Service Area No. 3 Jurisdictional Boundary
- County Service Area No. 3 Sphere of Influence



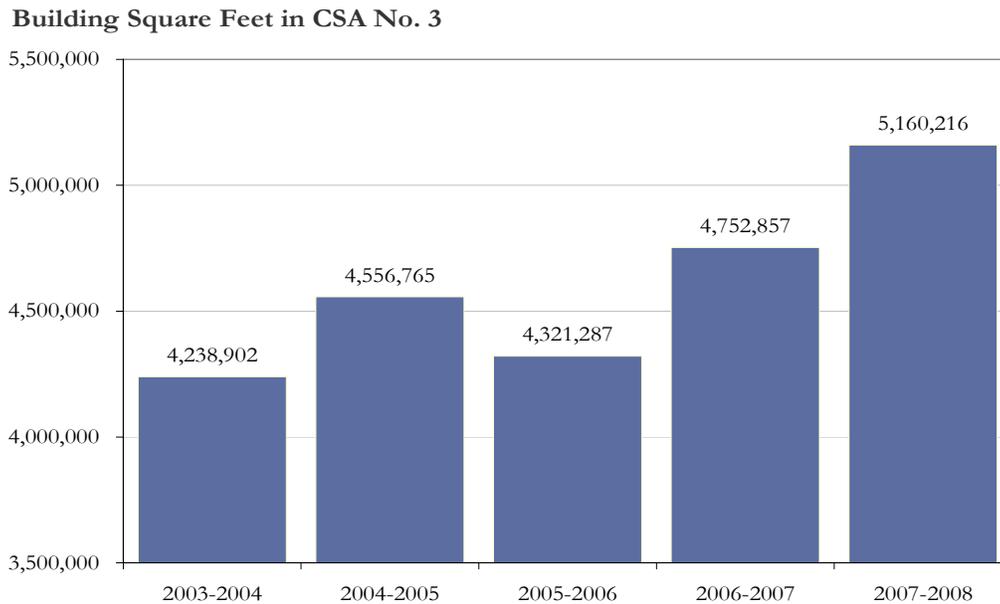
March 20, 2009  
Prepared by BF



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

### *Non-Residential*

The majority of growth in CSA No. 3 is associated with commercial and industrial land uses. CSA No. 3 tracks the amount of non-residential growth within its jurisdiction as measured by the total number of building square feet for purposes of annually calculating the rate for its two special taxes. This information identifies an approximate 21.7% overall increase in the amount of new non-residential growth over the last five years. Nearly half of this new non-residential growth has occurred over the last two years and highlighted by the construction of 100-room hotel located along the corner of State Highway 12 and Airport Road. The following chart identifies the total number of building square feet in CSA No. 3 between July 2004 and July 2008.



In terms of future non-residential growth, the County has approved 15 projects that are either pending or under construction within CSA No. 3. These projects will collectively increase the total building square feet by one-fourth or 1.3 million. The largest of these approved but pending projects involves the Montalcino Resort. This project was approved by the County in 2004 to include the construction of a 379-room hotel covering 0.4 million square feet and an adjacent 18-hole golf course.<sup>40</sup> There also seven project applications on file with the County that collectively proposed to construct 0.28 million in new building square feet in CSA No. 3. Markedly, if all approved and filed applications materialize, CSA No. 3's jurisdictional boundary will be considered generally built-out.

\* A map of the County of Napa General Plan Land Use Map is provided in Appendix E.

<sup>40</sup> Although there has been no substantive activity on either of the two phases, the use permits for the Montalcino Resort has been "used" and therefore remain valid in perpetuity or until replaced by a subsequent approval.

## Organizational Structure

### *Governance*

CSA No. 3 operates under California Government Code Sections 25210.1-25217.4 which is known as County Service Area Law.<sup>41</sup> The law was enacted in 1953 and comprehensively updated in 2008. The legislative intent of CSAs is to provide counties with alternative organizations and methods to finance and provide needed public facilities and services to residents and landowners of unincorporated areas as appropriate. Towards this end, CSAs are eligible to provide a broad range of municipal services within contiguous and non-contiguous unincorporated territory as summarized below.

- Police Protection
- Fire Protection
- Recreation
- Library
- Television Translator Stations
- Water
- Sewer
- Pest/Vector Abatement
- Street Maintenance
- Solid Waste
- Soil Conservation
- Animal Control
- Transportation
- Cemetery
- Emergency Medical
- Airport
- Flood Control
- Community Facilities
- Open-Space/Habitat Conservation
- Weed Abatement
- Graffiti Abatement

CSA No. 3 provides only fire protection and street maintenance services with the latter involving landscaping, cleaning, and lighting. All other services are considered latent powers and would require Commission approval to activate.

CSA No. 3 business is conducted by the Board of Supervisors as needed during its regular meetings scheduled every Tuesday at the County Administration Building. A review of recent agendas indicates the Board of Supervisor's review of CSA No. 3 items over the last several years have been limited to annually setting the special tax rates for fire protection and street maintenance services and adopting an annual budget.

### *Administration*

CSA No. 3's administration is the principal responsibility of the County Public Works Department. The Public Works Director manages the day-to-day activities of CSA No. 3 and assigns staff to provide administrative services for the District as needed. Key administrative tasks performed by Public Works include preparing and monitoring the annual budget and overseeing CSA No. 3's contracts with outside service providers.

---

<sup>41</sup> There are currently 883 CSAs operating in California.

## Municipal Services

As mentioned, CSA No. 3 provides fire protection and miscellaneous street maintenance services. These services are provided within three distinct and overlapping zones. An evaluation of these services in terms of organization, capacities, and demands follows.

### *Fire Protection*

CSA No. 3 provides fire protection services within “Zone Two” of its jurisdictional boundary by way of funding approximately one-third of the annual operational costs of the County’s Greenwood Ranch Station. Zone Two includes all of CSA No. 3 with the exception of approximately 160 acres located along Tower Road which is within and served by ACFPD. A total of 13 career firefighters are assigned to Greenwood Ranch and are responsible for operating one engine company. The engine company has a minimum staffing level of four at all times, which generally includes one captain and three engineers. All personnel assigned to Greenwood Ranch work a 72 hour shift.

The Greenwood Ranch Station is located within along Airport Boulevard west of its intersection with State Highway 29 in CSA No. 3. Dispatch services are provided by CalFire without charge and processed at a central command center located outside of St. Helena. Greenwood Ranch’s entire service area is approximately 61 square miles in size and generally extends west to Sonoma County, south to American Canyon, east to Solano County, and north to Napa.<sup>42</sup> The principal field equipment assigned to Greenwood Ranch is listed below.

- Engine 27
- Reserve Engine 27
- Utility Pick-Up Truck
- Hazardous Materials Support Trailer
- Engine 1470 (Assigned to CalFire)
- Engine 210 (Assigned to Carneros)

Over the last four years, Greenwood Ranch has experienced an approximate 16% increase in the total number of services calls within CSA No. 3 from 115 to 134. Close to one-half of these service calls have related to emergency medical with the remainder dedicated to fire and rescue.<sup>43</sup> A complete listing of the type and volume of service calls received by Greenwood Ranch within CSA No. 3 over the last four years follows.

### CSA No. 3’s Service Calls

(Source: County)

Incident Type	2004-2005	2005-2006	2006-2007	2007-2008
Fire	39	33	47	45
Rescue	10	17	21	22
Medical	66	76	63	67
<b>Total</b>	115	126	131	134
<b>Increase From Prior Year</b>	***	9.5%	4.0%	2.3%

<sup>42</sup> Greenwood’s service area to the north includes the unincorporated islands located north of Imola Avenue to Sousa Lane.

<sup>43</sup> The County’s emergency medical services are regulated by regional joint-powers authority known as the Central Valley Regional Medical Services Agency. This joint-powers authority licenses the County to administer basic life support. The County coordinates its emergency medical services by contracting with Piner Ambulance Service to provide ambulatory transport throughout the south county region including within CSA No. 3. Fire protection services generally involve responding to structural, vehicle, and vegetation fires. Rescue services typically involve extricating people from vehicles that have been damaged in accidents.

\* On average, the number of service calls within CSA No. 3 represents 23.4% of the total amount of calls received by Greenwood Ranch.

The County does not have an adopted response time standard. However, beginning in 2004-2005, the County has been recording its response times as measured from dispatch to arrival in anticipation of eventually adopting a standard. A review of the data collected by the County over the last four years identifies Greenwood Ranch's average response time for service calls within CSA No. 3 has been 4:35, which is considered sufficient relative to national standards. The Greenwood Ranch's average response times for service calls outside of CSA No. 3 are not available at this time.

CSA No. 3 is responsible for funding one-third of Greenwood Ranch's annual operational costs, which includes personnel expenses. CSA No. 3 is also responsible for debt service to cover its outstanding one-third portion of the capital costs for constructing Greenwood Ranch. These annual operational and debt service costs to CSA No. 3 collectively totals \$0.37 million in 2008-2009.<sup>44</sup> CSA No. 3's anticipated revenue from its fire service assessment, however, is not expected to raise more than \$0.29 million given the annual increase cannot exceed the change to the consumer price index. This restriction results in an anticipated funding shortfall of \$0.08 million for the current fiscal year. The County will cover the expected shortfall through its countywide fire fund. Notably, the County has subsidized CSA No. 3's annual operational and debt service costs for Greenwood Ranch since its construction and has resulted in an accumulated balance of \$1.26 million. Overall, fire protection services represents nearly four-fifths of CSA No. 3's current operating budget.

### ***Street Maintenance***

CSA No. 3's street maintenance services include (a) streetside landscaping, (b), street lighting, and (c) street sweeping and are summarized below.

#### ***Streetside Landscaping***

---

CSA No. 3 provides streetside landscaping services within "Zone One" which includes the west-central portion of its jurisdictional boundary. Services currently include landscaping the medians located along Airport Boulevard, Devlin Road, and Gateway Road West. These services are provided by an outside contractor on a biweekly basis and includes on-going maintenance and irrigation of planted vegetation. These services are expected to cost \$29,000 and represents 7.7% of CSA No. 3's current operating budget.

#### ***Street Lighting***

---

CSA No. 3 provides street lighting services within "Zone Three" which includes its entire jurisdictional boundary. Services currently include installing and maintaining mid-block lights located throughout CSA No. 3.<sup>45</sup> These services are provided by an outside contractor as needed. CSA No. 3 also is responsible for the electrical costs associated with operating the mid-block lights provided by Pacific Gas and Electric. These services are expected to cost \$14,000 and represents 3.7% of CSA No. 3's current operating budget.

---

<sup>44</sup> CSA No. 3's apportioned operational and debt service costs in 2008-2009 incorporates a reduction of \$206,074, which represents the amount of expected revenue generated in the District for the County's Structural Fire Tax.

<sup>45</sup> The County maintains responsibility for operating intersection lights.

### *Street Sweeping*

CSA No. 3 provides street sweeping services within “Zone Three” which includes its entire jurisdictional boundary. These services are provided by an outside contractor on a monthly basis with additional sweeping provided as needed. These services are expected to cost \$10,000 and represents 2.7% of CSA No. 3’s current operating budget.

\* Maps depicting all three zones within CSA No. 3 are provided in Appendix F.

## **Financial**

### *Assets, Liabilities, and Equity*

CSA No. 3’s financial statements are prepared by the County and included in its annual report issued at the conclusion of each fiscal year. The most recent issued report was prepared for the 2006-2007 fiscal year and includes audited financial statements identifying CSA No. 3’s total assets and liabilities, and equity as of June 30, 2007. These audited financial statements provide quantitative measurements in assessing CSA No. 3’s short and long term fiscal standing and are summarized below.

#### *Assets*

CSA No. 3’s assets at the end of the fiscal year totaled \$0.113 million. All assets are classified as current with the expectation they could be liquidated into currency within a year with over four-fifths directly tied to cash and investments.<sup>46</sup>

#### *Liabilities*

American Canyon’s liabilities at the end of the fiscal year totaled \$0.01 million. Current liabilities representing obligations owed within a year accounted for the entire amount and involved outstanding accounts payable.

#### *Equity*

American Canyon’s equity at the end of the fiscal year totaled \$0.112 million. This amount represents the difference between CSA No. 3s total assets and total liabilities and confirms the District’s overall profit since its formation.

CSA No. 3’s financial statements for 2006-2007 reflect the District experienced a negative change in its fiscal standing as its equity or net worth decreased by nearly two-fifths or \$0.81 million over the 12 month period. This decline is attributed to operating expenses outpacing revenues during the fiscal year.

<b>2006-2007 Financial Statements</b>	
Assets	\$113,879
Liabilities	\$1,003
Equity	\$112,876

<sup>46</sup> CSA No. 3 finished 2006-2007 with \$98,125 in cash and investments.

### *Annual Budget*

CSA No. 3's adopted budget for the 2008-2009 fiscal year totals \$0.376 million. This amount represents CSA No. 3's total approved expenses or appropriations for the fiscal year and reflects an approximate 10.2% decrease from the prior year budget. Nearly four-fifths of all expenses are associated with funding fire protection services while less than one-tenth are tied to street maintenance services. (Remaining expenses are tied to general administration.) CSA No. 3 estimates revenues will match expenses and includes collecting \$0.369 million from the District's fire (\$0.295 million) and street maintenance (\$0.074 million) special assessments. The remaining revenue amount is expected to be drawn from earned interest (\$0.006 million). Revenues overall are projected to increase by 12.6% from the prior fiscal year as result of raising both annual assessments consistent with the consumer price index.

CSA No. 3's adopted budget in 2008-2009 marks the second consecutive year in which the District has decreased its operating expenses. These budgeted declines in expenditures are primarily the result of CSA No. 3 decreasing its annual contribution to funding the operation and maintenance of the Greenwood Ranch Station. CSA No. 3's fund balance at the beginning of the fiscal year was \$143,032, which represents 38% of its current budgeted operating expenses. No change to the fund balance is expected at end of the fiscal year.

<b>2008-2009 Adopted Budget</b>	
Total Expenses:	\$0.376 million
Total Revenues:	\$0.376 million
Difference:	\$0.00 million

**This page has been left intentionally blank for photocopying**

## IV. SOURCES

### A. American Canyon

#### Contacts

Richard Ramirez, City Manager

Brent Cooper, Planning Director

Barry Whitley, Finance Director

Randy Davis, Community Resources Director

Brian Banducci, Chief of Police

Cheryl Braulik, Senior Engineer

Tonya Hennessey, Permit Technician, Community Development

#### Documents/Materials

City of American Canyon (Omni-Means), "Traffic Circulation Study," April 2007

City of American Canyon, "Comprehensive Annual Financial Report," July 2007

City of American Canyon (West Yost & Associates), "Wastewater Collection System Master Plan," December 1996

City of American Canyon (West Yost & Associates), "Water Distribution System Master Plan," December 1996

City of American Canyon (West Yost & Associates), "Storm Drainage Master Plan," December 1996

City of American Canyon (City of American Canyon), "Water Management Plan for American Canyon County Water District," May 1986

City of American Canyon (Dames & Moore), "Wastewater Treatment and Reclamation Project," November 1997

City of American Canyon (HydroScience Engineers), "Recycled Water Facilities Plan," December 2003

City of American Canyon, "Water Service Agreement Between the City of Vallejo and the City of American Canyon," May 1996

City of American Canyon, "Agreement for Provision of Public Library Services in the City of American Canyon," 2001

City of American Canyon, "Agreement for Animal and Licensing Services Between the County of Napa and the City of American Canyon," 2003

City of American Canyon, "Agreement for Solid Waste and Recyclables Collection, Processing, and Disposal Services," May 2003

City of American Canyon, "Agreement for Law Enforcement Services Between the County of Napa and the City of American Canyon," July 2006

City of American Canyon, "Planning Commission Staff Report," December 2008

**B. ACFPD**Contacts

Glen Weeks, Fire Chief

Martha Banuelos, Administrative Assistant

Documents/Materials

American Canyon Fire Protection District, "2007/2008 Mid Year Report," 2008

American Canyon Fire Protection District, "State Controller's Report: Fiscal Years 1998/1999 through 2005/2006," 2008

**C. CSA No. 3**Contacts

Michael Stoltz, Deputy Public Works Director, County

Martin Pehl, Airport Manager, County

Kathy Dubrin, Analyst, County

Kristin Lowell Schubert, President, Kristin Lowell Inc.

Documents/Materials

County of Napa, CSA 3 Fire Protection and Street Maintenance Assessment District (Terrance Lowell & Associates), "Amended Engineer's Report Fiscal Year 2002/2003," June 2002

County of Napa, CSA 3 Fire Protection and Street Maintenance Assessment District (Terrance Lowell & Associates), "Engineer's Report Fiscal Year 2004/2005," June 2004

County of Napa, CSA 3 Fire Protection and Street Maintenance Assessment District (Terrance Lowell & Associates), "Engineer's Report Fiscal Year 2005/2006," May 2005

County of Napa, CSA 3 Fire Protection and Street Maintenance Assessment District (Terrance Lowell & Associates), "Engineer's Report Fiscal Year 2006/2007," June 2006

County of Napa, CSA 3 Fire Protection and Street Maintenance Assessment District (Terrance Lowell & Associates), "Engineer's Report Fiscal Year 2007/2008," June 2007

County of Napa, CSA 3 Fire Protection and Street Maintenance Assessment District (Terrance Lowell & Associates), "Engineer's Report Fiscal Year 2008/2009," May 2008

County Service Area No. 3, "State Controller's Report: Fiscal Years 1998/1999 through 2005/2006," 2008

County Service Area No. 3, "State Controller Budget Unit Revenue Detail 2004/2005 through 2008/2009," 2009

## D. Other Agencies

### Contacts

Felix Riesenber, Principal Water Resources Engineer, Flood District  
Deborah Brunner, Planner, Napa County Transportation and Planning Agency  
Gabrielle Avina, Former Fire Marshal, County  
Sean Trippi, Principal Planner, County  
John Crawford, Sergeant, County  
Danis Kreimeier, Library Director, County  
Peter Munoa, Fire Marshal, County  
Tracy Schulze, Auditor, County  
Bob Minahen, Accounting Manager, County  
Judi Perry, Chief Deputy Assessor-Recorder-Co Clerk-Registrar, County

### Documents/Materials

County of Napa, "General Plan," adopted June 3, 2008  
Department of Water Resources, "The State Water Project Deliver Reliability Report 2007," August 2008  
Metropolitan Transportation Commission, "Pavement Condition Index," 2007  
California Regional Water Quality Control Board, "American Canyon Wastewater Treatment Facility Discharge Permit," June 2006  
LAFCO of Napa County, "County Service Area No. 3 Sphere of Influence Review," October 2007  
LAFCO of Napa County, "Comprehensive Study of American Canyon: Service Review," April 2003  
LAFCO of Napa County, "Comprehensive Water Service Study," October 2004  
LAFCO of Napa County (P&D Consultants), "Comprehensive Study of Sanitation and Wastewater Treatment Providers," September 2005  
LAFCO of Napa County, "Comprehensive Study of Fire Protection Services," December 2006

Note: Appendices are available by contacting LAFCO staff



**Local Agency Formation Commission**  
**LAFCO of Napa County**

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

**May 4, 2009**  
**Agenda Item No. 10a (Information)**

April 28, 2009

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer  
Brendon Freeman, Analyst

**SUBJECT: Current and Future Proposals**

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

---

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCOs) with regulatory and planning duties to coordinate the logical formation and development of cities and special districts. This includes approving proposed jurisdictional boundary changes and requests to provide new or extended extraterritorial services. LAFCOs are also responsible for establishing, updating, and modifying cities and special districts' spheres of influence.

**A. Discussion**

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

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

This application has been submitted by the City of St. Helena. The City proposes the annexation of two unincorporated parcels totaling approximately 100 acres northwest of the intersection of Silverado Trail and Zinfandel Lane. The affected territory is owned and used by the City to discharge treated wastewater from its adjacent sewer plant. The purpose of the annexation is to provide cost-savings to the City by no longer paying property taxes. The subject territory is located outside the City's sphere, but is eligible for annexation under Government Code Section 56742 given it is owned and used by the City for municipal purposes.

**Status:** Staff is awaiting the completion of a property tax agreement between the City and the County as required under Revenue and Taxation Code before completing the analysis and presenting the proposal to the Commission.

---

Juliana Inman, Vice Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
*Executive Officer*

### **Trancas Crossing Park Annexation to the City of Napa**

The City of Napa has adopted a resolution of application proposing the annexation of one 33 acre unincorporated parcel located near the northern terminus of Old Soscol Avenue. The subject territory is owned by the City and is currently undeveloped. The purpose of the proposal is to facilitate the planned development of the subject territory into a public park. The subject territory is located outside the City's sphere of influence. Accordingly, staff review of the proposal will include the merits of a concurrent sphere of influence amendment.

Status: Staff is awaiting the completion of a property tax agreement between the City and the County as required under Revenue and Taxation Code before completing the analysis and presenting the proposal to the Commission.

### **Silverado Community Services District: Activation of a Latent Power**

The Silverado Community Services District (SCSD) has submitted a resolution of application requesting approval to activate a latent power to improve and maintain sidewalks within its jurisdictional boundary. The activation of this latent power would be in addition to SCSD's established road and landscaping services.

Status: Staff is awaiting the completion of a property tax agreement between SCSD and the County as required under Revenue and Taxation Code before completing the analysis and presenting the proposal to the Commission.

### **Trancas Street/Villa Lane Annexation to the Napa Sanitation District**

This application has been submitted by the Queen of the Valley Medical Center. The applicant proposes annexing their 6.57 acre incorporated parcel located in the City of Napa to the Napa Sanitation District. The purpose of the annexation is to facilitate the development of the affected territory from an existing parking lot to a new medical facility building. The City of Napa Planning Commission is scheduled to consider the underlying project in May 2009.

Status: Staff recently circulated copies of the application materials to local agencies for their review and comment. The proposal will not be presented to the Commission until the City of Napa adopts an environmental determination on the underlying development project.

### **Formation of the Villa Berryessa Water District**

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

agency accept responsibility for the construction and perpetual operation of the water and sewer systems serving the subdivision.

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

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

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

The Napa Valley Unified School District (NVUSD) has initiated a multi-phased planning process to construct a 2,200-student high school and 530-student middle school to serve the City of American Canyon. The project site is located at the northeast intersection of American Canyon Road and Newell Drive. NVUSD recently approved a final environmental impact report for the project. As part of the proposed project, Commission approval is required to annex the proposed high school site (45 acres) to American Canyon and the American Canyon Fire Protection District. Commission approval is also required to concurrently annex and add the proposed middle school site (17 acres) to both the City and District's spheres of influence. The Commission may also consider modifying the proposal to include the concurrent detachment of the affected territory from CSA No. 4.

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

**American Canyon Town Center Reorganization**

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

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

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

**Stanly Lane Annexation (Napa Sanitation District)**

The City of Napa has initiated a planning process to develop approximately 95.5 acres of land comprising four parcels located along Stanly Lane in the Stanly Ranch area. The proposed project includes the development of a 245 unit resort. The developer has contacted staff to discuss the process to annex the affected territory to Napa Sanitation District.

**B. Commission Review**

Staff respectfully requests the Commission review and provide any comments or questions with respect to any of the current or future proposals identified in this report.

Attachments: none