



Local Agency Formation Commission
LAFCO of Napa County

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December 3, 2007
Agenda Item No. 6c

November 26, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

**SUBJECT: Spanish Flat Water District: Sphere of Influence Review
(Public Hearing)**

The Commission will receive a written report representing the sphere of influence review of the Spanish Flat Water District. The Commission will consider a draft resolution approving the recommendation of the written report to affirm with no changes the District's existing sphere.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires Local Agency Formation Commissions (LAFCOs) to review each city and special district's sphere of influence by January 1, 2008 and every five years thereafter as necessary. A sphere is a planning tool used by LAFCO to designate the probable physical boundary and service area of the affected local agency. Change of organizations, such as annexations or detachments, must be consistent with the spheres of the affected local agencies. In order to review a local agency's sphere, LAFCO must prepare municipal services reviews to determine the availability and adequacy of services in the region. The collective purpose of these reviews is to inform and direct LAFCOs in their legislative mandate to coordinate the orderly development of local agencies and services in a manner that meets the present and future needs of the community.

Discussion

Between 2004 and 2006, LAFCO of Napa County completed two countywide municipal service reviews on public water and sewer service providers. Both municipal service reviews evaluated the water and sewer services provided by the Spanish Flat Water District. The municipal service reviews culminated with LAFCO adopting determinations making statements on a range of service and governance issues relating to the District. Notably, this included a determination for LAFCO to conduct a governance study to evaluate the options and merits of reorganizing or consolidating the District with other special districts serving the Lake Berryessa region.

Jack Gingles, Chair
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

Based on the information collected and analyzed during the municipal service reviews, staff has prepared the attached written report representing the sphere review of the District. The report recommends that no changes to the sphere are warranted until the above-mentioned governance study has been completed. Towards this end, the attached draft resolution codifies the recommendation of the written report and is being presented for Commission consideration. The draft resolution includes statements addressing the four planning factors the Commission is required to consider anytime its makes a sphere determination. The adoption of the draft resolution would fulfill the Commission's sphere review requirement for the District through 2012.

Recommendation

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

- 1) Receive and file the attached written report representing the sphere of influence review of the Spanish Flat Water District; and
- 2) Approve the form for the attached draft resolution with any desired changes that make statements with respect to affirming the sphere of influence with no changes for the Spanish Flat Water District pursuant to California Government Code §56425.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

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

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

SPANISH FLAT WATER DISTRICT SPHERE OF INFLUENCE REVIEW

**Final Report
December 2007**

Prepared by:

LAFCO of Napa County

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

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

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



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INTRODUCTION

Local Agency Formation Commissions

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

Spheres of Influence

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

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

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

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

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

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

Beginning in 2001, to help inform the sphere review process, LAFCO is responsible for preparing a municipal service review. A municipal service review is a comprehensive evaluation of the level and range of governmental services provided by a local agency or within a defined area. The municipal service review culminates in the preparation of written determinations addressing nine specific factors enumerated under California Government Code §56430(a). These factors range from infrastructure needs or deficiencies to local governance and accountability. The municipal service review is a prerequisite to updating an agency's sphere and may also lead LAFCO to take other actions under its authority.

Spanish Flat Water District

Between 2004 and 2006, LAFCO of Napa County completed two countywide municipal service reviews on public water and sewer service providers. Both municipal service reviews included evaluations of the level and range of water and sewer services provided by the Spanish Flat Water District. The municipal service reviews culminated in the Commission adopting written determinations making statements on the adequacy of the District's water and sewer services pursuant to California Government Code §56430.² The municipal service reviews are available for viewing at the LAFCO office.

Drawing on the information collected and analyzed as part of the municipal service reviews, this report represents the sphere review of the District as required under California Government Code §56425. The report considers whether changes to the sphere are warranted to plan and coordinate the orderly development of the District in a manner that supports the provisions of California Government Code and the policies of the Commission.

² LAFCO Resolutions 04-24 and 06-12.

OVERVIEW

The Spanish Flat Water District (SFWD) was formed in 1963 to provide sewer and water services to the unincorporated community of Spanish Flat located along the western shoreline of Lake Berryessa. At the time, Spanish Flat included a local-serving commercial center, public cemetery, and a small number of single-family residences. The formation of SFWD was petitioned by local property owners to serve these existing uses as well as to accommodate the planned development of the 53-lot subdivision known as “Spanish Flat Woodlands.” In 1977, SFWD annexed and assumed sewer and water service operations for a non-contiguous 99-lot subdivision north of Spanish Flat known as “Berryessa Pines.”

SFWD currently provides water and sewer services to an estimated full-time resident population in Spanish Flat and Berryessa Pines of 203 and 188, respectively.³ SFWD also provides water to the Spanish Flat Resort, which was annexed into the District in 1976. It is estimated that the Spanish Flat Resort has a part-time resident population of 568.⁴

SFWD is an independent special district governed by a five-member board of directors. Directors serve staggered four-year terms. Elections are based on a landowner-voter system, which provides each landowner one vote for each dollar that his or her property is assessed. Staffing for SFWD is provided by one full-time operator who manages both the sewer and water systems.

Spanish Flat Water District	
Date Formed	1963
District Type:	Independent
Enabling Legislation	Water Code §34000-38501
Services Provided	Sewer Water

Sphere of Influence

Establishment

SFWD’s sphere was established by LAFCO in 1976. LAFCO designated the sphere to include SFWD’s entire jurisdictional boundary along with the adjacent Spanish Flat Resort.

Amendments

LAFCO has approved two amendments to SFWD’s sphere since its establishment in 1976. The first amendment was approved in 1978 as part of the concurrent annexation of Berryessa Pines. The last amendment was approved in 1992 and involved the addition of a recreational storage facility north of Berryessa Pines along Berryessa-Knoxville Road.

³ The population estimate was calculated by LAFCO based on the number of equivalent dwelling units currently being served by SFWD in Spanish Flat (79) and Berryessa Pines (73) and multiplied by the average population per-household projection for Napa County (2.57) as determined by the California Department of Finance. (Note: the Spanish Flat service area includes the 48-unit Spanish Flat Mobile Villa.)

⁴ The Spanish Flat Resort was developed in the late 1950s and is one of seven concessionaries under contract with the United States Bureau of Reclamation to provide public recreational and commercial services at Lake Berryessa. The Spanish Flat Resort allows tenants to live in their private mobile homes for up to 180 days per year. The part-time population projection for the Spanish Flat Resort was calculated by LAFCO based on the Resort’s total number of assigned equivalent dwelling units (221) and multiplied by the population per household estimate (2.57) assigned to Napa County by the California Department of Finance.

Current Relationship to Jurisdictional Boundary

SFWD's sphere is approximately 1,334 acres in size and includes 197 unincorporated parcels. SFWD's sphere is slightly larger than its jurisdictional boundary, which is approximately 1,185 acres in size and includes 191 unincorporated parcels. This differential indicates that are six parcels comprising approximately 149 acres in the sphere eligible for annexation.⁵

- * A map depicting SFWD's sphere and jurisdictional boundary is provided in Attachment One.

Land Use Factors

SFWD is under the land use authority of the County. The County designates land located within and adjacent to SFWD as *Agriculture, Watershed and Open Space* or *Rural Residential*. These land use designations require minimum parcel sizes of 160 and 10 acres, respectively.⁶

As mentioned, existing development within SFWD is concentrated within the Spanish Flat Woodlands (31 residences), Spanish Flat Mobile Villa (48 units), and Berryessa Pines (73 residences). Lands outside and adjacent to SFWD are primarily undeveloped.

- * A map depicting County land use designations within and surrounding SFWD is provided in Attachment Two.
- * A map depicting current land uses within and surrounding SFWD is provided in Attachment Three.

DISCUSSION

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

⁵ Portions of the sphere and jurisdictional boundary are not parcel-specific.

⁶ There are several County zoning assignments within SFWD. Lands within the Spanish Flat Woodlands subdivision are zoned *Residential Single*, which establishes standards for residential development in unincorporated areas. Lands along Spanish Flat Loop Road are zoned with a mixture of commercial uses. The majority of lands outside and adjacent to SFWD are zoned *Agriculture Watershed*. This zoning assignment establishes standards to discourage urban development and protect existing agriculture, open-space, and natural uses.

As noted, a sphere is defined as “the probable physical boundaries and service area of a local agency, as determined by the commission.” Underscoring this definition is the tenet that the sphere coordinate the logical development of the agency while protecting agricultural and open-space resources and advantageously providing for the present and future needs of the community. The Commission’s “Policy Declarations” emphasizes its commitment to these concepts and includes a statement that a special district’s sphere shall reflect its existing and planned service facilities and exclude lands designated as agricultural or open-space to protect against premature urban development. The Policy Determinations also state that the Commission will use the County General Plan to determine agricultural and open-space designations.

California Government Code §56425 requires the Commission to review and update each local agency’s sphere by January 1, 2008 and every five years thereafter as needed. It has been the practice of this Commission to review and update each local agency’s sphere in a manner that emphasizes a probable five-year service area.

ANALYSIS

The analysis conducted as part of the earlier municipal service reviews identified the need for SFWD to make a number of improvements to its aging sewer and water systems along with preparing comprehensive facilities plans. The municipal service reviews also recognized SFWD’s limitations in generating revenues to operate and make timely improvements to its infrastructure due to its confined customer base, which diminishes its ability to establish economies of scale. With these factors in mind, the municipal service reviews determined the need for LAFCO to conduct a governance study to evaluate the options and merits of reorganizing or consolidating SFWD with other special districts serving the Lake Berryessa region. It is expected that LAFCO will initiate the governance study by April 2008.

A review of SFWD’s current sphere indicates that changes may be appropriate to include nearby lands that are designated for urban use or currently used as public recreational sites. However, in the absence of completing the referenced governance study, any changes to SFWD’s existing sphere appear premature at this time.

RECOMMENDATION

It is recommended that the Commission affirm with no changes SFWD’s existing sphere. Pursuant to California Government Code §56425(e), the following statements have been prepared in support of the recommendation:

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

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

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

The Spanish Flat Water District provides water and sewer services within the area. These services are needed to support existing and future residential and commercial uses along with protecting public health and safety in the area.

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

LAFCO recently completed two municipal service reviews evaluating the level and range of the Spanish Flat Water District's water and sewer systems. The municipal service reviews determined that improvements are needed to both systems to help ensure the District's ability to adequately meet current and future service demands.

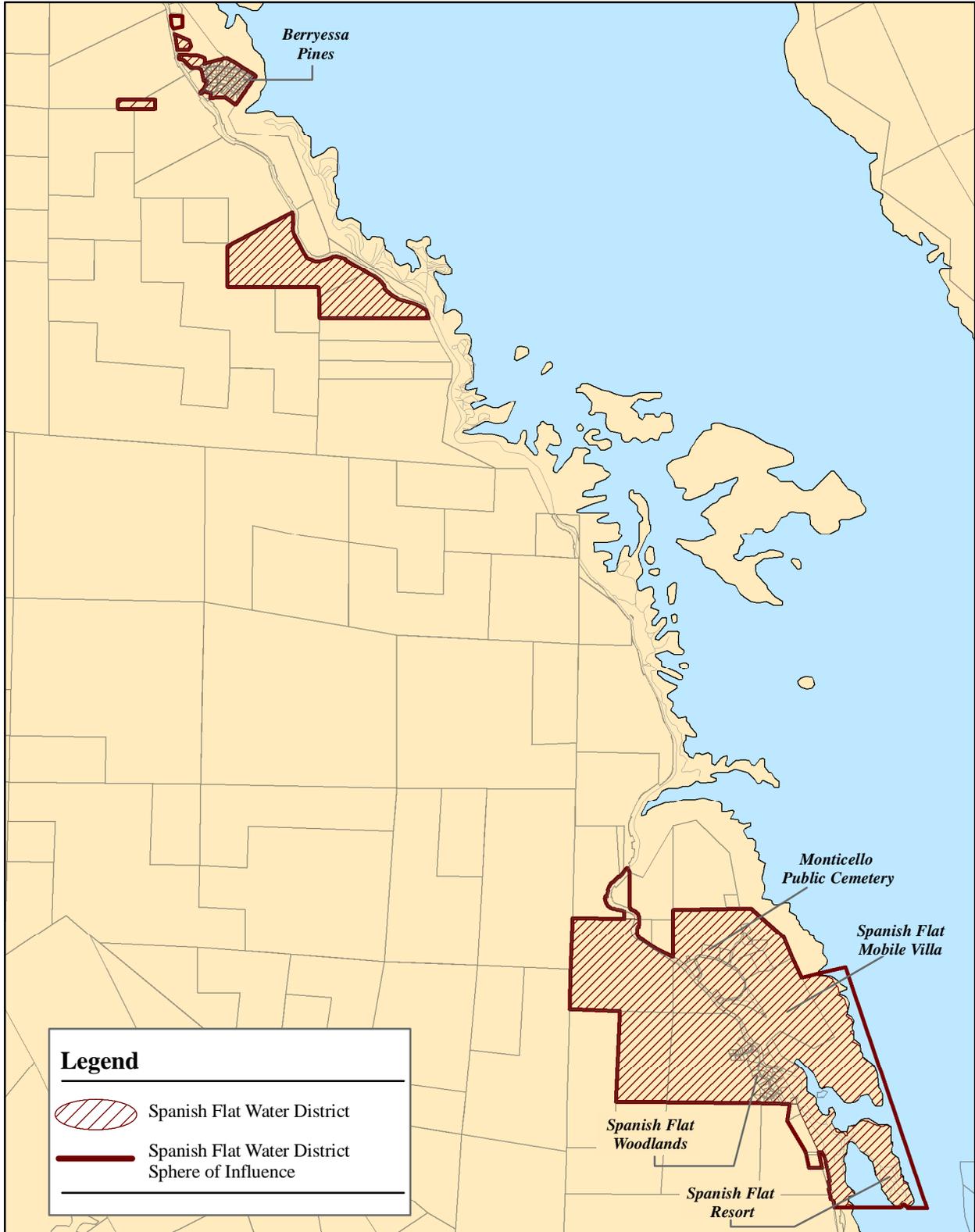
4. The existence of any social or economic communities of interest in the area (sphere) if the commission determines that they are relevant to the agency.

The area includes two distinct communities, Spanish Flat and Berryessa Pines. These communities share social and economic interdependencies that are facilitated by the Spanish Flat Water District.

Attachments:

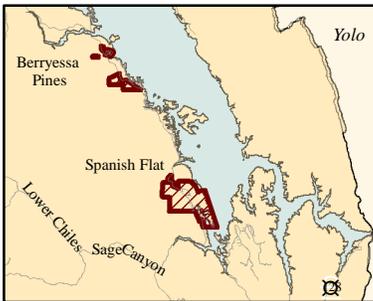
- 1) Map: SFWD's sphere and jurisdictional boundary
- 2) Map: County land use designations within and surrounding SFWD
- ~~3) Map: Current land uses within and surrounding SFWD~~

Spanish Flat Water District



Legend

-  Spanish Flat Water District
-  Spanish Flat Water District Sphere of Influence

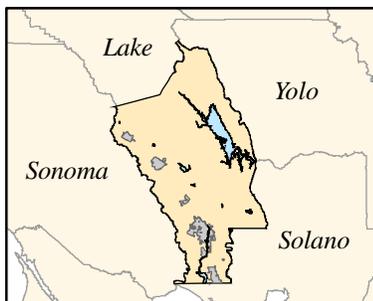
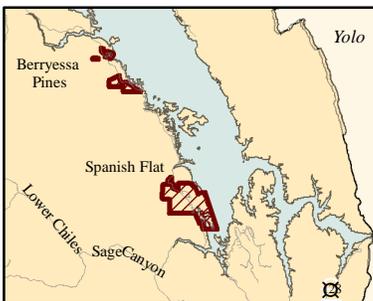
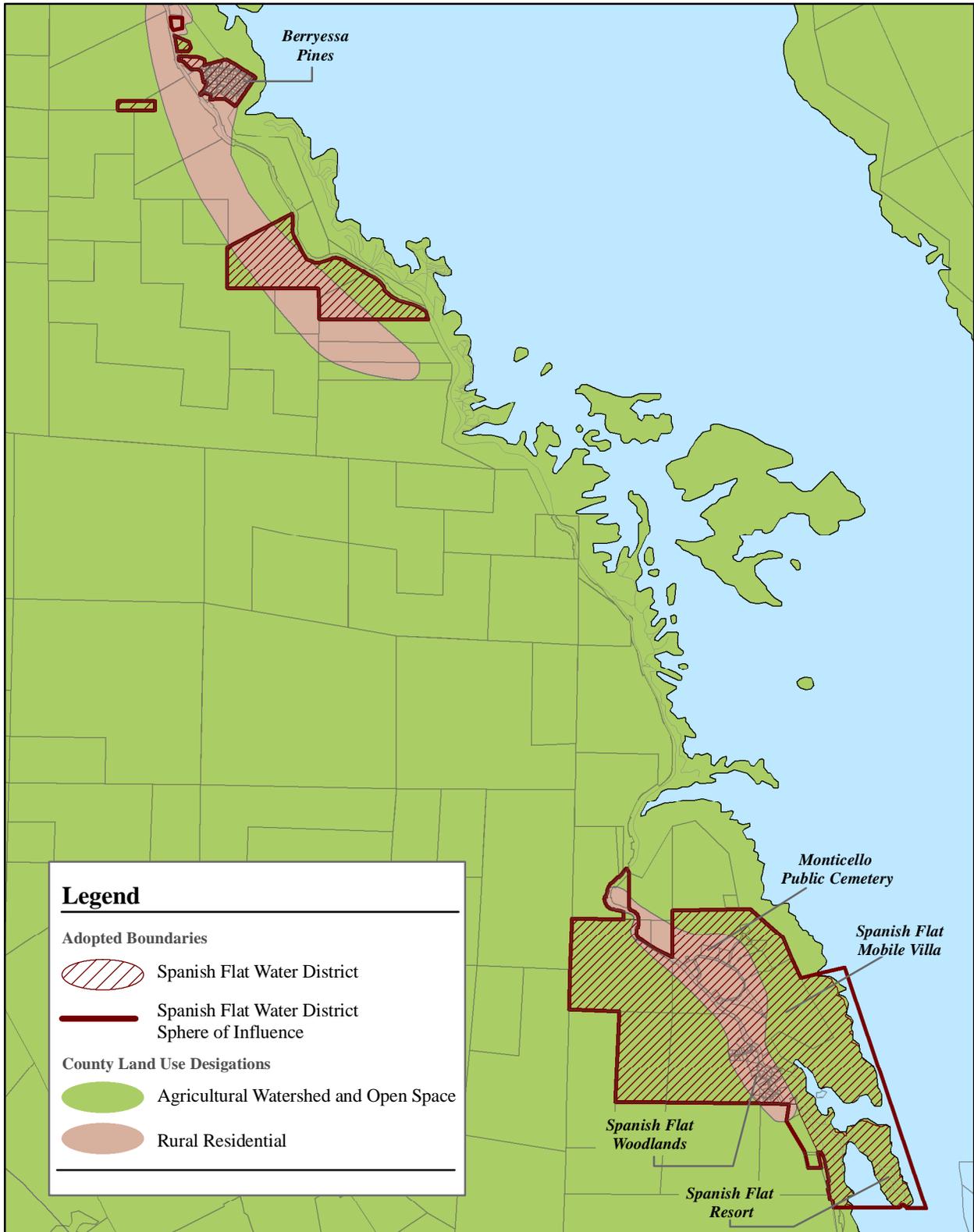


*Not to Scale
November 19, 2007
Prepared by KS*



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