



Local Agency Formation Commission of Napa County
Subdivision of the State of California

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We Manage Local Government Boundaries, Evaluate Municipal Services, and Protect Agriculture

Agenda Item 6b (Discussion)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer

MEETING DATE: July 18, 2016

SUBJECT: Work Program Updates and Progress Report

RECOMMENDATION

It is recommended the Commission discuss the updated 2016-2017 Work Program and progress report. The Commission is also invited to consider directing staff to make any changes to the Work Program as desired.

BACKGROUND

Local policy directs the Commission to annually adopt a Work Program. The Commission is also directed to consider the Work Program in conjunction with the budget process. The Work Program is intended to provide a comprehensive overview of agency activities for the next 12 to 18 months. This includes administrative, planning, and regulatory activities with the majority of existing staff resources allocated to municipal service reviews (MSRs), sphere of influence (SOI) updates, and boundary change proposals. The Work Program also serves as a management tool to measure the agency's performance and is intended to provide the Commission with opportunities to identify and address changes in priorities. The 2016-2017 Work Program was adopted by the Commission at its June 6, 2016 meeting.

DISCUSSION

The Commission will receive a report that summarizes recent updates to the 2016-2017 Work Program. The report also provides a summary of progress made to date in accomplishing the administrative, planning, and regulatory activities established in the 2016-2017 Work Program. A brief analysis of in-house versus outsourced municipal service reviews and sphere of influence updates is also provided in this report.

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Councilmember, City of St. Helena

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Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Brendon Freeman
Executive Officer

SUMMARY

In response to several comments from Commissioners generated at previous meetings, staff returns with an updated Work Program that is intended to further improve the document's readability and utility. The majority of changes are associated with formatting and stylistic edits. Changes to an activity's priority level, start date, completion date, or lead are described in this report and highlighted in the new version of the Work Program, which is included in this report as Attachment One. For reference, the 2016-2017 Work Program that was adopted at the Commission's June 6, 2016 meeting is included as Attachment Two and the original 2015-2016 Work Program that was adopted on August 3, 2015 is included as Attachment Three.

Changes to the Work Program

- Administrative Activities have been divided into "time-sensitive" and "ongoing" categories.
- Target start and completion dates have been changed to a numerical format.
- MSR and SOI updates have been assigned a "checklist," "short-form" (i.e. "abbreviated"), or "long-form" (i.e. "comprehensive") value along with the addition of a legend to provide clarification.
- Individual boundary change proposals have been removed given that they are already reflected under "change of organization/reorganization proposals" in the Work Program as well as standard Current and Future Proposals agenda items.
- Recently completed activities, such as the 2016-2017 budget, have been removed.
- Ongoing activities have been assigned an annual number of occurrences (e.g. "change of organization/reorganization proposals (3-6/yr)") where appropriate.
- A recent Grand Jury report requests a comprehensive MSR, SOI update, and governance study for the Napa River Reclamation District No. 2109 (NRRD). In response to the Grand Jury report and in recognition of longstanding challenges with respect to organized levee control along the portion of the Napa River immediately east of NRRD, the priority level for the NRRD MSR/SOI has been upgraded from "2" to "1." Further, a governance study for the District has been added to the Work Program with a target completion date of April 2017.

- The target start date for the Napa County Mosquito Abatement District (NCMAD) MSR/SOI has been changed from October 2016 to January 2017 in recognition that staff resources will be fully dedicated to other activities through 2016.
- The target start date for the Napa County Regional Park and Open Space District (NCRPOSD) MSR/SOI has been changed from October 2016 to January 2017 in recognition that staff resources will be fully dedicated to other activities through 2016.
- The target completion date for the NCRPOSD MSR/SOI has been changed from June 2017 to August 2017 given that a governance study for NRRD has been added for the beginning of 2017.

Work Program Progress

- The Commission adopted a final budget for 2016-2017 at its June 6th meeting. This item has been removed from the Work Program.
- A final MSR and SOI update checklist for the Napa County Flood Control and Water Conservation District (NCFCWCD) was approved at the June 6th meeting. This item has been removed from the Work Program.
- One annexation proposal involving the Napa Sanitation District (NSD) was considered for approval as part of today's agenda (Camilla Drive No. 5).
- One new annexation proposal involving NSD has been filed and is expected to be considered for action at the Commission's October 3, 2016 meeting (Silverado Trail No. 2).
- A final Monticello Public Cemetery District (MPCD) MSR/SOI in checklist format was considered for approval as part of today's agenda.
- A final Pope Valley Cemetery District (PVCD) MSR/SOI in checklist format was considered for approval as part of today's agenda.
- A draft City of Calistoga MSR/SOI was presented as part of today's agenda. A final MSR/SOI is expected to be considered for approval at the Commission's October 3, 2016 meeting.

- A final Circle Oaks County Water District (COCWD) MSR/SOI will be considered for approval at the Commission's August 1, 2016 meeting.
- A final Los Carneros Water District (LCWD) MSR/SOI will be considered for approval at the Commission's August 1, 2016 meeting.
- A draft City of St. Helena MSR/SOI is expected to be presented at the Commission's October 3, 2016 meeting.
- A draft Town of Yountville MSR/SOI is expected to be presented at the Commission's October 3, 2016 meeting.
- A draft NRRD MSR/SOI is expected to be presented at the Commission's October 3, 2016 meeting.

In-House Versus Outsourced Studies

At the June 6th meeting, the Commission requested a brief analysis of the resources needed to prepare MSRs and SOI updates in-house versus outsourcing the studies. Toward this end, a chart of recent consultant costs to prepare MSRs for eight LAFCOs is included in this report as Attachment Four. MSRs represent a primary activity of the Commission that is necessary to inform the adoption and subsequent amendment of local agency SOIs. The preparation of MSRs varies in scope and purpose depending on the agency being reviewed and the extent of changes from the previous study performed for the agency. The fundamental value of the MSR is to provide a "governance audit" required by the Legislature to assess performance of local agencies. MSRs require the agency under review to cooperate with LAFCO staff with respect to information gathering efforts. Local agencies can vary significantly in terms of staff size, governance structure, and overall service functions, thereby creating inherent variables in terms of LAFCO resources required to comprehensively review and analyze the agency's operations. The Commission's desired MSR depth and quality for each local agency may also be a variable given that some agencies need more comprehensive studies than others. A discussion of in-house MSRs and SOI updates in terms of resource allocation and variables follows.

The average cost of an outsourced MSR based on available data is \$6,989. It is important to note that this figure only includes concurrent SOI updates for some of the studies prepared by consultants for these LAFCOs. Further, a sampling of these studies prepared by consultants for other LAFCOs suggests the majority are of a "short-form" or "abbreviated" format. "Long-form" or "comprehensive" studies are typically reserved for large cities and multi-service districts with complex boundary and service considerations.

In the event that the Analyst position remains vacant, private consultants will continue to be needed to assist the Commission in its preparation of MSRs and SOI updates given that staff resources are currently insufficient to prepare these studies for all five cities and 18 special districts every five years. Approximately five MSRs and SOI updates need to be prepared each year, resulting in an estimated annual cost of \$34,945 based on the aforementioned average cost to outsource these studies. However, if the Analyst position is filled, it would be reasonable to assume these studies could be prepared entirely in-house without the use of private consultants. The total cost of filling the Analyst position, including salary and benefits, would be approximately \$92,000 during the first year. This amount would increase by three percent to seven percent in subsequent years as a result of salary step increases and cost-of-living adjustments. The key benefits of utilizing an Analyst would be (1) relief for the Executive Officer with respect to administrative items and processing boundary change proposals; (2) enhancing staff's overall institutional knowledge; and (3) establishing more effective relationships with local agencies that support more consistent project development. Consultant products may deliver adequate documents, but the relationships built during the process remain with a third party. Nevertheless, outsourcing all future MSRs and SOI updates represents the most cost-effective approach in comparison with hiring an Analyst.

ATTACHMENTS

- 1) 2016-2017 Work Program Version 2 (July 18, 2016)
- 2) 2016-2017 Work Program Version 1 (June 6, 2016)
- 3) 2015-2016 Work Program Version 1 (August 3, 2015)
- 4) Chart of Consultant Costs for LAFCO Studies

Napa LAFCO Work Program

Planning and Regulatory Activities

Activity	Priority	Start	Completion	Lead	Type
Monticello Public Cemetery District MSR/SOI	3	4/16	7/16	EO	C
Pope Valley Cemetery District MSR/SOI	3	4/16	7/16	EO	C
Circle Oaks County Water District MSR/SOI	3	12/15	8/16	Consultant	S
Los Carneros Water District MSR/SOI	3	12/15	8/16	Consultant	S
City of Calistoga MSR/SOI	1	12/15	10/16	Consultant	L
City of St. Helena MSR/SOI	1	12/15	12/16	Consultant	L
Town of Yountville MSR/SOI	1	12/15	12/16	Consultant	L
Napa River Reclamation District MSR/SOI	1	2/16	12/16	EO	L
Congress Valley Water District SOI	2	6/16	12/16	EO	S
Napa River Reclamation District Governance Study	1	10/16	4/17	EO	N/A
Napa County Mosquito Abatement District MSR/SOI	3	1/17	6/17	EO	C
Napa County Regional Park and Open Space District MSR/SOI	2	1/17	8/17	EO	S
County Service Area No. 3 MSR/SOI	3	1/17	10/17	Consultant	S
American Canyon Fire Protection District MSR/SOI	2	1/17	10/17	Consultant	L
City of American Canyon MSR/SOI	1	1/17	10/17	Consultant	L
County Service Area No. 4 MSR/SOI	2	6/17	12/17	EO	C
Change of Organization/Reorganization Proposals (3-6/yr)	1	N/A	N/A	EO	N/A
Outside Service Agreement Requests (1-2/yr)	1	N/A	N/A	EO/Chair	N/A

Administrative Activities - Time Sensitive

Activity	Priority	Start	Completion	Lead
2016 CALAFCO Annual Conference (Santa Barbara)	3	8/16	10/16	EO/Cmmssnr's
2014-2015 Audit	1	8/16	12/16	Secretary
Electronic Document Management System Back-Filing	3	7/15	12/16	Secy/Consultant
2017 CALAFCO Annual Staff Workshop (Fresno)	3	1/17	4/17	EO/Secretary
Expiring Commissioner Terms in 2017	2	12/16	4/17	EO
2017 Chair and Vice Chair Designation	2	4/17	5/17	EO
2017-2018 Budget	1	12/16	6/17	Budget Cmte
2017 CALAFCO Annual Conference (San Diego)	3	8/17	10/17	EO/Cmmssnr's
2015-2016 Audit	1	8/17	12/17	Secretary

Administrative Activities - Ongoing

Activity	Priority	Start	Completion	Lead
Bay Area LAFCO EO Meetings (2/yr)	3	N/A	N/A	EO
Bay Area LAFCO Clerks Meetings (4/yr)	3	N/A	N/A	Secretary
Public Records Requests	1	N/A	N/A	Secretary
Completion Proceedings for Approved Annexations	2	N/A	N/A	EO/Secretary
Website Maintenance	2	N/A	N/A	Secretary
Geographic Information System Mapping Updates	3	N/A	N/A	EO
Policy Revisions (3-6/yr)	3	N/A	N/A	EO/Cmmssnr's
State Legislation Monitoring (2-4/yr)	3	N/A	N/A	EO
Public Comments on Local Agency Projects (1-3/yr)	3	N/A	N/A	EO

2016-2017 Work Program Version 2 (7/18/16)

Changes from Version 1 (adopted on 6/6/16) are highlighted

MSR/SOI Legend:

C = Checklist

S = Short-Form (i.e. Abbreviated)

L = Long-Form (i.e. Comprehensive)

Napa LAFCO Work Program

Planning and Regulatory Activities

Activity	Priority	Target Start	Target Completion	Lead
Napa County Flood Control & Water Conservation District MSR/SOI	3	December 2015	June 6, 2016	Executive Officer
Monticello Public Cemetery District MSR/SOI	3	April 2016	July 18, 2016	Executive Officer
Pope Valley Cemetery District MSR/SOI	3	April 2016	July 18, 2016	Executive Officer
Camilla Drive No. 5 Annexation to Napa Sanitation District	2	April 2016	July 18, 2016	Executive Officer
Circle Oaks County Water District MSR/SOI	3	December 2015	August 1, 2016	Consultant (SWALE)
Los Carneros Water District MSR/SOI	3	December 2015	August 1, 2016	Consultant (SWALE)
City of Calistoga MSR/SOI	1	December 2015	October 3, 2016	Consultant (SWALE)
City of St. Helena MSR/SOI	1	December 2015	December 5, 2016	Consultant (SWALE)
Town of Yountville MSR/SOI	1	December 2015	December 5, 2016	Consultant (SWALE)
Napa River Reclamation District #2109 MSR/SOI	2	February 2016	December 5, 2016	Executive Officer
Congress Valley Water District SOI	2	June 2016	December 5, 2016	Executive Officer
Napa County Mosquito Abatement District MSR/SOI	3	October 2016	June 5, 2017	Executive Officer
Napa County Regional Park and Open Space District MSR/SOI	2	October 2016	June 5, 2017	Executive Officer
County Service Area No. 3 MSR/SOI	3	January 2017	October 2, 2017	Consultant
American Canyon Fire Protection District MSR/SOI	2	January 2017	October 2, 2017	Consultant
City of American Canyon MSR/SOI	1	January 2017	October 2, 2017	Consultant
County Service Area No. 4 MSR/SOI	2	June 2017	December 4, 2017	Executive Officer
Change of Organization/Reorganization Proposals	1	Ongoing	Ongoing	Executive Officer
Outside Service Agreement Requests	1	Ongoing	Ongoing	Executive Officer and Commission Chair

Administrative Activities

Activity	Priority	Target Start	Target Completion	Lead
2016-2017 Budget	1	December 2015	June 6, 2016	Budget Committee
2016 CALAFCO Annual Conference (Santa Barbara)	3	August 2016	October 28, 2016	Executive Officer and Commissioners
2014-2015 Audit	1	August 2016	December 5, 2016	Secretary
Electronic Document Management System Back-Filing	3	July 2015	December 31, 2016	Secretary and Consultant (ECS)
2017 CALAFCO Annual Staff Workshop (Fresno)	3	January 2017	April 7, 2017	Executive Officer and Secretary
Expiring Commissioner Terms in 2017	2	December 2016	April 30, 2017	Executive Officer
2017 Chair and Vice Chair Designation	2	April 2017	May 1, 2017	Executive Officer
2017-2018 Budget	1	December 2016	June 5, 2017	Budget Committee
2017 CALAFCO Annual Conference (San Diego)	3	August 2017	October 27, 2017	Executive Officer and Commissioners
2015-2016 Audit	1	August 2017	December 4, 2017	Secretary
Bay Area LAFCO EO Meetings	3	Ongoing	Ongoing	Executive Officer
Bay Area LAFCO Clerks Meetings	3	Ongoing	Ongoing	Secretary
Public Records Requests	1	Ongoing	Ongoing	Secretary
Completion Proceedings for Approved Annexations	2	Ongoing	Ongoing	Executive Officer and Secretary
Website Maintenance	2	Ongoing	Ongoing	Secretary
Geographic Information System Mapping Updates	3	Ongoing	Ongoing	Executive Officer
Policy Revisions	3	Ongoing	Ongoing	Executive Officer and Commissioners
State Legislative Issues	3	Ongoing	Ongoing	Executive Officer
Public Comments on Local Agency Projects	3	Ongoing	Ongoing	Executive Officer

LAFCO of Napa County Work Program

Project Name	Priority	Project Type	Commencement	Completion	Staff or Consultant
Napa Sanitation District SOI	1	SOI (Comprehensive)	February 2015	August 2015	Executive Officer
Silverado Community Services District SOI	2	SOI (Abbreviated)	July 2015	October 2015	Executive Officer
Napa Pipe	1	SOI and Annexation	August 2015	September 2015	Executive Officer
City of Calistoga	1	MSR and SOI (Comprehensive)	August 2015	April 2016	Consultant
City of St. Helena	1	MSR and SOI (Comprehensive)	August 2015	April 2016	Consultant
Town of Yountville	1	MSR and SOI (Comprehensive)	August 2015	April 2016	Consultant
Circle Oaks County Water District	2	MSR and SOI (Abbreviated)	August 2015	April 2016	Consultant
Napa County Resource Conservation District	2	MSR and SOI (Abbreviated)	August 2015	December 2015	Executive Officer
Napa County Flood Control & Water Conservation District	2	MSR and SOI (Abbreviated)	October 2015	February 2016	Executive Officer
Los Carneros Water District	2	MSR and SOI (Abbreviated)	October 2015	April 2016	Consultant
Congress Valley Water District*	2	SOI (Abbreviated)	December 2015	April 2016	Executive Officer
Napa River Reclamation District #2109	2	MSR and SOI (Abbreviated)	December 2015	June 2016	Executive Officer
Monticello Public Cemetery District	3	MSR and SOI (Abbreviated)	February 2016	June 2016	Executive Officer
Pope Valley Cemetery District	3	MSR and SOI (Abbreviated)	February 2016	June 2016	Executive Officer
Memorandum of Understanding (MOU) with County	1	Contract Amendment	March 2015	February 2016	Executive Officer and Commissioners
New Proposals (4 to 8 Annually)	1	Annexation or Reorganization	N/A	N/A	Executive Officer
Public Records Requests (1 to 3 Annually)	1	Research and Information Sharing	N/A	N/A	Secretary
Completion Proceedings for Approved Annexations	1	Official Filings and Processing	N/A	N/A	Executive Officer and Secretary
Expiring Commissioner Terms	1	Information and Notification	December (Annual)	May (Annual)	Executive Officer
Budget Cycle	1	Financial Analysis and Projections	December (Annual)	June (Annual)	Executive Officer and Commissioners
Chair and Vice-Chair Designation	1	Information	January (Annual)	December (Annual)	Executive Officer
Website Maintenance	2	Ongoing Updates	N/A	N/A	Secretary
Electronic Document Management System Back-Filing	3	Historical File Archiving	July 2015	June 2016	Secretary and Consultant
Geographic Information Systems Updates	3	Mapping Updates	N/A	N/A	Executive Officer
Outside Service Agreement Requests (1 or 2 Annually)	1	Emergency Service Extensions	N/A	N/A	Executive Officer and Chair
Policy Revisions (1 to 3 Annually)	3	Policy Analysis and Amendments	N/A	N/A	Executive Officer and Commissioners
CALAFCO Staff Workshop	2	Training and Networking	April (Annual)	April (Annual)	Executive Officer and Secretary
CALAFCO Conference	2	Training and Networking	September (Annual)	September (Annual)	Executive Officer and Commissioners
Bay Area LAFCO EO Meetings (2 Annually)	3	Information Sharing and Networking	As Scheduled	As Scheduled	Executive Officer
Bay Area LAFCO Clerks Meetings (4 Annually)	3	Information Sharing and Networking	As Scheduled	As Scheduled	Secretary
State Legislation (CALAFCO Legislative Committee)	3	Ongoing Analysis and Updates	N/A	N/A	Executive Officer
Public Comments on Local Agency Projects	3	Analysis and Information Sharing	N/A	N/A	Executive Officer
Audit	1	Research and Information Sharing	August (Annual)	December (Annual)	Secretary

* City of Napa requests delaying CVWD SOI to allow for needed discussions regarding expiring water contract

2015-2016 Work Program Version 1 (August 3, 2015)

Consultant Costs for Municipal Service Reviews (2013-2016)

LAFCO	Cost	# of Agencies	\$ Per Agency	Description
Alameda	\$ 75,000	21	\$ 3,571	21 special districts including 12 CSAs
Fresno	\$ 35,000	1	\$ 35,000	1 large city
Napa	\$ 62,000	5	\$ 12,400	3 cities and 2 special districts
Nevada	\$ 83,000	13	\$ 6,385	6 cities and 7 special districts
San Mateo	\$ 105,000	9	\$ 11,667	4 cities and 5 special districts
Santa Clara	\$ 75,000	15	\$ 5,000	15 cities
Sonoma	\$ 60,000	6	\$ 10,000	6 fire protection agencies
Yolo	\$ 120,000	18	\$ 6,667	3 cities and 15 fire protection districts
TOTAL	\$ 615,000	88	\$ 6,989	