



**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
MINUTES OF DECEMBER 1, 2014**

**Location: City of Napa - City Hall Council Chambers
955 School Street, Napa, CA 94559**

1. WELCOME AND CALL TO ORDER; ROLL CALL

Chair Kelly called the special meeting of December 1, 2014 to order at 4:00 pm.
At the time of roll call, the following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Brian Kelly, Chair	Juliana Inman	Laura Snideman, Executive Officer
Joan Bennett, Vice-Chair	Mark Luce (<i>voting for</i>	Jackie Gong, Commission Counsel
Greg Pitts	<i>Bill Dodd</i>)	Brendon Freeman, Analyst
Brad Wagenknecht	Gregory Rodeno	Kathy Mabry, Secretary
Bill Dodd - <i>Excused</i>		

2. PLEDGE OF ALLEGIANCE

Chair Kelly led the Pledge of Allegiance.

3. APPROVAL OF AGENDA

Chair Kelly asked if there were any requests to rearrange the agenda. There were no requests.
Upon motion by Commissioner Bennett and second by Commissioner Luce, the Commission unanimously adopted the agenda as submitted:

VOTE:

AYES: BENNETT, LUCE, KELLY, PITTS AND WAGENKNECHT
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

4. PUBLIC COMMENTS

Chair Kelly invited members of the audience to provide public comment. No public comments were received.

5. CONSENT ITEMS

- a) **Approval of Meeting Minutes from October 6, 2014 (Closed Session and Special Meeting) and November 17, 2014 Special Meeting.**
- b) **Current and Future Proposals**
- c) **Designation of Chair and Vice Chair for Calendar Year 2015:** (Commissioner Bennett, Chair; and Commissioner Dodd/BOS appointment, Vice-Chair, per Commission policy).
- d) **Notice of Expiring Commissioner Terms in 2015:** (Commissioner Bennett, May 4, 2015).
- e) **Appointments to the 2015-2016 Budget Committee:** (Commissioners Kelly and Bennett).

Upon motion by Commissioner Pitts and second by Commissioner Luce, the consent items were unanimously approved:

VOTE:

AYES: PITTS, LUCE, BENNETT, KELLY AND WAGENKNECHT
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

6. PUBLIC HEARING ITEM

No public hearing items were scheduled.

7. ACTION ITEMS

a) Audit Report for Fiscal Year Ending June 30, 2014

The Commission reviewed a written report from an outside consultant (Gallina, LLP) auditing the agency's financial statements for the 2013-2014 fiscal year.

Staff provided the Commission with a brief overview of the report and highlighted an attached spreadsheet summarizing the audited fund balance which was prepared by Auditor-Controller, Tracy Schulze.

Bob Minahen, Assistant Auditor-Controller spoke before the Commission and reviewed the audit report for fiscal year ending June 30, 2014.

Staff commended Secretary Mabry for the work relating to a successful audit again this year.

Upon motion by Commissioner Wagenknecht and second by Bennett, the audit report for the 2013-2014 fiscal year was received and filed.

VOTE:

AYES: WAGENKNECHT, BENNETT, LUCE, KELLY AND PITTS
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

b) Easum Drive No. 2 Reorganization and California Environmental Quality Act (CEQA) Findings

The Commission considered a landowner petition to annex three unincorporated parcels located at 1036, 1038 and 1042 Easum Drive totaling 3.14 acres to the City of Napa and concurrently detaching these lands from County Service Area (CSA) No. 4 for the purpose of eliminating an entire unincorporated island and allowing the landowner of 1042 Easum Drive to expand upon existing bed and breakfast operations under the City's land use authority.

The recommended action is for the Commission to adopt a resolution approving the proposal with standard terms and conditions and to find that the annexation will not introduce any new significant environmental impacts that were not already analyzed and mitigated for by the City.

Staff Analyst, Brendon Freeman, provided the Commission with a verbal report on this item.

Following discussion, Commissioner Luce stated that he would abstain from voting on this agenda item due to owning nearby property.

Upon motion by Commissioner Wagenknecht and second by Commissioner Pitts, the proposed reorganization and resolution were unanimously approved by the Commission as submitted (**Resolution #2014-20**):

VOTE:

AYES: WAGENKNECHT, PITTS, BENNETT AND KELLY
NOES: NONE
ABSENT: DODD
ABSTAIN: LUCE

c) Mallard Court No. 1 Reorganization and California Environmental Quality Act (CEQA) Findings

The Commission considered a landowner petition at 52 Mallard Court to annex one unincorporated parcel totaling 0.2 acres to the City of Napa and concurrently detaching these lands from County Service Area (CSA) No. 4 to allow the landowner to connect the existing residential structures to the City's public water system.

The recommended action is for the Commission to adopt a resolution approving the proposal with standard terms and conditions.

Staff Analyst, Brendon Freeman, provided the Commission with a verbal report on this item.

The Commission directed staff to continue making short-term efforts to encourage the nearby neighbors to join the 'island' annexation.

Upon motion by Commissioner Wagenknecht and second by Commissioner Bennett, the Commission unanimously approved the proposed reorganization and resolution

(Resolution #2014-21):

VOTE:

AYES:	<u>WAGENKNECHT, BENNETT, KELLY, LUCE AND PITTS</u>
NOES:	<u>NONE</u>
ABSENT:	<u>DODD</u>
ABSTAIN:	<u>NONE</u>

d) Airport Boulevard No. 5 Annexation to the Napa Sanitation District and California Environmental Quality Act (CEQA) Findings

The Commission considered a landowner petition to annex one unincorporated parcel totaling 32.5 acres and zoned for industrial land use to the Napa Sanitation District (NSD) to facilitate the development of the subject parcel as contemplated in the applicant's tentatively approved "Napa Commerce Center" project. The subject parcel is located immediately southeast of the intersection of Airport Boulevard and Devlin Road. The landowner currently has will-serve letters from NSD and from the City of American Canyon for water.

The recommended action is for the Commission to adopt a resolution approving the proposal as modified by staff with standard terms and conditions and to find that the annexation will have less than significant environmental impacts.

Staff Analyst, Brendon Freeman, provided the Commission with a verbal report on this item.

Upon motion by Commissioner Luce and second by Commissioner Wagenknecht, the Commission unanimously approved the proposed reorganization and resolution

(Resolution #2014-22):

VOTE:

AYES:	<u>LUCE, WAGENKNECHT, BENNETT, KELLY AND PITTS</u>
NOES:	<u>NONE</u>
ABSENT:	<u>DODD</u>
ABSTAIN:	<u>NONE</u>

e) Selection of On-Call California Environmental Quality Act (CEQA) Consultant

The Commission considered selecting Ascent Environmental, Inc. to provide on-call consulting services to assist staff in addressing the requirements of CEQA and authorize the Chair to execute a contract.

Staff provided the Commission with a report which included a brief history of LAFCO's CEQA processes.

Following a brief discussion, the Commission recommended approval of Ascent Environmental, Inc. for on-call CEQA consulting services with a specific revision to the contract for a \$30,000 maximum, as well as an inclusion to opt out of the contract within 30-days.

Upon motion by Commissioner Wagenknecht and second by Commissioner Luce, the Commission selected Ascent Environmental, Inc. for on-call CEQA consulting services and authorized the Chair to execute a contract including the two revisions noted above and the prior approval by the Executive Officer and Commission Counsel.

VOTE:

AYES: WAGENKNECHT, LUCE, BENNETT, KELLY AND PITTS
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

f) Request for Proposals for Legal Services

The Commission considered authorizing the Interim Executive Officer to circulate a Request for Proposals (RFP) for legal services and return to the Commission with a recommended firm and contract.

Executive Officer, Laura Snideman reviewed the item for the Commission noting there have been requests to look at other options for legal services. Some Commissioners expressed the importance of having independent Counsel for LAFCO, while some were against considering other options because the current County Counsel provides good service, not only with legal counsel, but with other agency duties in the absence of an Executive Officer.

Yountville Vice Mayor Lewis Chilton spoke stating that he served on the Commission for many years and has reviewed this issue before. He believes there is an inherent conflict of interest, therefore other counsel options should be considered.

Yountville Mayor John Dunbar reaffirmed what Vice Mayor Chilton said and stated this issue is about reviewing the relationship and transparency. He said it would be in the best interest of fairness throughout the member cities if LAFCO would consider other counsel options.

Napa Mayor Jill Techel spoke before the Commission and expressed her belief that now is the right time to review this and urged the Commission to proceed with the recommendation.

Upon motion by Commissioner Bennett and second by Commissioner Wagenknecht, the Commission directed the Interim Executive Officer to circulate a Request for Proposal for legal services as well as identify other roles and responsibilities that we may lose if outside counsel is retained, and then return to the Commission with proposals and any recommendations.

VOTE:

AYES: BENNETT, WAGENKNECHT, LUCE, KELLY AND PITTS
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

g) Amend the Commission’s Outside Service Agreements Policy to Address Trucked Water

The Commission was asked to consider amending its Outside Service Agreements policy to add a new section addressing trucked water.

Executive Officer, Laura Snideman reviewed the matter for the Commission noting she has been working with the County and City of Napa in regards to the trucked water trips that are occurring throughout the cities within the County. She noted that additional policy language may be recommended in the future, especially as it relates to Government Code Section 56133 (Health and Safety issues). The proposed amendment addresses only potable water.

Napa City Councilman Scott Sedgley spoke before the Commission citing Carneros Inn as an example of trucked water being brought in every day and wondered if that water is being tracked. He said the focus on trucked water is perhaps coming to light due to the current drought and groundwater shortages.

Yountville Town Manager Steve Rogers spoke to the Commission and noted a report of 50 trucks in one day receiving water for delivery. The town has been approached by water haulers to get water from Yountville’s hydrants, but the truckers are not reporting where the water is going. Commissioner Luce questioned LAFCO’s role in this matter other than bringing the local agencies together. He said by putting this on LAFCO, it puts the agency in the role of “water cops”, and he does not think the Commission could monitor trucked water due to staffing constraints. In addition, Commissioner Luce said the policy amendment as written is not ready, and therefore, asked for a continuance of this item.

Commissioner Pitts stated if there is a policy revision, a preamble should be added to include the background of trucked water.

Napa City Manager Mike Parness spoke to the Commission noting that Napa had not been tracking where the trucked water was going, but now it is collecting that data.

Commissioner Inman suggested that LAFCO coordinate this policy with the other agencies within Napa County.

Chair Kelly said he believes LAFCO may have a role here and asked staff to meet with the City Managers and County staff, and then report back to the Commission.

The Commission unanimously agreed to continue this matter. No action was taken.

VOTE:

AYES: LUCE, BENNETT, KELLY, PITTS AND WAGENKNECHT

NOES: NONE

ABSENT: DODD

ABSTAIN: NONE

h) Authorization to Apply for a LAFCO Credit Card and Adopt Credit Card Policy

The Commission was asked to consider authorizing the Executive Officer to apply for a LAFCO credit card and adopt a credit card policy governing its use.

Executive Officer, Laura Snideman reviewed this item for the Commission.

Since Napa County Auditor-Controller Tracy Schulze was unable to make today’s meeting, she submitted a letter to the Commission requesting continuance until she can be present to discuss this matter. In Ms. Schulze’s place, Assistant Auditor-Controller, Bob Minahen spoke to the Commission. Mr. Minahen noted the County is currently in a pilot program with a credit card for government agencies called Cal-Card, and he will check and let LAFCO know how that pilot program is going. However, he recommended the Executive Officer have a meeting with the Auditor to discuss this proposal in more detail.

h) Authorization to Apply for a LAFCO Credit Card and Adopt Credit Card Policy - continued:

The Commission unanimously agreed to continue this matter. No action was taken.

VOTE:

AYES: PITTS, LUCE, BENNETT, WAGENKNECHT AND KELLY
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

i) Management Services Agreement and Budget Amendment for Interim Executive Officer Services and Authorization of Interim Executive Officer and the LAFCO Commission Chair to Approve Personnel and Other Office Transactions

The Commission considered the approval of a contract with Peter Banning to provide interim executive officer services and considered reallocating appropriations in the amount of \$65,000 from the Salaries and Wages Account (Account No. 51100) to the Consulting Services Account (Account No. 52310).

Executive Officer, Laura Snideman reviewed the item for the Commission.

Following discussion, the Commission approved the following staff recommendations:

- 1) Approve a contract with Peter Banning to provide executive officer services from November 1, 2014 to May 31, 2015 at the rate of \$100 per hour and not to exceed a total compensation of \$65,000;
- 2) Appoint Peter Banning to be Interim Executive Officer of the Local Agency Formation Commission of Napa County, effective December 8, 2014;
- 3) Approve an amendment to the current fiscal year budget to reallocate appropriations in the amount of \$65,000 from the Salaries and Wages Account (Account No. 51100) to the Consulting Services Account (Account No. 52310) to cover the estimated costs associated with the contract for Peter Banning; and
- 4) Authorize the Interim Executive Officer and the LAFCO Chair to approve personnel and other office transactions, including staff payroll timesheets and expense reimbursements effective until the start date of a new Executive Officer.

Upon motion by Commissioner Wagenknecht and second by Commissioner Luce, the Commission unanimously approved the above actions:

VOTE:

AYES: WAGENKNECHT, LUCE, BENNETT, KELLY AND PITTS
NOES: NONE
ABSENT: DODD
ABSTAIN: NONE

j) Recruiting Consulting Services for the Executive Officer Position and Recruiting Process

The Commission considered the approval of a contract with Regional Government Services (RGS) for purposes of recruiting a new Executive Officer and considered reallocating appropriations in the amount of \$16,500 from the Unreserved Fund Balance to the Consulting Services Account (Account No. 52310) for the recruitment services.

Executive Officer, Laura Snideman reviewed the item for the Commission.

Following discussion, the Commission approved the following staff recommendations:

- 1) Approve the contract for recruiting consulting services with Regional Government Services Authority (RGS) for an amount not to exceed a total of \$16,500 for work and expenses and authorize the use of fund balance/undesignated reserves (Account #33100) for all associated expenditures; and
- 2) Confirm the responsibilities of the recruitment advisory subcommittee (Chair Kelly and Vice-Chair Bennett) as described in the staff report.

Upon motion by Commissioner Wagenknecht and second by Commissioner Pitts, the contract with Regional Government Services (RGS) was unanimously approved by the Commission:

VOTE:

AYES:	<u>WAGENKNECHT, PITTS, BENNETT, KELLY AND LUCE</u>
NOES:	<u>NONE</u>
ABSENT:	<u>DODD</u>
ABSTAIN:	<u>NONE</u>

k) Workshop Update and Next Steps

Staff verbally updated the Commission (no written report) on the progress of crafting a Commission workshop and asked the Commission for direction and dates.

Executive Officer, Laura Snideman reviewed the item for the Commission reminding them that this would be more of a philosophical discussion instead of a task list. Peter Banning would be coming back to the Commission with more specific information, and work with the Chair to obtain a meeting facilitator. The workshop date is tentatively set for Monday, January 12, 2015, and will be open to the public. The location is yet to be determined.

The Commission was reminded that all regular LAFCO meetings are scheduled for the first Monday of even numbered months.

8. EXECUTIVE OFFICER REPORT

There was no report.

9. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

Chair Kelly thanked Laura Snideman for her term at Napa LAFCO stating he appreciates the work she has done. Ms. Snideman will be available to the Commission during the transition.

10. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING

The meeting was adjourned at 6:10 p.m. The next regular meeting is scheduled for Monday, February 2, 2015 and will be held at City of American Canyon's City Hall Chambers, 4381 Broadway Street, Suite 201, American Canyon, CA 94503.

Brian Kelly, Chair

Prepared by:

Kathy Mabry, Commission Secretary