



**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*

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**Agenda Item 6b (Public Hearing)**

**TO:** Local Agency Formation Commission

**PREPARED BY:** Brendon Freeman, Executive Officer

**MEETING DATE:** December 5, 2016

**SUBJECT:** Final Municipal Service Review and Sphere of Influence Update for the City of Calistoga

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**RECOMMENDATION**

It is recommended the Commission take the following actions:

- 1) Open the public hearing and take testimony;
- 2) Close the public hearing;
- 3) Receive and file the final Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the City of Calistoga (Previously circulated);
- 4) Adopt the draft resolution confirming the determinative statements contained therein, affirming the City of Calistoga's SOI with no changes, and finding these actions are exempt from CEQA (Attachment One).

**SUMMARY**

The Commission will review and consider taking actions on a final MSR and SOI Update for Calistoga. Specific areas of interest to the Commission relative to its MSR mandates and policy interests are memorialized in the determinations section of the final report and included in the draft resolution. The final report and its analysis of potential SOI modifications for Calistoga is predicated on the policy interest of the Commission to consider the City's role in providing municipal services within its jurisdictional boundary. This involves considering the current and future need for services relative to Calistoga's ability to provide these services efficiently and in a manner consistent with sensible land uses based on the adopted policies and preferences of the Commission. The final report includes determinations that support a staff recommendation to affirm Calistoga's existing SOI with no changes.

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Greg Pitts, Vice Chair  
Councilmember, City of St. Helena

Juliana Inman, Commissioner  
Councilmember, City of Napa

Joan Bennett, Alternate Commissioner  
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Diane Dillon, Chair  
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Keith Caldwell, Alternate Commissioner  
County of Napa Supervisor, 5th District

Brian J. Kelly, Commissioner  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Brendon Freeman  
Executive Officer

The final report was previously circulated to the Commission as part of the October 3, 2016 meeting materials. No changes have been made to the final report since the October meeting. A link to the final report on the Commission's website is provided below:

[http://www.napa.lafco.ca.gov/uploads/documents/Calistoga\\_MSR-SOI\\_FinalReport\\_2016.pdf](http://www.napa.lafco.ca.gov/uploads/documents/Calistoga_MSR-SOI_FinalReport_2016.pdf)

## **BACKGROUND AND DISCUSSION**

At its July 18, 2016 meeting the Commission reviewed a draft MSR and SOI Update for the City of Calistoga that was prepared by a private consultant (SWALE Inc.). The draft report was also made available for public review and comment consistent with local policy. Several written and verbal comments were received on the draft report. Staff subsequently noticed a public hearing for the final report to be presented for possible action at today's regular meeting.

On September 20, 2016 Calistoga formally requested a continuation of the Commission's public hearing to provide additional time for the City Council to review the final report and consider a recommendation with respect to the MSR determinations and SOI study areas.

On October 3, 2016 the Commission opened a public hearing for the final MSR and SOI Update for Calistoga. The Commission continued the item to today's meeting.

On October 20, 2016 Calistoga submitted formal comments on the MSR and SOI Update. The City's comment letter is included as Attachment Three.

The final report identifies and evaluates the potential addition of three distinct study areas totaling 215.6 acres of non-jurisdictional lands into Calistoga's SOI. Each study area is described below with aerial maps included as attachments to this report.

- ***Study Area One***

Study Area One consists of 17 parcels totaling 111.4 acres located north of Greenwood Avenue and along the Napa River. Study Area One receives water, police protection, and fire protection services from Calistoga. 15 of the parcels contain a single family home. One parcel contains a medical care use. One parcel includes a commercial use as the Old Faithful Geyser. The City General Plan does not contemplate the development of, or designate land uses for, Study Area One. The County designates and zones Study Area One for agricultural uses. Adding Study Area One to Calistoga's SOI would likely require additional analysis of potential environmental impacts. Based on these factors, staff recommends no change to Calistoga's SOI with respect to Study Area One.

- ***Study Area Two***

Study Area Two consists of 21 parcels totaling 57.4 acres located north of White Lane and to the east and west of Foothill Boulevard. Study Area Two receives water, police protection, and fire protection services from Calistoga. 19 of the parcels currently contain a single family home. One parcel contains a small commercial establishment. One parcel contains a bed and breakfast establishment. The City General Plan does not contemplate the development of, or designate land uses for, Study Area Two. The County designates and zones Study Area Two for agricultural uses with the exception of one parcel totaling 1.6 acres that is zoned as *Commercial Neighborhood*. Adding Study Area Two to Calistoga's SOI would likely require additional analysis of potential environmental impacts. Based on these factors, staff recommends no change to Calistoga's SOI with respect to Study Area Two.

- ***Study Area Three***

Study Area Three consists of four parcels totaling 46.8 acres located east of Lincoln Avenue, adjacent to and directly east of Calistoga. Study Area Three receives water, police protection, and fire protection services from Calistoga. Each of the four parcels is currently developed with a single family home. The City General Plan does not contemplate the development of, or designate land uses for, Study Area Three. The County designates and zones Study Area Three for agricultural uses. Adding Study Area Three to Calistoga's SOI would likely require additional analysis of potential environmental impacts. Based on these factors, staff recommends no change to Calistoga's SOI with respect to Study Area Three.

The final report includes determinations that support a staff recommendation to affirm Calistoga's existing SOI with no changes primarily based on (1) existing agricultural land use designations under the County of Napa's land use authority for each study area, (2) the City's General Plan policies discouraging annexation of unincorporated lands, and (3) a lack of identifiable need for additional City services to be provided to the study areas. However, if an alternative SOI option or a combination of SOI options is preferred by the Commission, new determinations will be prepared and included in a revised final report. Options involving an expansion of Calistoga's SOI would likely require additional environmental review under the California Environmental Quality Act (CEQA). If a study area is added to Calistoga's SOI, it would indicate that the City may annex the area in the future when the appropriate rezoning, property tax exchange, environmental review, and potentially other studies have been completed.

### ***Changes from Draft Report***

The final report incorporates several changes from the draft report in response to questions and comments generated during the public review and comment period. All comments received on the draft report as well as responses to each comment are provided in Chapter Eight of the final report. A revised final report will be prepared that will include additional minor changes and corrections in response to Calistoga's comment letter dated October 20, 2016 (Attachment Three). A brief summary of substantive changes incorporated in the final report is provided below.

- Adjusted boundaries for Study Area One and Study Area Three in response to corrected outside water service information from Calistoga staff
- Additional detail regarding Calistoga's mutual aid agreements with the County Sheriff and the Napa County Fire Department
- Additional information about Kimball Reservoir water bypass requirements to protect downstream aquatic resources and Calistoga's monthly summaries of bypass flows
- Inclusion of definitions for single-dry and multiple-dry year water deliveries
- New section summarizing and emphasizing relevant agricultural preservation policies and programs (e.g. County General Plan, Measure J, Measure P, etc.)
- New discussion of impacts on other local agencies as well as lands designated as agriculture associated with potential SOI changes for each study area
- New analysis of potential tradeoffs associated with including each study area in Calistoga's SOI
- Clarification of zoning as it relates to agricultural parcels in Chapter Seven
- Miscellaneous technical edits and corrections in response to comments provided by Calistoga
- New Chapter Eight that includes responses to all comments provided on the draft report

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The MSR component of the final report is exempt from further environmental review under CEQA pursuant to California Code of Regulations Section 15306. This finding would be based on the Commission determining with certainty the MSR is limited to basic data collection, research, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. Additionally, affirming Calistoga's SOI with no changes consistent with SOI Option One would be exempt from further review under CEQA pursuant to California Code of Regulations Section 15061(b)(3). This finding would be based on the Commission determining with certainty that affirming Calistoga's SOI would have no possibility of significantly effecting the environment given no new land use or municipal service authority is granted. If an alternative SOI option or a combination of SOI options is approved by the Commission that result in an expansion to Calistoga's SOI, additional environmental review documentation may be required.

## **ALTERNATIVES FOR COMMISSION ACTION**

Staff has identified two alternatives for Commission consideration with respect to the final report. These options are summarized below.

### **Alternative Action One (Recommended):**

Take the following actions:

- 1) Receive and file the final MSR and SOI Update for the City of Calistoga (Previously circulated);
- 2) Adopt the draft resolution confirming the determinative statements contained therein, affirming the City of Calistoga's SOI with no changes, and finding these actions are exempt from CEQA (Attachment One).

### **Alternative Action Two:**

Continue the public hearing to the February 6, 2017 meeting and provide direction to staff with respect to any changes to the final report as desired by the Commission.

## **ATTACHMENTS**

- 1) Draft Resolution Approving Determinative Statements, Affirming Calistoga's Sphere of Influence, and Making CEQA Findings
- 2) Letter from City of Calistoga Requesting Continuation (Dated September 21, 2016)
- 3) Comment Letter from City of Calistoga (Dated October 20, 2016)
- 4) Aerial Map of Study Area One
- 5) Aerial Map of Study Area Two
- 6) Aerial Map of Study Area Three

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE  
LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
MAKING DETERMINATIONS**

**MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE:  
CITY OF CALISTOGA**

**WHEREAS**, the Local Agency Formation Commission of Napa County, hereinafter referred to as the “Commission”, adopted a schedule to conduct studies of the provision of municipal services within Napa County and studies of spheres of influence of the local governmental agencies whose jurisdictions are within Napa County; and

**WHEREAS**, a “Municipal Service Review and Sphere of Influence Update” has been prepared for the City of Calistoga pursuant to said schedule and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code; and

**WHEREAS**, a written report on the municipal service review has been prepared that includes considering the adequacy of governmental services provided by the City of Calistoga and the Executive Officer recommends affirming the existing sphere of influence of the City of Calistoga with no changes; and

**WHEREAS**, the Executive Officer’s report was presented to the Commission in the manner provided by law; and

**WHEREAS**, the Commission heard and fully considered all the evidence presented at its public meetings concerning the Municipal Service Review and Sphere of Influence Update on the City of Calistoga on July 18, 2016, October 3, 2016, and December 5, 2016;

**WHEREAS**, as part of the municipal service review, the Commission is required pursuant to California Government Code Section 56430 to make a statement of written determinations with regards to certain factors; and

**WHEREAS**, in considering the update to the City of Calistoga’s sphere of influence, the Commission also considered all the factors required by law under California Government Code Section 56425.

**NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER** as follows:

1. The Commission determines the municipal service review is exempt from further environmental review under the California Environmental Quality Act pursuant to California Code of Regulations Section 15306. This finding is based on the Commission determining with certainty that the municipal service review is limited to basic data collection, research, and resource evaluation activities which do not result in a serious or major disturbance to any environmental resource.

2. Having reviewed the municipal services provided by the City of Calistoga, the Commission adopts the statement of determinations prepared as part of the municipal service review as set forth in Exhibit One, which is attached hereto and hereby incorporated by reference.
3. In determining the sphere of influence for the City of Calistoga, pursuant to California Government Code Section 56425 of the Government Code, the Commission adopts the statement of determinations set forth in Exhibit Two, which is attached hereto and hereby incorporated by reference.
4. The Commission hereby affirms the sphere of influence of the City of Calistoga without modification, as shown in Exhibit Three.
5. The Commission, as lead agency, finds the affirmation of the City of Calistoga's existing sphere of influence with no changes is exempt from further review under the California Environmental Quality Act pursuant to California Code of Regulations Section 15061(b)(3). This finding is based on the Commission determining with certainty that the affirmation of the existing sphere will have no possibility of significantly effecting the environment given no new land use or municipal service authority is granted.
6. The effective date of this sphere of influence update shall be the date of adoption set forth below.

The foregoing resolution was duly and regularly adopted by the Commission at a regular meeting held on December 5, 2016, by the following vote:

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

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

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

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

ATTEST:        Brendon Freeman  
                  Executive Officer

Recorded by: \_\_\_\_\_  
                  Kathy Mabry  
                  Commission Secretary

## **EXHIBIT ONE**

### **STATEMENT OF DETERMINATIONS**

#### **CITY OF CALISTOGA MUNICIPAL SERVICE REVIEW**

1. Growth and population projections for the affected area (Government Code 56430(a)(1)):
  - a) Calistoga's population is 5,180 full-time residents as of January 2016. Between census year 2010 and today (2015), the City's population grew by 25 persons and this represents a past average annual growth rate of 0.08%.
  - b) Calistoga has been proactive in adopting policies to control the amount of new growth and development in the City. These efforts include a policy discouraging annexations of unincorporated lands.
  - c) Calistoga's Growth Management System is an innovative approach in controlling growth and development in the City by creating a market for residential and non-residential allocations. This system helps Calistoga preserve its desired rural character while providing an incentive for applicants to submit quality proposals.
  - d) The Association of Bay Area Governments estimates a modest population growth of 200 residents for Calistoga over the next 10 years, which represents an annual increase of less than 0.38%. This estimate reflects a regional assumption that growth in the Bay Area will increasingly migrate towards existing urban areas.
  - e) The County of Napa's land use policies for unincorporated lands located within the Planning Area of the Calistoga General Plan limit opportunities for new growth and development adjacent to the City.
  - f) The Commission's 2012 Law Enforcement Municipal Service Review noted the following: "Yountville and Calistoga have the highest percentage of guestrooms relative to their resident populations among the six affected local jurisdictions. If guestrooms are fully occupied, Yountville and Calistoga's overnight resident populations would increase by 35.3% and 23.6%, respectively." This determination remains relevant to the City of Calistoga.



2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to spheres of influence (Government Code 56430(a)(2)):
  - a) Since Calistoga is an incorporated city, there are no disadvantaged unincorporated communities within its boundaries.
  - b) The median household income (MHI) in Calistoga is \$43,336.
  - c) Based on supplemental information provided by the City, the community may be classified as “disadvantaged.” However, the Commission’s role in this “disadvantaged” status is limited because the City provides sufficient provide water, wastewater and structural fire protection services. Additionally, no public health and safety issues have been noted.
3. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies (Government Code 56430(a)(3)):
  - a) The City of Calistoga has been diligent in developing plans to accommodate the service needs of current and future constituents. Calistoga regularly reviews and updates its service plans to help ensure that infrastructure needs and deficiencies are addressed in a timely manner.
  - b) Calistoga has made a significant investment over the last several years in funding various capital improvements and reflects a concerted effort by the City to enhance the level and range of its municipal services.
  - c) Calistoga’s local municipal average annual water demand is approximately 716 acre-feet.
  - d) A considerable portion of Calistoga’s available water supply is the State Water Project. However, allocations from this source vary annually depending on available water flow.
  - e) Calistoga contracts with the City of Napa to treat and deliver its State Water Project entitlement through an interconnection between the two agencies' transmission lines. Capacity constraints with Calistoga's transmission line, however, limit the daily amount of deliveries from the City of Napa.
  - f) Factors that influence Calistoga’s ability to supply and/or deliver water to its customers include drought, environmental restrictions on pumping from the Delta, pipe size capacity limits from the City of Napa
  - g) Given potential future shortfalls in water supply and Calistoga’s reliance on the State Water Project, the City and LAFCO may wish to consider new policies or processes which require very careful evaluation of long-term water supplies before it commits to providing water to parcels outside city boundaries.

- h) Given Calistoga's reliance on the State Water Project and potential future shortfalls in water supply during dry or extremely dry water years, it is recommended that the City of Calistoga prepare a brief study of potential for future water supply alternatives, which may include: 1) desalinization, 2) expanding its recycled water program, 3) constructing wells, 4) increased water use efficiency, or 5) other. This study should be prepared by a qualified hydrologist. Calistoga should explore this concept of new future water supply alternatives collaboratively with other municipalities in Napa County. Ideally, this study should be submitted to the Commission within the next five years, prior to preparation of the next municipal service review.
  - i) There are fluctuations between the average daily wastewater flows within Calistoga's sewer system between dry-weather and wet-weather periods. These fluctuations suggest improvements are needed to the collection system to address suspected deficiencies involving excessive storm and groundwater intrusion. Although the City has made improvements over the past several years, additional work is needed.
  - j) Calistoga recently received a score of "fair" for pavement conditions within the City from the Metropolitan Transportation Commission. This score indicates that pavement in Calistoga is generally worn and in need of rehabilitation. Improvements have been made but more are still needed.
4. Financial ability of agencies to provide services (Government Code 56430(a)(4)):
- a) The City of Calistoga's budget process provides a revenue forecast for one year in advance allowing a longer look into the future to fund service delivery and to plan for future improvements. The City adopts a comprehensive budget and receives an audited financial statement on an annual basis.
  - b) Both the Water and the Wastewater Enterprise Fund are managed efficiently. However, charges for service do not fully cover costs. A subsidy from the General Fund is sometimes needed to help cover the costs of capital improvements to the system.
  - c) Calistoga adopts its budget at public meetings in which members of the public are allowed to comment with regard to expenditures and service programs. The budget process enhances the accountability of elected officials and provides a clear directive towards staff with regard to prioritizing local resources.
  - d) Calistoga has been diligent in the development of policies and service plans that address the existing and future needs of the community. These efforts provide effective performance measures and demonstrate a commitment by Calistoga to hold itself accountable to the public.

- e) Calistoga's rates and fees for municipal services are established by ordinance or resolution. The ordinances or resolutions are based on staff recommendations and adopted by the City Council. This administrative process provides an opportunity for public input and strengthens the ability of Calistoga to allocate costs with the desired levels of service of its constituents.
  - f) Calistoga has been proactive in establishing and implementing a number of impact fees relating to new development. These fees help ensure that Calistoga is practicing an appropriate level of cost-recovery as it relates to serving new development in a manner that is equitable to existing constituents.
  - g) Calistoga periodically reviews and updates its rates for public services.
  - h) Calistoga benefits from participating in a number of cost-sharing programs with other local governmental agencies. These programs promote the benefits of regional partnerships and provide significant cost-savings in providing key governmental services, such as affordable housing, garbage collection, and public transit.
  - i) Calistoga maintains and annually reviews a capital improvement plan to coordinate the financing and construction of needed infrastructure and facility improvements. This process enables Calistoga to maximize its operational efficiencies while avoiding unnecessary expenditures associated with deferring improvements.
  - j) Calistoga's annual budget process includes several checks and procedures during the fiscal year to help allocate available funding with appropriate levels of service.
  - k) The City generated \$9,314 per acre in average revenue in 2015 and this higher than its neighboring City of St. Helena and lower than Yountville.
  - l) In fiscal year 2014-2015, Calistoga collected approximately \$5,037,136 in transient-occupancy tax revenues. In the past, overreliance on this one revenue stream created a risk. Since then, the City has worked to increase multiple revenue streams including sales and property tax.
5. Status of, and opportunities for, shared facilities (Government Code 56430(a)(5)):
- a) The City of Calistoga has a solid track record of working cooperatively with neighboring jurisdictions.
  - b) Calistoga participates in joint-power arrangements with the Upper Valley Waste Management Agency, the Napa County Transportation and Planning Agency, and the Napa County Flood Control and Water Conservation District and others. These arrangements help maximize local resources among participating agencies in providing garbage collection, public transportation, and flood control services within their respective jurisdictions.

- c) The Commission's 2012 Law Enforcement Municipal Service Review noted that the City has its own competitive procurement processes with respect to purchasing motor vehicles for law enforcement services. It would seem reasonable and more efficient for Calistoga to consider pooling its respective resources and establish a joint procurement process with other local agencies such as American Canyon, Calistoga, Napa, St. Helena, and County Sheriff. Their combined buying power would presumably produce cost-savings. This recommendation remains relevant to the City of Calistoga.
  - d) The Commission's 2012 Law Enforcement Municipal Service Review noted that "Calistoga and St. Helena should consider the merits of establishing a joint dispatch system for law enforcement for their respective jurisdictions. This type of joint arrangement, as evident in other parts of the county, would enhance communication and delivery of emergency response services for a relatively confined area that shares similar social and economic communities of interest." This recommendation remains relevant to the City of Calistoga.
6. Accountability for community service needs, including governmental structure and operational efficiencies (Government Code 56430(a)(6)):
- a) The Calistoga City Council meetings are held twice a month and are open to the public.
  - b) Regularly scheduled meetings provide an opportunity for residents to ask questions of elected representatives and help ensure service information is effectively communicated to the public. The meetings are noticed and conducted according to the Brown Act.
  - c) Calistoga provides effective services through its council-manager form of government, and utilizes other governmental advising bodies, community organizations, and the general public to help inform its decision-making process. Through this structure, public engagement is encouraged and City plans and programs reflect citizen input.
  - d) Calistoga has utilized its General Plan and other planning tools to:
    - Steer a course for its own future
    - Promote economic development
    - Protect historic areas, neighborhoods, and farmland
    - Limit the obligations of government by strategic building and maintaining infrastructure through capital improvement planning and investments.
  - e) In the past, Calistoga established water service to 82 properties located outside its incorporated boundary. LAFCO and Calistoga must work together to ensure new and extended services provided by the City outside its jurisdiction are consistent with the provisions of California Government Code Sections 56133 and 56133.5.

- f) LAFCO approved several small annexations to Calistoga in the early 1970s that were not subsequently recorded with the State of California. As part of this Municipal Service Review and Sphere of Influence Update process, the Commission's records were review and no information explaining why these proposals were not recorded was found. However, the Commission may also consider working with Calistoga and the State in identifying why these proposals were not recorded.
- g) The Institute for Local Government's Sustainability Best Practices Framework offers options for cities and water service providers to take local action concerning Energy Efficiency & Conservation, Water and Wastewater Systems, Waste Reduction and Recycling, and other civic topics. When Calistoga next develops new programs or policies on water, wastewater, or waste reduction it is recommended that some of the ideas listed in the Best Practices Framework be briefly reviewed.
- h) Calistoga's Police Department is effectively managed and is responsive to current community needs.
- i) The Commission's 2012 Municipal Service Review on Law Enforcement noted the following: "The planning and delivery of local law enforcement services are generally guided by qualitative goals outlined in the six affected agencies' general plans. Measuring the achievement of these goals would be strengthened by each affected local agency establishing quantitative standards to help track performance and inform decision-making as it relates to current and future resource needs." This recommendation remains pertinent to the City of Calistoga.
- j) The Commission's 2012 Municipal Service Review on Law Enforcement noted the following: "Calistoga and St. Helena's geographic and socioeconomic similarities suggest there may be viable opportunities to share and/or combine resources in delivering law enforcement services within their respective jurisdictions. This includes back-officing dispatch and animal control services." Calistoga has partially addressed this recommendation by recently contracting with Petaluma Animal Services Foundation located in Sonoma County to provide animal control services. However, this recommendation remains pertinent to the City of Calistoga with respect to dispatch services.
- k) The Commission's 2012 Municipal Service Review on Law Enforcement noted the following: "Visitors are an integral component in supporting Napa County's economy as evident by sales and transient-occupancy tax revenues and create additional and fluid demands on all six local law enforcement agencies." This determination remains pertinent to the City of Calistoga.
- l) Crime statistics on Calistoga's Police Department website have not been updated since 2009. It is recommended that the Police Department website be updated to provide a link to its recent crime statistics either at the FBI or in the City's Annual Audited Financial Report.

- m) In 2015, the police Department received 9,592 calls for service. This is an exceedingly high number of annual service calls relative to Calistoga's geographic and population size. It is also recommended that prior to the next Municipal Service Review, the Police Department provides a brief study to the Commission that explains why the City experiences such a high number of annual service calls.
  - n) In 2014 the Department reported a total of 76 crimes to the FBI and this represents 14.4 crimes per thousand persons on an annual basis. This is significantly lower than the statewide average of 287 crimes per 1,000 persons.
  - o) The Commission's 2012 Municipal Service Review on Law Enforcement noted that "It would seem appropriate for Calistoga and St. Helena, given the costs and related challenges associated with sustaining relatively small stand-alone departments, to consider structural alternatives in providing law enforcement services. This includes – based on a cursory review of potential alternatives – the two affected local agencies exploring the feasibilities of forming a joint-powers authority with one another and/or one or both agencies contracting with County Sheriff." This recommendation remains relevant to the City of Calistoga. Furthermore, it is recommended that the Calistoga Police Chief work with the St. Helena Police Chief to submit a brief joint analysis of this issue to LAFCO prior to the next Calistoga Municipal Service Review expected in the year 2021.
  - p) The Calistoga Fire Department responded to 854 calls for service in 2014. The high rate of calls per 1,000 residents is likely influenced by requests for services from senior citizens and tourists.
  - q) The City of Calistoga maintains a contract with Napa County such that the City provides emergency response services to all incidents in the unincorporated area surrounding Calistoga. Under the contract, the City receives a set fee per call to compensate for the costs the City incurs.
7. Any other matter related to effective or efficient service delivery, as required by commission policy (Government Code 56430(a)(7)):
- a) There are no other aspects of City of Calistoga services required to be addressed in this report by Commission policies that would affect delivery of services.

## **EXHIBIT TWO**

### **STATEMENT OF DETERMINATIONS**

#### **CITY OF CALISTOGA SPHERE OF INFLUENCE UPDATE**

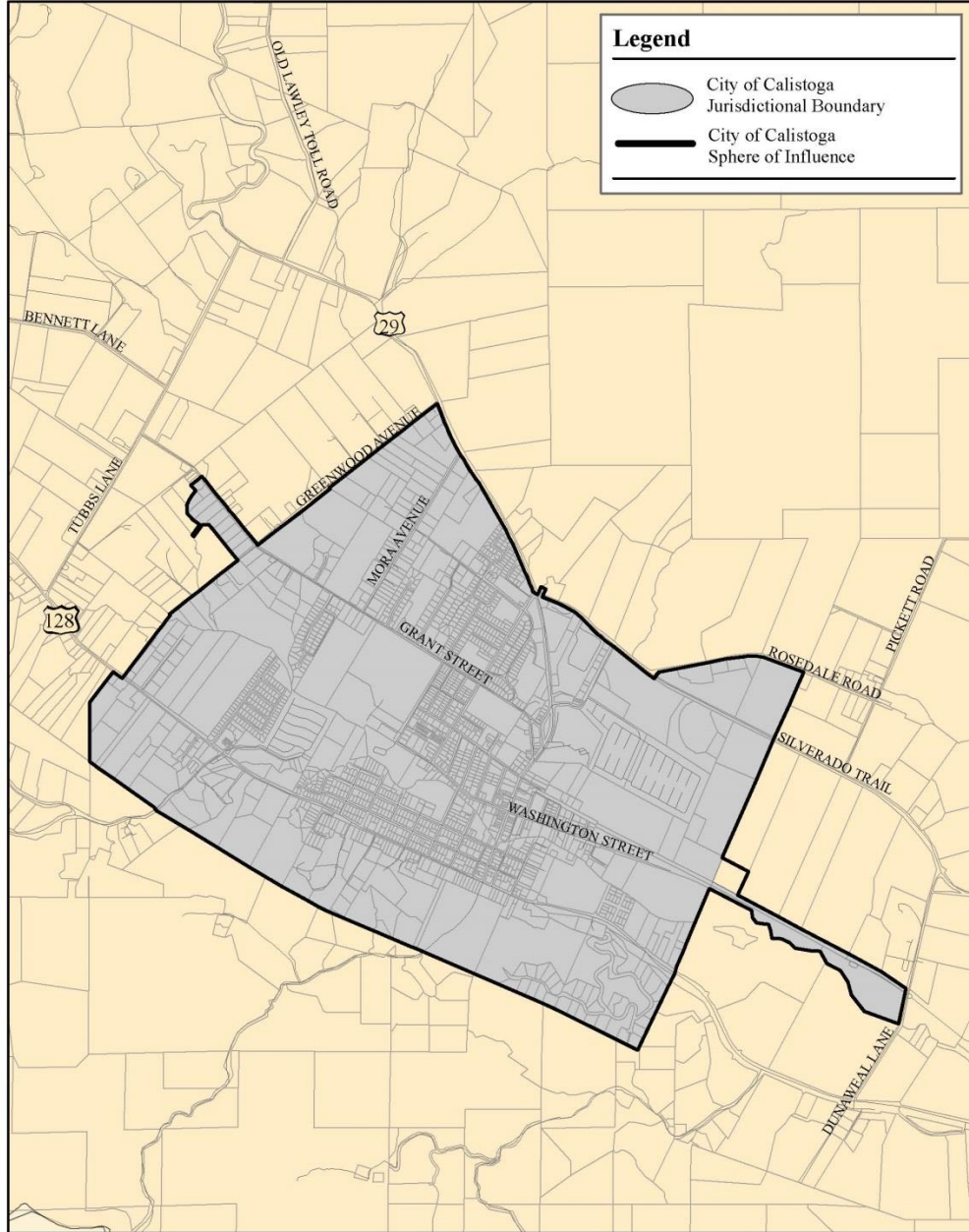
1. Present and planned land uses in the sphere, including agricultural and open-space lands (Government Code 56425(e)(1)):
  - a) The present and planned land uses in the sphere are adequately contemplated under the Calistoga General Plan. The Calistoga General Plan provides for the current and future urban uses characterizing the majority of the sphere.
  - b) Present land uses within the SOI include residential and commercial uses. A small amount of land located in the sphere is under agricultural use. These existing agricultural uses will not be affected by their retention in the sphere.
  - c) The territory within Calistoga provides several opportunities for infill development and SOI expansion is not necessary.
2. The present and probable need for public facilities and services in the sphere (Government Code 56425(e)(2)):
  - a) The City of Calistoga provides a full range of municipal services within the sphere either directly or through contracts with other public or private entities. These public services support the present and planned urban uses within the sphere as contemplated in the Calistoga General Plan.
  - b) Undeveloped and unincorporated parcels located adjacent to the City do not need traditional urban services, as most of the area is currently agricultural.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide (Government Code 56425(e)(3)):
  - a) The City of Calistoga has demonstrated its ability to provide an adequate level and range of public services within its sphere of influence. The City has developed policies, service plans, and programs to provide adequate and effective municipal services for the area.

4. The existence of any social or economic communities of interest in the sphere if the Commission determines that they are relevant to the agency (Government Code 56425(e)(4)):
  - a) The City of Calistoga has established social and economic interdependencies within the sphere that are distinct from neighboring unincorporated areas. This MSR/SOI Update acknowledges these established community ties.
  - b) The social and economic health of the area is measurably enhanced by the municipal services provided by the City of Calistoga.
5. Present and probable need for public services for disadvantaged unincorporated communities (Government Code 56425(e)(5)):
  - a) No disadvantaged unincorporated communities meeting the definition under State law have been identified anywhere in Napa County.



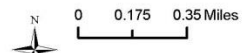
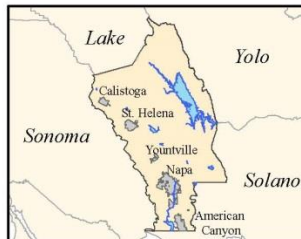
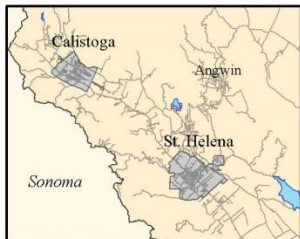
# EXHIBIT THREE

## City of Calistoga



**Legend**

- City of Calistoga Jurisdictional Boundary
- City of Calistoga Sphere of Influence



December 5, 2016  
Prepared by BF



**LAFCO of Napa County**  
1030 Seminary Street, Suite B  
Napa, California 94559  
[www.napa.lafco.ca.gov](http://www.napa.lafco.ca.gov)

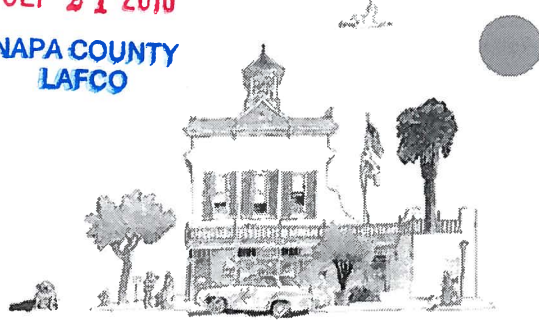
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SEP 21 2016

NAPA COUNTY  
LAFCO

## CITY OF CALISTOGA

Planning & Building Department  
1232 Washington Street • Calistoga, CA 94515  
Phone 707.942.2807 • Fax 707.942.0732  
www.ci.calistoga.ca.us



September 21, 2016

Diane Dillon, Chair  
Local Agency Formation Commission of Napa County  
1030 Seminary Street, Suite B  
Napa, California 94559

**Subject: Request for Public Hearing Continuation  
Calistoga Municipal Service Review and Sphere of Influence Update**

Dear Chair Dillon,

The Calistoga City Council hereby requests that the Local Agency Formation Commission of Napa County continue its consideration of the Calistoga Municipal Service Review and Sphere of Influence Update, which is scheduled for a LAFCO public hearing on October 3, 2016.


The City received the Final MSR and Sphere of Influence Update from LAFCO on September 16, 2016, which did not provide sufficient opportunity for review and consideration by staff or the City Council prior to the Council's scheduled September 20th public hearing. Therefore, the Council could not take action and continued the matter to its October 18, 2016 meeting.

The Final document will be distributed to staff, the Council and the public for review. The City Council's comments will be provided to LAFCO shortly after its October 18th hearing.

Postponement of action on this item by LAFCO, per our request, would be consistent with its goal of encouraging an open and engaged process.

Thank you for your consideration.

Sincerely,



Dylan Peik  
City Manager

Cc: by letter  
Brendon Freeman, Executive Officer

# CITY OF CALISTOGA

City Administration  
1232 Washington Street • Calistoga, CA 94515  
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October 20, 2016

Diane Dillon, Chair  
Local Agency Formation Commission of Napa County  
1030 Seminary Street, Suite B  
Napa, California 94559

**Subject: Comments on Final Calistoga Municipal Service Review and Sphere of Influence Update**

Dear Chair Dillon,

Thank you for honoring our September 21, 2016 request for a continuance of the Napa County Local Agency Formation Commission's consideration of the Calistoga Municipal Service Review and Sphere of Influence Update to its December 5, 2016 meeting. This additional time provided an opportunity for review and consideration of the Final MSR and Sphere of Influence Update for the City of Calistoga by the public, City staff and our City Council.

At its October 18, 2016 public hearing on the matter, the Council accepted the above-referenced document. Enclosed for your consideration are a few staff comments on the final draft that we suggest for incorporation into the document that is ultimately adopted by LAFCO.

We look forward to continuing our mutually-beneficial relationship with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dylan Feik". The signature is stylized and includes a large loop at the end.

Dylan Feik  
City Manager

copy Brendon Freeman, Executive Officer

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## CITY OF CALISTOGA MEMORANDUM

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DATE: October 19, 2016

TO: Brendon Freeman, Napa County LAFCO  
Kateri Harrison, SWALE Inc.

FROM: Lynn Goldberg, Planning and Building Director *lag*

SUBJECT: **Staff Comments on Final Municipal Service Review & Sphere of Influence Update**

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The following comments suggestions are offered for your consideration for incorporation into the adopted MSR for the City of Calistoga.

1. Include the enclosed table of Calistoga's Estimated Water Availability, dated July 2016. This information is more current than the information used in the MSR, which is dated December 2014.
2. Add to Determination #8 the \$43,366 median household income identified by the RCAC survey (MSR Page 3-11).
3. Revise Determination #46 to reflect the status of the City's animal control services as described in the MSR.
4. Revise the title of Figure 4.3 to, "Parcels Outside Boundary Receiving City Water Service."
5. Revise the name of the Police Department's dispatch system on MRS Page 4-24 to "RIMS."
6. Update the term limits for Mayor Canning to 2018, Councilmember Lopez-Ortega to 2020 and Vice Mayor Dunsford to 2020 (MSR Pages 2-1 and 2-7).
7. Change the last item of Table 7-4 "Analysis of Tradeoffs" from "Study Area" to "Study Areas" and reclassify to "Insufficient Information" (MSR Page 7-20).
8. It would be very helpful to include tables of contents for the report's tables and figures in the MSR.

Please contact me at [lgoldberg@ci.calistoga.ca.us](mailto:lgoldberg@ci.calistoga.ca.us) or 942.2763 if you have any questions.

## Potential Water Usage and Wastewater Generation

July 2016

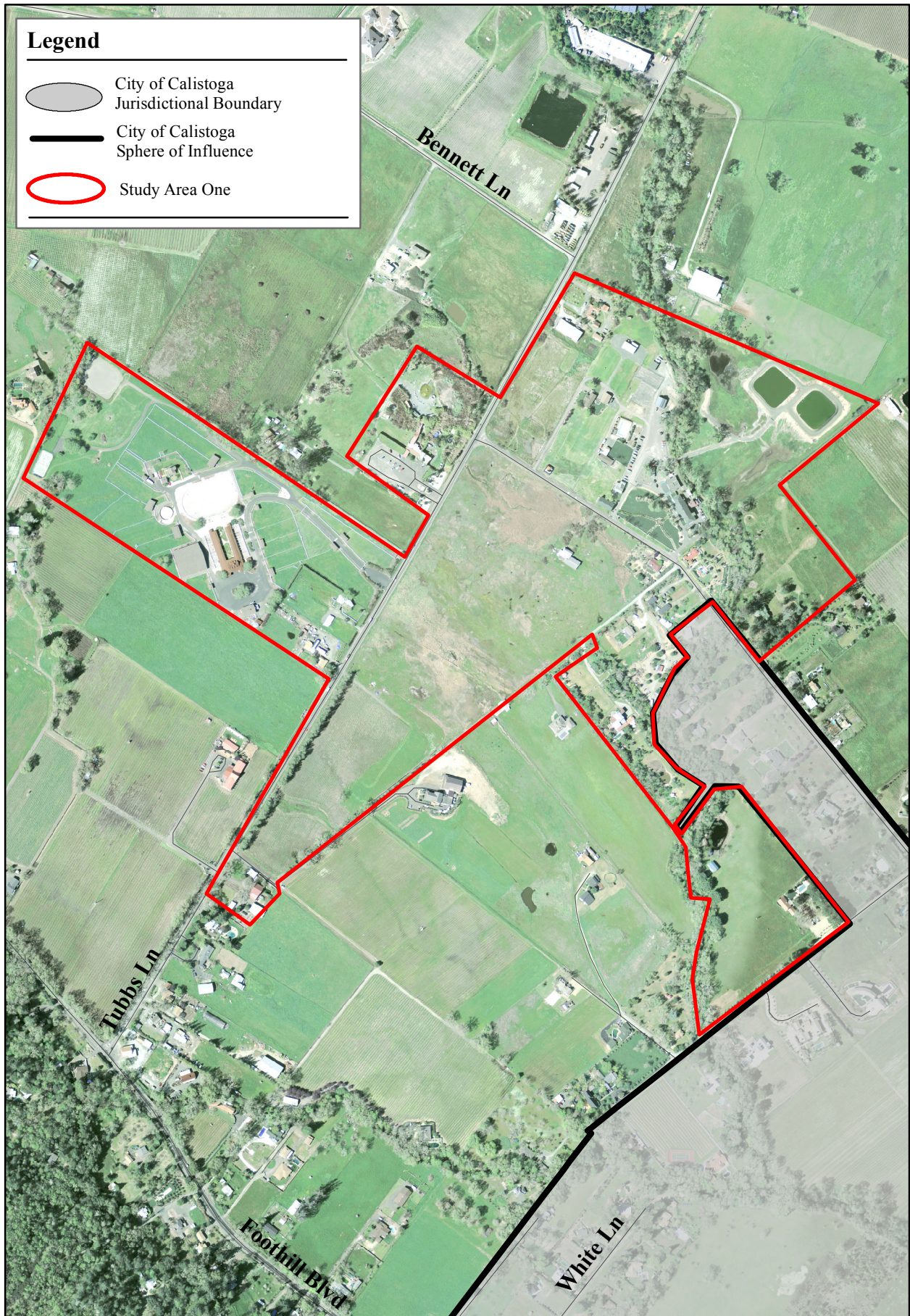
### Potential Water Usage

Standby (customers with meter but no use)		30.280
Paid Allocations and Development Agreements		95.85
Calistoga Hills Development Agreement	50.000	
Silver Rose Development Agreement	42.040	
Oak Villa Condominiums	2.520	
Brian Arden Winery	1.130	
Lava Vine Winery	.160	
Bottling Works Unused Obligation		85.280
Calistoga Mineral 70.0 baseline – 3.36 (5-yr. average)		
Crystal Geyser 23.3 baseline – 4.66 (5-yr. average)		
Growth Management Allocations (approved projects)		21.282
1801 Michael Way SFD	.593	
1805 Michael Way SFD	.593	
2095 Mora SFD	.593	
1706 Foothill SFD	.593	
3000 W. Money SFD	.593	
3001 W. Money SFD	.593	
3004 W. Money SFD	.593	
3005 W. Money SFD	.593	
Wappo Guest Accommodations	.930	
Calistoga Senior Apartments	11.460	
Boys & Girls Club	3.210	
Francis House B&B	.938	
	<b>Total</b>	<b>232.692 acre-feet/year</b>

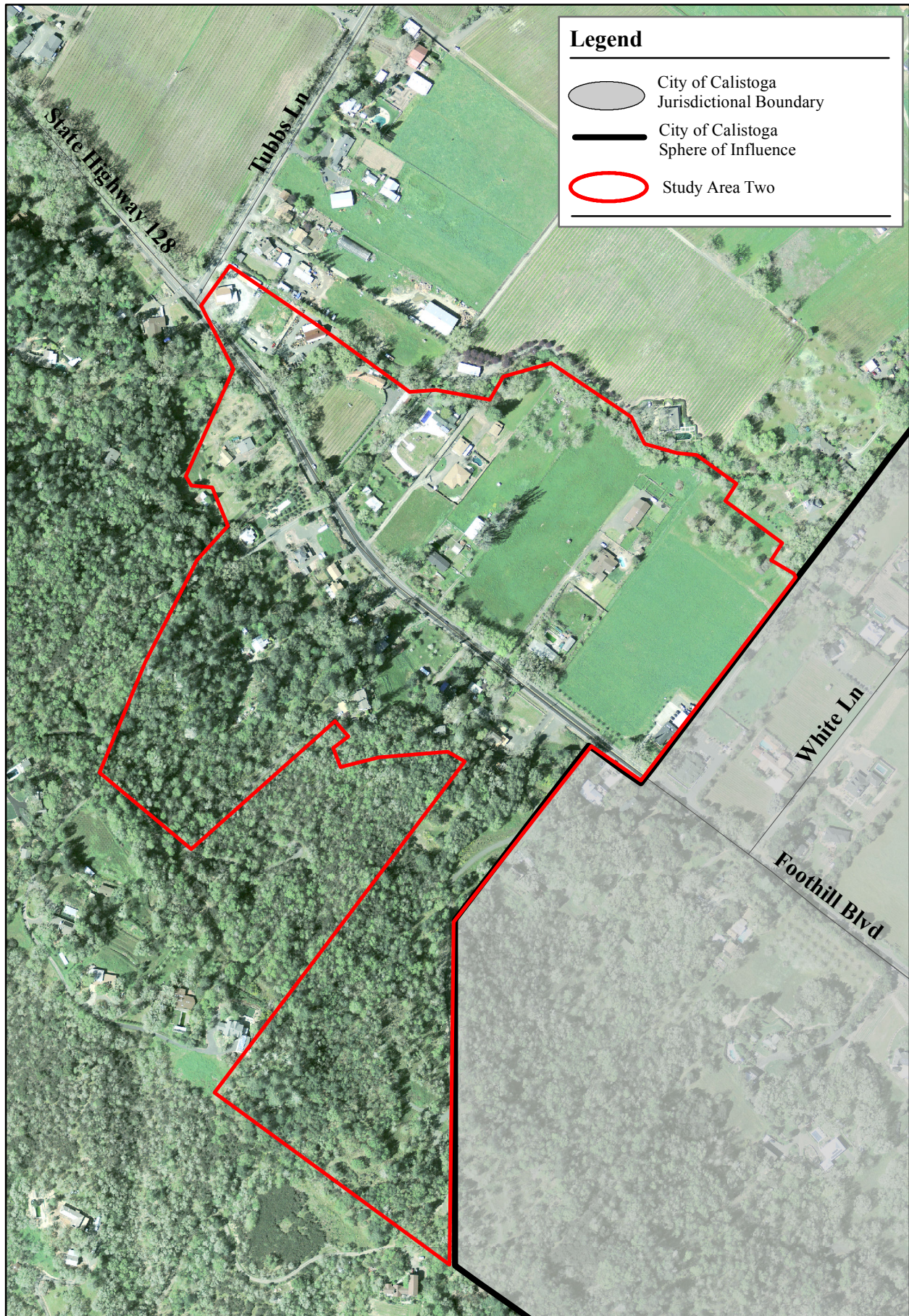
### Potential Wastewater Generation

Standby		18.000
Paid Allocations and Development Agreements		107.250
Calistoga Hills Development Agreement	60.000	
Silver Rose Development Agreement	45.650	
Oak Villa Condominiums	1.470	
Brian Arden Winery	1.130	
Bottling Works Unused Obligation		90.240
Calistoga Mineral 95.0 (baseline) – 4.76 (5-yr. average)		
Growth Management Allocations (approved projects)		13.254
Wappo Guest Accommodations	.440	
1801 Michael Way SFD	.370	
1805 Michael Way SFD	.370	
2095 Mora SFD	.370	
1706 Foothill SFD	.370	
3000 W. Money SFD	.370	
3001 W. Money SFD	.370	
3004 W. Money SFD	.370	
3005 W. Money SFD	.370	
Calistoga Senior Apartments	6.390	
Boys & Girls Club	2.790	
Francis House B&B	.674	
	<b>Total</b>	<b>228.744 acre-feet/year</b>

# City of Calistoga



# City of Calistoga



# City of Calistoga

