

APPENDIX A
SPHERE OF INFLUENCE REVIEW AND UPDATE
OF THE LAKE BERRYESSA REGION*
IN CONJUNCTION WITH
NAPA COUNTYWIDE WATER AND WASTEWATER MUNICIPAL SERVICE REVIEW (2020)

***LAKE BERRYESSA REGION DISTRICTS:**

LAKE BERRYESSA RESORT IMPROVEMENT DISTRICT (LBRID)

NAPA BERRYESSA RESORT IMPROVEMENT DISTRICT (NBRID)

SPANISH FLAT WATER DISTRICT (SFWD)

AUGUST 2, 2021

PREPARED BY NAPA LAFCO STAFF

SPHERE OF INFLUENCE CONSIDERATIONS

This appendix includes sphere of influence (SOI) analysis and recommendations for each of the following special districts that are subject to the Napa Countywide Water and Wastewater Municipal Service Review (MSR): Lake Berryessa Resort Improvement District (LBRID); Napa Berryessa Resort Improvement District (NBRID); and Spanish Flat Water District (SFWD).

The MSR sections of this report include thorough research and analysis of the current and future operations of each subject agency. This appendix reviewing each subject agency's SOI is based on the work completed in the MSR sections. Relevant sections are referenced should the reader wish to review the detailed analysis.

CKH requires LAFCO to adopt an SOI for each city and special district located within the County. An SOI is defined in Government Code Section 56076 as "a plan for the probable physical boundary and service area of a local agency or municipality as determined by the Commission." LAFCO must make determinations with respect to the following factors when amending, establishing, reviewing, or updating an SOI:

Present and planned land uses in the area, including agricultural and open space lands. This factor consists of a review of current and planned land uses based on planning documents to include agricultural and open-space lands.

Present and probable need for public facilities and services. This factor includes a review of the services available in the area and the need for additional services.

Present capacity of public facilities and adequacy of public services provided by the agency. This factor includes an analysis of the capacity of public facilities and the adequacy of public services that the agency provides or is authorized to provide.

Social or economic communities of interest. This factor discusses the existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. These are areas that may be affected by services provided by the agency or may be receiving services in the future.

Present and probable need for services to disadvantaged unincorporated communities. This factor requires the Commission to consider services to disadvantaged unincorporated communities, which are defined as inhabited areas within the SOI whose median household income is less than or equal to 80 percent of the statewide median income.

The following sections provide an evaluation of these factors along with recommendations for each subject agency.

Lake Berryessa Resort Improvement District (LBRID)

LBRID's SOI encompasses approximately 0.34 square miles, or 217 acres, entirely within its jurisdictional boundary.¹ The SOI was reviewed and affirmed with no changes in 2012. The SOI excludes approximately 1,811 jurisdictional acres with 48 parcels, of which eight units are served by septic systems and well water. The following map provides a visual of the District (Figure One).

No residential units outside the SOI are connected to the LBRID system nor have the existing unserved units approached the District about extending service; tentative plans to develop the Unit One subdivision, which is outside the SOI, were considered but "the cost was prohibitive, and the project abandoned."²

The 1,811 acres within the District's jurisdictional boundary, but outside its SOI, include parcels of record that could apply for development permits. However, as noted above, the costs of extending utility services as well as other public infrastructure and roads makes development unlikely within the next ten years or more. Sufficient undeveloped lots exist within the SOI to accommodate recent and potential development for at least ten years considering recent trends and future population projections.³

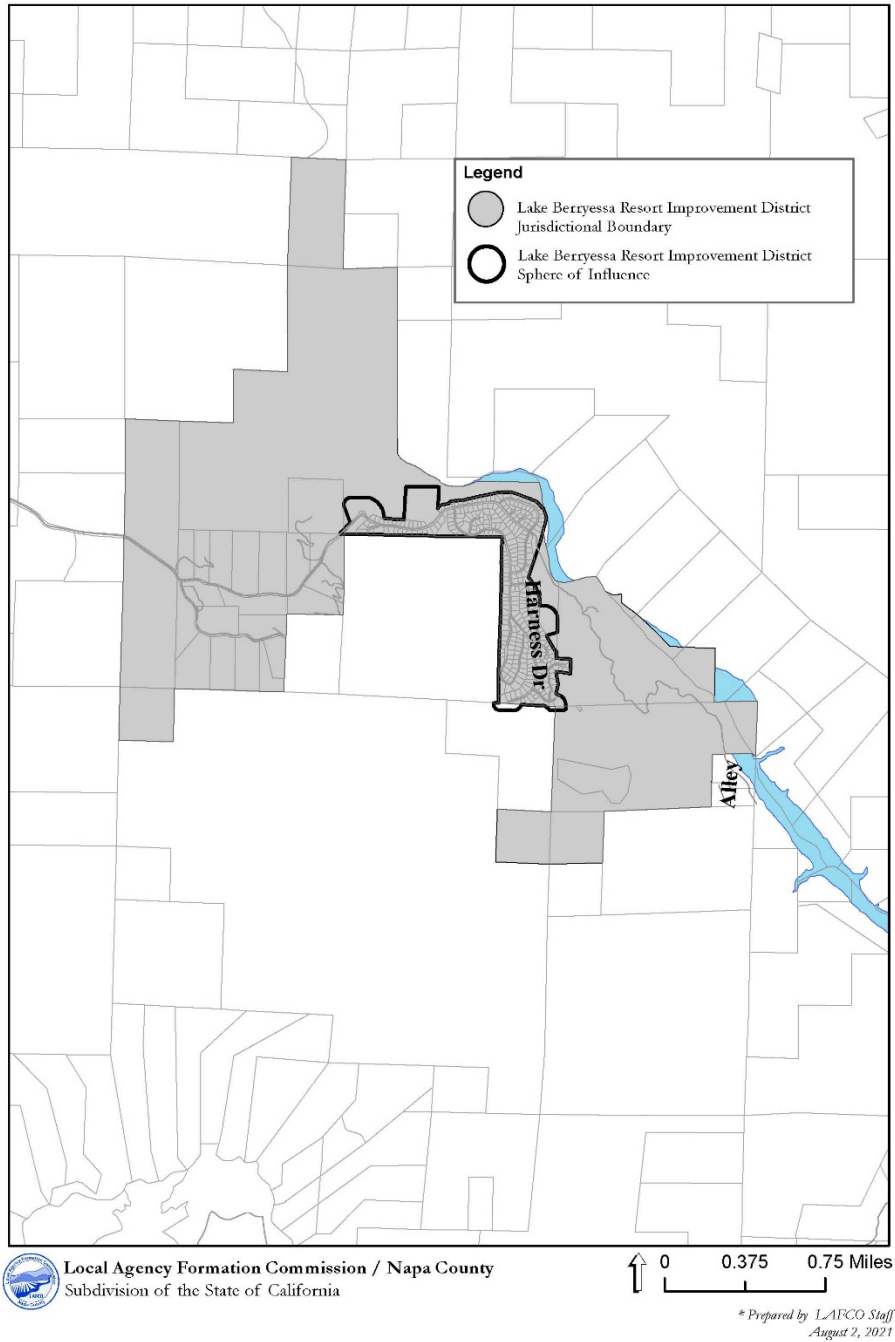
¹ Correspondence from A. Martinez, County of Napa, 1/23/2020.

² Follow-up response rec'd 12/9/19 to LBRID interview 12/4/19.

³ CWWMSR, Chapter 11, LBRID "Agency Overview"

Figure One: LBRID Map

Lake Berryessa Resort Improvement District



Recommendation and Determinative Statements

It is recommended the Commission retain the current SOI designation of LBRID. Accordingly, the following written statements support the recommendation and address the five specific factors the Commission must prepare anytime it makes an SOI determination under G.C. Section 56425.

Present and planned land uses in the area, including agricultural and open space lands. LBRID's SOI excludes substantial areas within its boundaries, which are designated for single-family development, however, those areas currently are not served by the District and there are minimal prospects of those lands developing and requiring services within a ten-year time horizon.

Present and probable need for public facilities and services. There is a present need for LBRID's water and sewer services throughout the recommended SOI to support the existing and continued development of the Berryessa Estates community.

Present capacity of public facilities and adequacy of public services provided by the agency. Ensuring adequate water supply availability is a priority for all agencies. It was found that during normal year scenarios, all of the public water retailers in Napa County have sufficient water supply under normal conditions given existing demand. The MSR section of this report indicates LBRID's water services are sufficiently capacitated to meet both existing and projected needs in the recommended SOI. An October 2020 Leak Survey found only one possible leak on Lariat Street. The July 2019 Leak Survey Report pinpointed a leak on Colt Court. Water losses are within the AWWA leakage index guidelines. No citations / violations on reporting or Maximum Contaminant Level exceedances.⁴ The MSR indicates sewer services are adequately capacitated and a number of system improvements have been completed. However, ongoing improvements to replace aging infrastructure and to upgrade facilities are planned and/or underway. The ability of LBRID to address these and other improvements are constrained by the District's ongoing fiscal distress tied – among other reasons – to operating aging infrastructure in a confined and economically depressed area. Fortunately, no homes were destroyed in the wildfires of 2020. LBRID has undertaken major upgrades to its water and wastewater system since the 2011 Lake Berryessa Region MSR identified significant infrastructure needs.

Social or economic communities of interest. The affected territory within LBRID's recommended SOI has established strong social and economic interdependencies with the District. These ties are affirmed and strengthened by this review.

Present and probable need for services to disadvantaged unincorporated communities. According to Napa LAFCO's definition of disadvantaged unincorporated communities (DUCs), LBRID is not a DUC.⁵ However, the Rural Community Assistance Corporation (RCAC) conducted a Median Household Income Survey on behalf of the District in the spring of 2018 and determined that the community qualified as a Disadvantaged Community (DAC), which differs from the definition of a DUC under local policy.⁶ The DAC status enabled application to the State for financial assistance. The results of the survey apply for a five-year period and a new survey is likely in 2023.⁷

⁴ Correspondence from Christopher Silke, District Staff, County of Napa 6/25/2021

⁵ Napa Local Agency Formation Commission, Policy on Disadvantaged Unincorporated Communities, 2018.

⁶ LBRID Agenda Letter 9/11/18.

⁷ Follow-up response rec'd 12/9/19 to LBRID interview 12/4/19.

Napa Berryessa Resort Improvement District (NBRID)

NBRID's SOI encompasses approximately 1.0 square mile, or 774 acres.⁸ The SOI was updated in 2013 to include the 10-lot "Oakridge Estates" subdivision.⁹ The SOI excludes approximately 1,252.5 jurisdictional acres.

The 1,252.5 acres within the District's jurisdictional boundary but outside its SOI include parcels of record that could apply for development permits, however, the costs of extending utility services as well as other public infrastructure and roads makes development unlikely within the next ten years or more. Sufficient undeveloped lots exist within the SOI to accommodate recent and potential development for at least ten years considering recent trends and future population projections.

Currently certain District facilities, including its treated wastewater storage and disposal areas, are located on parcels outside District boundaries as shown on the following map (Figure Two). NBRID has indicated an interest in annexing those parcels in order to recognize District ownership and use.¹⁰

Of note is the impact of the August 2020 Lightning Complex Fires, which burned approximately 110 homes within NBRID's boundaries and 109 homes within the SOI.¹¹ Additionally, the fires destroyed or damaged a portion of NBRID's facilities, including the treated effluent dispersal spray fields, connection laterals to burned or lost homes, and some minor outbuildings. Given the significant impact of the fire on residents and NBRID's services, discussion of the potential for growth and development may not be relevant until the damaged area is substantially rebuilt.

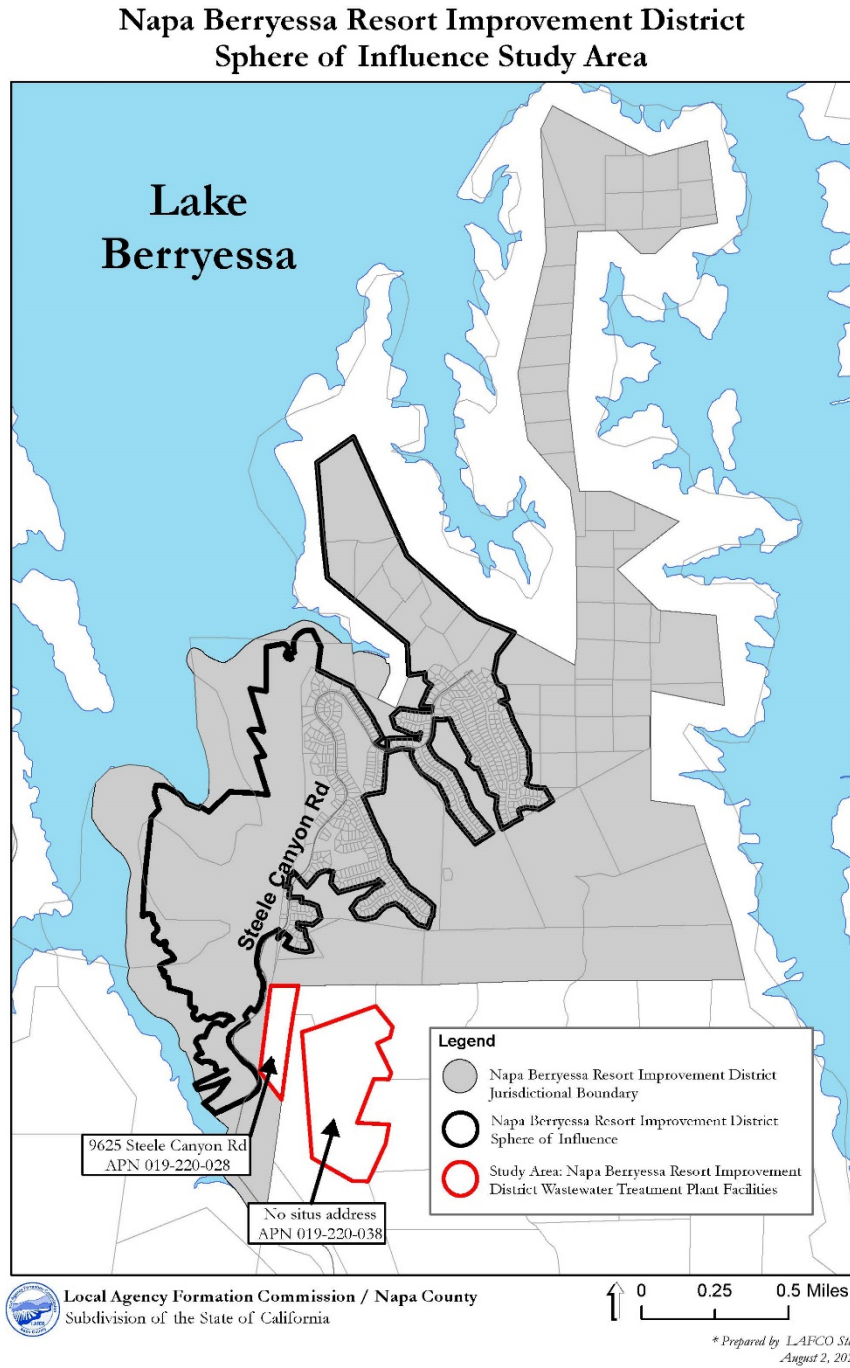
⁸ Correspondence from A. Martinez, County of Napa, 1/23/2020.

⁹ Follow-up response rec'd 12/9/19 to NBRID interview 12/4/19.

¹⁰ CWWMRSR, Chapter 13, NBRID "Agency Overview"

¹¹ Napa County Planning, Building and Environmental Services February, 2021

Figure Two: NBRID and Study Area Map



Recommendation and Determinative Statements

It is recommended the Commission expand the SOI designation of NBRID to include a study area comprising two parcels owned by NBRID and totaling approximately 101 acres in size. The parcels are located outside NBRID's SOI and boundary and identified by the County Assessor as 019-220-028 and 019-220-038. A map of the study area is included as Figure Two on the previous page of this appendix. Expansion of NBRID's SOI would allow the District to propose annexation of the parcels to reduce the District's annual property tax obligation. Accordingly, the following written statements support the recommendation and address the five specific factors the Commission must prepare anytime it makes an SOI determination under G.C. Section 56425.

Present and planned land uses in the area, including agricultural and open space lands. NBRID's SOI excludes substantial areas within its boundaries which are designated for single-family development, however, those areas currently are not served by the District and there are minimal prospects of those lands developing and requiring services within a ten-year time horizon. The study area recommended for inclusion within NBRID's SOI serves as the location of NBRID's wastewater treatment plant facilities.

Present and probable need for public facilities and services. There is a present need for NBRID's water and sewer services throughout the recommended SOI to support the existing and continued development of the Berryessa Highlands community. The study area recommended for inclusion within NBRID's SOI is not expected to require water or sewer service given its present land use.

Present capacity of public facilities and adequacy of public services provided by the agency. Ensuring adequate water supply availability is a priority for all agencies. It was found that during normal year scenarios, all of the public water retailers in Napa County have sufficient water supply under normal conditions given existing demand. Certain improvements could be made to the services offered. A post-fire August 2020 Leak Survey pin-pointed a few customer service line leaks and one water main break. Repairs are complete and operations fully restored. Water losses are within the AWWA leakage index guidelines.¹²

It is apparent that the smaller agencies with limited budgets and staffing constraints have struggled most with planning for and addressing infrastructure needs and complying with regulatory requirements. NBRID has benefited from a collaboration of technical knowledge and experience amongst District staff and SUSP Contract Operator resources which has greatly reduced the occurrence of violations, sewer spill events and non-compliance citations. NBRID has undertaken major upgrades to its water and wastewater system since the 2011 Lake Berryessa Region MSR identified significant infrastructure needs. Ongoing improvements to replace aging infrastructure and to upgrade facilities are planned and/or underway.

Social or economic communities of interest. The affected territory within NBRID's recommended SOI has established strong social and economic interdependencies with the District. These ties are affirmed and strengthened by this update. Inclusion of the study within NBRID's SOI would strengthen these ties by facilitating a future annexation, which would eliminate the District's annual property tax obligation for the affected parcels.

¹² Correspondence from Christopher Silke, District staff, County of Napa, 6-25-2021

Present and probable need for services to disadvantaged unincorporated communities. According to Napa LAFCO's definition of DUCs, NBRID is not a DUC.¹³ Notably, based on an income study conducted in 2017, incomes were only slightly below the County average, and therefore the community did not qualify as disadvantaged; no further surveys are currently anticipated.

¹³ Napa Local Agency Formation Commission, Policy on Disadvantaged Unincorporated Communities, 2018.

Spanish Flat Water District (SFWD)

The District's current SOI consists of approximately 1,339 acres or 2.1 square miles. SFWD's SOI was last updated in 2013 when it was expanded by 5.3 acres to include two non-contiguous lots immediately adjacent to the Berryessa Pines subdivision and separated from each other by a 60-foot panhandle section of SFWD boundary area. At the time of the SOI amendment, these two lots had been already receiving domestic water and wastewater services from SFWD through outside service agreements. The following map provides a visual of the District (Figure Three).

Wildfires: Of note is the impact of the August 2020 Lightning Complex Fires, which razed the 59-home mobile home park within the Spanish Flat community leaving 56 mobile homes destroyed and 35 additional single family homes burned. The total loss of homes is 75 within the District and 80 within the SOI.¹⁴ Additionally, the fire destroyed a portion of SFWD's water and wastewater facilities serving the community, including the wastewater pump station building and controls, lake pump controls and power pole, water tank tops on west hillside. Given this drastic and recent change in the composition of the area, discussion of the potential for growth and development may not be relevant until the area is substantially rebuilt.¹⁵

A majority of SFWD's utility systems in Spanish Flat were destroyed in the Lightning Complex fires in August 2020. The utility systems in Berryessa Pines remain intact and operational. The District plans to rebuild of the destroyed system as soon as possible. The determinations regarding SFWD are based on existing circumstances before the fire.

Recommendation and Determinative Statements

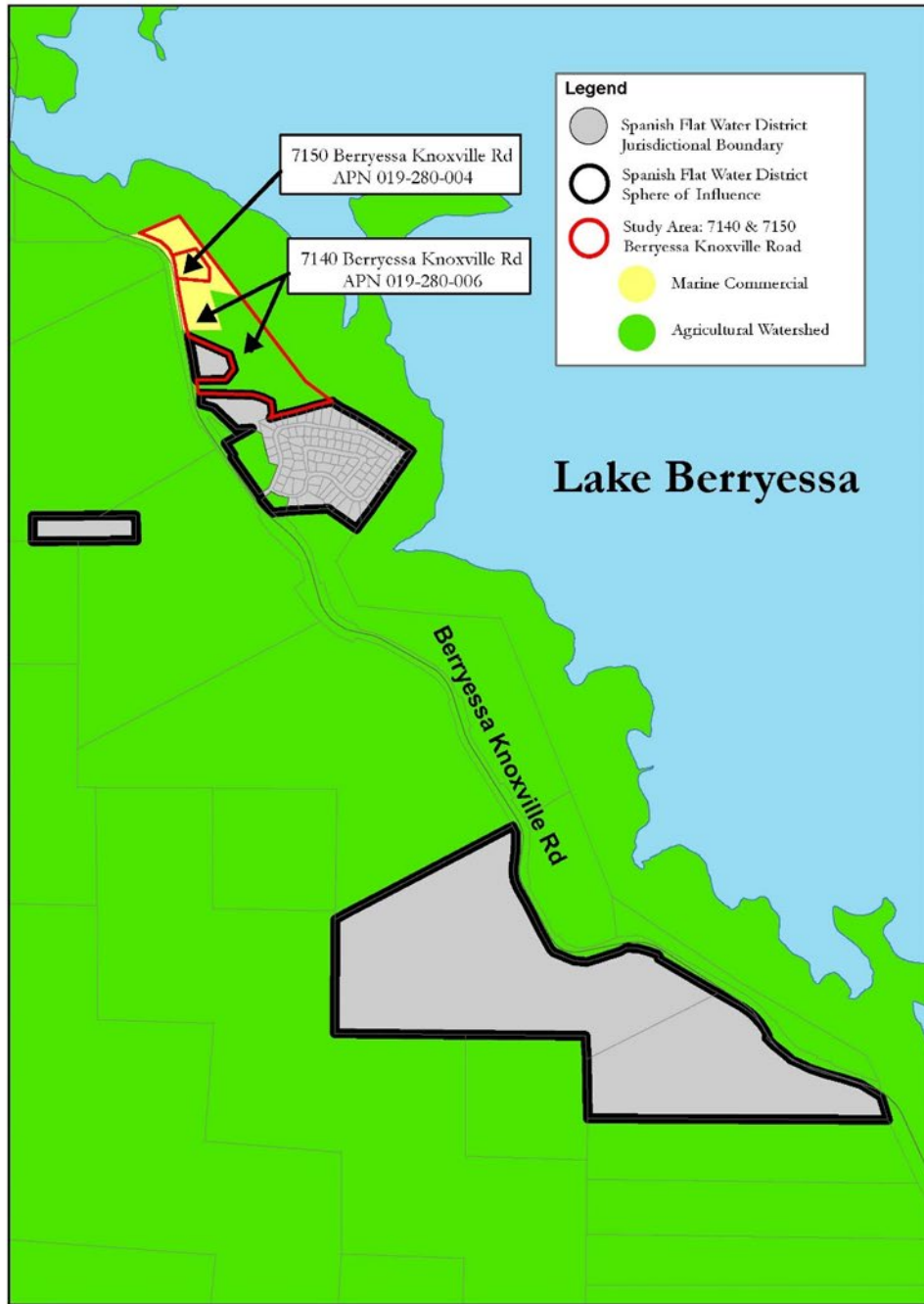
It is recommended the Commission expand the SOI designation of SFWD to include a portion of a study area comprising one entire parcel and a portion of a parcel totaling approximately 7.9 acres in size. The study area is located at 7140 and 7150 Berryessa-Knoxville Road and identified by the County Assessor as 019-280-004 (entire parcel) and 019-280-006 (portion zoned *Marine Commercial*). A map of the study area is included as Figure Three. Accordingly, the following written statements support the recommendation and address the five specific factors the Commission must prepare anytime it makes an SOI determination under G.C. Section 56425.

¹⁴ Napa County Planning, Building and Environmental Services February, 2021

¹⁵ CWWMSR, Chapter 17, SFWD "Growth and Population Projections"

Figure Three: SFWD and Study Area Map

Spanish Flat Water District Sphere of Influence Study Area



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

0 0.15 0.3 Miles

* Prepared by LAFCO Staff
August 2, 2021

Present and planned land uses in the area, including agricultural and open space lands.

The study area's two subject lots are interchangeably used by the same landowner as part of a commercial boat and recreational vehicle storage facility (Lakeview Boat Storage). The larger of the two lots is located at 7140 Berryessa-Knoxville Road (019-280-006) and is approximately 30.5 acres in size. The portion recommended for inclusion within SFWD's SOI is approximately 5.8 acres in size. This larger lot – and specifically the portion subject to this SOI update – includes four enclosed storage structures each approximately 1,000 square feet in size. The smaller of the two lots is located at 7150 Berryessa-Knoxville Road (019-280-004) and is approximately 2.1 acres in size. This smaller lot includes approximately 6,000 square feet of enclosed storage structures along with an administrative office and detached single-family residence.

The recommended inclusion of the study area within SFWD's SOI would recognize its present land uses conform to the County's existing policies given the two parcels' designations and zoning assignments of *Rural Residential* and *Marine Commercial*, respectively. Current land uses within the study area include a commercial boat and recreational vehicle storage facility (Lakeview Boat Storage). Only the designated *Marine Commercial* portion of the larger lot is recommended for inclusion in the SOI. The remaining portion of the lot is zoned *Agricultural Watershed (AW)*. Any changes to the AW zoning designation would require approval of the Napa County voters consistent with Measures J and P.

Present and probable need for public facilities and services. There is a present need for SFWD's water and sewer services throughout the recommended SOI to support the existing and continued development of the Berryessa Pines and Spanish Flat communities, including the study area. The study area is currently dependent on private water and septic systems to support existing uses. Actual demands associated with the existing uses are projected to be modest and generally limited to the single-family residence located on the smaller of the two subject lots at 7150 Berryessa-Knoxville Road. The property owner has stated that during the wildfires they were dependent on the limited private water system. Following the recent wildfires, the property owner has requested annexation to the District in order to obtain a more reliable source of water, especially during emergencies.

Present capacity of public facilities and adequacy of public services provided by the agency. Ensuring adequate water supply availability is a priority for all agencies. It was found that during normal year scenarios, all of the public water retailers in Napa County have sufficient water supply under normal conditions given existing demand. SFWD has ample water supply entitlement and system capacity to accommodate current as well as projected demands. The 2011 Lake Berryessa Region MSR identified that there is a water distribution system capacity issue associated with deficient storage within the initial pressure zone. This issue has not been addressed to date. The level of wastewater services offered by SFWD were found to be minimally adequate based on integrity of the wastewater collection system and regulatory compliance. Significant improvement can be made to the District's reporting practices. Based on current operations, the Spanish Flat Water District's sewer systems appear to have adequate collection, treatment, and discharge capacities to meet existing service demands within its jurisdiction under normal conditions. However, the District does not have any records identifying the design capacities for either sewer system. This prevents the District from accurately estimating its capacity to service new growth for either of its two service communities. Given this earlier analysis, and based on projected and referenced demands, it would be reasonable to assume extending water and sewer services to the study area could be adequately accommodated by SFWD given existing capacities without impacts to current customers. The landowner would be required to assume the costs associated with extending the necessary infrastructure to the subject lots.

Social or economic communities of interest. The affected territory within SFWD’s recommended SOI, including the portion of the study area, has established strong social and economic interdependencies with the District. These ties are affirmed and strengthened by this update. The inclusion of the portion of the study area signals the Commission’s standing interest in orienting SFWD’s SOI to include and support planned urban uses within the community; given its designation by the County for urban type uses. It also appears reasonable to conclude the existing uses within the study area (boat and recreational vehicle storage) serve a social and economic need benefiting both Berryessa Pines and the region as a whole in terms of accommodating low-intensity recreation.

Present and probable need for services to disadvantaged unincorporated communities.

According to Napa LAFCO’s definition of DUCs, SFWD is not a DUC.¹⁶

¹⁶ Napa Local Agency Formation Commission, Policy on Disadvantaged Unincorporated Communities, 2018.