



Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
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<http://napa.lafco.ca.gov>

August 4, 2008
Agenda Item No. 8a

July 28, 2008

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Proposed Formation of the Villa Berryessa Water District (Discussion)

The Commission will receive an update on a proposal to form a new special district to serve a planned 100-lot residential subdivision in the Lake Berryessa area known as Villa Berryessa. The update will include a presentation from the applicant and is being presented for discussion.

The Commission is responsible under California Government Code (G.C.) Section 56375 to approve, modify, or disapprove boundary changes proposed by local governmental agencies, property owners, or registered voters. The Commission is also authorized to establish conditions in approving boundary changes as long as it does not directly regulate land uses. Underlying the Commission's determination in approving, modifying, or disapproving proposed boundary changes is to consider the logical and timely formation and development of governmental agencies and services in context with local conditions and needs.

A. Discussion

The Commission has received an application from Miller-Song Group, Inc. proposing the formation of a new special district under the California Water District Act. The applicant is seeking formation to provide public water and sewer services to a planned 100-lot residential subdivision located along the western shoreline of Lake Berryessa. The underlying development project is known as "Villa Berryessa" and has been tentatively approved by the County of Napa. The County has conditioned final approval on the applicants receiving written approval from the United States Bureau of Reclamation to construct an access road and intake across federal lands to receive water supplies from Lake Berryessa. Based on their own review of the project, the Bureau is requesting a governmental agency be responsible for accepting responsibility for the construction and perpetual operation of the water and sewer systems serving the subdivision.

Staff is currently analyzing the application with respect to the factors the Commission must consider anytime it receives a proposal for a change of organization under G.C. Section 56668. As part of this process, staff is identifying whether there are any appropriate terms and conditions the Commission could incorporate to mitigate any potential concerns or deficiencies identified in the analysis. For example, staff's preliminary analysis indicates there is merit for the Commission to impose as a condition of approval the establishment of a benefit assessment district to help ensure there is a sufficient revenue base.

Jack Gingles, Commissioner
Mayor, City of Calistoga

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Juliana Inman, Commissioner
Councilmember, City of Napa

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

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

Keene Simonds
Executive Officer

Staff expects to complete its analysis in time to present the proposal for Commission consideration as part of its October 6, 2008 meeting. In the interim, staff has invited the applicant to attend today's meeting and make a brief presentation outlining the associated development project and other germane issues underlying the justification of the proposal. The presentation offers an opportunity for the Commission to ask questions of the applicant as well as provide direction to staff with regards to processing the proposal.

Attachments:

- 1) G.C. 56668
- 2) LAFCO Letter to the Applicant, Dated July 17, 2008
- 3) Application Materials (to be sent under separate cover)

California Government Code Section 56668

Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

- (a) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.
- (b) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.
- (c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.
- (d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.
- (e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.
- (f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.
- (g) Consistency with city or county general and specific plans.
- (h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.
- (i) The comments of any affected local agency or other public agency.
- (j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.
- (k) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.
- (l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.
- (m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.
- (n) Any information relating to existing land use designations.
- (o) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.



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ATTACHMENT TWO

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July 17, 2008

DELIVERED BY E-MAIL

Mr. Mike Rice
Miller-Sorg Group, Inc.
710 Kellogg Street
Suisun City, California 94585
(millersorggroup@sbcglobal.net)

SUBJECT: *Proposed Formation of the Villa Berryessa Water District*

Mr. Rice

This letter confirms the Local Agency Formation Commission of Napa County will schedule a discussion item as part of its Monday, August 4, 2008 regular meeting regarding your proposal to form the Villa Berryessa Water District. Staff will prepare a brief report for presentation at the meeting outlining the scope of the proposal and the key factors the Commission must consider with respect to forming a new special district. This meeting offers you an opportunity to directly address the Commission and provide an overview of the associated development project as well as other germane issues underlying the justification for the proposal. I respectfully suggest part of your presentation address the ability of the proposed special district to remain solvent given the financial challenges of other special districts operating in the Lake Berryessa area. Please limit your presentation to 10 minutes, which will provide sufficient time for Commissioners to ask questions and provide direction to staff with regards to processing the proposal.

On a separate matter, as part of your application, you submitted a document titled "Technical, Managerial, and Financial Report." This document provides a detailed review of the proposed special district's water system, including anticipated operating and replacement costs. In order to complete your application, please submit a document to the LAFCO office providing a similar review of the wastewater system.

I look forward to seeing you at the Commission's August 4, 2008 meeting. In the interim, please contact me by phone at (707) 259-8645 or by e-mail at ksimonds@napa.lafco.ca.gov if you have any questions.

Sincerely,

Keene Simonds
Executive Officer

cc:

Commissioners
Jackie Gong, Commission Counsel (jgong@co.napa.ca.us)
William Abbott, Abbott & Kindermann (wabbott@aklandlaw.com)
Leslie Walker, Abbott & Kindermann (walker@aklandlaw.com)
Carl Butts, Reichers and Spence (cbutts@rsacivil.com)

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