



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

MEETING MINUTES OF DECEMBER 3, 2012

1. CALL TO ORDER; ROLL CALL

Chair Chilton called the regular meeting of December 3, 2012 to order at 4:00P.M. At the time of roll call, the following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Lewis Chilton, Chair	Juliana Inman	Keene Simonds, Executive Officer
Brad Wagenknecht, Vice Chair	Mark Luce (<i>arrived 4:07pm</i>)	Jackie Gong, Commission Counsel
Joan Bennett	Gregory Rodeno	Brendon Freeman, Analyst
Bill Dodd		Kathy Mabry, Secretary
Brian J. Kelly		

2. PLEDGE OF ALLEGIANCE

Chair Chilton led the Pledge of Allegiance.

3. AGENDA REVIEW

Chair Chilton asked if there were any changes to the prepared agenda.

Staff noted that on Agenda Item #5f, it was inadvertently noted that Commissioner Bennett's term ends in 2013, when actually her term ends in May 2015.

The Commission unanimously approved a motion to accept the agenda as modified and clarified.

4. PUBLIC COMMENT

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

5. CONSENT ITEMS

a) First Quarter Budget Report for 2012-2013

The Commission reviewed a first quarter budget report for 2012-2013. The report compared budgeted versus actual transactions through one-fourth of the fiscal year. The report projected the Commission is on pace to improve its year-end financial position by eliminating its budgeted funding gap of (\$8,811) and finish with an overall operating surplus of \$2,955.

b) Approval of Meeting Calendar for First Half of 2013

The Commission considered approving a meeting calendar for the first six months for 2013. The Commission approved regular meetings for the following dates: January 7th, February 4th, April 1st, and June 3rd.

c) Progress Report on Strategic Plan

The Commission received a report on progress made in meeting goals and implementing strategies in the current 2-year strategic plan, including the preparation of an informal report on private water service provision in Napa County (see agenda item no. 8a), and making a presentation on LAFCO's policies/programs during a recent study session with the County Planning Commission.

d) Approval of Meeting Minutes

The Commission considered minutes prepared by staff for the October 1, 2012 meeting.

5. CONSENT ITEMS – continued:

e) Designation of Chair and Vice Chair for Calendar Year 2013

The Commission received a report regarding the designation of the Chair and Vice Chair for the 2013 calendar year. The Commission's adopted policy designates Commissioner Wagenknecht as Chair and Commissioner Kelly as Vice Chair, respectively.

A letter will be sent to the City Selection Committee for appointments/reappointments for the two seats currently held by Commissioners Chilton and Inman.

f) Notice of Expiring Commissioner Terms in 2013

The Commission received a report identifying the member terms scheduled to expire in 2013. Three terms are set to expire and affect members Chilton, Inman, and Luce.

CORRECTION: In the staff report, staff inadvertently noted that Commissioner Bennett's term ends in 2013; when in fact, it ends in May 2015. A letter will also be sent to the Board of Supervisors for appointment/reappointment to the seat currently held by Commissioner Luce.

g) CALAFCO Quarterly Report

The Commission received the most recent quarterly report prepared by the California Association of Local Agency Formation Commissions, noting the appointment of the new Executive Director Pamela Miller, who was formerly the County of Napa's Clerk of the Board.

h) Report on Website Visits

The Commission received a report summarizing visitor traffic to the agency's new website since December 2011.

i) Current and Future Proposals

The Commission received a report summarizing current and future proposals. No new proposals have been submitted since the October 3, 2012 meeting.

Upon motion by Commissioner Wagenknecht and second by Commissioner Dodd, all of the consent calendar items were approved.

6. PUBLIC HEARING ITEMS

a) Sphere of Influence Update on Lake Berryessa Resort Improvement District

The Commission held a public hearing to consider taking actions with respect to its scheduled sphere of influence update on the Lake Berryessa Resort Improvement District (LBRID); the governmental entity tasked with providing water and sewer services to the Berryessa Estates community.

Staff provided an overview of the report prepared on the scheduled update and highlighted three distinct options available with regards to addressing the sphere. The report recommends "Option Three" which would update the sphere with no changes and explicitly table all related policy issues for discussion to the next update. Staff added this option is consistent with the preferences expressed by the Commission at the October meeting.

Chair Chilton opened the public hearing.

Belia Ramos-Bennett spoke to the Commission, representing the Ramos Family Trust. Her family owns a parcel in Unit One on the map provided, which is located within the jurisdictional boundary of LBRID, but outside its sphere of influence. Citing 19 particular lots, Ms. Ramos stated that the property owners have been struggling for water rights for a very long time and have held discussions with County Supervisors and Public Works staff. Ms. Ramos-Bennett stated that the property owners in Unit One would like for the sphere to ultimately match the jurisdictional boundaries. Ms. Ramos added, however, she appreciated the value of holding off on making any changes to the sphere at this time for reasons provided in the report.

6. PUBLIC HEARING ITEMS - continued:

a) Sphere of Influence Update on Lake Berryessa Resort Improvement District – continued:

Chair Chilton closed the public hearing.

Commissioner Wagenknecht stated he recommends the staff recommendation of Option Three.

Chair Chilton closed the public hearing.

Upon motion by Commissioner Wagenknecht and second by Commissioner Bennett, the Commission approved the staff recommendations to: (a) accept the final report as presented, and (b) adopt the resolution confirming the determinative statements therein in updating LBRID's sphere of influence update with no changes at this time (**Resolution No. 2012-09**).

Additionally, Commissioner Inman suggested that instead of reprinting the final version of the report, the Commission should retain their copy and mark over the word 'draft' with the word 'final'. Staff indicated that would be acceptable.

7. ACTION ITEMS

a) Financial Audit for Fiscal Year Ending June 30, 2012

The Commission reviewed a written report from an outside consultant auditing the agency's financial statements for the 2011-2012 fiscal year.

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

Staff commended the Auditor's staff and Secretary Mabry for their work relating to the successful audit again this year.

Commissioner Dodd inquired about the process for selecting the outside consultant and suggested it would make sense for the audit to go out for bid to avoid the appearances of favoritism.

Commissioner Wagenknecht agreed with Commissioner Dodd's point and noted we should probably have a policy for the term of CPA's used for audits. Commissioner Kelly recommended sending the consultant job out for bid and not including the current CPA firm. Chair Chilton agreed and stated this issue should probably be taken up as a policy consideration at a future meeting.

Upon motion by Commissioner Dodd and second by Commissioner Wagenknecht, the audit report for the 2011-2012 fiscal year was received and filed.

b) Amendments to Policy on Preparing an Annual Budget/Budget Committee Appointments

The Commission considered two separate actions concerning the preparation of an annual budget for the agency. The first action proposed minor amendments to the Commission's adopted policy on preparing an annual budget to reflect existing practices. The second action requested appointments of two members to serve with the Executive Officer on the 2013-2014 Budget Committee.

Chair Chilton said he would be happy to serve again, although his appointment will end in May 2013. Commissioner Bennett felt Commissioner Kelly was doing a good job and should continue.

Upon motion by Commissioner Bennett and second by Commissioner Dodd, the following was approved: (a) proposed amendments to the policy on preparing an annual budget as noted in Attachment Two of the staff report, and (b) Commissioners Kelly and Chilton were reappointed to serve on the Budget Committee for 2013-2014.

7. ACTION ITEMS

c) Approval of an Outside Service Extension to Allow the Napa Sanitation District to Provide Public Sewer to 1166 Monticello Road (APN No. 039-310-017)

The Commission considered approving a written request filed by the Napa Sanitation District (NSD) to provide extraterritorial public sewer service by contract to an unincorporated property located at 1166 Monticello Road.

Staff provided an overview of the request and noted the lot includes a single-family residence and is in between two distinct service areas: City of Napa, and Silverado. In addition, Milliken Creek is adjacent to the property. The property owners have recently requested to build a guest cottage, but have found that the septic system is failing due to unchecked growth of tree roots invading the leach fields. This is a determination and has been validated by Napa County's Environmental Health (copy of letter in staff report). There is currently a sewer line in the property as the result of an easement that was executed decades ago which provides for the Milliken trunk line and serves the City of Napa.

Staff recommends approval of the request on the basis the outside service extension would address an impending threat to public health and safety consistent with Government Code 56133.

Chair Chilton opened up public hearing.

Commissioner Dodd asked for further clarification on the relationship between the lot and the existing NSD sewer line.

Commissioner Wagenknecht noted that this lot is not expandable due to the formerly mentioned factors.

Rangel Gonzalez, Stillwater Engineering, a Civil Engineer representing the property owners asked the Commission to approve this request to connect to the NSD, given the property owners are very limited with the area to produce another septic system due to various constraints, such as setbacks. Eve Kahn, resident, sought clarification on development opportunities in the area.

Commissioner Dodd said he fully expects there to be requests to bring all or part of this area into the sphere in the future, but as of now, he has not heard any discussion.

Commissioner Wagenknecht noted two factors with this request including Environmental Health saying that we have an environmental issue, and that this lot is not expandable due to the formerly mentioned factors, providing justification for the outside service request.

Commission Inman questioned whether Environmental Health requires/prevents planting trees over septic systems, which may have been a factor here.

Commissioner Rodeno commented that this was not a good location for a septic tank due to the easement, a setback, nearby wetlands, etc.

Commissioner Bennett said this seems like a sensible thing to do and agreed with Commissioner Wagenknecht comments. Chair Chilton said he agreed with the comments.

Chair Chilton closed up public hearing.

Upon motion by Commissioner Kelly and second by Commissioner Bennett, the Outside Service Extension request was approved (**Resolution No. 2012-10**).

8. DISCUSSION ITEMS

a) Informational Report on Private Community Water Systems

Staff Analyst, Brendon Freeman, provided the Commission with a report identifying the scope and range of private community water systems operating in Napa County. The preliminary report complies with the Commission's strategic plan to broaden the agency's understanding of private water systems supporting local growth and development as well as new legislation enacted earlier this year with Assembly Bill 54.

8. DISCUSSION ITEMS

a) Informational Report on Private Community Water Systems – continued:

The report was presented for discussion and feedback in anticipation of presenting a complete report at a future regular meeting.

Commissioner Dodd commented that the report seemed unnecessary and was concerned LAFCO was utilizing resources that could otherwise be applied more appropriately.

Commissioner Wagenknecht commented the report was interesting in showing the scope of private community water services in Napa County.

b) Anticipated Work Plan for 2013

The Commission received a work plan outlining anticipated activities in 2013. The work plan was presented for discussion and for the Commission to provide direction to staff with respect to amendments relative to member preferences and priorities for the next 12 months.

Commissioner Kelly asked whether the work plan contemplated the County or City of Napa bringing forward an application on Napa Pipe. Staff commented the work plan does not directly contemplate Napa Pipe, but notes the scheduled study on the central/county region would indirectly incorporate Napa Pipe. Staff added the work plan would be amended as needed if an application is filed by either agency.

c) Report on the 2012 CALAFCO Annual Conference

The Commission received a report summarizing the activities associated with the 2012 CALAFCO Annual Conference held on October 3-5 at the Monterey Hyatt Regency.

Commissioner Bennett commented that it was the most extensive conference she's ever been to.

Commissioner Wagenknecht stated he enjoyed the conference. Several Commissioners also expressed gratitude for the work of retiring CALAFCO Executive Director Bill Chiat, and suggested the Commission formally recognize his service at a later date.

9. EXECUTIVE OFFICER REPORT

The Commission received a verbal report from the Executive Officer regarding current staff activities.

10. CLOSED SESSION

a) Public Employee Annual Performance Evaluation: LAFCO Executive Officer

There was no reportable action, per Jackie Gong, Counsel.

11. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

There was no discussion of this item.

12. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING: January 7, 2013

The meeting was adjourned at 5:15 p.m. The next regular LAFCO meeting is scheduled for Monday, January 7, 2013 at 4:00 p.m.

Lewis Chilton, Chair

ATTEST: Keene Simonds, Executive Officer

Prepared by: _____
Kathy Mabry, Commission Secretary