



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

MEETING MINUTES OF JUNE 6, 2011

1. CALL TO ORDER; ROLL CALL

Chair Dodd called the regular meeting of June 6, 2011 to order at 4:01 P.M. At the time of roll call, the following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Bill Dodd, Chair	Joan Bennett	Keene Simonds, Executive Officer
Lewis Chilton, Vice Chair	Mark Luce	Jackie Gong, Commission Counsel
Brad Wagenknecht	Gregory Rodeno	Brendon Freeman, Analyst
Juliana Inman		Kathy Mabry, Secretary
Brian J. Kelly		

a) Oath of Office for New Terms

- Joan Bennett, Regular City Member
- Juliana Inman, Alternate City Member

Commission Counsel, Jackie Gong, swore into office Joan Bennett, as a Regular City Member and Juliana Inman, as an Alternate City Member for their new four-year terms.

2. PLEDGE OF ALLEGIANCE

Chair Dodd led the Pledge of Allegiance.

3. AGENDA REVIEW

There were no requests to rearrange the agenda.

4. PUBLIC COMMENT

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

5. CONSENT ITEMS

a) Third Quarter Budget Report for 2010-2011

The Commission reviewed a third quarter budget report for 2010-2011. The report compared budgeted versus actual revenues and expenses through the first nine months of the fiscal year. The report projected the Commission will close its budgeted operating shortfall from (\$42,460) to (\$4,900).

b) Amendment to Fiscal Year 2010-2011 Budget and Authorization to Contribute Funds to CALAFCO

The Commission amended its current fiscal year budget to increase its special departmental expense account by \$2,000 and made a related contribution to CALAFCO to fund a mobile workshop as part of the 2011 Annual Conference at the Silverado Resort in Napa.

c) Authorization to Approve Audit Expenditure

The Commission considered authorizing the Chair to enter into an agreement with Gallina LLP for the preparation of an independent audit for the 2010-2011 fiscal year at a cost of \$4,725.

d) Amendment to Support Services Agreement with the County of Napa

The Commission approved a fifth amendment to its support services agreement with the County of Napa. The proposed amendment establishes the Commission's 2011-2012 annual charge for information technology services from the County in the amount of \$20,261.

e) Approval of Meeting Minutes

The Commission approved the minutes prepared by staff for the April 4, 2011 meeting.

f) Current and Future Proposals

The Commission received a report summarizing current and future proposals. No new proposals had been submitted since the April 4, 2011 meeting.

g) CALAFCO Quarterly Report

The Commission received a report prepared by the California Association of Local Agency Formation Commissions summarizing the Board's actions at its most recent meeting held on April 29, 2011.

Upon motion by Commissioner Kelly and second by Commissioner Bennett, the consent items were approved.

6. PUBLIC HEARING ITEMS

a) Stanly Ranch Annexation to the Napa Sanitation District

The Commission considered an application from landowners to annex 472 acres of incorporated territory lying in the City of Napa to the Napa Sanitation District (NSD). The underlying purpose of the annexation is to facilitate public sewer to the St. Regis Napa Valley project. Staff recommended approval of the proposal with standard conditions along with adopting an addendum to a previously prepared final environmental impact report. The County of Napa Assessor's Office identifies the 16 subject lots as 047-230-049, 047-230-050, 047-230-051, 047-230-052, 047-230-053, 047-230-054, 047-240-017, 047-240-018, 047-240-019, 047-240-020, 047-240-021, 047-240-022, 047-240-023, 047-240-033, 047-240-034, and 047-240-035.

Chair Dodd opened the public hearing. Beth Painter, Land Use Consultant for the applicant, stated that she has been working with Stanly Ranch for over 10 years on this project. Staff provided an overview of this proposal noting in 2010, the City Council approved a project for 4 of the affected 16 lots to accommodate a 245 unit destination resort to be known as St. Regis. The Council conditioned its approval on the resort annexing into the Napa Sanitation District, explicitly to establish public sewer and parenthetically, it is expected that the resort will also make use of NSD's recycled water service. At the request of the neighboring land owners, 12 additional lots have been to the proposal for a total of 472 acres. As a condition, this annexation would be a placeholder for the neighbors, if they, in the future want to pursue a development project with the City of Napa, then they would have a more expedited path to connecting to the sewer system. The neighbors have agreed to share the \$4 million cost it will take to bring recycled water over from NSD's Soscol Treatment Plant under the Napa River into the Stanly Ranch area. This unique funding promises recycling water gets closer to the Los Carneros area, while the NSD terms & conditions must be met before the annexation can be recorded. Staff noted the land owner, counsel and land consultant were present for questions.

Ms. Painter thanked LAFCO staff for their work on this proposal. She also acknowledged the Napa Sanitation staff has been very cooperative for meeting the terms & conditions regarding recycled water service. Ms. Painter noted that the applicant is required to develop a Master Plan for St. Regis, and that the design of their Master Plan will continue to develop with the NSD. Chair Dodd closed the public hearing.

Commissioner Wagenknecht noted this is an important component for the Carneros region as far as bringing recycled water into the region, and for the residents out there to take part in the recycled water program. Commissioner Kelly complimented all parties involved stating this is a good example of everyone working together.

Upon motion by Commissioner Wagenknecht and second by Commissioner Bennett, the Commission unanimously approved Option One of the staff report (**Resolution #2011-05**).

b) Final Budget for Fiscal Year 2011-2012

The Commission considered adopting a final budget setting operating expenses and revenues for the 2011-2012 fiscal year. Staff noted the final budget is substantively identical to a proposed version approved by the Commission in April and subsequently circulated for review. Budgeted expenses total \$422,522; an amount that represents a 2.2% increase over the current fiscal year. Budgeted revenues total \$395,441 with the remaining shortfall (\$27,081) to be covered by drawing down on agency reserves. Changes from April are limited to recalculating the five cities' respective contributions based on recently published general tax revenue and resident population data.

Chair Dodd opened the public hearing. No comments were received. Chair Dodd closed the public hearing.

Upon motion by Commissioner Kelly and second by Commissioner Chilton, the Commission unanimously adopted the final budget for FY 2011-12 (**Resolution #2011-06**).

c) Amendments to Adopted Fee Schedule

The Commission considered amendments to its adopted fee schedule to reflect an increase in the composite hourly staff rate from \$107 to \$113. Staff provided a brief review of the proposed amendment and the criteria used in the underlying calculation. Staff also noted the need to correct the draft resolution to read June 6, 2011.

Chair Dodd closed the public hearing. No comments were received. Chair Dodd closed the public hearing.

Upon motion by Commissioner Kelly and second by Commissioner Chilton, the Commission unanimously approved the fee schedule amendment.

7. ACTION ITEMS

a) Amendments to Policy on Outside Service Agreements

The Commission considered amendments to the agency's *Policy on Outside Service Agreements* to simplify and expedite the process for cities and special districts to request approval. The proposed amendments follow discussion from the April meeting when the Commission defined criteria as it relates to what is a health & safety threat with respect to administering outside service extensions under CA Gov. Code Section 56133. In short, cities and special districts can seek approval to provide services outside the Sphere of Influence under this public health & safety provision as long as the lots are residential in use and adjacent to public rights of ways that have the infrastructure in them. The City of Napa has requested the Commission strike its existing requirement that requires cities and special districts bring with them a resolution from their governing board as part of their application. This request is intended to provide cities & special district that much more flexibility with respect to how they internally choose to go about taking the initial request from the land owner, pivoting and then coming to this Commission for approval. LAFCO's Ad Hoc Committee on Policy & Procedures considered the City's request, deemed it to be non-substantive and brought the suggested word change for Commission consideration today.

Commission Wagenknecht requested clarification on how this process is currently handled, and staff provided a summary. Commissioner Dodd asked if this would be a change in procedure, and staff reported it would not change existing LAFCO procedures, just a ministerial action on the part of a city or district allowing for a less formal process.

Upon motion by Commissioner Wagenknecht and second by Commissioner Chilton, the Commission approved the amendments to the *Policy on Outside Service Agreements*.

b) Update on Island Annexation Program

The Commission received an update from Analyst, Brendon Freeman which summarized staff's activities to date in developing an island annexation program aimed at eliminating unincorporated pockets within the City of Napa. Maps of the program areas were referenced and shown on the projection screen for the audience. Staff recommendations include directing staff to: (a) work with the City of Napa and interested landowner in initiating an island annexation for the Easum and Matt Drives area, and (b) prepare and send informational packets to landowners within the nine substantially surrounded islands.

Upon motion by Commissioner Kelly and second by Commissioner Wagenknecht, the Commission approved the staff recommendations listed as Option One in the staff report.

c) Approval of Meeting Calendar for Second Half of 2011

The Commission considered approving a meeting calendar for the final six months of 2011. Regular meetings are proposed for August 1st, October 3rd, and December 5th. A special meeting is also proposed for November 7th to hold the Commission's biennial workshop. The Commission considered providing direction to staff on topics for the biennial workshop.

Upon motion by Commissioner Bennett and second by Commissioner Chilton, the Commission approved the meeting calendar for the second half of 2011.

d) California Association of Local Agency Formation Commissions: Annual Conference Items

The Commission considered appointing voting delegates to represent the agency at CALAFCO's Annual Conference scheduled for August 31-September 2, 2011 at the Silverado Resort in Napa. The Commission nominated Chair Dodd as a delegate as well as Vice-Chair Chilton as a 2nd delegate, and Commissioner Inman to Coastal City Seat on the CALAFCO Board of Directors. Analyst Freeman's Municipal Service Review on Lake Berryessa was nominated for project of the year.

Upon motion by Commissioner Kelly and second by Commissioner Chilton, the Commission appointed Chair Dodd and Commissioner Inman to serve as delegate and alternative delegate, respectfully. Commissioner Inman was also nominated for re-election to Coastal City Seat on the CALAFCO Board of Directors. For project of the year achievement award, the Commission agreed to nominate the Municipal Service Review on Lake Berryessa, which was prepared by Staff Analyst Brendon Freeman. The nomination form will be signed by the Chair and sent to CALAFCO.

8. DISCUSSION ITEMS

a) Report on California Forward

The Commission received a report from staff summarizing the efforts of California Forward (CAFWD) to restructure governance relationships and duties throughout the state, which includes potential changes to the function and task of LAFCOs. The report was presented for discussion. After discussion, the Commission directed staff to return with a draft comment letter for further discussion.

b) Legislative Report

The Commission received a report on the first year of the 2011-2012 session of the California Legislature as it relates to bills directly or indirectly effecting Local Agency Formation Commissions. The Commission also received an update on efforts to amend California Government Code Section 56133 which will provide more flexibility to LAFCOs in authorizing new or extended services outside spheres of influence.

9. EXECUTIVE OFFICER REPORT

- Report from the CALAFCO 2011 Staff Workshop at the Ventura Marriot, April 6-8, 2011 attended by the Executive Officer and Analyst.
- Planning for the CALAFCO 2011 Annual Conference at the Silverado Resort, August 31-September 2, 2011 to be chaired by Commissioner Inman. Draft provided.
- Countywide Law Enforcement Municipal Services Review - no report given.

10. CLOSED SESSION

There was no closed session.

11. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

There was no discussion of this item.

12. ADJOURNMENT

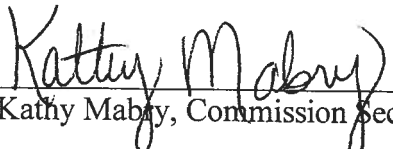
The meeting was adjourned at 4:57 p.m. The next regular LAFCO meeting is scheduled for Monday, August 1, 2011 at 4:00 p.m.

Bill Dodd, Chair

ATTEST:

Keene Simonds, Executive Officer

Prepared by:


Kathy Mabry, Commission Secretary