



**Local Agency
Formation Commission**
LAFCO of Napa County

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JUNE 5, 2006
AGENDA ITEM NO. 8c

May 22, 2006

TO: Local Agency Formation Commission

FROM: Keene Simonds, Acting Executive Officer

SUBJECT: **Comprehensive Study of Landscaping and Lighting Districts**

The Commission will review draft determinations regarding the service operations of the County Service Area No. 3 and the Silverado Community Services District. The draft determinations are being presented for a first-reading and address the nine service factors required for adoption as part of the Commission's service review mandate.

On June 6, 2005, staff presented the Commission with the first phase of the *Comprehensive Study of Landscaping and Lighting Districts*. This initial phase included a service review report on the County Service Area No. 3 (CSA No. 3) and the Silverado Community Services District (SCSD). In addition, as part of this initial phase, staff presented the Commission with a supplemental report at its October 3, 2005 meeting regarding water service arrangements within SCSD. Copies of both reports are attached.

As part of the second phase of the study, staff has prepared draft determinations for both CSA No. 3 and SCSD. These draft determinations are being presented for a first-reading and address the nine service factors required for adoption as part of the Commission's service review mandate under California Government Code §56430. Following today's meeting, staff will circulate the draft determinations to interested parties for their review and comment. Staff anticipates presenting final determinations, with or without revisions, to the Commission for consideration at its August 2006 regular meeting.

Note: The third and final phase of the study will involve sphere of influence updates for CSA No. 3 and SCSD. Staff anticipates presenting draft sphere of influence update reports for both special districts to the Commission for a first-reading at its August 2006 regular meeting.

Dr. Andrew Alexander, Vice-Chair
Mayor, City of Calistoga

Bill Dodd, Chair
Supervisor, 4th District

Guy Kay, Commissioner
Representative of the General Public

Kevin Block, Commissioner
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Supervisor, 1st District

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Representative of the General Public

Cindy Coffey, Alt. Commissioner
Councilmember, City of American Canyon

Mark Luce, Alt. Commissioner
Supervisor, 2nd District

Keene Simonds
Acting Executive Officer

WRITTEN DETERMINATIONS

County Service Area No. 3

1. General Policy Determinations:

- a) A key function of the County Service Area No. 3 is facilitating the provision of structural fire protection and fire prevention in Napa County's "Airport Industrial Area" through an assessment. Funds generated from this assessment are transferred to the County of Napa Fire Department. Determinations relating to the provision of fire protection in the Airport Industrial Area will be addressed as part of LAFCO's scheduled *Comprehensive Study of Fire Services*.

2. Infrastructure Needs of Deficiencies:

- a) The infrastructure system operated and maintained by the County Service Area No. 3 is limited to street lights and landscaping in public areas. The District contracts for these services and includes appropriate levels of monitoring and repair as part of these contracts.

3. Growth and Population Projections:

- a) There are approximately 10 non-conforming residential units located within the jurisdictional boundary of the County Service Area No. 3. It is unknown whether all of these units are currently inhabited.
- b) The population per household projection issued by the California Department of Finance for Napa County is an appropriate indicator to estimate the resident service population of the County Service Area No. 3. Making use of the current per household projection, the estimated resident service population of the District is 26.

The California Department of Finance currently projects a population per household estimate of 2.62 for Napa County. This estimate has been calculated with the 10 residential units located in the District to project a resident service population.

4. Financing Constraints and Opportunities:

- a) Because the County Service Area No. 3 is funded through assessments, the District must continue to engage its constituents to ensure that assessments cover the level of service desired by property owners.

5. Cost Avoidance Operations:

- a) Through careful monitoring of its contractual arrangements with service providers, the County Service Area No. 3 makes a concerted effort to avoid unnecessary expenditures.

6. Opportunities for Rate Restructuring:

- a) The County Service Area No. 3 reviews its assessments on an annual basis, ensuring that it charges an amount that is appropriate for the services provided.

7. Opportunities for Shared Resources:

- a) The County Service Area No. 3 should periodically evaluate whether it would be cost-effective to contract for service with other public agencies in the region rather than private providers.

8. Government Structure Options:

- a) The current government structure of the County Service Area No. 3, by definition a dependent entity governed by the Board of Supervisors, is appropriate.

9. Evaluation of Management Efficiencies:

- a) Oversight of the County Service Area No. 3's contracts is provided by the staff of the Napa County Airport, who are employees of the Napa County Public Works Department. While this arrangement appears to ensure that a sufficient level of expertise is employed in the management of the District, Public Works should evaluate whether it would be more efficient for the same individual managing the Silverado Community Services District to manage the County Service Area No. 3.

10. Local Governance and Accountability:

- a) The County Service Area No. 3 makes reasonable efforts to maintain public dialogue with its constituents. These efforts help to facilitate local accountability and contribute towards public involvement in local governance.

Silverado Community Services District

1. General Policy Determinations:

- a) The Silverado Community Service District has four active powers: street lighting, street sweeping, landscape maintenance, and weed abatement (as a form of fire prevention). All other powers enumerated in Community Services District Law are considered latent (inactive) pursuant to California Government Code §61002.

2. Infrastructure Needs or Deficiencies:

- a) The infrastructure system operated and maintained by the Silverado Community Services District is limited to street lights and landscaping in public areas. The District contracts for these services and includes appropriate levels of monitoring and repair as part of these contracts.

3. Growth and Population Projections:

- a) The population per household projection issued by the California Department of Finance for Napa County is an appropriate indicator to estimate the resident service population of the Silverado Community Services District. Making use of the current per household projection, the estimated resident service population of the District is 2,835.

The California Department of Finance currently projects a population per household estimate of 2.62 for Napa County. This estimate has been calculated with the 1,082 residential water service connections served by the City of Napa that are located in the District to project a resident service population.

4. Financing Constraints and Opportunities:

- a) Because the Silverado Community Services District is funded through assessments, the District must continue to engage its constituents to ensure that assessments cover the level of service desired by the community.

5. Cost Avoidance Operations:

- a) Through careful monitoring of its contractual arrangements with service providers, the Silverado Community Services District makes a concerted effort to avoid unnecessary expenditures.

6. Opportunities for Rate Restructuring:

- a) The Silverado Community Services District reviews its assessments on an annual basis, ensuring that it charges an amount that is appropriate for the services provided.

7. Opportunities for Shared Resources:

- a) The Silverado Community Services District should periodically evaluate whether it would be cost-effective to contract for service with other public agencies in the region rather than private providers.

8. Government Structure Options:

- a) Though there are few dependent community service districts in California, the limited powers of the Silverado Community Services District and its close relationship to other public and quasi-public organizations in the “Silverado Urban Area” suggest that existing as a dependent special district governed by the Board of Supervisors is the most cost-effective and efficient governance structure for the District.
- b) California Government Code §61106 was recently amended to require that an existing community services district obtain approval from LAFCO in order to activate any of its latent powers. This provision provides the Silverado Community Services District flexibility to seek future activation of additional services in the event they are needed within the community while providing for a LAFCO review and approval process.

9. Evaluation of Management Efficiencies:

- a) Oversight of the Silverado Community Services District’s contracts is provided by County of Napa Public Works Department. This arrangement ensures that a sufficient level of expertise is employed in the management of the District.

10. Local Governance and Accountability:

- a) The Silverado Community Services District makes reasonable efforts to maintain public dialogue with its constituents. These efforts help to facilitate local accountability and contribute towards public involvement in local governance.
- b) Representatives from the Silverado Community Service District regularly attend the quarterly meetings of the Silverado Community Services District Advisory Committee. This committee, which is part of the local homeowners association, enhances community participation in District activities and helps to ensure that service information is being effectively communicated to constituents.

Attachments:

1. Comprehensive Study of Landscaping and Lighting Districts – Draft Service Review Report (June 2005)
2. Comprehensive Study of Landscaping and Lighting Districts – Supplemental Report (October 2005)