



Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, CA 94559
(707) 259-8645
FAX (707) 251-1053
<http://napa.lafco.ca.gov>

December 3, 2007
Agenda Item No. 7b

November 26, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Potential Reorganization Proceedings for the Napa River Reclamation District No. 2109 (Action)

The Commission will consider providing direction to staff with respect to pursuing proceedings to reorganize the Napa River Reclamation District No. 2109 from a reclamation district to a community services district.

On July 20, 2007, Senate Bill 819 (Hollingsworth) was signed by Governor Arnold Schwarzenegger. This legislation makes two significant changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. First, the legislation permanently authorizes the Commission to consolidate or reorganize special districts operating under different principal acts. Second, the legislation expands the authority of the Commission to initiate proceedings to form new special districts. Both changes become effective January 1, 2008.

Discussion

Governance Study of the Napa River Reclamation District No. 2109

At its April 3, 2006 meeting, the Commission received a governance study from staff evaluating the options and merits of reorganizing the Napa River Reclamation District No. 2109 (NRRD). The governance study was prepared in response to a determination adopted by the Commission as part of an earlier municipal service review of NRRD. The determination outlined the need to address an existing disconnect between the reclamation powers of NRRD and the preferences of constituents not to establish or fund public reclamation services. The governance study concluded that reorganizing NRRD into a community service district is the preferred option in meeting the present and future needs of the community. This preferred option would enable the community to continue to receive public sewer service while establishing reclamation as a latent power that could be activated by the district – upon Commission approval – at a future date.

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Representative of the General Public

Keene Simonds
Executive Officer

Reorganizing the Napa River Reclamation District No. 2109

The enactment of Senate Bill 819 authorizes the Commission to initiate proceedings to reorganize NRRD in a manner that is consistent with the conclusions of the aforementioned governance study. If pursued, reorganization would require the Commission to initiate two concurrent actions. First, drawing from its existing authority, the Commission would initiate proceedings to dissolve NRRD. Second, drawing from its new authority, the Commission would initiate proceedings to establish a new community service district to serve as successor agency to NRRD. The procedures for both actions are summarized in the attached governance study.

Preference of the Napa River Reclamation District No. 2109

NRRD has expressed support for the Commission to initiate reorganization proceedings for the District. NRRD's support is generated from its desire to address its potential liability in the event of a future flood within its service area by removing reclamation as an active service power.

Benefits and Costs to the Commission

A key benefit to the Commission in initiating NRRD's reorganization into a community services district is to improve local governance. Specifically, the Commission is charged with coordinating the logical development of local governmental agencies and services in a manner that meets the present and future needs of the community. The current structure of NRRD is illogical given it does not have the support of its constituents to establish and provide public reclamation services in a manner that is consistent with its principal act. Reorganizing NRRD into a community services district with the specific authority to provide only sewer service at this time would be logical and appropriate.

In initiating reorganization, the Commission would become responsible for all costs associated with the proceedings. It appears that the principal costs to the Commission would involve allocating staff resources to process the reorganization. Additional costs would include providing notices to affected landowners and resident registered voters as well as possible elections if sufficient protest exists. Additional review is needed to provide a reasonable estimate of these costs.

Recommendation

If the Commission is interested in pursuing proceedings to initiate reorganization of NRRD into a community services district, staff recommends the following actions:

- 1) Direct staff to prepare an estimated outline of costs to process the reorganization for Commission review at the February 4, 2008 regular meeting; and
- 2) Direct staff to prepare an estimated timeline to process the reorganization for Commission review at the February 4, 2008 regular meeting.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

- ~~1) Governance Study of the Napa River Reclamation District~~
- ~~2) Map, Napa River Reclamation District No. 2109~~