



**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
MEETING MINUTES OF FEBRUARY 3, 2014**

1. WELCOME AND CALL TO ORDER BY CHAIR; 4:00 P.M.

Chair Kelly called the regular meeting of February 3, 2014 to order at 4:00 pm. At the time of roll call, the following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Brian J. Kelly, Chair	Juliana Inman	Peter Banning, Acting Executive Officer
Joan Bennett, Vice-Chair	Gregory Rodeno	Jackie Gong, Commission Counsel
Bill Dodd	<i>Excused: Mark Luce</i>	Brendon Freeman, Analyst
Greg Pitts		Kathy Mabry, Secretary
Brad Wagenknecht		

2. PLEDGE OF ALLEGIANCE

Chair Kelly led the Pledge of Allegiance.

3. APPROVAL OF AGENDA

Chair Kelly made a request to move agenda item #10 to be heard following #5 Consent Items*.

4. PUBLIC COMMENTS

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

5. CONSENT ITEMS

a) Second Quarter Budget Report for 2013-2014

The Commission reviewed a second quarter budget report for 2013-2014 which compares budgeted versus actual transactions through one-half of the fiscal year. The report projects the Commission is on pace to finish the current fiscal year with an operating surplus of \$5,338.

b) Approval of Meeting Minutes

The Commission approved minutes prepared by staff for the December 2, 2013 meeting.

c) Current and Future Proposals

The Commission received a report summarizing current and future proposals.

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

VOTE:

AYES:	<u>WAGENKNECHT, BENNETT, DODD, PITTS AND KELLY</u>
NOES:	<u>NONE</u>
ABSENT:	<u>LUCE</u>
ABSTAIN:	<u>NONE</u>

***10. CLOSED SESSION**

Public Employee Appointment – Executive Officer (Government Code Section 54957(b)(1)).

There was no reportable action taken during closed session.

6. PUBLIC HEARING ITEMS

a) City of Napa Sphere of Influence Update

The Commission reviewed a final sphere of influence update for the City of Napa. The report recaps and builds upon research done for the Central County Municipal Service Review submitted to the Commission in December. Staff recommended that the City of Napa sphere of influence be amended to include the Napa Pipe and County Jail sites but that the Commission defer formal action until final environmental impact reports have been certified by the County as lead agency under CEQA for each project.

Peter Banning, Acting Executive Officer, provided an overview of the agenda item.

Larry Florin, Director of Napa County's Housing & Inter-Governmental Affairs spoke before the Commission and discussed the EIR's for both proposed Napa Pipe and County Jail Sites, noting the EIR has been circulated for the County Jail Site, but the Napa Pipe EIR still needs action by the City's water division.

Following a lengthy discussion by the Commission and staff, the Commission took action to continue consideration of the City of Napa Sphere of Influence Review and Update to the April 7, 2014 meeting in order to allow additional time for completion and certification of environmental review documents for both the Napa Pipe and County Jail sites which are proposed to be added to the City of Napa's sphere of influence.

VOTE:

AYES: PITTS, WAGENKNECHT, BENNETT, DODD AND KELLY
NOES: NONE
ABSENT: LUCE
ABSTAIN: NONE

**b) Ratification of an Outside Service Agreement for the City of Napa Involving
4120 Howard Lane**

The Commission considered a recommendation to ratify an outside service agreement approved by the Chair authorizing the City of Napa to provide public water service to an unincorporated property at 4120 Howard Lane (036-180-040) to address a public health threat. The Commission considered a recommendation to adopt a resolution ratifying the Chair's earlier approval of the outside service agreement request. Napa serves as the lead agency given it is principally responsible for approving the underlying activity: extending water service to the affected territory. Napa has determined this activity is a project under the California Environmental Quality Act, but qualifies for an exemption from further review under Public Resources Code Section 21080(b)(4).

Brendon Freeman, Analyst provided an overview of the agenda item and its report.

Chair Kelly opened the public hearing. No public comments were received.

Chair Kelly closed the public hearing.

Upon motion by Commissioner Pitts and second by Commissioner Wagenknecht, the Commission approved staff's recommendation and approved the resolution ratifying the Chair's approval of the outside service agreement (**Resolution No. 2014-01**).

VOTE:

AYES: WAGENKNECHT, BENNETT, DODD, KELLY AND PITTS
NOES: NONE
ABSENT: LUCE
ABSTAIN: NONE

7. ACTION ITEMS

a) Approval of Draft Proposed Budget for Fiscal Year 2014-2015

The Commission reviewed a draft proposed budget for 2014-2015. The draft's operating expenses total \$455,025, representing a 1.7% decrease over the current fiscal year. The draft's operating revenues total \$441,185 with the remaining shortfall – (\$13,840) – to be covered by drawing down on agency reserves. The draft was presented to the Commission for approval and authorization to circulate to local funding agencies for their review in anticipation of adopting a proposed budget in April.

Brendon Freeman, Analyst provided an overview of the proposed budget for the Commission.

Chair Kelly opened the public hearing. No public comments were received.

Chair Kelly closed the public hearing.

Upon motion by Commissioner Wagenknecht and second by Commissioner Kelly, the Commission unanimously approved the following:

- 1) Approve the draft proposed budget for 2014-2015 as provided in Attachment One of the staff report, and;
- 2) Direct the Executive Officer to circulate the approved draft proposed budget to funding agencies for review and schedule a public hearing on April 7, 2014 for consideration of adoption.

VOTE:

AYES: WAGENKNECHT, KELLY, BENNETT, DODD AND PITTS

NOES: NONE

ABSENT: LUCE

ABSTAIN: NONE

b) Approval of Amendment No. 1 to Agreement for Interim Executive Officer Services

At its Special Meeting of September 23, 2013, the Commission approved the Agreement with Peter Banning to perform interim executive officer duties pending the recruitment of a new Executive Officer. Due to ongoing recruitment, the Commission was requested to extend Mr. Banning's interim services through March 31, 2014, to perform interim executive officer duties until the appointment of the new Executive Officer and then to be available for consultation as needed for a maximum of 30 hours. Amendment No. 1 would amend the contract maximum to \$57,600 (from \$45,000).

Commission Counsel Jackie Gong provided a brief overview of the agenda item.

The Commission agreed to approve Amendment No. 1 to the contract between the Commission and Peter Banning to extend the term of his services until March 31, 2014, in an amount not to exceed a total compensation of \$57,600.

Upon motion by Commissioner Pitts and second by Commissioner Wagenknecht, the amendment to the contract was approved by the Commission.

VOTE:

AYES: PITTS, WAGENKNECHT, BENNETT, DODD AND KELLY

NOES: NONE

ABSENT: LUCE

ABSTAIN: NONE

7. ACTION ITEMS – continued:

c) Approval of Budget Amendment for Contract for Interim Executive Officer Services

In anticipation of the Commission’s approval of the amendment to Peter Banning’s contract for interim executive officer services (Action Item 7.b above), the Commission was requested to reallocate budget appropriations in the amount of an additional \$13,500 for payment of amended contract costs.

County Counsel Jackie Gong provided a brief overview of the agenda item.

The Commission approved the amendment to the current fiscal year budget to reallocate appropriations in the amount of \$13,500 from the Salaries and Wages Account (Account No. 51100) to the Consulting Services Account (Account No. 52310) to cover the estimated costs associated with the contract amendment and directed Commission Counsel to pursue with the County Auditor-Controller the necessary steps for implementing this budget appropriation.

Upon motion by Commissioner Pitts and second by Commissioner Wagenknecht, the amendment to the contract was approved by the Commission.

VOTE:

AYES: PITTS, WAGENKNECHT, BENNETT, DODD AND KELLY
NOES: NONE
ABSENT: LUCE
ABSTAIN: NONE

8. DISCUSSION ITEMS

a) Central County Region Municipal Service Review: Draft Section on NSD, CVWD, and SCSD

The Commission reviewed a draft section of its scheduled municipal service review on the Central County region specific to Napa Sanitation District (NSD), Congress Valley Water District (CVWD), and Silverado Community Services District (SCSD). The draft section examined the availability and adequacy of municipal services provided by NSD, CVWD, and SCSD relative to the Commission’s mandates to facilitate orderly growth and development and serves as the source document to inform pending agency-specific sphere of influence updates. The draft section was presented for discussion and feedback in anticipation of preparing a final version for future action. Peter Banning, Acting Executive Officer, provided an overview of the agenda item which involves three special districts within the Central County region.

No action was taken by the Commission.

Staff will initiate a 30-day public comment period on the draft section with the expectation of returning with a complete and final section for approval by the Commission at its next regular meeting on April 7, 2014.

b) Public Member Policy Alternatives

The Commission received a report from staff following up on a request to consider alternatives to the agency’s policy for appointing and re-appointing public members. The report was presented for discussion with possible direction for staff with respect to pursuing a potential amendment to the policy. Brendon Freeman, Analyst provided an overview of the agenda item and reviewed the existing policy for the Commission. No direction was given to staff to pursue amendment to the existing policy.

After a lengthy discussion regarding available options, the Commission directed staff to prepare and publish a Notice of Vacancy for the Regular Public Member appointment, with specific language in the public notice that the current incumbent is expected to reapply for reappointment.

NOTE: Chair Kelly and Alternate Commissioner Rodeno recused themselves on this matter.

9. EXECUTIVE OFFICER REPORT

There was no report.

***10. CLOSED SESSION - heard after agenda item #5.**

11. COMMISSIONER COMMENTS

There was no discussion.

12. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING

The meeting was adjourned at 4:53 p.m. The next regular LAFCO meeting is scheduled for Monday, April 7, 2014 at 4:00 p.m.

Brian J. Kelly, Chair

ATTEST:

Jackie Gong, Commission Counsel

Prepared by:

Kathy Mabry
Commission Secretary