



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

MEETING MINUTES OF FEBRUARY 7, 2011

1. CALL TO ORDER; ROLL CALL

Chair Dodd called the regular meeting of February 7, 2011 to order at 4:03 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 (<i>Voting</i>)	Keene Simonds, Executive Officer
Juliana Inman	Mark Luce	Jackie Gong, Commission Counsel
Brian J. Kelly	Gregory Rodeno	Brendon Freeman, Analyst
Brad Wagenknecht		Kathy Mabry, Secretary

Lewis Chilton, Vice Chair-Absent

2. PLEDGE OF ALLEGIANCE

Mr. Stu Williams, Resident of the Berryessa Highlands 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) Second Quarter Budget Report for 2010-2011

The Commission received a second quarter budget report for 2010-2011. The report compared budgeted versus actual revenues and expenses through the first six months.

b) Amendments to Adopted Fee Schedule

The Commission considered minor amendments to its adopted fee schedule to reflect new filing charges for the California Department of Fish and Game for lead agencies under the California Environmental Quality Act.

c) Meeting Minutes

The Commission approved the meeting minutes prepared for the December 6, 2010 meeting.

d) Current and Future Proposals

The Commission received a report summarizing current and future proposals. One new proposal has been submitted since the December 6, 2010 meeting.

e) New Legislation in 2011

The Commission reviewed a report from staff summarizing new legislation affecting LAFCOs that became effective as of January 1, 2011.

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

6. PUBLIC HEARING ITEMS

There were no public hearing items.

7. ACTION ITEMS

a) Proposed Annexation of the American Canyon Middle School and Clarke Ranch West Properties to the City of American Canyon

The Commission considered a proposal from the City of American Canyon to annex approximately 52.5 acres of unincorporated territory. The affected territory comprises two non-contiguous areas and includes all or portions of three parcels. Staff recommended approving the proposal with modifications to include concurrent annexation to the American Canyon Fire Protection District and detachment from County Service Area No. 4. It was also recommended the Commission exclude a portion of one of the affected areas to make it non-contiguous to American Canyon for purposes of applying a special statute that does not require sphere of influence consistency. The County of Napa Assessor's Office identifies the affected territory as 059-040-076, 059-040-075, and 058-020-013.

Staff provided a verbal summary and highlighted key areas on the map on the projection screen. No public comments were received.

Staff recommended approval of the proposal (Option One) with the following modifications:

- a) Exclude a 1.1 acre portion of the Clarke Ranch West property to make it non-contiguous to American Canyon and therefore eligible for annexation under G.C. Section 56742.
- b) Concurrently annex all of the affected territory to ACFPD.
- c) Concurrently detach all of the affected territory from CSA No. 4.

Approval is subject to standard conditions as well as the following special term:

- 1) Require American Canyon to file a future proposal with the Commission to annex the Clarke Ranch West property back into CSA 4 if vineyard development is permitted.

Upon motion by Commissioner Bennett and second by Commissioner Kelly, the proposal was approved as identified in the staff report as Option One (**Resolution No. 2011-01**).

b) Draft Proposed Budget for Fiscal Year 2011-2012

The Commission reviewed a draft proposed budget for 2011-2012. The draft proposed budgeting operating expenses at \$422,522; an amount representing a 2.2% increase over the current fiscal year. The draft proposed budgeting operating revenues at \$395,441 with the remaining shortfall (\$27,081) to be covered by drawing down on agency reserves.

Staff provided a summary of the report and associated charts were shown on the projection screen. The Commission directed staff to circulate the report to local funding agencies and convey the use of agency reserves, noting that in the absence of using reserves, the funding agencies collective contribution to the Commission in 2011-2012 as proposed would increase by double.

Upon motion by Commissioner Wagenknecht and second by Commissioner Kelly, the Commission approved the staff recommendations to:

- 1) Approve with any desired changes the draft proposed budget for 2011-2012;
- 2) Direct the Executive Officer to circulate the approved draft proposed budget for review and comment to each funding agency; and
- 3) Direct the Executive Officer to schedule a public hearing for the Commission to consider adopting a proposed budget at its April 4, 2011 meeting.

8. DISCUSSION ITEMS

a) Draft Report on the Lake Berryessa Region Municipal Service Review

The Commission received for discussion a draft report on its scheduled municipal service review on the Lake Berryessa region prepared in accordance with Government Code Section 56430. Affected agencies evaluated as part of the municipal service review include the Lake Berryessa Resort Improvement District, Napa Berryessa Resort Improvement District, and the Spanish Flat Water District. Staff provided a summary of the draft report including a recommendation the Commission exercise its regulatory power to reorganize Napa Berryessa Resort Improvement District (NBRID) into a Community Services District (CSD) in a manner consistent with Senate Bill 1023, which allows any RID to reorganize into a CSD with the same boundary, duties, powers, assets and liabilities while awaiting protest proceedings. Staff noted the Napa Berryessa Resort Improvement District asked the Commission to consider reorganization in its November 8, 2010 letter. Staff also noted the report concluded it would make sense for the Commission to consider the merits of expanding the spheres of influences for the existing special districts in the region to perhaps include the remaining 5 concession sites at Lake Berryessa under contract with the Bureau of Reclamation. A 30-day public review period was extended until March 10, 2011.

- Commission Kelly questioned what the the long-term strategy of the reorganization would be, and whether it's LAFCO's role or not.
- Commissioner Dodd referenced that in the report it is noted that LAFCO would provide a period of time to stay on to transition them to an independent special district.
- Commissioner Rodeno commented that these districts should have a budget for replacing or fixing their equipment.
- Don Ridenhour, Napa County Public Works Director, commented that his staff is in the process of capturing that type of data right other capital improvements are needed, and that his office will be providing a draft plan by November.
- Stu Williams, Steele Canyon Road resident, commented that Napa Berryessa RID is different than the other districts, given that a resort is attached to their district and when Steele Park closed the district lost their income. Mr. Williams requested that LAFCO include a comment in its report that the concessionaires know they cannot put in their own sewer or water facility on the resort that would preclude the use of Napa Berryessa RID facilities for water and sewer.
- Carol Kunze, Berryessa Highlands resident, commented that she believes the residents of the district have not seen a real comparison to other RID's, nor is there is a general understanding that a CSD has taxing authority and the residents should understand this. Ms. Kunze requested that more information regarding district reorganization be given to the residents. Stu Williams stated that he has a lot of district information that he will provide to Ms. Kunze.

Staff to come back in April with a final report, with or without revisions, which would include a separate resolution to reorganize as outlined above.

8. DISCUSSION ITEMS – continued:

b) Revisions to the Commission’s General Policy Determinations and Creation of a New Application Packet

Staff provided the Commission with a report on proposed revisions prepared by the Ad Hoc Committee on Policies and Procedures (Luce, Rodeno and Simonds) to the agency’s *General Policy Determinations*, as well as the creation of a new application packet.

Staff noted that the policy revisions include definitions of terms such as sphere of influence, outside service agreements, consideration of special local conditions, and establishing new district services or divestiture of existing district services, all of which are intended to provide general administrative direction.

Staff also called attention to the new application packet which includes providing applicants with a sequential checklist to help identify and complete all the necessary processing steps, as well as a revised justification of proposal form addressing the expanded factors required for consideration by the Commission anytime it reviews a change of organization or reorganization.

Chair Dodd thanked Commissioners Luce and Rodeno for their work on the Ad Hoc Committee.

Staff was directed to circulate the proposed revisions for review and comment to each funding agency and report back to the Commission at the next meeting scheduled on April 4, 2011.

9. EXECUTIVE OFFICER REPORT

The Commission was provided with a verbal report from the Executive Officer regarding the following items:

- Legislative Update for 2011-2012 – Keene Simonds provided a brief update on Napa’s effort to amend G.C. Section 56133.
- Planning for the California Association of Local Agency Formation Commission’s 2011 Annual Conference – Commissioner Inman provided an update to the Commission regarding the planning of the August 31-September 2 conference, and thanked Chair Dodd for obtaining the keynote speaker.

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 5:11 pm. The next regular LAFCO meeting is scheduled for Monday, April 4, 2011 at 4:00 p.m.

Bill Dodd, Chair

ATTEST: Keene Simonds, Executive Officer

Prepared by:

Kathy Mabry, Commission Secretary