



A Tradition of Stewardship
A Commitment to Service

NAPA COUNTY GRAND JURY

2010-2011

Final Report on

NAPA COUNTY

**NAPA BERRYESSA RESORT
IMPROVEMENT DISTRICT**

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NAPA COUNTY GRAND JURY
P.O. BOX 5397
NAPA, CALIFORNIA 94581

June 22, 2011

The Honorable Diane M. Price
Presiding Judge
Superior Court of the State Of California
County of Napa
825 Brown Street
Napa, CA 94559

Re: 2010-2011 Napa County Grand Jury Final Report on the Napa Berreyssa
Resort Improvement District

Dear Judge Price:

Pursuant to Section 933(a) of the California Penal Code, the 2010-2011 Napa County Grand Jury submits to you its final report on the Napa Berryessa Resort Improvement District. Our investigation of this subject was conducted in a manner consistent with the California Penal Code, this Court's Charge, and the historic role of the Grand Jury to protect the interests of the residents of Napa County.

This is the eleventh in a series of final reports we will be issuing before the term ends. I would like to acknowledge the hard work and dedication of the Grand Jurors, which our report reflects. It is a privilege and a pleasure to work with them.

Respectfully submitted,

A handwritten signature in cursive script that reads "Judith Bernat".

Judith Bernat
Forewoman
2010-2011 Napa County Grand Jury



A Tradition of Stewardship
A Commitment to Service

NAPA COUNTY GRAND JURY
P.O. BOX 5397
NAPA, CALIFORNIA 94581

To the Residents of Napa County:

In order to fulfill the Grand Jury's mandate to investigate all local government agencies, to assure they are being administered efficiently, honestly, and in the best interest of Napa County residents, the 2010-2011 Grand Jury investigated the Napa Berryessa Resort Improvement District.

The Grand Jury has carefully investigated this matter and developed a set of findings and recommendations with the objective of representing the public interest.

The Grand Jury made eight recommendations. Some of the recommendations made are that the NBRID Board of Directors facilitate the formation of a transition committee to serve until conversion to an independent community service district is complete; that the Board of Supervisors pass a formal resolution forming a Board of Directors for NBRID; that the Board of Supervisors bring the composition of the NBRID Board of Directors into compliance with State law through the election of at least four members who reside in the District to replace the four supervisors who do not reside in the District; that the NBRID Board of Directors include in future rate calculations a formula to provide for the establishment and maintenance of a reserve balance.

The Napa County Office of County Counsel has reviewed this final report. The Napa County Superior Court Presiding Judge, pursuant to California Penal Code Section 933 (a), has found that this report complies with California Penal Code Part 2 Title 4. This report has been accepted and filed as a public document by the County Clerk.

Copies of this report are available for review in the Napa City-County Library and online at www.napa.courts.ca.gov. Follow the link to Grand Jury.

We hope you find this report informative.

It is an honor and privilege to serve on the 2010-2011 Grand Jury.

Respectfully submitted,

The 2010-2011 Napa County Grand Jury

NAPA BERRYESSA RESORT IMPROVEMENT DISTRICT

SUMMARY

The 2010-2011 Napa County Grand Jury is mandated to investigate and report to the residents of Napa County about their local government agencies and districts. The Grand Jury conducted an investigation of the Napa Berryessa Resort Improvement District (NBRID). This District was last reported about by the Grand Jury in fiscal year (FY) 1996/97.

In 1965 NBRID was organized as a resort improvement district, governed by the County Board of Supervisors (BOS) pursuant to California Public Resources Code (CPRC) Section (§)13031. The original intent was for the District to provide a full range of municipal services to support the planned development of Berryessa Highlands, an unincorporated community located along the southwestern shoreline of Lake Berryessa (the Lake). In 1971 NBRID was limited to provide only sewer and water services to the District.

The County Public Works (CPW) Director serves as District Manager and Engineer and is responsible for overseeing daily operations. The County's Auditor-Controller and the Treasurer-Tax Collector provide financial services; County Counsel provides legal services to NBRID.

Berryessa Highlands was projected to become a development of approximately 4,000 residential units and to include various commercial and recreational uses. This anticipated development never occurred. Currently there are 350 water connections, and 351 sewer connections serving 358 houses and approximately 920 residents.

NBRID has a history of water and sewer problems due to aging facilities and infrastructure. Deficiencies with the sewer system have been persistent and have resulted in repeated sewage spills into the Lake. This caused the Regional Water Quality Control Board (RWQCB) to issue several notices of violation and three Cease and Desist Orders (CDO) between 1995 and 2010. RWQCB also placed restrictions on adding new sewer connections until specific improvements are made.

In February 2011 the NBRID Board of Directors met for the first time in Cappell Valley with the NBRID residents to discuss District issues. The residents of NBRID approved, in February 2011, a water rate increase for fiscal year 2010-2011. The NBRID residents have expressed interest in severing ties with the

County by becoming an independent community service district. The BOS submitted a letter to the County's Local Agency Formation Commission (LAFCO) requesting that the District be converted to an independent district. If NBRID reorganizes into an independent community service district, NBRID would assume sole responsibility for all assets and liabilities associated with its operations, including the levying of rates for District services.

From approximately 1965 through the present, the supervisors acted in all respects as if they had formed a BOD, except for holding an election by district residents. They created agendas, held meetings, produced minutes, and passed resolutions, all in the name of the BOD. These documents identify the five supervisors as the members of the BOD.

No election of an independent board by the residents of NBRID was ever held pursuant to §13034. All five members of the BOS still serve as the BOD.

To clarify matters, the BOS ought to pass a resolution and hold an election; or cease meeting and acting in the name of the BOD.

A BOD elected by NBRID residents would be more responsive to their needs. The four supervisors who do not represent the District have no political obligation to consider the interests of NBRID residents when in conflict with the interests of their own supervisorial constituents.

BACKGROUND

Outdated and failing infrastructure has created on-going water and sewer problems at NBRID which have resulted in management and financial burdens for NBRID residents and for the County. The County has subsidized the District for many years through discretionary loans, and questions of responsibility remain as the District goes forward with its efforts to become an independent community service district.

NBRID Chronology

1965

- NBRID formed to provide municipal services for the planned development of Berryessa Highlands.
- Individual members of the BOS became NBRID's Board of Directors.
- Development was slow at Berryessa Highlands and Steele Park Resort.

1967

- A bond was issued for \$900,000 to help finance the construction of water and sewer facilities.

- 1968
- Water treatment facility constructed to disinfect and filter water from Lake Berryessa.
- 1969
- Water and sewer rate charges were established.
- Early 1970s
- Labry Corporation who developed Berryessa Highlands filed for bankruptcy and ceased operation.
- 1971
- State amendment to the California Resort Improvement District Act limited NBRID to providing only water and sewer services.
- 1975
- Napa County and Labry Corporation settled lawsuit for failure to complete development.
- 1991
- NBRID approved the first increase in water and sewer rates.
- 1995
- NBRID's operating expenses depleted after making repairs during winter storms.
 - Outside consulting firm completed a Master Facilities Plan to evaluate the water treatment and sewer treatment plants and pinpointed a number of areas of noncompliance at the sewer plant.
 - RWQCB issued notices of violation and first CDO for repeatedly spilling treated sewage into the Lake. No fine was levied.
- 1996
- NBRID developed a five-year financial plan. The plan was never implemented because NBRID was denied a state grant and a low interest federal loan because the median income of residents was too high. NBRID raised \$56,000.
- 1997
- NBRID voters rejected a parcel tax that would have replenished operating reserves.
- 2003
- Residents had no water for several days due to pipeline and mechanical failures.
- 2004
- Again, residents had no water for several days due to pipeline and mechanical failures.
 - RWQCB implemented stricter regulations.
- 2005
- A 35% increase went into effect for both water and sewer rates.
 - Outside engineering firm hired to develop a Master Facilities Plan.
- 2006

- RWQCB issued a second CDO which established and expanded restrictions on adding new sewer connections until specific improvements are made.
- 2007
- \$13.9M bond measure to fund specific capital improvements approved by NBRID voters. No bonds have been sold or issued to date.
 - BOD and a private water service company discussed privatizing NBRID.
- 2008
- Negotiations fell through with private water service.
- 2009
- NBRID voters rejected water and sewer rate increases.
 - NBRID received \$474,000 in loans from the County to cover operating costs.
- 2010
- RWQCB issued third CDO for allowing treated sewage to spill into the Lake.
 - NBRID received \$395,000 in loans from the County to cover operating costs.
 - The County requested that LAFCO reorganize NBRID from a dependent to an independent community service district.
 - Required inflow and infiltration assessment submitted to RWQCB.
 - After a string of winter storms, NBRID began a discharge of treated sewage that allowed thousands of gallons to enter a tributary of the Lake.
- 2011
- In February, voters approved an almost 70% rate increase for the remainder of the fiscal year.
 - In March, BOS contacted LAFCO regarding formation of independent community service district.
 - NBRID received \$205,000 in loans from the County to cover operating costs.
- 2015
- RWQCB requires completing construction of a “new or improved wastewater treatment facility.”

DISCUSSION

Development of Napa Berryessa Highlands

NBRID was created in 1965 as a resort improvement district. It was anticipated that NBRID would eventually consist of approximately 4,000 residential units. In the early 1970s, the Labry Corporation, developers of Berryessa Highlands, went bankrupt and ceased operation. Development remained slow with only 71 lots

built on by 1980. The first increase to NBRID's water and sewer rates did not occur until 1991. In 1995, after damaging winter storms, the necessary repairs made to water and sewer facilities depleted fiscal reserves.

Aging facilities and infrastructure are at the center of NBRID's problems. Providing clean drinking water and sewer services to the current 358 houses and 920 residents is challenging as the equipment deteriorates, fails, and needs replacing. Equipment and facilities have not been maintained because of insufficient funds.

Drinking Water

NBRID's drinking water treatment facility, constructed in 1968, disinfects and filters water conveyed from Lake Berryessa. The water supply is sufficient to accommodate current use and projected growth. NBRID's growth is expected to remain stagnant over the next several years and not expected to generate the need for additional storage and treatment capacities. The possible development of Lupin Shores (formerly Steele Park Resort) may trigger the need for additional storage and treatment capacity.

Sewer System

In the 1990s NBRID experienced several illegal sewage spills into the Lake, leading the RWQCB to issue notices of violation and CDOs between 1995 and 2010. Until 1995 the escalating infrastructure problems "weren't on anyone's radar." By late 2003 the RWQCB tightened its regulations and restrictions, therefore becoming more of an enforcement agency than a regulatory body. The RWQCB will not allow discharge into the creeks or the Lake, even though, according to County Public Works (CPW) engineers, the treated discharge is cleaner than the Lake.

The last two CDOs issued in 2006 and 2010 established and further restricted adding new sewer connections until specific improvements are made. These include submitting an inflow and infiltration assessment for RWQCB review by November 2011 and completing construction on a "new or improved wastewater treatment facility" before the end of 2015.

There are three components to the NBRID sewer system: 1) the collection system, which carries raw waste from the subdivision, 2) the treatment system, which provides treatment through a series of ponds, and 3) the disposal system which consists of spray fields and one collection pond used for both collection and storage when the spray fields are non-operational. If runoff does occur, it can be collected in the pond and then pumped back up to the tank for reapplication onto the spray fields. With winter rain, disposal and storage capacity become

overwhelmed. This inability to dispose of and store treated water during the winter violates the District permit.

Disposal is a major problem at NBRID. The approximately 60 acres of spray fields are not sufficient to handle all the treated sewage during winter rains. The RWQCB will not permit NBRID to operate the spray fields when it rains, but NBRID has no place to store the sewage. Storm water seeping into the deteriorating clay pipes, along with drainage deficiencies at the spray fields, causes uncontrolled runoff and the overflow. The RWQCB will not allow discharge into the creeks or the Lake, even though, according to County Public Works (CPW) engineers, the treated discharge is cleaner than the Lake water.

Management

The BOS, acting as NBRID's Board of Directors, provides operational and administrative services. The CPW's Director serves as District Manager and Engineer and is responsible for overseeing day-to-day operations. The CPW's engineers assigned to NBRID and to Lake Berryessa Resort Improvement District (LBRID), which is located on the northwest shore of the Lake, spend 95% of their time managing both Districts, leaving insufficient time for their other assignments.

Public Works assigns a full-time onsite licensed operator who divides his time between NBRID and LBRID, a 40/60 split respectively. Other administrative duties performed by CPW include budgeting, purchasing, billing, contracting and customer service. The offices of County Counsel, County Auditor-Controller and County Treasurer-Tax Collector provide NBRID's legal and financial services.

An NBRID Board Agenda Letter dated March 2, 2010 from CPW reminded the BOD that "All services currently being provided by Napa County to NBRID and LBRID have been continuously provided without benefit of a formal agreement between the parties." It further states "Counsel for the District and Counsel for the County have recommended that the relationship between each District and County be formalized to reflect the separate status of the entities. ...the legal status of the two parties is that they are separate and distinct governmental entities."

A copy of a Master Facilities Plan with a timeline and cost analysis for future infrastructure, maintenance, and replacement plans was requested by the Grand Jury. NBRID does not have an up-to-date Master Facilities Plan. The BOS could authorize the County Public Works Director to prepare an up-to-date Master Facilities Plan, in the event NBRID does not become an independent community service district. This plan could map the infrastructure and financial needs of the District. The District would be well served to consider a 25-year plan which they review and update every five years.

Financial

The Grand Jury learned that it is very difficult to estimate the cost of operating NBRID. Although the BOS, BOD, and some residents are aware that there are financial problems, the extent to which the County has been subsidizing the operation is difficult to ascertain. Historically, the total number of hours worked on behalf of NBRID has never been adequately tracked.

The Grand Jury found that some County staff costs from various departments might not have been fully captured in the expenses of the District in past years. However, there has been a concerted effort in recent years to thoroughly track time spent in managing the District. The FY 2012 budget is expected to accurately track staff time spent for administration, engineering and accounting.

NBRID has requested a loan from the County in the amount of \$205,000 to cover current year operating cost shortfalls (per NBRID Agenda dated May 3, 2011). The continuing property tax delinquencies and current economic environment coupled with increased costs will further exacerbate the District's financial problems.

Loans to NBRID from the County

FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11
\$0.00	\$0.00	\$460,000 ¹ Repaid FY 07/08	\$480,000 Repaid FY 08/09	\$869,000 ²	\$205,000 ³

¹ For design services for a proposed bond project

² \$200,000 - operating expenses; \$195,000 - safety improvements; \$474,000 – repay prior year loan – Total \$869,000

³ Requested at Board of Supervisor's meeting on May 3, 2011.

The Grand Jury recommends the establishment of a plan to adjust the rate calculation each year to include a formula designed to establish and maintain a reserve balance. This reserve can then be depended upon to cover emergencies and ongoing repair and maintenance. Weather is uncertain and so too are emergencies. A healthy reserve balance that is continually replenished will move the District toward solvency.

Revenue from Water and Sewer Rates/Proposition 218

FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11
\$533,672	\$389,059	\$627,018	\$619,520	\$519,467	\$716,684 ¹

¹Budgeted amount

The 2007 Bond

NBRID voters in 2007 approved a \$13.9M bond measure to make expansive improvements to the water and sewer infrastructure. The lack of commitment from the Pensus Group, the concessionaires for Lupin Shores, regarding their construction plans to redevelop the concession site has added to NBRID's financial problems by delaying the issuing of the bonds approved in 2007 by the NBRID property owners. To date, no bonds have been issued or sold.

Current Decisions and Reorganization

While the problems at NBRID are ongoing, complex, and frustrating for everyone involved, the District and the County both want to resolve the dilemma.

There is a strong desire among landowners and residents of NBRID to reorganize the District to become independent from the County, i.e., to become an independent community service district. The BOS submitted a letter in November 2010 to LAFCO asking that the District be converted to an independent community service district. If approved, the Napa Berryessa community would assume the sole responsibility of all assets and liabilities associated with its operations, including the levying of rates for District services. They would elect five property owners to serve as their board of directors. Addressing NBRID's existing financial instability remains the critical issue going forward regardless of whether or not the District remains dependent or becomes an independent community service district.

In its February 2011 Resolution No. 2011-01, the current BOD recommended to the BOS that they begin "negotiations with a new Board of Directors, prior to their installation, regarding the outstanding loans from the County to the District and other disputed charges ...with the object of reaching financial stability for the District." This Resolution stipulates that CPW continue under contract to meet the requirements of the CDOs and Waste Discharge Requirements Order "for a period of time sufficient to insure that these orders have been amended or satisfied or until...a contract operator assumes operations of the water and wastewater facilities." The BOD will also explore employing "a public private partnership process for the selection of a contractor or contractors to manage District operations on a long term basis, and to determine whether it is in the best interest of the District to contract for the design, building, operation and financing...of the District facilities."

Lupin Shores -- In or Out?

NBRID's current ability to fund needed capital improvements for its water and sewer systems has been adversely affected by the uncertainties associated with the United States Bureau of Reclamation's redevelopment plans for Steele Park, now

known as Lupin Shores, which has been left undeveloped since May 2008. A \$13.9M bond measure to fund specific capital improvements was approved by NBRID voters in 2007. However, the bond was not implemented due to the expiration of the contract with the Steele Park which accounted for approximately one third of the total bond assessment. Pensus, the new contractor may be responsible for approximately \$4.6M of the \$13.9M bond. Recently, Pensus has suggested that the development of the resort site will be smaller in scale than previously calculated.

Governance

NBRID operates under the California Public Resources Code (CPRC) Sections 13000-13233, which is known as the “Resort Improvement District Law.” The California Legislature passed this law to facilitate development of resorts similar to Squaw Valley in Placer County, California.

Law

The legal framework concerning the governance of a resort improvement district is set forth in CPRC Sections 13031 through 13034. The BOS is the governing body of the district (§13031). If deemed advisable by the BOS, a BOD for the district may be formed (§13032). Section 13032 does not specify by what means a BOS can create a BOD. There is no language in §13032 requiring a formal resolution by the BOS to form a BOD. The BOS may from time to time give the BOD any powers of the BOS (§13033).

Once a BOD is formed, §13034 requires an election by residents to fill the BOD with four residents from the district, to sit with the fifth member who is the supervisor who represents the district. The BOD may then, by unanimous vote, replace the supervisor on the BOD with another resident.

Facts

NBRID was organized in 1965.

From approximately 1965 through the present, the supervisors acted in all respects as if they had formed a BOD, except for holding an election by district residents. They created agendas, held meetings, produced minutes, and passed resolutions, all in the name of the BOD. These documents identify the five supervisors as the members of the BOD.

No election of an independent board by the residents of NBRID was ever held pursuant to §13034. All five members of the BOS still serve as the BOD.

The Grand Jury has asked for documentary evidence that the BOS has ever passed a formal resolution creating the BOD. To date, no one has produced any evidence showing that formal action was taken by the BOS.

Discussion

In light of these facts, the question is whether the BOS “formed” a board of directors under §13032, thereby requiring an election §13034.

On the one hand, by creating agendas, holding meetings, producing minutes and passing resolutions, all in the name of the NBRID Board of Directors, the BOS acts as if it had created a BOD. On the evidence -- if it looks like a duck, swims like a duck, quacks like a duck, then it is probably a duck -- the actions of the supervisors amount to forming a BOD pursuant to §13032. If so, then the failure to hold an election is a violation of §13034.

On the other hand, if the BOS can form a BOD only through a formal action, an additional issue must be addressed. If a formal action was taken, then the BOD was formed and an election is required. If no formal action was taken, then the BOD was never formed and no election is required.

However, if the BOD was never formed and therefore has no legal existence, then holding meetings and passing resolutions in the name of the BOD causes confusion. Even the supervisors themselves are confused, as members of the Grand Jury personally observed during meetings of the BOD. In practice, the supervisors wear a two-billed cap -- with BOS on one bill and BOD on the opposite bill -- turning the cap when they believe it is appropriate.

This confusing situation is the result of the fact that a succession of Napa County Boards of Supervisors acted as if they had formed a BOD but did not need to hold an election. If these supervisors meant to function as NBRID’s governing body and not delegate any powers to an independent board elected by NBRID residents, then they should have never acted in the name of NBRID’s BOD.

Conclusion

To clarify matters, the BOS ought to pass a resolution forming a BOD and hold an election or cease meeting and acting in the name of the BOD.

A BOD elected by NBRID residents would be more responsive to their needs. The four supervisors who do not represent the District have no political obligation to consider the interests of NBRID residents when in conflict with the interests of their own supervisorial constituents.

FINDINGS

The 2010-2011 Grand Jury finds that:

- F1. The NBRID Board of Directors has only met once in Cappell Valley with NBRID residents and property owners to update them on District issues.
- F2. NBRID's continuing water and sewer problems are due to aging infrastructure and deferred maintenance.
- F3. Between 1995 and 2010 the RWQCB issued several notices of violations and three Cease and Desist Orders to the NBRID Board of Directors.
- F4. NBRID does not have an up-to-date Master Plan.
- F5. Adequate reserves have not been set aside to address ongoing infrastructure needs to keep facilities up-to-date.
- F6. For the past two years current revenues have not been sufficient to cover operating expenses.
- F7. The NBRID residents have expressed interest in converting to an independent community services district and would like to be part of a transition committee.
- F8. The NBRID Board of Directors has requested loans from the County to cover operating shortfalls.
- F9. The NBRID Board of Directors received a loan of \$205,000 from the County to balance the FY 2010/11 budget.
- F10. NBRID does not have a rate calculation in place to establish and maintain a reserve balance for emergencies and ongoing repair maintenance.
- F11. By their actions the Board of Supervisors formed a Board of Directors for NBRID within the meaning of CPRC §13032.
- F12. The composition of the NBRID Board of Directors is not in compliance with CPRC §13034, because the members are not elected by the residents of the District.
- F13. The NBRID Board of Directors has no legal existence.

F14. Since the NBRID Board of Directors does not legally exist, meetings and resolutions in its name can be legally challenged on that ground.

F15. The Board of Supervisors causes public confusion by acting in the name of a board of directors that has no formal legal foundation.

RECOMMENDATIONS

The 2010-2011 Grand Jury recommends that the:

- R1. NBRID Board of Directors meets quarterly in Cappell Valley with NBRID residents and property owners to update them on District issues.
- R2. NBRID Board of Directors facilitates the formation of a transition committee to serve until conversion to an independent community service district is complete.
- R3. Board of Supervisors authorizes the County Public Works Director to prepare an up-to-date Master Facilities Plan with a timeline and cost analysis for future infrastructure, maintenance, and replacement plans in the event that NBRID does not become a community service district.
- R4. County Public Works Director presents the newly formulated Master Facilities Plan to the property owners and the NBRID Board of Directors.
- R5. NBRID Board of Directors includes in future rate calculations a formula that will provide for the establishment and maintenance of a reserve balance.
- R6. Board of Supervisors brings the composition of the NBRID Board of Directors into compliance with State law through the election of at least four members who reside in the District to replace the four supervisors who do not reside in the District.
- R7. Board of Supervisors passes a formal resolution forming a Board of Directors for NBRID.
- R8. Board of Supervisors ceases meeting and acting in the name of the NBRID Board of Directors.

REQUEST FOR RESPONSES

Pursuant to California Penal Code section 933.05, the Grand Jury requests responses as follows:

From the following individuals:

- Napa County Public Works Director: F2, F3; R3, R4

From the following governing bodies:

- NBRID Board of Directors: F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11, F12, F13, F14; R1, R2, R5,
- Napa County Board of Supervisors: F10, F11, F12, F13, F14, F15; R3, R6, R7, R8

GLOSSARY

BOD - Board of Directors of NBRID

BOS- Napa County Board of Supervisors

CDO - Cease and Desist Order

Community Service Districts consist of two types of districts independent and dependent. An independent district is a unit of local government established by the residents of an area to provide some service not provided by the county or city. An independent district operates under a locally elected, independent board of directors. A dependent district operates under the control of a county board of supervisors or a city council. On a statewide basis, 34 percent of the special districts are dependent in their governing structure. Most of these dependent districts are governed by boards of supervisors. City councils and county supervisors often appoint local advisory boards to assist and advise them in governing dependent districts.

CPWD - County Public Works Department

LAFCO - Local Area Formation Commission

LBRID - Lake Berryessa Resort Improvement District

Lupin Shores sometimes spelled Lupine Shores

NBRID - Napa Berryessa Resort Improvement District

the Lake – Lake Berryessa

RWQCB - Regional Water Quality Control Board

§ - Section

METHODOLOGY

Information for this investigation was gathered through numerous interviews, document analysis, Internet research, on-site visit, in-person and video attendance at NBRID Board of Director's meetings.

Interviews Conducted:

- Napa County Auditor-Controller Office personnel
- NBRID Board of Directors
- Napa County Board of Supervisors
- Napa County Department of Public Works personnel
- Napa County Executive Office personnel

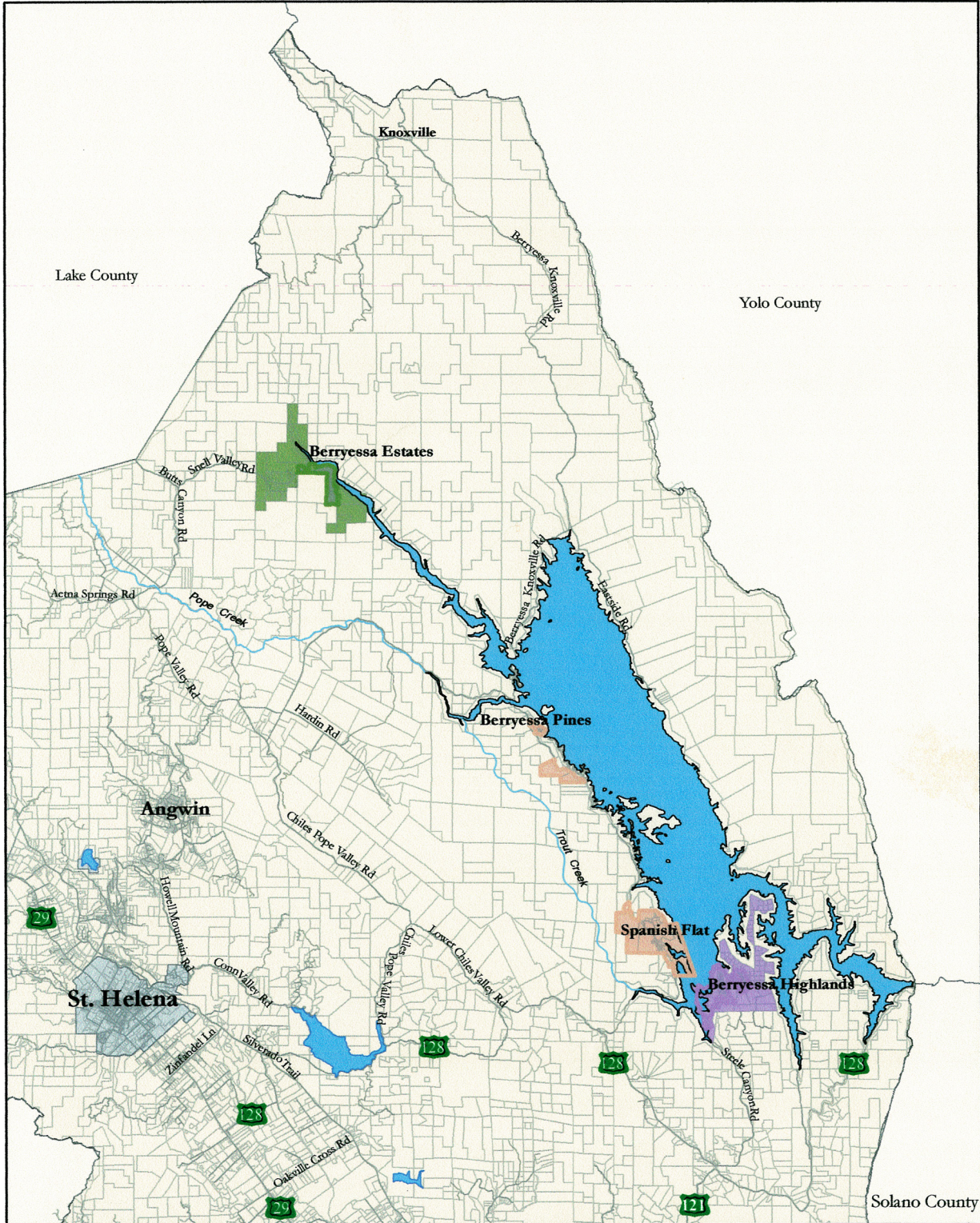
Documents and Websites Reviewed:

- California Public Resources Code Sections 13031-13034
- California Regional Water Control Board documents
- County of Napa Combining Statement of Fund Net Assets Non Major Enterprise Funds, June 30, 2009
- Agendas of Meetings of NBRID Board of Directors
- Board Agenda Letters of NBRID Board of Directors
- LAFCO Reports
- Minutes of Meetings of NBRID Board of Directors
- NBRID Budgets FYs 2006/07, 2007/08, 2008/09, 2009/10, 2010/11
- Napa County Grand Jury Reports, NBRID, FY1981/82; FY1996/97
- Napa County Public Works Staff reports
- Napa Valley Register articles
- Timetoast Timelines, The History of Berryessa Special Districts
- www.countyofnapa.org
- www.napavalleyregister.com
- www.swrcb.ca.gov

APPENDIX I

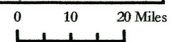
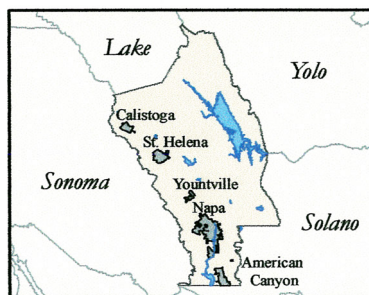
Lake Berryessa Region Municipal Service Review Map

Lake Berryessa Region Municipal Service Review



Affected Local Agencies

- Lake Berryessa Resort Improvement District
- Sphere of Influence
- Napa-Berryessa Resort Improvement District
- Sphere of Influence
- Spanish Flat Water District
- Sphere of Influence



LAFCO of Napa County
 1700 Second Street, Suite 268
 Napa, California 94559
<http://napa.lafco.ca.gov>