

From: [Gary Margadant](#)
To: [Freeman, Brendon](#)
Subject: Public Comment on SCSO draft MSR, 8/1/22 Lafco Meeting
Date: Thursday, July 28, 2022 10:51:19 PM
Attachments: [2014 MSR Silverado Community special district.pdf](#)
[8-1-22 8a SCSO DraftMSR-SOI SILVERADO MSD.pdf](#)

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Hi Brendon

Please accept my comment on the Draft MSR for Silverado Community Services District (Silverado Country Club)

I believe there are several avenues and history of Water Review that were not included in this report. I also checked the 2014 MSR for SCSO and found little discussion on the history of water from all sources, which I feel are pertinent to the current MSR review. Within the district, water is sourced from many different supplies other than just Napa City.-

The current drought, groundwater use and aquifer depletion, riparian water rights-consumption and history and the use of Napa Sanitation Recycled Water, should all be part of this report if a full picture of water consumption, supplies and needs within the district are to be recognized in an accurate review.

I refer you to charts in the draft MSR. Chart 2. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES, a) should have been a YES. c) should have been a MAYBE. e) should have been a YES. f) is a possible MAYBE.

This draft report does not take into consideration the Country Club use and management of Riparian Water from Milliken Creek, Ground Water from Wells, or the use of Recycled Water, and the drought response from Napa City, the main supplier of Potable water to the district.

The Country Club use of riparian water from Milliken Creek was stopped by the California Water Resources Control Board due to a continued pumping rate that consumed all flowing water in the creek. The CC then moved to full use of Pumped Groundwater to irrigate the golf course grounds.

If the drought continues to restrict water recharge into the underground aquifers, and undesirable results become evident to the Napa County Sustainable Groundwater Agency (SGA) then the Agency may restrict Underground pumpings by the CC. What is their alternative supply?

The CC has refused to use Recycled water for Grounds irrigation, but that attitude may change if the other available water supplies are greatly compromised. Napa Valley Golf Course is currently using Recycled water on their course irrigation with no problems. The CC may be forced into a change of heart that may burden other supplies.

During a water shortage, will Napa City allow their potable water supply to be used for CC golf course irrigation? Will the ground irrigation needs force the CC to explore alternate water supplies that are not mentioned in this Letter or the MSR and will this need put

additional pressure on the current water supply from Napa City? I think the report should have started to address this quandary.

The next MSR is 5 years out, and that could be 5 additional years of drought and the continued depletion of all water sources.

Gary Margadant

4042 Mount Veeder Road

C [707.291.0361](tel:707.291.0361)

D. Silverado Community Services District

1.0 Overview

The Silverado Community Services District (SCSD) was formed in 1967 and originally authorized to provide a full range of municipal services to the Silverado area, consisting largely of a planned resort community located northeast of the City of Napa. Services actually activated following formation, however, were limited to water, street lighting, street sweeping, and landscape maintenance services. SCSD ceased providing water in 1977 when Napa purchased and assumed full control of the District’s water distribution system. SCSD expanded its services in 2010 with the approval of the Commission to include sidewalk improvements and maintenance; activities previously the responsibility of property owners.

SCSD currently has an estimated permanent resident service population of 1,321 within an approximate 1.8 square mile jurisdictional area. Given the majority of the community is used as vacation/second homes, it is estimated the resident service population more than doubles to 2,829 when fully occupied. An additional 870 guests add to the overnight population when the Silverado Resort is fully occupied.⁸⁴

Date Formed	1967
Enabling Legislation	Government Code 6100 et. seq.
Active Services	Street Lighting Street Sweeping Street Landscaping Sidewalk Improvements
Estimated Residential Service Population	1,321 (year-round) 2,829 (with second homes)

SCSD is presently organized as a dependent special district with the County Board of Supervisors serving as the official governing authority. However, and as provided under the principal act, the Board of Supervisors has established a municipal advisory committee (MAC) consisting of appointed registered voters to provide input and – in some areas – assume decision-making authority. County Public Works provides administrative services on behalf of SCSD and oversees all contracts with outside vendors for authorized services. The current operating budget is \$186,192. SCSD’s current unrestricted/unreserved fund balance is \$60,159 and is sufficient to cover nearly four months of general operating expenses.

2.0 Formation and Development

2.1 Community Need

Silverado was relatively undeveloped with the exception of a small number of adobe residential structures dating back to the early 1800s. A large residential estate was later built and served exclusively as a residence for various owners until it was purchased in the early 1950s by the Markovich Family for purposes of developing an 18-hole golf course on the surrounding grounds. The golf course was completed by the end of the decade and the residence converted to a clubhouse. The Markovich Family later sold the property – which at this date included the clubhouse and golf course – to Westgate Factors in early 1966 in anticipation of submitting a development plan with the County for subdivision of the remaining grounds into single-family residences. The subsequent development plan was approved by the County later the same year and provided for the construction of 1,393 private residential units. At the time of development, residential units were expected to be evenly divided between fulltime and seasonal occupancy along with the addition of extensive

⁸⁴ The Silverado Resort currently includes 435 overnight guestrooms.

commercial uses anchored by a year-round guest resort. The existing golf course was also reconfigured as part of the development plan to include two separate 18-hole sites: “North Course” and “South Course.”

2.2 Formation Proceedings

SCSD’s formation was approved by the Commission in January 1967 to facilitate the planned development of the Silverado area. The District was initially authorized to provide a wide range of municipal services including by water, sewer, and fire protection. Actual services activated following formation, however, were limited to water, street lighting, street sweeping, and landscape maintenance services. Sewer service was extended to the community through subsequent annexations to NSD as phases of the development were completed. As part of the formation proceedings, the County Board of Supervisors agreed to serve as the initial governing body of the District and assign Department Public Works staff to oversee service delivery within SCSD by entering into contracts with outside providers.⁸⁵ This included entering into an agreement with the City of Napa to furnish potable water supplies by means of an intertie between the two agencies’ distribution systems. This contract was later amended in 1970 to allow the City to assume full control of the water distribution system within SCSD.

2.3 Development Activities

Silverado’s planned development commenced in phases beginning in the late 1960s. Ten years after SCSD’s formation, there were an estimated 700 private residential units divided between single-family residences and condominiums with a projected fulltime resident population of 910. The Silverado Resort and its 435 guestrooms had also been constructed and officially opened in 1967. Subsequent revisions to the original development plan – which has changed twice over the last two decades – were approved at the request of the landowners and have reduced the total number of private residential units permitted for development from 1,393 to 1,095.

2.4 Previous Municipal Service Review

The Commission’s inaugural municipal service review on SCSD was completed in 2005 as part of a countywide lighting and landscaping services study. The municipal service review concluded SCSD appeared to be operating efficiently and in a fiscally sound manner with no significant infrastructure needs or deficiencies identified. The municipal service review also noted the unique governance structure of SCSD with the Board of Supervisors serving as the District Board while ultimately concluding the arrangement – while not traditional for these types of special districts – appears satisfactory given the active involvement of the MAC.

⁸⁵ Records also indicate the Napa County Flood Control and Water Conservation District provided staffing services on behalf of SCSD.

5.2 Population Density

SCSD’s population density is estimated at 739 permanent residents per square mile. (Density increases to 1,572 when accounting for both primary and secondary residences.) This amount exceeds the average density rate for the entire unincorporated area of Napa County by twenty-fold while falling 83% below the average density rate for the City of Napa.

SCSD’s population density is estimated at 739 residents for every square mile.

5.3 Social and Economic Indicators

A review of recent demographic information compiled by the United States Census Bureau indicates SCSD serves a significantly wealthier community given the median household income is \$151,000 and is more than double the median household income for all of Napa County. SCSD residents are also predominately homeowners with less than one-fifth currently renting. Further, residents are older with greater educational attainment than the population of the County as a whole based on a median age rate of 63 and a bachelor’s degree completion rate of 70%.

Social and Economic Indicators within SCSD		
(American Community Surveys: Five Year Averages Between 2007-2011 / Napa LAFCO)		
Category	SCSD	County Average
Median Household Income	\$151,000	\$68,641
Owner-Occupied Residences	82.8%	63.3%
Renter-Occupied Residences	17.2%	36.7%
Median Housing Rent	n/a	\$1,279
Median Age	63.1	39.5
Prime Working Age (25-64)	43.6	52.9%
Unemployment Rate (Labor)	6.4%	5.2%
Persons Below Poverty Rate	0.0%	9.8%
Adults with Bachelor Degrees	70.0%	28.0%

* SCSD’s jurisdictional boundary lies entirely within a stand-alone census designated place, Silverado CDP

6.0 Organizational Structure

6.1 Governance

SCSD’s governance authority is provided under the Community Services District Act of 2006 (“principal act”) and empowers the District to provide a full range of municipal services with the notable exception of exercising land use control.⁹⁰ The following list identifies the most common services community service districts are authorized to provide under the principal act with accompanying notations – active or latent – with regards to SCSD.

- Acquire, construct, improve, maintain and operate street lighting (active)
- Acquire, construct, improve, maintain, and operate street landscaping (active)
- Provide street cleaning (active)
- Acquire, construct, improve, and maintain streets, roads, bridges, curbs, drains, and sidewalks (active specific to sidewalks only)

⁹⁰ The principal act was originally enacted in 1951.

- Treat, store, and distribute water supplies (latent)
- Collect, treat, and dispose of sewage and storm water (latent)
- Drain and reclaim lands (latent)
- Provide police protection (latent)
- Provide fire protection (latent)
- Acquire, construct, improve, and operate recreation facilities and related services (latent)
- Collect, transfer, and dispose of solid waste (latent)
- Provide for the prevention, abate, and control of vectors and vector diseases (latent)
- Provide animal control services (latent)

SCSD has been governed since its formation in 1967 as a dependent special district with the County Board of Supervisors serving as its governing body. This arrangement – which is relatively unusual among community services districts – results in SCSD residents only electing one of the five District Board members given County Supervisors are elected by district. Regular meetings of the District Board are held quarterly on the first Tuesday of each applicable month and during scheduled adjournments of the Board of Supervisors at the County Administration Building. A current listing of Board members along with respective years experience follows.

Current SCSD Board Roster (Provided by SCSD)			
Member	Position	Background	Years on Board
Brad Wagenknecht	President	Educator	14
Mark Luce	Vice President	Chemical Engineer	7
Keith Caldwell	Member	Public Safety	5
Diane Dillon	Member	Attorney	10
Bill Dodd	Member	Business	12
<i>Average Years of Board Experience</i>			<i>10</i>

SCSD elections are based on a registered resident-voter system. The principal act specifies operations can be financed through user charges, general taxes, and voter-approved assessments.

As referenced in the preceding sections, SCSD has established a municipal advisory committee (MAC) to assist and inform the Board’s decisions with respect to District finances, policies, programs, and operations. The SCSD MAC includes 33 members, each of whom are appointed by a corresponding homeowner association within Silverado. SCSD MAC holds regular quarterly meetings open to the public on the third Friday at the Silverado Clubhouse. While not exercising any independent authority, in practice the SCSD MAC has significant influence with their recommendations generally followed by the Board of Supervisors acting as the SCSD Board. A current listing of SCSD MAC members follows.