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**FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)  
EXECUTIVE OFFICER'S REPORT**

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**CONSENT AGENDA ITEM No. 7**

**DATE:** June 13, 2007

**TO:** Fresno Local Agency Formation Commission

**FROM:** Rick Ballantyne, Executive Officer  
Darrel Schmidt, Deputy Executive Officer

**SUBJECT:** **Consider Adoption** – Municipal Service Review and Sphere of Influence Update prepared for the Lower San Joaquin Levee District

**Summary / Background**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to review and update, as necessary, special district's sphere of influence (SOI) before January 1, 2008, and every five years thereafter. Prior to, or in conjunction with an agency's SOI update, LAFCo is required to conduct a *Municipal Service Review* (MSR) for each agency.

On December 13, 2006, the Commission directed staff to enter into a contract with Braitman & Associates to prepare MSRs and SOI Updates for numerous cities and special districts. The attached MSR has been prepared for the Lower San Joaquin Levee District.

Municipal Service Reviews provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not any modifications to a city or district's SOI is necessary. MSRs can be used as information tools by LAFCo and local agencies in evaluating the efficiencies of current district operations and may suggest changes in order to better serve the public.

Sphere of influence updates may involve an affirmation of the existing SOI boundaries or recommend modifications to the SOI boundary. LAFCo is not required to initiate changes to an SOI based on findings and recommendations of the service review, although it does have the power to do so.

State law requires that the Commission in its consideration of the MSRs adopt written determinations for each of the following nine criteria:

1. Infrastructure needs or deficiencies
2. Growth and population projections for the affected area
3. Financing constraints and opportunities
4. Cost avoidance opportunities
5. Opportunities for rate restructuring
6. Opportunities for shared facilities
7. Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers
8. Evaluation of management efficiencies
9. Local accountability and governance

As part of the SOI update, if the Commission determines that modifications to a district's SOI boundary is appropriate, it is required to consider the following four criteria and make appropriate determinations in relationship to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands
2. The present and probable need for public facilities and services in the area
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency

### **Environmental Determination**

Staff has determined that consideration of and adoption of the Lower San Joaquin Levee District MSR and SOI determinations are actions considered to be "Categorically Exempt" as per Section 15306 (Information Collection) of the California Environmental Quality Act Guidelines (CEQA). Any change to a district's SOI resulting from recommendations adopted by the Commission will require additional review under CEQA.

### **Discussion & Summary of Determinations**

The Lower San Joaquin Levee District extends for a distance of approximately 35 miles along the southerly side of the San Joaquin River from the Merced County line to a point just north of the City of Kerman (see attached Map). The District is also located within portions of the Cities of Mendota and Firebaugh. The District also extends within portions of Madera and Merced Counties. The District's Fresno County portion encompasses approximately 60,000 acres (94 square miles) and the total District encompasses approximately 300,000 acres (468 square miles). The District's boundaries and Sphere of Influence (SOI) are coterminous.

The District's seven-member Board of Directors is appointed by members of the Boards of Supervisors within whose counties the District is located.

The District's main office and facilities are located within the City of Dos Palos in Merced County. The District's services include the maintenance and repair of levees and other flood control facilities within its boundaries. The flood control facilities maintained by the District are owned by the State of California.

District revenues (projected at \$835,347 for FY 2006-07) are obtained primarily from benefit assessments. The District maintains a balanced budget.

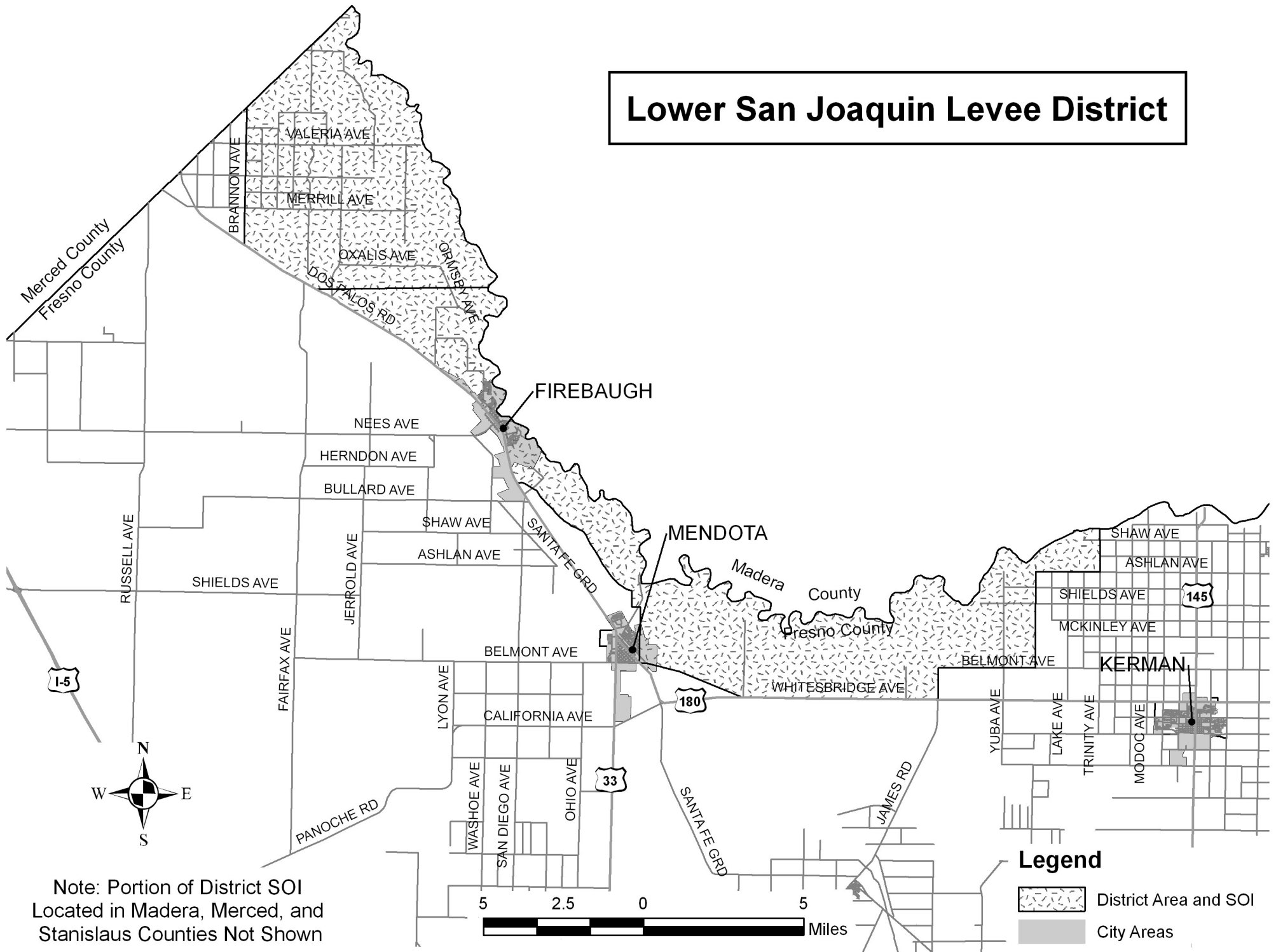
The MSR did not identify any obvious opportunities for rate restructuring, shared facilities, or cost-avoidance opportunities. There are no other levee districts operating within this portion of the San Joaquin River.

The District indicates that its current boundaries are adequate to continue allowing it to perform its services and has not proposed any changes to its SOI.

**Recommendations:**

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, find that prior to adopting the written determinations, the Municipal Service Review and Sphere of Influence determinations under consideration are Categorical Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15306, "Information Collection".
- B. Find the Municipal Service Review and Sphere of Influence Update prepared for the Lower San Joaquin Levee District are complete and satisfactory.
- C. Find that the written determinations within the Municipal Service Review and Sphere of Influence Update satisfy State Law.
- D. Pursuant to Government Code Sections 56425 and 56430 adopt the determinations as presented in the Municipal Service Review and Sphere of Influence Update documents.

# Lower San Joaquin Levee District



Note: Portion of District SOI Located in Madera, Merced, and Stanislaus Counties Not Shown

- Legend**
-  District Area and SOI
  -  City Areas

**RESOLUTION NO. MSR-07-6**

**FRESNO LOCAL AGENCY FORMATION COMMISSION  
FRESNO COUNTY, CALIFORNIA**

**In the Matter of**

**LAFCo Determination**

**RESOLUTION ADOPTING MUNICIPAL )  
SERVICE REVIEW AND MAKING )  
DETERMINATIONS FOR THE )  
SPHERE OF INFLUENCE OF THE )  
LOWER SAN JOAQUIN LEVEE )  
DISTRICT )**

**ADOPT MUNICIPAL SERVICE REVIEW  
PREPARED FOR THE FRESNO  
LOWER SAN JOAQUIN LEVEE  
DISTRICT AND ADOPT FINDINGS FOR THE  
DISTRICT'S SPHERE OF INFLUENCE**

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**WHEREAS**, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56425 et. Seq.) the Fresno Local Agency Formation Commission is required to review and update, as necessary, Spheres of Influence of local agencies not less than once every five years; and

**WHEREAS**, Government Code Section 56430 directs the Commission to conduct a review of municipal services not later than the time it considers an action to establish or update a Sphere of Influence; and

**WHEREAS**, notice of this Commission's hearing of said request was duly given in a publication of general circulation as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and State law, and at the time and in the form and manner provided by law; and

**WHEREAS**, the Commission has heard, discussed and considered all relevant evidence, including but not limited to the Executive Officer's *Municipal Service Review and Sphere of Influence Update Report*, environmental documentation, applicable land use plans and all testimony, correspondence and exhibits received during the public hearing process, all of which are included herein by reference.

**NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of the County of Fresno does HEREBY STATE, FIND, RESOLVE, DETERMINE, AND ORDER as follows:**

**Section #1.** Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, this Commission finds that prior to adopting the written determinations, the Municipal Service Review and Sphere of Influence determinations under consideration are Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15306, "Information Collection".

**Section #2.** This Commission finds the Municipal Service Review and Sphere of Influence Update prepared for the Lower San Joaquin Levee District are complete and satisfactory.

**Section #3.** This Commission finds that the written determinations within the Municipal Service Review and Sphere of Influence Update satisfy State Law.

**Section #4.** Pursuant to Government Code Sections 56425 and 56430 this Commission hereby adopts the determinations as presented in the Municipal Service Review and Sphere of Influence Update documents.

**Section #5.** - The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as provided in Government Code Section 56882 and to file, as appropriate, in the office of the Fresno County Clerk all environmental documents, if any, pertaining to the approval of this Proposal, as required by State law.

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**ADOPTED THIS 13<sup>th</sup> DAY OF JUNE, 2007, BY THE FOLLOWING VOTE:**

**AYES: Commissioners Rodriguez, Fortune, Anderson, Larson, Lopez**

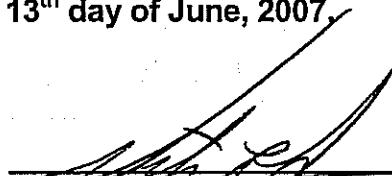
**NOES: None**

**ABSENT: None**

**STATE OF CALIFORNIA)  
COUNTY OF FRESNO )**

**CERTIFICATION**

**I, Victor Lopez, Chairman of the Fresno Local Agency Formation Commission (LAFCo), Fresno County, State of California, hereby certify that the foregoing resolution was adopted by the Commission on the 13<sup>th</sup> day of June, 2007.**



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**Victor Lopez, Chairman  
Fresno Local Agency Formation Commission**

# **LOWER SAN JOAQUIN LEVEE DISTRICT**

## **MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE**

Report to the  
**Fresno Local Agency Formation Commission**

June 2007

# 1. MUNICIPAL SERVICE REVIEW

## Description of District

The completion of the Friant Dam in 1947 reduced flow volumes in the San Joaquin River, leading to major sedimentation problems and the need for a flood control project. Facilities were constructed by the State Department of Water Resources to provide flood protection along the river and tributaries in Fresno, Madera and Merced counties.

The Lower San Joaquin Levee District was created in 1955 by a special act of the Legislature to operate, maintain and repair levees, bypasses and other facilities built in connection with the Lower San Joaquin River Flood Control Project.

The District encompasses approximately 468 square miles (300,000 acres) in Fresno, Madera and Merced counties, of which 94 square miles are in Fresno County. Its boundaries and sphere of influence are coterminous, as shown on the enclosed map.

A seven-member board of trustees, appointed by the Boards of Supervisors of the three counties, governs the District. A Secretary-Manager is responsible for administrative functions. The District has eight full-time employees and one seasonal employee.

## District Services

Services provided by the District include operation, maintenance and repair of levees and other flood control facilities.

# 2. MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews.

## **Infrastructure Needs and Deficiencies**

The District provides services from a 3.5-acre maintenance facility in Dos Palos. The flood control facilities maintained by the District are owned by the State.

## **Growth and Population Projections**

District services do not affect rates or location of development or population growth, nor does that affect the manner in which the District is governed.



## **Financing Constraints and Opportunities**

The District operating budget for FY 2006-07 is \$721,544. Projected revenues are \$835,347 of which benefit assessments constitute \$804,172 (or 97%) of the total. Income from interest (\$18,250), grazing leases (\$2,925) and the sale of sand (\$12,925) constitute the remainder of the revenues. There is no District debt.

## **Cost-Avoidance Opportunities**

There are no obvious opportunities for cost avoidance in District operations.

## **Opportunities for Rate Restructuring**

There are no obvious opportunities for rate restructuring in the operations of the District.

## **Opportunities for Shared Facilities**

There are no obvious opportunities for shared facilities in the operations of the District.

## **Government Structure Options**

There are no obvious opportunities for a different government structure.

## **Management Efficiencies**

The District exhibits characteristics of an agency that is operating efficiently.

## **Local Accountability and Governance**

The governing board is appointed by Boards of Supervisors. Regular meetings are held each month. Meeting notices are posted at the site of the meeting. The District does not maintain a website.

## **3. SPHERE OF INFLUENCE REVIEW AND UPDATE**

Government Code Section 56076 defines sphere of Influence as “A plan for the probable physical boundaries and service area of a local agency, as determined by the commission.

### Description of Current Sphere of Influence

The District’s sphere of influence is coterminous with its boundaries.

### No Proposed Sphere Changes

No sphere or boundary changes are proposed by the District.

### Sphere of Influence Determinations

Inasmuch as no changes in the sphere of influence are proposed at this time it is not necessary for the Commission to adopt or approve Sphere of Influence determinations.

## 4. ACKNOWLEDGEMENTS & REFERENCES

This draft Municipal Service Review was prepared by Braitman & Associates working at the direction of the Fresno LAFCO staff. Responsibility for any errors or omissions rests with those who prepared the report.

The Lower San Joaquin Levee District provided information upon which the evaluation is based. The District Secretary-Manager Reggie Hill was instrumental in providing data.

### Available Documentation

The “Request for Information for Municipal Service Reviews” submitted by the District and supporting documents referred to therein are available in the LAFCO office.

## 5. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission:

1. Accept public testimony regarding the proposed Municipal Service Review.
2. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
3. Affirm the current Sphere of Influence and that it not be revised at this time.