CITY OF PARLIER

MUNICIPAL SERVICE REVIEW

(AMENDED)

PREPARED FOR
THE PROPOSED CITY OF PARLIER
SPHERE OF INFLUENCE UPDATE

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TABLE OF CONTENTS

1. Introduction	3
2. Background	4
3. Proposed Sphere of Influence Update	7
4. Municipal Service Review	11
4.1 Growth and Population Projections for the Affected Area	11
4.2 Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies	eta nete in lien de de d Transport
4.3 Financial Ability of Agencies to Provide Services	
4.4 Status of, and Opportunities for, Shared Facilities	75
4.5 Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies	
4.6 Any Other Matter Related to Effective or Efficient Service Delivery, As	ZO
Required by Commission Policy	ກວ
reduced by Colliniasoft i ottoy	20
5. Required Findings Pursuant to Government Code Section 56425(e)	30
Control of the Contro	
6. Sources Consulted	33
APPENDIX A: ADOPTED PARLIER MUNICIPAL SERVICE REVIEW - 2007	
<u>List of Figures</u>	
Cinum 1: Pagional lagation Man	E
Figure 1: Regional Location Map	C
Figure 2: Existing SOI	
Figure 4: Amendments to the Parlier General Plan	 O
Figure 5: Alternative 1/2 Mile Buffer Area	 70
- I LIGHT	

1. Introduction

The City of Parlier proposes an expansion of its Sphere of Influence (SOI) to accommodate expected growth. The application for an SOI expansion to the Fresno Local Agency Formation Commission (LAFCO) requires consideration of a Municipal Service Review (MSR). This MSR is prepared in conformance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (California Government Code Section 53000).

In order to approve an SOI update for the City of Parlier, LAFCO is required to make findings pursuant to Government Code Section 56425(e) et seq. with respect to the four specific issues required to approve a change to a sphere of influence. Section 5 of this report addresses these required findings.

An SOI is a boundary outside of a city's corporate limits that designates the agency's probable future service area and is generally considered a 20-year growth boundary. Adopted SOIs provide for efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands. SOI boundaries prevent overlapping jurisdictional boundaries and the duplication of services. In 1972, LAFCOs were given the authority and responsibility to determine spheres of influence for all local governmental agencies (Government Code Section 56425). State law requires LAFCOs to "review and update, as necessary, the adopted sphere not less than once every five years." (Government Code Section 56425(f)).

The direct relationship between SOI reviews/updates and Municipal Service Reviews is found in Government Code Section 56430, which states, "In order to prepare and to update spheres of influence in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission." Accordingly, a service review is required to be conducted in conjunction with LAFCO's mandatory review of spheres of influence.

MSR Written Determinations - As part of an MSR, Government Code Section 56430 requires LAFCO to prepare written statements or determinations for six categories as follows:

- 1. Growth and Population Projections for the Affected Area;
- 2. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies;
- 3. Financial Ability of Agencies to Provide Services;
- 4. Status of, and Opportunities for, Shared Facilities;
- 5. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies; and
- 6. Any Other Matter Related to Effective or Efficient Service Delivery, As Required by Commission Policy.

The determinations themselves do not represent recommendations for action, but the Commission, other agencies, or the public may use these determinations to provide guidance for future decisions.

Existing MSR. As part if its program to review all SOIs in Fresno County by January 1, 2008, LAFCO adopted an MSR for Parlier in 2007 (Appendix A). The MSR recommended that LAFCO affirm the existing SOI but acknowledged the City's interest in expanding its SOI to accommodate new urban development. The report also noted that it was anticipated that the City would file a formal application to revise its SOI in the near future. Finally, the 2007 report authorized LAFCo staff to confer with the Cities of Parlier and Selma and the County of Fresno regarding the possibility of creating separations or "greenbelts," separating urban development between these municipalities. This issue is discussed in Section 4.2 Growth and Population, of the MSR.

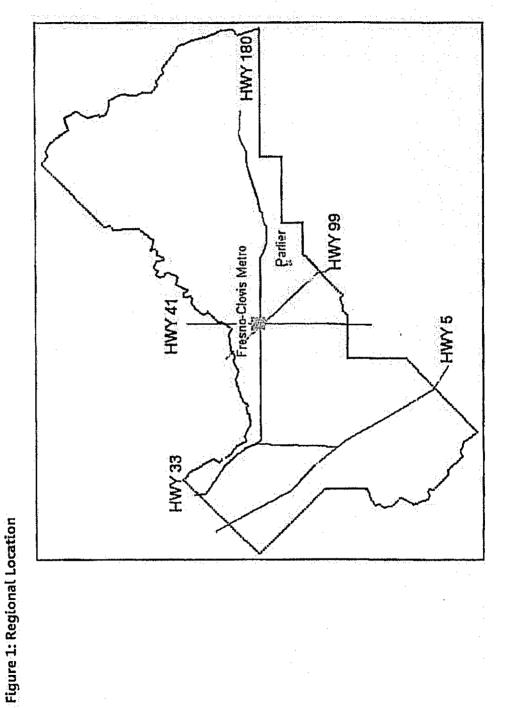
2. BACKGROUND

The City of Parlier was incorporated in 1921 and is one of 15 cities in Fresno County. Parlier is approximately 16 miles southeast of Fresno between Fowler to the west and Reedley to the east. The population as of January 1, 2009, was approximately 13,555 (California Department of Finance). Figures 1 and 2 depict the regional location and the existing SOI.

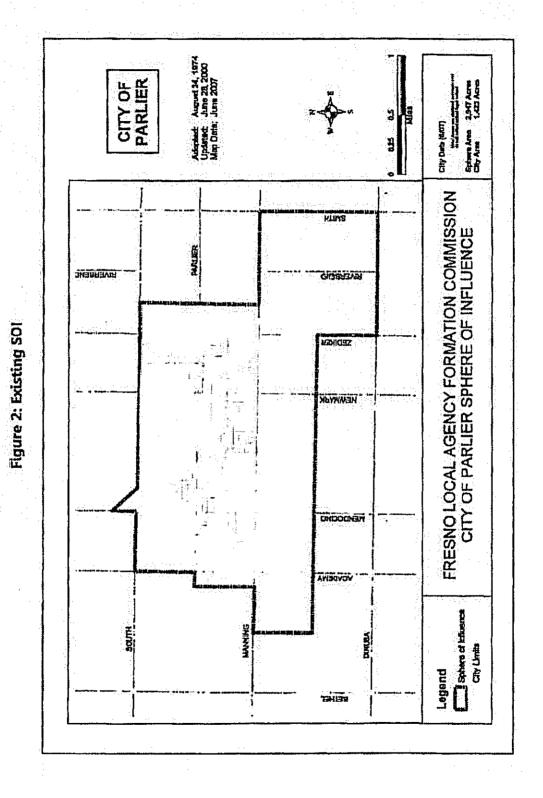
The City contains 1,423 acres (2.2 square-miles) while the existing SOI encompasses 2,946 acres (4.6 square miles). As shown in Figure 2, the existing SOI extends primarily to the south and southeast of the city limits. About 470 acres of the southeastern portion of the sphere is occupied by the University of California Kearney Research Center and the USDA Agricultural Center. These properties are part of a 640-acre area proposed to be removed from the SOI as part of the update. The City boundary extends west to Bethel Avenue, outside the SOI. This area is occupied by the City's wastewater treatment plant and this discrepancy would be corrected by the SOI update.

The City provides the following municipal services, either directly or through contract:

- Police protection, including traffic law enforcement
- Fire protection through an agreement with the Fresno County Fire Protection District
- Emergency medical and medical transport services
- Public parks, open space, and public recreation programs
- Domestic water delivery
- Wastewater collection, treatment, and disposal
- Refuse collection and recycling
- Street maintenance, street lighting
- Flood control, drainage, and storm water disposal



4



3. PROPOSED SPHERE OF INFLUENCE UPDATE

On February 17, 2010, the Parlier City Council amended the Parlier General Plan, including a proposed expansion of the SOI and land uses and circulation amendments for the SOI expansion area. The proposed SOI expansion is shown in Figure 3 and the land use plan for the SOI expansion area is shown on Figure 4. The time frame of the General Plan is 20 years, or until the year 2030. Based on the general plan update, a <u>net</u> expansion of the SOI of 2,580 acres is proposed as follows:

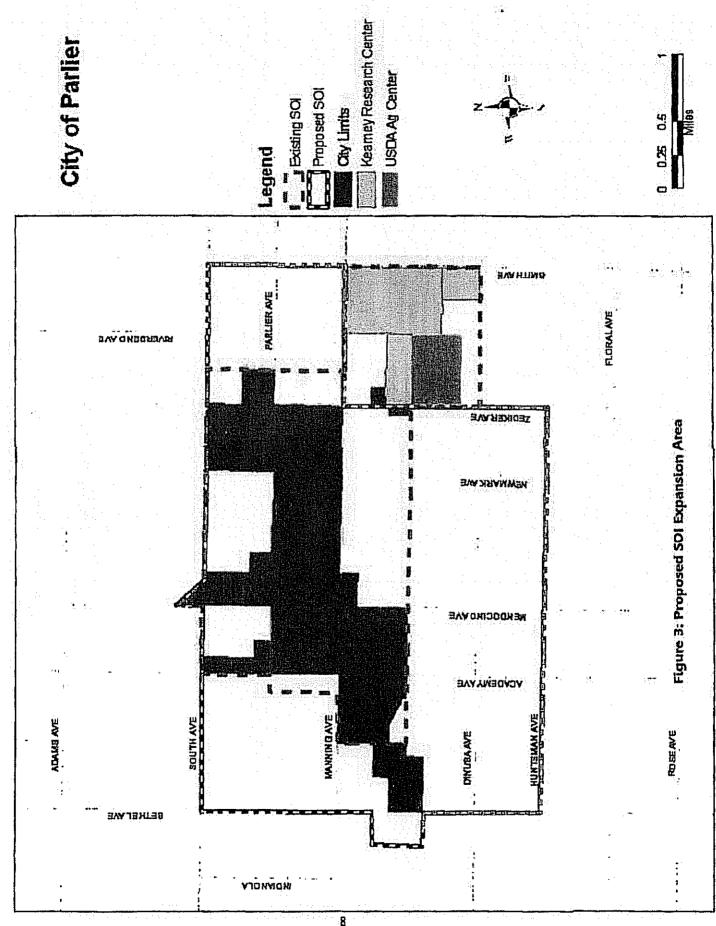
- Approximately 3,220 acres of new land would be added to the Parlier SOl;
- Approximately 640 acres would be removed from the current SOI at the southeast quadrant of Manning and Zediker that contains the USDA and University of California Kearney Research Center.

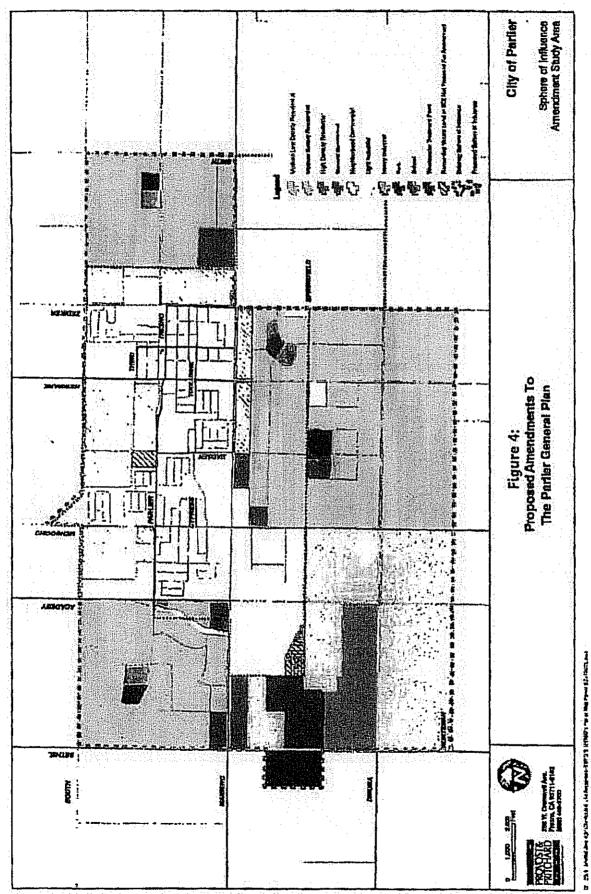
According to the Fresno LAFCO, the existing Parlier SOI contains 2,947 acres. With the addition of 2,580 acres, the revised Parlier SOI would contain 5,527 acres. The proposed SOI expansion "squares-off" the City's SOI boundary and is generally bounded by Bethel Avenue to the west, South Avenue to the north, Huntsman Avenue to the south, and Smith Avenue to the east.

The proposed expansion of Parlier's SOI is primarily based on the boundary agreed to in the City's tax sharing agreement with Fresno County (Memorandum of Understanding, or MOU) with several major exceptions: (1) approximately 960 acres designated for residential and urban reserve uses located south of Dinuba Avenue between Bethel and Zediker Avenues; (2) 59± acres located on the west side of Bethel Avenue south of Manning Avenue earmarked for future disposal of treated effluent from the City's Waste Water Treatment Plant; and (3) approximately 480 acres designated for residential and associated uses located north of Manning Avenue generally between ¼ mile east of Zediker Avenue and Smith Avenue. These changes to the original boundary are proposed in recognition of a higher growth potential for Parlier than anticipated during the discussions with Fresno County on the MOU.

The General Plan land use element will guide the long-term development of land in the updated SOI. The 3,220-acre SOI expansion area is made up of a mixture of land uses. Residential land makes up approximately 1,482 acres (46%). It is estimated that this residential property could accommodate up to 7,677 housing units and a population of 29,947.

Non-residential land uses in the SOI expansion area include general commercial, neighborhood commercial, light industrial, heavy industrial, public facilities and buildings, schools and parks. Commercial and industrial land uses make up 523 acres with an estimated potential for 5,125,000 square feet of new development.





In addition, amendments to the General Plan within the existing SOI, primarily on lands previously designated "urban reserve", would result in an additional 2,393 dwelling units and a population estimated at 8,845. In total, the proposed expansion of the SOI and amendments to the General Plan have a holding capacity of approximately 10,070 housing units and a population holding capacity of 38,782.

The proposal to expand the SOI is being prepared with an understanding of the policies and criteria that guide LAFCO during its consideration and adoption of the proposed SOI expansion requests. Parlier's SOI expansion request promotes the following objectives:

- Facilitate orderly growth in the unincorporated areas adjacent to the City, its current
 SOI, and in Fresno County.
- Coordinate property development standards and encourage timely provision of services such as streets, sewer, water, police and fire protection, parks and recreation, flood control, and solid waste disposal as urbanization of unincorporated areas occurs.
- Promote cooperative planning between the City of Parlier, the County of Fresno, various public/private service entities and landowners, and to facilitate proper implementation of their respective general or master plans.
- Assist all government agencies and private entities in planning the logical, orderly and economical extension of their facilities and services, thus avoiding expensive and unnecessary duplication of effort.
- Allow for the continuation and support of agricultural activity.
- Promote and enhance property owners' ability to plan with reasonable assurance for the use and development of their lands.
- Facilitate processing requests for annexation from property owners and residents of inhabited territories.

Compliance with CEQA - The City of Parlier, acting as lead agency per CEQA requirements, prepared a Program Draft Environmental Impact Report (EIR) for the SOI Expansion Project. The DEIR addressed a full range of impacts associated with expansion of the Parlier SOI. Prior to submitting a formal application to LAFCO, the Parlier City Council made necessary findings and certified the Final EIR on February 17, 2010. The Final EIR and supportive resolutions have been made available to LAFCO as part of the application process.

4. MUNICIPAL SERVICE REVIEW

This MSR has been prepared in accordance with Section 56430 of the California Government Code. The *Municipal Service Review Guidelines* provided by the State Office of Planning and Research were used to organize this study. The service review evaluates public services currently provided by the City and those necessary to serve the proposed new territory included in the SOI update request. The proposed SOI boundary for the City of Parller does not include special districts or County Service Areas under the jurisdiction of Fresno County.

Information, conclusions and written determinations regarding each of the six issue areas is provided for the Commission's consideration. As noted, the Commission is required to adopt specific written determinations as part of the adoption of the MSR. Accordingly, discussion of the factors form the basis for the analysis.

4.1 Growth and Population Projections for the Affected Area

Many factors can influence growth in an area, including the economy, current and future population, and housing availability. The time frame of the Parlier General Plan as amended is 20 years, or until the year 2030. The 3,220-acre SOI expansion area combined with amendments to the General Plan within the existing SOI have a holding capacity of approximately 10,070 housing units and a population holding capacity of 38,782.

The Clty's population as of January 1, 2009 was 13,555. There are approximately 460 vacant acres within the existing SOI planned for residential uses with a holding capacity estimated at 8,464 persons (4.6 units/ac x 4.0 persons/unit). The holding capacity within the proposed expanded SOI is therefore estimated at approximately 60,000 persons (38,782 + 13,555 + 8,464).

The City has experienced wide variations in construction and growth over the past three decades. The peak construction years of 1986 and 1987 (when 240 single-family homes and 124 multi-family permits were issued) were followed by growth of almost 2,000 people in 1987-1989. The City's population increased by 7,475 persons between 1980 and 1997 (260%) and was marked by the incorporation of West Parlier in the early 1980s. The City's higher growth potential may be seen during the periods between 1985 to 1994, when the average annual growth rate was 4.3% and between 1990 and 2000 when the City grew from a population of 7,938 to 11,145, a 3.5% average annual growth rate. It is noted that Parlier's annual growth rate has slowed to about 2.5% in recent years primarily due to the housing slowdown since 2006 brought about by the current recession.

For purposes of this analysis, it is assumed that the low-end of growth projections for Parlier would be 3% annually over the planning horizon of the updated General Plan. At an annual growth rate of 3%, the total population of the City is estimated to be about 25,000 by 2030.

Acknowledging previous growth trends, however, which have occurred over a significant period of time, a more aggressive growth rate of 4% is considered the high-end of growth projections. At 4%, the City would reach a population of 30,000 by 2030.

For comparison purposes, the proposed expansion of the SOI and land use amendments bring the General Plan holding capacity to approximately 50,000 persons. Accordingly, full build-out of the planning area would not occur during the planning period. Although the City's population would increase by 2 to 2.5 times, substantial undeveloped land would remain within the expanded SOI.

However, given the City's stated desire for economic development, need for housing, and other factors discussed above, the projected growth in population is consistent with the long term goals and policies of the City. This estimated growth also provides justification for the proposed SOI expansion, which will not only accommodate the housing needs of the community but will also facilitate needed economic development.

The current SOI expansion is being proposed in response to a number of factors including the City's interest in economic development and in providing more housing pursuant to the *Fresno County Regional Housing Needs Allocation Plan.* In addition, Parlier is situated in an area that will likely experience rapid growth over the next 20 years. The City is proximate to major transportation facilities (Manning Avenue and State Route 99) and is located near larger cities and employment centers (i.e., Fresno/Clovis, Selma, Malaga and the "Golden State Corridor"). Additionally, it is assumed that housing in Parlier will remain less expensive than housing in Fresno, Clovis, and other larger municipalities.

San Joaquin Valley Blueprint. Blueprints are being developed around the state to plan for population growth anticipated in California over the next 40+ years. Blueprints are regional in scope and integrate land use, transportation, and resource planning. Fresno County's blueprint is part of an 8-county effort under the jurisdictions of the Councils of Governments to integrate the San Joaquin Valley Blueprint principles into their general plans. The 8-county effort has recently been integrated to form a preferred vision for future development throughout the Valley to the year 2050. On April 1, 2009, the San Joaquin Valley Regional Policy Council took the following actions: 1) adopted a list of Smart Growth principles to be used as the basis of Blueprint planning in the San Joaquin Valley; and 2) adopted Scenario B+ as the Preferred Blueprint Growth Scenario. This preferred scenario will serve as the guidance for local jurisdictions as they update their general plans.

Scenario B+ places a greater emphasis on preservation of agricultural land, protection of environmental resources, and more transportation infrastructure that crosses county boundaries. The number of dwellings per acre for all new residential construction to the year 2050 should average 6.8 units under the preferred alternative.

It is understood that the major metropolitan areas such as Fresno, Bakersfield and Modesto will have higher densities and that smaller cities in the Valley may have somewhat lower densities to achieve this overall density. In a separate action, the Fresno COG Board adopted a goal of 8.0 units/acre for new residential development for cities in Fresno County.

The Parlier General Plan update would provide for 10,070 new housing units on 1,802 residential acres, an overall average density for new development of 5.6 units to the acre. This represents a substantial increase over current densities of 3-4 units per acre and demonstrates a commitment to move towards higher density to the year 2050 as advocated by the regional blueprint.

WRITTEN DETERMINATIONS

- The SOI expansion area represents reasonable and logical expansion of the City of Parlier.
 The pattern of development suggested in the General Plan provides for a continuation of development patterns in the City with a transition to somewhat higher residential densities and mixed uses.
- There is a strong likelihood of growth in the SOI expansion area in the next five to ten years. The expansion area is located immediately adjacent to Parlier's existing City limits. Many planning steps need to be taken prior to new development occurring in the expansion area (i.e., SOI amendment, annexation, tentative tract maps, conditional use permits, environmental documentation, etc.), and these regulatory programs will ensure logical and efficient growth.
- 3. Expansion of the SOI would have a direct, growth inducing impact on the City of Parlier, However, goals and policies in the Parlier General Plan do not restrict population growth or establish a population cap for the City. Given the City's stated desire for economic development, need for housing, and other factors, the projected growth in population is consistent with the long term goals and policies of the City.
- 4.2 Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies

Demand for public facilities and services is inherent in urban settings and will become necessary in the proposed SOI expansion area as annexations occur. Approval of the proposed SOI expansion will have no immediate impact on the type and level of services now being provided by the County to residents and landowners in unincorporated areas. Designation of the SOI will, however, provide the City and sphere expansion area property owners with the means to plan for cost-efficient provision of services to planned growth areas.

Essential infrastructure needs include water, wastewater, roads, drainage, police and fire protection. These services are considered high priority needs for future growth of the City. A review of the City's budget and capital improvement program shows infrastructure is being planned to accommodate future urban growth as well as to provide adequate public safety and other services for its current residents.

Domestic Water Supply. Development in the SOI expansion area will receive water service from the City's water system. Parlier's domestic water comes entirely from groundwater. The water distribution system consists of a network of 12-inch, 10-inch, 8-inch and 6-inch water mains looped throughout the community. The City's current water supply consists of four active wells including Well 2A, Well 6, Well 7, and Well 9A. Acting together, these wells can deliver a total combined flow of about 4,980 gallons per minute. Under most flow conditions, this supply capacity is adequate, However, since there is no storage in the system, any time the wells can not keep up with demand, water pressure in the system will drop. This can occur with increased water use in the summer, during fire fighting, water main breaks, or other high demand conditions. As a result, the City is proposing ground level storage tanks to be filled during off-peak hours so that booster pumps can deliver stored water during peak demand.

Water system improvements in the planning area will include new wells and pumps, transmission lines, storage facilities, distribution systems, and meters. As new projects are proposed in the planning area, the City Engineer will work with project planners and engineers, the California Department of Health Services (DHS), and other agencies to ensure that the design and construction of required water supply facilities ultimately facilitates an adequate water supply.

As a condition of approval, each new development will be responsible for the cost of improvements that the proposed project necessitates, including but not limited to, water main extensions, water main upgrades, and connection fees. The amount of funding required from each developer will be proportional to their anticipated usage of the facilities. It is probable that the first development in a geographic area (zone of benefit) will be required to fund specific improvements beyond the project's anticipated usage. However, subsequent developers will fund their fair share and monies will be returned to the original developer through reimbursement agreements.

Consolidated Irrigation District (CID). CID is located mainly in Fresno County and small portions of Kings and Tulare Counties. The irrigable acreage in the District is 145,000 acres of which 92,000 are capable of receiving surface water from the Kings River. The balance, 53,000 acres, obtains water solely from groundwater through approximately 4,500 irrigation wells. CID's average annual deliveries of surface water for irrigation are 238,000 acre feet (ac. ft.), or an average of 2.6 acre feet of surface water per irrigable acre. CID recharges groundwater through seepage from its canals and through recharge basins. CID has 46 dedicated recharge basins totaling 1,300 acres.

Deliveries to recharge basins typically occur when there are flood releases from the Kings River or the Friant-Kern Canal. CID reports that its long-term recharge rate capability is about 1,400 ac-ft/day with present facilities.

CID's Groundwater Management Plan reports that groundwater levels have been gradually declining over a period of 50 to 60 years. The estimated annual overdraft is about 53,000 ac ft./yr. Although the goal of the District's recharge program is to achieve a balance of recharge and extraction of groundwater over time, decline in water levels has continued. CID desires to identify lands for purchase to increase the size and number of basins in order to increase the rate of recharge during wet months when runoff is high.

The incorporated cities of Fowler, Kingsburg, Parlier, Sanger, and Selma (the "Five Cities") are within the CID boundaries. In recent years the growth rate of these urban areas has increased and is expected to remain high for at least the next 10 to 20 years. Historically, through cooperative agreements, CID agreed to recharge excess irrigation waters in exchange for payments by the cities in the district. CID believes that the cities have not adequately participated in ground water recharge. According to CID, the primary impact occurs with conversion of agricultural land that uses surface water to urban uses supported with groundwater which, without recharge, results in a cumulative impact on groundwater supplies. The existing cooperative agreements have been canceled and CID entered into discussions with the Five Cities to negotiate a new cooperative agreement to address the District's concerns, CID has commented through the CEQA public review process that cities should not approve new development without provisions for a long-term sustainable water supply. No regional plan now exists for addressing groundwater overdraft conditions.

The latest draft of the new cooperative agreement was issued January 15, 2009. To date, only Kingsburg of the Five Cities has signed the new cooperative agreement. The draft agreement proposed by CID contains the following major components:

- Each of the Five Cities would pay an annual fee for each acre foot of domestic water pumped.
- Each City would pay an annual fee to discharge storm water into CID facilities and no new connections would be permitted.
- The Cities would adopt CID's Standard Details and Development Standards to ensure there are no impacts to Districts canals and other facilities.
- Detachment from CID with annexation is specifically not permitted.

According to the CID concept, the fees assessed for groundwater recharge would be used to purchase additional land and develop recharge facilities, and to purchase surplus surface water supplies when available. The preliminary recharge facilities were identified in a July 2007, Engineer's Report and Nexus Study commissioned by CID.

Discussions are currently taking place between CID and Parlier officials in an effort to come to a consensus on appropriate mitigation for the potential impacts to groundwater recharge that new urban development along with continued agricultural pumping is anticipated to generate. The City of Parlier believes that use of groundwater for the next 20 years will provide a reliable supply to meet forecasted demands, but agrees that the City should work cooperatively with the District to address groundwater recharge.

The EIR prepared for the SOI expansion and General Plan Amendment contains the following measures intended to address CID issues:

- To ensure a reliable supply of high-quality water to meet current and future demand, the City shall prepare an Urban Water Management Plan that identifies local water supplies that will meet future demands, including groundwater recharge and water recycling, as well as the City's current and planned conservation measures.
- As development projects are proposed in the planning area, the City shall determine if a
 project specific water assessment study pursuant to the requirements of AB610 is
 required to evaluate current and future water supplies to serve these projects.
- 3. Developers of proposed projects in the planning area shall be required to comply with Title 24 Water Conservation Standards.
- 4. To facilitate recharge in the groundwater basin from which the City of Parlier obtains its domestic water supply, the City shall mitigate potential impacts to groundwater overdraft and recharge by one or a combination of the following methods:
 - a. Fund and develop recharge enhancements described in the Engineers Report (July 2007). The City shall take the lead in Identifying appropriate facilities and contracting the improvements and shall consult with the Consolidated Irrigation District on the location, design, and scheduling of water recharge facilities.
 - b. As part of the Urban Water Management Plan required in 1., above, the City shall plan for appropriate recharge facilities within the City and SOI expansion area, including required connections to Consolidated Irrigation District canals, sufficient to off-set urban pumping requirements. The Urban Water Management Plan shall also include a funding and implementation process.

Sanitary Sewer Service. Sanitary sewer service is provided by the City of Parlier which operates a wastewater treatment plant west of the City near Bethel south of Manning Avenue. The facility, constructed in 1988 and expanded in 1995, has a design capacity of two million gallons (2 MGD) per day with a maximum capacity of 2.1 MGD. Currently, the wastewater treatment facility is operating at approximately fifty per cent capacity.

The Parlier wastewater treatment plant provides secondary treatment. Treated wastewater is evaporated in ponds or reclaimed via crop irrigation. The wastewater treatment facility and its ponds are operated under a permit from the California Regional Water Quality Control Board. The conditions of the permit require regular monitoring of surrounding water wells to insure that the facility is not contaminating the underground water aquifer.

The waste water collection system consists of sewer lines ranging in size from 6" to collectors of 14". Wastewater is transported to the plant via 8" and 14" force mains located in Manning Avenue that travel west on Manning to Academy, south on Academy, and then west to the wastewater treatment plant.

The sewer collection system is in need of upgrading and up sizing in several areas. The areas with highest priority are up sizing of the cross-town 15" and 12" main in the Tuolumne alignment, up sizing the 8" – 10" main in Milton, and constructing a new sewer interceptor in Academy to serve the northern portion of the community.

Sewer expansion projects are financed through user fees, loans and grants, as available. The extension of sewer lines for new development is financed by the developer. Maintenance of facilities is financed through user fees.

Solid Waste Disposal - Development within the expansion area would be served by the City of Parlier solid waste provider, B.F.I. Pickup is once per week includes a recycling program, and is financed by monthly service charges. Disposal is at the American Avenue landfill. Sources of solid waste include residential, commercial, industrial, construction/ demolition, and self-haul.

Fresno County's American Avenue Landfill is permitted to receive mixed municipal wastes, non-hazardous construction/demolition wastes, and agricultural wastes. The American Avenue Landfill has sufficient capacity for growth within the County until the year 2035. Expansion is funded through user fees. Any hazardous waste generated within the County is inventoried and labeled and then shipped to an approved Class III facility as allowed by the Regional Water Quality Control Board and the California Integrated Waste Management Board.

Fire Protection - The Fresno County Fire Protection District (FCFPD) is contracted by the City of Parlier to provide year around, 24-hour fire protection services within the City from its stations located in nearby County regions and contract cities. Additionally, the City maintains a volunteer Fire Department operating out of a station located on Parlier and Madsen Avenues that assists in providing fire and emergency services. The volunteer firefighter staff is generally available during hours outside of normal working hours (8 a.m. to 5 p.m., Monday through Friday). The current City volunteer staff consists of six individuals.

Dispatch is provided through the Fresno County 911 Service. As calls for dispatch are received, FCFPD sends out an available engine (usually from the Del Rey and/or Selma Stations). FCFPD anticipates that within the next three to five years, the City would require a full-time fire station within the City limits. A full-time fire station would consist of six full-time firefighters and approximately 20 volunteers.

The City of Parlier has an ISO fire rating of 4 if property is within 5 road miles of a fire station and within 1,000 feet of a fire hydrant. Otherwise, the property is a hazard class rating 8B. This indicates a relatively low probability of large fires. FCFPD has a goal of maintaining a response time of 5 to 7 minutes for the first crew to arrive at a fire or medical emergency within the City area.

Future demands for fire protection services will generate the need for additional facilities and fire personnel. The station currently used by the City volunteers does not have sleeping quarters or equipment storage space. By 2030, the station will require expansion by an estimated 7,000 square feet (based on the current LOS of space per firefighter) to include three additional rooms and restroom space required for a full-time staff as well as space for equipment. A new engine will also be required to provide adequate fire protection for anticipated growth.

It is anticipated that a second fire station, additional fire engine, emergency equipment and 9 additional full-time firefighters and 30 volunteer firefighters will be needed by 2030 to accommodate population growth to approximately 30,500 residents and maintain adequate fire protection. (The calculations are based on the LOS of 0.5 fulltime firefighters and 1.65 volunteer firefighters per 1,000 population).

Impact fees collected from future development will be required pursuant to the Parlier Municipal Code and Government Code section 66000. A portion of these fees may be used to mitigate the impacts of future development on fire protection services and facilities. Additionally, as new development occurs, any substandard water lines will need to be replaced to ensure adequate fire flow. New commercial buildings over 5,000 square feet will be required to include automatic fire sprinkler systems. The City will continue to contract with FCFPD to provide fire protection services until the conversion to a full time staff is implemented. Once the conversion takes place, FCFPD will continue to provide fire protection services to the unincorporated areas surrounding Parlier and to provide instant aid services to the City.

Law Enforcement. The Parlier Police Department provides police protection services from headquarters located in the community center on Mendocino Avenue and is staffed with 18 sworn officers and 6 non-sworn employees. The Fresno County Sheriff's Department provides general law enforcement services to unincorporated areas surrounding Parlier. An instant Aide Agreement exists between Parlier, the Fresno County Sheriff's Department and the Highway Patrol. The Parlier Police Department provides law enforcement services as annexations occur.

The Police Department is funded by the City General Fund through a yearly budget process with federal and state grants for specific projects. As the community grows, additional personnel and equipment are added through the City's general fund, state and federal grants, or a combination of the two. Additionally, impact fees collected from future development will be required pursuant to the Parlier Municipal Code and Government Code section 66000. A portion of these fees may be used to mitigate the impacts of future development on law enforcement services and facilities.

Development according to the amended General Plan will add cumulatively to the need for additional officers and facilities. The City currently has a ratio of 1.3 sworn officers per 1,000 residents and 22 additional officers would be needed at this ratio for a population of 30,500. At the increased ratio of 2.0 officer/1,000 residents, the department would need to expand by 43 officers (with necessary support personnel) to provide service to the projected 2030 population. This indicates a commitment of Increased General Fund revenues, sworn and non-swom personnel and police facilities. Estimating that each new officer requires 250 square feet of office space for the officer and support personnel, then an additional 10,750 square feet of office space would be required at the higher ratio, and 5,500 square feet would be needed at the existing ratio.

Typically, general fund revenues needed for funding of police services grow in proportion to population growth and commercial/industrial development. This new growth generates property and sales taxes, employment, and other revenue, which offsets increased costs for police services. In addition, continued state and federal dollars are anticipated to be available for limited funding of equipment and personnel. All development projects are required to pay Public Facilities Impact Fees as established by the City in accordance with the requirements of State law.

Storm Drainage. The City maintains storm facilities designed to receive runoff and prevent flooding. The City has an adopted Master Storm Water Plan and storm water facilities for undeveloped areas within the existing SOI have been designated in supplemental reports prepared by the City Engineer. Storm water storage and disposal systems are identified as drainage areas within various zones of benefit. As areas develop, storm drainage facilities are constructed to serve these areas. The City's Master Storm Water Plan does not cover all of the land located within the proposed expanded SOI. Accordingly, a supplemental storm water disposal plan will need to be prepared by the City Engineer to cover the new planning area.

A drainage fee is required prior to development. In areas with no storm drainage facilities, construction of required drainage facilities or upgrades to existing facilities may be required by developers in lieu of fees. It is probable that the first project to be developed will be required to fund specific improvements beyond the project's anticipated usage. However, subsequent developers will pay drainage fees and monies will be returned to the original developer through reimbursement agreements.

Streets and Highways. The street system within the proposed SOI generally follows a north-south, east-west grid pattern. Manning Avenue is a major east-west arterial which bisects the city and serves as the principal transportation corridor. Cumulative planned land uses in Parlier and in surrounding municipalities will significantly alter the levels of traffic on the major regional roadway system. The cities of Parlier, Selma, Reedley, as well as Fresno County, the Council of Fresno County Governments, and Caltrans will need to participate in the update of the Fresno County Regional Transportation Plan. The City will coordinate transportation planning efforts with those of adjoining jurisdictions.

The Clty is committed to implement street improvements as recommended in the General Plan and has developed a framework for the mitigation of traffic impacts. A traffic fee is required to be paid to the City prior to the commencement of development. In areas where major streets are deficient, construction of necessary travel lanes for the project, or upgrades to existing streets may be required by developers in lieu of fees. It is probable that the first project to be developed in an area will be required to fund specific improvements beyond the project's anticipated usage. However, subsequent developers will pay traffic fees and monies will be returned to the original developer through reimbursement agreements.

Circulation improvements have been developed to address future traffic demand generated by overall growth anticipated by the General Plan. The implementation schedule will be determined through the annual city capital improvement program. Sources of funds for these general circulation improvements include gas tax funds, development fees, redevelopment financing, CDBG funds, and project-specific grants and loans.

Capital Improvement Plan

The City maintains and regularly updates citywide capital improvement programs addressing funding for all major construction, improvement, and repair projects in a manner that is responsive to the needs of the community. The plan outlines funding sources for road improvement, road rehabilitation, bridge, drainage, parks and miscellaneous projects.

WRITTEN DETERMINATIONS

1. The City will be able to provide services (i.e., sewer, water, police and fire) to new development within the updated SOI and continue to provide services to existing residents provided that the policies and standards contained in the General Plan and capital improvement program are implemented when considering annexations and development projects. It is reasonable to conclude that public services can be provided by the City of Parlier and that those services will meet or exceed levels of services that could be provided by the establishment of special districts.

- The City is in the process of upgrading and maintaining many of its public facilities, including roads, drainage facilities, and the wastewater treatment and collection system. Overall, facilities will need continued upgrading and maintenance to be able to serve existing and future residents.
- 3. Developers within the expanded SOI would be required to extend infrastructure to individual sites and pay pro-rate shares for other City services as a condition of project development. Infrastructure is generally available adjoining the SOI expansion area.
- 4. All development projects will be evaluated to ensure adequate services will be provided. Appropriate measures include funding for services which cannot presently serve the proposed development; fire protection service; flood control and drainage; law enforcement services; sewer collection and treatment capacity; solid waste services; and water availability.
- Overall, the City's facilities comply with environmental and safety standards and no major enforcement actions by state or federal agencies were identified.
- 6. Fire Services to serve the SOI expansion area will be provided by the City of Parlier and the Fresno County Fire Protection District. The City will upgrade facilities and increase staff as needed to serve the residents of Parlier and will have the opportunity to add additional staff as needed to cover the SOI expansion area.
- 7. Police Services to serve the SOI expansion area will be provided by the City of Parlier. The City continues to upgrade facilities and increase staff as needed to serve the residents of Parlier. The City will add additional staff as needed to cover the SOI expansion area through several funding sources, including development fees for physical improvements, and the general fund and state and federal grants for on-going services.
- 8. Likely costs to the City would typically include maintenance of public infrastructure in the SOI area. Possible programs to minimize or off-set these costs include formation of special districts (landscaping and lighting district or benefit assessment district), or private maintenance through homeowner's associations (open space, private roads and facilities).
- 9. The City's existing plans for service and future development have considered regional growth projections and patterns in terms of promoting planned, orderly, and efficient patterns of urban development. Future transportation improvements will help alleviate traffic congestion.

10. Development within the proposed SOI expansion area is not expected to create a burden on City services and could generate a modest surplus of revenue over costs considering areas of higher value single family homes, and commercial and industrial areas designated on the General Plan.

4.3 Financial Ability of Agencies to Provide Services

The City has in place a variety of capital improvement plans, development impact fees, and developer-required infrastructure improvements required from new projects and similar programs to monitor public service needs of new development. The City endeavors to avoid long-term City obligations for the capital improvement or maintenance of new development projects, such as those that would occur in the SOI areas.

The City levies a series of development fees to address differing needs. All these fees are based on Government Code Section 66000 et seq., which requires the agency setting fees to identify the purpose of the fee, determine the reasonable relationship (or "nexus") between the type of development charged the fee, and the amount of the fee and its use.

The City maintains a debt of approximately \$16 million, most of which is Redevelopment Agency debt of approximately \$12.8 million. The rest consists of water and sewer revenue bonds and a note payable to the State Department of Water Resources.

Most residential development does not generate enough property taxes in the long term to cover the costs of services and infrastructure maintenance. These deficiencies, however, are offset by such revenue streams as indirect sales and use taxes, user fees, development impact fees, and overall economic development programs that increase employment and retail commercial opportunities.

While residential uses generally do not cover their full cost of municipal services, the opportunity to require privately maintained roads and open space in residential development projects, coupled with the inclusion of mixed use office and commercial uses suggests that the SOI expansion area as recommended could produce a net gain in City revenues versus costs. These issues would be thoroughly analyzed as the development process moved forward for the SOI area.

Likely costs to the City would typically include maintenance of infrastructure in the expanded SOI area. Possible programs to minimize and off-set public maintenance costs include private maintenance through homeowner's associations, as well as public maintenance through a benefit assessment district or utility district. The provision of landscape-lighting assessment districts is a valuable tool used in many communities to offset on-going maintenance costs. The use of these districts should be considered for large undeveloped properties planned to be included in the City.

The City requires development fees and exactions related to new growth to ensure there is adequate infrastructure. No significant financing constraints are evident other than the fact that municipalities in California find themselves increasingly dependent on the State legislature for local government funding formulas such as the recent exchanges between sales taxes and motor vehicle in lieu fees

Fresho County now provides basic general government, road and public works services, and safety services to the proposed SOI expansion area. As the area is annexed to the City of Parlier over time, the City will assume these services. The addition of land and new development in the City will increase demands for City services, but it is believed that through the development review process, City needs, both short and long term, can be addressed before annexation proposals are presented for approval by LAFCO.

The City works with other jurisdictions to reduce or avoid unnecessary costs whenever possible. For example, the City maintains instant aid agreements with surrounding fire districts to reduce costs for fire protection, works with the County Sheriff's Department in neighborhood watch and other crime prevention programs, and coordinates with other special districts. The City works closely with Fresno COG to receive funding for transportation improvements.

Joint powers authorities or joint decision-making efforts in which the City participates include the Five Cities Economic Development Authority, an economic development mechanism for South County cities. The City contracts with the Fresno County Fire Protection District for fire protection services within the City and with a private ambulance service.

Opportunities may exist at the time of annexation and development to introduce alternative methods of construction and maintenance. The City requires development projects to pay for their own infrastructure to serve their projects, and to contribute to citywide improvements (fire and police services, general administrative services, water delivery, and wastewater treatment) through development fees.

At minimum, the following financing tools can be implemented to minimize or avoid significant public costs:

Assessment Districts. Formation of landscape, lighting, or other assessment districts is a valuable tool that can be used to offset on-going maintenance and capital replacement costs that might otherwise be passed on to the City. These districts are relatively easy to form for large tracts of undeveloped property and should be considered for areas to be included within the SOI.

Mello Roos Bonds. Mello Roos Bonds are locally issued bonds that are repaid by a special tax imposed on property owners within a "community facilities district" established by the City. The bond proceeds can be used for public improvements and for a limited number of services.

Homeowner's Associations. Homeowner's Associations are a means to address the installation and maintenance of project-specific improvements for the long term.

Currently, there is no duplication of services proposed between agencies. However, in analyzing areas proposed to be in the expanded SOI, and recognizing that certain properties would remain in the County, a cooperative program between the City and County would allow the City and County to share services and avoid duplication of efforts in these areas. This will allow both agencies to minimize or avoid duplicative costs to service residents of this area, and generally provide cost effective services.

The City periodically adjusts fees and charges for services to recover City expenses. The fee schedule includes development related fees such as subdivisions, plan check, inspections, grading permits, animal licenses and shelter, police services and so forth. The City continually evaluates these rates and fees. This on-going analysis evaluates the fees being paid, the basis for establishing the amounts, and why increases or decreases may be recommended. The purpose of fee updates is to address the need to maintain the City's services at levels equal to the standards set by the City Council and to maintain effective policy and management control of all City services. There is no evidence that annexation to the City of Parlier will result in unreasonable fees for City services and it is expected that fees for the SOI expansion area will be in line with citywide fees for such services.

WRITTEN DETERMINATIONS

- 1. The City prepares an annual budget and strives to use the best practices in managing their financial resources.
- 2. The City has in place a variety of capital improvement plans, development impact fees, and developer-required mitigation in the form of infrastructure improvements required from new projects and similar programs to monitor public service needs of new development. The City endeavors to avoid long-term City obligations for the capital improvement or maintenance of new development projects, such as those that would occur in the SOI expansion areas.
- 3. The City has in place financial regulations that are codified in its municipal codes and implementing ordinances and resolutions. This is important because the manner of maintaining public infrastructure and maintenance services is documented and available for public inspection and scrutiny.
- 4. The likely fiscal benefits to the City from the proposed SOI expansion area could include modest levels of property tax collections from residential land development, as well as property and sales tax revenues from mixed use office, industrial, and commercial areas.

- 5. Likely costs to the City would typically include maintenance of public infrastructure in the SOI expansion area. Possible programs to minimize or off-set these costs include formation of special districts such as a landscaping and lighting district or benefit assessment district, or private maintenance through homeowner's associations (i.e. open space, private roads).
- 6. At present, the County provides basic general government services to the proposed SOI expansion area. Once annexed to Parlier, the City would assume these services. There are no anticipated duplication of public services between the County, special districts, and the City of Parlier following subsequent annexation of the SOI expansion area.
- 7. The City has a well-established budget process that avoids unnecessary costs.
- 8. A program of developer-obligated infrastructure improvements will provide installation of physical services to serve SOI sites and therefore will not become an obligation of the City.
- Rates and fees for services are established using the City's ordinances and regulations.
 Workshops are conducted, public outreach is performed, hearings are held and staff is available to establish fees and rates.
- City policy requires that development "pay its own way," meaning that existing residents shall not have to pay increased rates due to a new development being annexed to the City.

4.4 Status of, and Opportunities for, Shared Facilities

In the case of annexing new lands into a City, LAFCO can evaluate whether services or facilities can be provided in a more efficient manner if both the City and County share them. In some cases, it may be possible to establish a cooperative approach to facility planning by encouraging the City and County to work cooperatively in such efforts. As there are no existing County or other facilities in the expansion area, it may not be possible for the City to share facilities. In come cases, however, it is possible to continue cooperative approaches to facility planning. In the case of roadways, the opportunity to coordinate connections between collector and arterial roads will enhance regional traffic patterns and aid in emergency response times. The SOI expansion area also includes several potential facilities within the Parlier Unified School District. The District provides sites with recreational amenities which will be shared by future residents of the SOI expansion area.

The distinction between City and County services in the SOI areas is presently clear. The City would assume services provided by the County as annexation takes place. These are not now, and would not be in the future, duplication of services in the SOI areas. There are no obvious opportunities for shared facilities in current City operations.

WRITTEN DETERMINATIONS

- The annexation of the proposed SOI areas to Parlier may not lead to shared infrastructure with the County, as none presently exists in these areas. However, the potential to create shared relationships for providing some services is suggested and may be appropriate when providing certain services.
- 4.5 Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

Parlier is a general law city and is governed by a five-member City Council. Agendas are posted at City Hall, the County library and the Community Center. The City also maintains a website (www.parlier.ca.us). The City utilizes a City Manager form of government and has 35 full-time, 12 part-time and five seasonal employees.

The budgeting process allows residents to comment on budget allocations by area of the community and to hold each council member and the mayor accountable for expenditures. The City maintains a capital improvement program based on the budget and annually updates that plan as provided for by State law.

The expansion of Parlier's SOI will not have a significant effect on the governmental structure of the City. A full range of services as described earlier will be available to the citizens of the SOI area. The area will receive increased public works services from inclusion within the Parlier SOI.

It is possible that development within the expanded SOI may leave impacts to Fresno County unresolved in whole or in part. The challenge of this planning effort is to coordinate shared infrastructure and improvements so as to mitigate problems on either side of the City limit line. However, because development of the SOI territories relies on infrastructure available from the City, it is logical that the SOI sites identified herein be included under the Parlier SOI, and that the City assume the lead in planning for these sites, consistent with the General Plan.

An overall plan for development that is coordinated and jointly implemented in cooperation with the County holds the potential to improve the quality of life of both City and County residents by improving public safety response time, enhancing storm drainage and flood control management, improving regional circulation and developing recreational and historical improvements.

LAFCO will require Parlier to prepare coordinated plans for infrastructure at the time of specific annexation requests. This will provide a check and balance system for incorporating new lands with the City, and would provide for the phased, balanced growth.

Parlier exhibits the characteristics of a well-run city and has taken several actions to improve its operating efficiency. Because of the City's size, it can achieve economies of scale not generally available to smaller cities or special districts. These economies include water and wastewater improvements funded by user fees comparable to or less than surrounding communities; purchase of emergency equipment for police and fire protection; replacement of fleet equipment on a regular basis; and the provision of other services such as parks and recreation not available in unincorporated areas. The City appears headed in a positive direction with an eye towards maximizing revenues and cautiously recommending expenditures consistent with the City's priorities and the current economic environment.

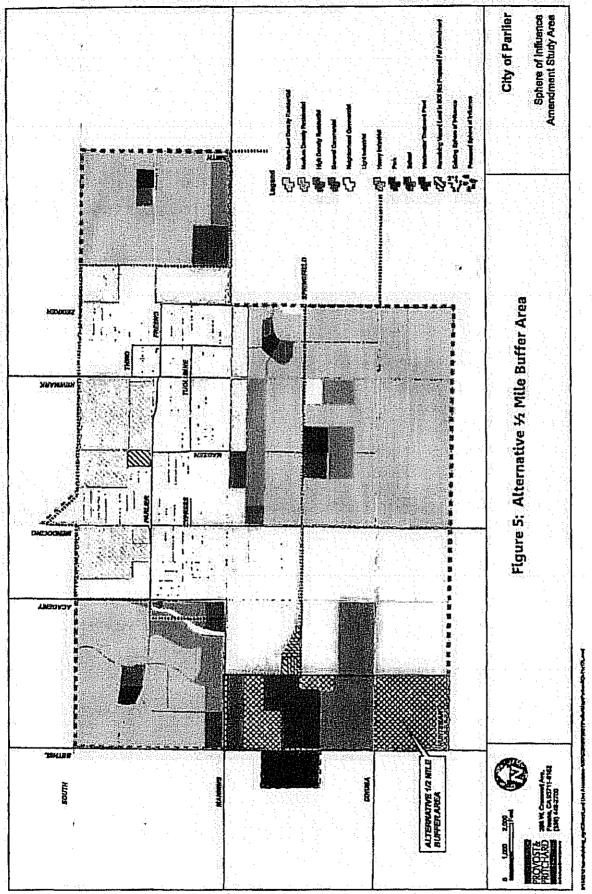
WRITTEN DETERMINATIONS

- Because development of the SOI territories relies on infrastructure available from the City, it is logical that the SOI expansion area be included under the Parlier SOI, and that they assume the lead in planning for these sites, consistent with the General Plan, as updated. It is reasonable to conclude that public services can be provided by the City of Parlier, and that those services will meet or exceed present levels of service provided in the County.
- 2. The SOI expansion areas will receive increased public works services from inclusion within the Parlier SOI and subsequent annexation. An overall plan for development that is coordinated and jointly implemented in cooperation with the County holds the potential to improve the quality of life for both City and County residents by improving public safety response time to the areas and improving regional circulation.
- 3. The City is presently pursuing engineering designs and upgrades for water, wastewater, and roadways to bring these facilities up to desired levels in the future.
- Long-term affects of individual annexations and development will be analyzed when sitespecific projects are presented, including required findings for service availability in the northern and eastern portions of the community.
- 5. The City has historically made reasonable efforts to maintain a public dialogue regarding programs and projects in the community. Generally speaking, local officials are readily available to their constituencies.

- The City conducts annual budget reviews and goal setting workshops designed to keep the public informed as to budgetary situations. It is possible for the public to participate in the budget hearing process and annual audits are completed by the City, and made available to the public upon request.
- 4.6 Any Other Matter Related to Effective or Efficient Service Delivery, As Required by Commission Policy

Greenbelt Separation. The 2007 MSR authorized LAFCo staff to confer with the Cities of Parlier and Selma and Fresno County regarding the possibility of creating separations or "greenbelts," separating urban development between these municipalities. Further, the City of Selma requested in its comments to the Draft EIR on the Parlier SOI Update and General Plan Amendment that Parlier maintain a ½ mile buffer east of Bethel Avenue to match the ½ mile separation that Selma proposes on the west side of Bethel. This combined one mile separation would allow viable agriculture to continue and reduce possible impacts to planned urban development proposed by the Selma General Plan update ½ mile west of Bethel.

Figure 5 shows an alternative land use plan that would provide a ½ mile buffer east of Bethel south of Manning within the proposed expanded SOI. This buffer should be considered by LAFCO as the basis for discussions with Selma and Fresno County to require separation between the two communities. The buffer would contain the Parlier wastewater treatment plant as well as lands that are in existing agriculture. It would also contain the approximate 60-acre parcel purchased by the City west of Bethel intended for irrigation of crops with treated effluent.



5. Required Findings Pursuant to Government Code Section 56425(e)

In order to approve an SOI update for the City of Parlier, LAFCO is required to make findings in it's Resolution Making Determinations pursuant to Government Code Section 56425(e) et seq. with respect to the four specific issues required to approve a change to a sphere of influence, as presented below:

- 1. 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.
- The present capacity of public facilities and adequacy of public services that the agency 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.

This section addresses these required findings.

5.1 Present and planned land uses in the area including agricultural and open-space lands.

The Parlier General Plan provides guidance for future growth of the community and the City has discretionary authority over projects that respond to needs of the City such as housing and economic growth. Parlier is characterized by a wide range of land uses including residential, commercial, public, vacant land, and industrial. Overall, it is expected that the relative distribution of land uses within the City will remain the same over the planning horizon of the Project. Residential is the predominate use within the City and is typified by medium density single-family detached housing.

Multiple family development is predominately made up of smaller apartment complexes (2 to 19 units) and several larger 2-story complexes. Densities in most complexes are generally less than 12-15 units to the acre. For the most part, the smaller complexes are dispersed throughout the existing City.

The Parller city limits encompass approximately 2.2 square miles and is largely surrounded by productive agricultural land under the jurisdiction of Fresno County. The SOI expansion area consists of about 3,220 acres and the primary land use is agriculture/ open space with a number of related rural residential homes. The expansion area is planned for a variety of land uses, including residential, commercial, and industrial uses. Preliminary plans for development of a substantial amount of residential land have been submitted to the City but are now on hold due to the current housing slow down.

The proposed SOI expansion is consistent with the intent of the Parlier General Plan goals, objectives and policies. The amended Plan would permit residential densities and other development in a manner to assure effective land use transition between the planning area and existing agricultural/ rural residential uses. The amended Plan takes into account the existing capacities of public utilities and facilities needed in the planning area to support future growth, and costs for such improvements.

Conversion of agricultural land to urban uses is an important public policy issue in Fresno County. Since most of the county's 15 cities are at least partially surrounded by highly productive agricultural soils, new growth often brings about the conversion of agricultural land to urban, rural residential and other non-agricultural uses. A common issue is the transitional nature of farmland on city fringes. As these cities increase in population, agricultural land is often converted to urban land uses to support this growth.

The goals and policies of the plan support Fresno County General Plan objectives and policies which protect agricultural lands by maintaining large agricultural parcel sizes and preventing the development of these parcels until it is appropriate to be annexed into the City for development.

The City opposes untimely urban development in the unincorporated areas of its Sphere of Influence. The City also requires a "right to farm" covenant to be recorded for all development adjacent to producing agricultural lands, in order to provide notice to future owners and protect the farming activities. Leapfrog development is discouraged, and the in-fill of existing vacant lands is encouraged over development on the periphery of the City. Development of peninsulas of urban development into agricultural lands is also discouraged.

It is the City's policy to allow and support land currently in agriculture and/or open space use within the City's sphere of influence designated for future development will be allowed as interim uses. The policy requires the operational characteristics of uses permitted within the agricultural zones be such that they will not adversely affect the existing or future use of the land within the Project area for urban purposes.

Development in the planning area would be consistent with and similar to existing land development in Parlier. New development in the planning area would occur on the urban edge of the City which will expand the existing community in a logical and orderly manner. The future build out of the planning area would complement existing land uses within the City of Parlier. In its consideration of future development projects in the planning area, the Parlier Council will determine on a case by case basis if the proposed development is timely and appropriate and if the conversion of the agricultural land to urban uses in the Project area is consistent with the goals and policies of the Parlier General Plan. In making its decision, the City may consider other factors important to the community, such as population growth, economic development, and creation of employment opportunities.

5. 2 The present and probable need for public facilities and services in the area.

High demand for public facilities and services is inherent in urban settings and will become necessary in the proposed sphere expansion area as annexations occur. Approval of the proposed SOI expansion area will have no immediate impact on the type and level of services now being provided by the County to residents in the unincorporated area. Designation of the sphere area will, however, provide the City with sultable assurance and means to properly plan for the most cost-efficient manner of adequate service provision to development proposed within its planned growth areas.

As demonstrated in this MSR, the City will be able to provide services to new development within the updated SOI and continue to provide a high level of service to existing residents provided that the policies and standards contained in the General Plan are implemented when considering annexations and development projects.

The City is in the process of upgrading and maintaining many of its public facilities, including roads, drainage facilities, and the wastewater treatment and collection system. Overall, facilities will need continued upgrading and maintenance to be able to serve existing and future residents. Development within the expanded SOI would be required to extend infrastructure to individual sites and pay pro-rate shares for other City services as a condition of project development. The infrastructure is generally available adjoining the SOI expansion area.

Measures are recommended to be incorporated into future development as feasible and deemed appropriate. These measures should address impacts related to increased demand on public services and utilities. All projects should be evaluated to ensure adequate services will be provided. Appropriate measures should include provision of funding for services which cannot presently serve the proposed development; fire protection service; flood control and drainage; law enforcement services; sewer collection and treatment capacity; solid waste services; and water availability.

Likely costs to the City of Parlier would typically include maintenance of public infrastructure completed for projects in the SOI area. Possible programs to minimize or off-set these costs include formation of special districts such as a landscaping and lighting district or benefit assessment district, or private maintenance through homeowner's associations (i.e. open space, private roads).

The Capital Improvement Plan sets aside funding each year during the budget process to complete projects and is dependent on state revenues, the local economy, budget priorities, and the availability of low-interest loans. The City's existing plans for service and future development have considered regional growth projections and patterns in terms of promoting planned, orderly, and efficient patterns of urban development. Future transportation improvements will help alleviate traffic congestion.

5.3 The present capacity of public facilities and adequacy of public services that the agency is authorized to provide.

Please refer to Section 4.1 of this MSR for a complete response to this issue.

5.4 The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency,

The City of Parlier has a variety of social and economic communities of interest, including numerous businesses, schools, churches, public facilities, special interest groups and community service programs. The cities of Fowler, Reedley, and Selma represent significant communities of interest. The long range plans of Parlier will directly and indirectly affect these municipalities. The City has a large Hispanic population (approximately 97% per U.S. Census 2000), which represents an important community of interest. To encourage understanding and participation in the public process, most staff and all City Council members are bi-lingual. If development within the SOI expansion area is managed pursuant to policies of the City, the development of this area should be a net benefit to the social and economic communities of interest.

6. SOURCES CONSULTED

The City of Parlier Community Development Department, Shun Patlan, Director

Municipal Service Review for the City of Parlier, July 2007, Braitman & Associates

City of Parlier Sphere of Influence Update and General Plan Amendment Report, October 2009, Land Use Associates

Draft Program Environmental Impact Report, City of Parlier Sphere of Influence Update and General Plan Amendment (SCH No. 2009011089), October 2009, Land Use Associates

APPENDIX A ADOPTED PARLIER MUNICIPAL SERVICE REVIEW - 2007

1. MUNICIPAL SERVICE REVIEW

Description of City

The City of Parlier was incorporated in 1921 and is one of 15 cities that exist within Fresno County. It is a general law city and operates pursuant to the laws of the State of California (Government Code. Section 34000 et seq.).

The City encompasses approximately 1,365 acres (2.13 square-miles). The City's population as of January, 2007, was approximately 13,080 (California Department of Finance data).

Parlier is located in southeastern Fresno County and is separated from other cities by intervening agricultural lands. The Cities of Fowler and Selma are located to the west, Reedley to the east and Sanger to the north.

The City's boundaries and Sphere of Influence are not coterminous. As shown on the attached map, the City's Sphere extends beyond the City, notably to the south and southeast. Much of this portion of the Sphere is occupied by the University of California Kearney Agricultural Center. The City has had discussion with the County of Fresno about removing its Sphere of Influence from this area.

The City boundary extends west, beyond its western Sphere of Influence boundary, to Bethel Avenue. This portion of the City is occupied by the City's wastewater treatment facility. The City's Sphere of Influence encompasses approximately 2,946 acres (4.6-square miles).

The City is governed by a five-member City Council, all members of whom are elected at large. The City Council meets regularly twice a month. Agendas are posted at City Hall, the County library and the Community Center. The City maintains a website (www.parlier.ca.us).

The City notes it has a large Hispanic population (approximately 97% per U.S. Census 2000). To encourage understanding and participation in the public process, most staff and all City Council members are bi-lingual.

The City utilizes a City Manager form of government. It has 35 full-time, 12 part-time and five seasonal employees. The City's organizational chart is attached.

City Services

The City provides the following array of municipal services:

- · Police protection, including traffic law enforcement
- Fire prevention and suppression
- Emergency medical and medical transport services

- Land use planning and building regulation
- Public parks, open space, and public recreation programs
- Senior services
- Retail water delivery
- Wastewater collection, treatment, and disposal
- Refuse collection and recycling
- Street maintenance, including maintenance of bridges and culverts
- Street lighting
- Flood control, drainage, and storm water disposal

INFRASTRUCTURE AND SERVICE PROVISIONS

City Infrastructure

The City of Parlier owns the City Hall complex with City offices, a County library and gymnasium; the Community Center/Police Headquarters; Public Works corporation yard; Veteran's Park (eight acres); Earl Ruth Park (four acres); and a new skateboard park. The City also provides water and wastewater disposal services to its population. Water service is provided by a number of City owned wells and associated infrastructure. Wastewater disposal is provided by the City owned wastewater treatment facility and associated infrastructure.

City Finances

The City General Fund is the primary financing mechanism for municipal services. The FY 2005-06 and 2006-07 budgets are available in the Fresno LAFCo Office, as is the Independent Auditor's Report for the year ending June 30, 2006.

General Fund revenues for FY 2006-07 are projected to include:

Property Taxes		\$ 141,138
Sales Taxes, Other Taxes and I	Pranchises	1,326,400
Licenses and Permit Fees		46,000
Fines and Penalties		70,500
Interest and Rentals		13,520
Cost allocation revenues		229,300
Charges for Current services		345,550
Other Revenues		<u>42.760</u>
Projected General Fund R	cyenues	\$2,215,168

General Fund expenditures are projected by category for FY 2006-07 as,

Police	\$1,447,701
Administration and Legislative	220,949
Fire protection	198,450
Planning and Development	104,424
Community Services and Recreation	325,100
Public Works Administration	<u>19,175</u>
Projected General Fund Expenditures	\$2,315,799

2. SERVICE REVIEW DETERMINATIONS

Infrastructure Needs and Deficiencies

The annual budget proposes funding to support infrastructure improvements to accommodate its future urban growth as well as to provide adequate public safety and other services for its current residents. From a review of the budget it appears infrastructure is being planned to meet current and projected needs.

The City's Water Supply and Wastewater Treatment Master Plans and plans for storm water storage and disposal identify infrastructure improvements needed to facilitate and accommodate projected growth in the community.

Growth and Population

The City's population is estimated to be 13,080. The City's population has grown approximately 17% since 2000 when the City was estimated to have a population of 11,145 and 2,644 housing units (2000 U.S. Census).

The City is projected to have a 2030 population of approximately 22,606, an increase of approximately 73% (Council of Fresno County Governments data). City plans have defined new growth areas consisting of about 1,480 acres that could accommodate a total population of 36,000, nearly three times the current city population.

Financing Constraints

As a California municipality, City finances are dependent upon State laws that set forth formulas governing the distribution of certain types of revenues combined with local policies and decisions regarding growth of the community and the variety of services offered. The City requires development fees and exactions related to new growth to ensure there is adequate infrastructure. No significant financing constraints are evident other than the fact that municipalities in California find themselves increasingly dependent on the State legislature for local government funding formulas such as the recent exchanges between sales taxes and motor vehicle in lieu fees

The City maintains a debt of \$15,735,552, most of which is Redevelopment Agency debt of \$12,823,380. The rest consists of water and sewer revenue bonds and a note payable to the State Department of Water Resources.

Opportunities for Shared Facilities

There are no obvious opportunities for shared facilities in current City operations.

The City provides water and sewer services for approximately 2,400 customers. Some water and refuse collection customers are outside the City boundaries.

Government Structure Options

There are no obvious opportunities for governmental structure options.

Cost Avoidance Opportunities

Joint powers authorities or joint decision-making efforts in which the City participates include the Five Cities Economic Development Authority, an economic development mechanism for South County cities,

The City contracts with the Fresno County Fire Protection District for fire protection services within the City and with a private ambulance service.

Opportunities for Rate Restructuring

The City periodically adjusts fees and charges for services to recover City expenses. The fee schedule includes development related fees such as subdivisions, plan check, inspections, grading permits, animal licenses and shelter, police services and so forth.

Evaluation of Management Efficiencies

The City exhibits characteristics of a small agency that is operating efficiently.

Local Accountability and Local Government

The City is locally accountable and has established protocols to ensure public notice of City Council meetings and information for the public via the City website. The City Council meets regularly twice a month. Agendas are posted at City Hall, the County library, and the Community Center.

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 City's boundaries and Sphere of Influence are not coterminous. The Sphere extends beyond the City, notably to the south and southeast. The City boundary extends outside of the Sphere to the west and includes the City's Wastewater Treatment Plant. A City map that shows the Sphere is attached.

Proposed Sphere Changes

The City states it is interested in expanding its Sphere to accommodate new residential development. Residential projects have been proposed for approximately 1,200 acres—750 acres of which are outside of the current Sphere.

The City has not applied to expand its Sphere. Until an application is received it is not possible for the Commission to amend the Sphere to include new land for potential development since it lacks necessary information and compliance with the California Environmental Quality Act.

Staff notes that the City's wastewater treatment facility is located within the City's boundaries, but outside its Sphere of Influence. The Commission may want to initiate an SOI amendment to include the wastewater treatment plant area and waive LAFCo's filing fees. However, if it is the intent of the City of Parlier to file a formal application to revise its Sphere of Influence in the near future, it may be more appropriate to consider inclusion of this area at that time rather than to consider two separate applications.

Staff also notes that the Spheres of Influence of the Cities of Selma and Parlier are located less than 1 ½ miles from each other. It is conceivable that the two cities will grow together in the future. The Commission may wish to direct staff to open dialogue with the County and the Cities of Selma and Parlier concerning maintaining a separation between the two cities by establishing an open space or agricultural "greenbelt" between the cities. The County's cooperation in this matter would be especially important in that it would have to be committed to not allowing urbanized development to occur in this greenbelt.

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 City of Parlier provided information on which the evaluation is based. Parlier's Contract Planner Bruce O'Neal and Community Development Director Shun Patlan were instrumental in providing data.

Available Documentation

The "Request for Information for Municipal Service Reviews" submitted by the City 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.
- Authorize the LAFCo staff to confer with the Cities of Parlier and Selma and the County of Fresno regarding the possibility of creating separations or "greenbelts," separating urban development between these municipalities.
- 4. Affirm the current Sphere of Influence and that it not be revised at this time.