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

CONSENT AGENDA ITEM NO. 8

DATE: **September 12, 2007**

TO: **Fresno Local Agency Formation Commission**

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

SUBJECT: **Consider Adoption – Municipal Service Reviews and Sphere of Influence Updates Prepared for the Following Districts:**

1. **Firebaugh Resource Conservation District**
2. **James Resource Conservation District**
3. **Panoche Resource Conservation District**
4. **Poso Resource Conservation District**
5. **Tranquillity Resource Conservation District**
6. **Westside Resource Conservation District**

Summary / Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to review and update, as necessary, special district Spheres of Influence (SOIs) 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 MSRs and SOI Updates have been prepared for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

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 modifications to a city or district's SOI are necessary. MSRs can be used as informational 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 boundaries. 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 adopt written MSR 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, the Commission 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

The California Environmental Quality Act ("CEQA") requires that the Commission undertake and review an environmental analysis before granting approval of a project, as defined by CEQA. The MSRs are categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 - Regulation Section 15306), which states: "Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded." Indeed, these MSRs collect data for the purpose of evaluating municipal services provided by the agencies. There are no land use changes or environmental impacts created by such studies.

Furthermore, the MSRs qualify for a general exemption from environmental review based upon CEQA Regulation Section 15061(b)(3), which states: "The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." Additionally, the SOI updates qualify for the same general exemption from environmental review based upon CEQA Regulation Section 15061(b)(3).

There is no possibility that these MSRs or SOI updates may have a significant effect on the environment because there are no land use changes associated with the documents. If the Commission approves and adopts the MSRs and SOI updates and determines that the projects are exempt from CEQA, staff will prepare and file a notice of exemption with the County of Fresno, as required by CEQA Regulation section 15062.

Discussion / Summary of Determinations

Resource Conservation Districts (RCDs) enable landowners within their boundaries to receive technical assistance services from the USDA Natural Resources Conservation Service related to land improvement techniques, conservation of resources, and prevention and control of soil erosion. Some RCDs also provide public education about resource conservation issues.

There are eight Resource Conservation Districts (RCDs) in Fresno County. The Commission, on July 11, 2007 approved Municipal Service Reviews and a single Sphere of Influence for the Navelencia and Sierra RCDs which are located in Eastern Fresno County. The Commission

recommended that the Districts be consolidated and waived processing fees for such effort. Staff anticipates that the Districts will be submitting an application in the near future.

This report addresses the remaining six RCDs that are located within Western Fresno County. These districts include: Firebaugh, James, Poso, Panoche, Tranquillity, and Westside RCDs. These six districts encompass approximately 1,342,720 acres (2,098 square miles).

1. Firebaugh Resource Conservation District

A. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

B. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

C. Waive all LAFCo fees associated with consolidating these Districts.

The Firebaugh Resource Conservation District encompasses approximately 87,983 acres (138 square miles) in northwest Fresno County. It is adjacent to the City of Firebaugh as well as Madera County, Merced County, and the Poso, Panoche, and Westside RCDs. The District's boundary and SOI are coterminous.

The District provided little information with which to make necessary MSR and SOI Update determinations. Similar to a number of other RCDs discussed below, the District is inactive at this time. The District reports that it does not have a Board of Directors or an adopted budget. The District does not have a regular source of funding.

Approximately ten years ago, the California Association of Resource Conservation Districts commissioned consultants to make recommendations concerning the status of Fresno County RCDs, including Firebaugh RCD. The Association recommended consolidation of the RCDs in Western Fresno County. Firebaugh RCD's manager indicates that he has discussed consolidation with the managers of the Panoche and Poso RCDs. No formal action or recommendation to consolidate Firebaugh RCD with any of the other West Fresno County RCDs has been made by a Firebaugh RCD Board of Directors.

Staff believes that consolidation of Firebaugh, James, Panoche, Poso, Tranquillity, and Westside RCDs is appropriate. As indicated on the attached map, the RCDs in Western Fresno County are contiguous and encompass approximately one-third of the County. Lands within these six RCDs present similar natural resource concerns and service issues and each RCD is empowered to provide the same types of service.

Consolidation of the RCDs under a single umbrella may result in the ability to provide better service, reduce duplicative administrative costs, and be more competitive in obtaining grants and other funding sources.

Adoption of a single Sphere of Influence for these RCDs will not result in consolidation of the RCDs, but would indicate that the Commission is willing to consider consolidation. Staff, therefore, recommends adoption of a single Sphere of Influence for the six RCDs located within West Fresno County. Due to the District's limited financial resources, staff further recommends waiving the LAFCo fees associated with consolidation of the Districts, should they choose to consolidate.

2. James Resource Conservation District

A. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

B. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

C. Waive all LAFCo fees associated with consolidating these Districts.

James Resource Conservation District encompasses approximately 26,263 acres (41 square miles) in West Fresno County. It is contiguous on the west with the Tranquillity and Westside RCDs. Its boundary and SOI are coterminous.

The District is governed by a five-member Board of Directors appointed by the Board of Supervisors. The Board of Directors does not hold regular meetings. It meets when there is sufficient business to require a meeting.

The District has no employees. It utilizes staff and office space of the James Irrigation District.

The District does not have a regular source of funding. Its FY 2006-07 Budget projected $45 in revenue derived from interest income. The District's fund balance totaled $1,466.

The District reports that it is inactive and does not currently provide any services. Further, the District indicates it has considered dissolution of the District stating: "District services are no longer needed." Although the District states its services are not needed, staff does not believe dissolution of the District is appropriate, as territories within the District are similar to other agricultural lands within Fresno County and landowners within the District should continue to be able to obtain technical services available from the USDA Natural Resource Conservation Service.

Approximately ten years ago, the California Association of Resource Conservation Districts commissioned consultants to make recommendations concerning the status of Fresno County RCDs, including James RCD. The Association recommended consolidation of the RCDs in Western Fresno County.

Staff believes that consolidation of James, Firebaugh, Panoche, Poso, Tranquillity, and Westside RCDs is appropriate. As indicated on the attached map, the RCDs in Western Fresno County are contiguous and encompass approximately one-third of the County. Lands within these six RCDs present similar natural resource concerns and service issues and each RCD is empowered to provide the same types of service.

Consolidation of the RCDs under a single umbrella may result in the ability to better provide services, reduce duplicative administrative costs, and be more competitive in obtaining grants and other funding sources.

Adoption of a single Sphere of Influence for these RCDs will not result in consolidation of the RCDs, but would indicate that the Commission is willing to consider consolidation. Staff, therefore, recommends adoption of a single Sphere of Influence for the six RCDs located within West Fresno County. Due to the District's limited financial resources, staff further recommends waiving the LAFCo fees associated with consolidation of the Districts, should they choose to consolidate.

3. Panoche Resource Conservation District

A. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

B. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

C. Waive all LAFCo fees associated with consolidating these Districts.

Panoche Resource Conservation District encompasses approximately 130,281 acres (204 square miles) in Northwest Fresno County. A portion of the District is located within Merced County. The District is contiguous to San Benito County on the west and the Firebaugh and Westside RCDs on the east. Within Fresno County, the District's boundary and SOI are coterminous.

The District is inactive and does not have a regular source of funding, similar to the other RCDs. The District did not respond to Staff's request for information. As a result, little information was available to prepare the Municipal Service Review and SOI Update determinations.

Approximately ten years ago, the California Association of Resource Conservation Districts commissioned consultants to make recommendations concerning the status of Fresno County RCDs, including Panoche RCD. The Association recommended consolidation of the RCDs in Western Fresno County.

Staff believes that consolidation of Panoche, Firebaugh, James, Poso, Tranquillity, and Westside RCDs is appropriate. As indicated on the attached map, the RCDs in Western Fresno County are contiguous and encompass approximately one-third of the County. Lands within these six RCDs present similar natural resource concerns and service issues and each RCD is empowered to provide the same types of service.

Consolidation of the RCDs under a single umbrella may result in the ability to better provide services, reduce duplicative administrative costs, and be more competitive in obtaining grants and other funding sources.

Adoption of a single Sphere of Influence for these RCDs will not result in consolidation of the RCDs, but would indicate that the Commission is willing to consider consolidation. Staff, therefore, recommends adoption of a single Sphere of Influence for the six RCDs located within West Fresno County. Due to the District's limited financial resources, staff further recommends waiving the LAFCo fees associated with consolidation of the Districts, should they choose to consolidate.

4. Poso Resource Conservation District

A. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

B. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

C. Waive all LAFCo fees associated with consolidating these Districts.

Poso Resource Conservation District encompasses approximately 33,522 acres (52 square miles) in Northwest Fresno County. A portion of the District is also located within Merced County. Within Fresno County, the District's boundary and SOI are coterminous.

The District is inactive and does not have a regular source of funding, similar to a number of other RCDs. The District did not respond to Staff's request for information. As a result, little information was available to prepare the Municipal Service Review and SOI Update determinations.

Approximately ten years ago, the California Association of Resource Conservation Districts commissioned consultants to make recommendations concerning the status of Fresno County RCDs, including Poso RCD. The Association recommended consolidation of the RCDs in Western Fresno County.

Staff believes that consolidation of Poso, Firebaugh, James, Panoche, Tranquillity, and Westside RCDs is appropriate. As indicated on the attached map, the RCDs in Western Fresno County are contiguous and encompass approximately one-third of the County. Lands within these six RCDs present similar natural resource concerns and service issues and each RCD is empowered to provide the same types of service.

Consolidation of the RCDs under a single umbrella may result in the ability to better provide services, reduce duplicative administrative costs, and be more competitive in obtaining grants and other funding sources.

Adoption of a single Sphere of Influence for these RCDs will not result in consolidation of the RCDs, but would indicate that the Commission is willing to consider consolidation. Staff, therefore, recommends adoption of a single Sphere of Influence for the six RCDs located within West Fresno County. Due to the District's limited financial resources, staff further recommends waiving the LAFCo fees associated with consolidation of the Districts, should they choose to consolidate.

5. Tranquillity Resource Conservation District

A. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

B. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

C. Waive all LAFCo fees associated with consolidating these Districts.

Tranquillity Resource Conservation District encompasses approximately 90,018 acres (141 square miles) in Northwest Fresno County. It is contiguous to Madera County on the north, James and Westside RCDs on the south, and Firebaugh RCD on the west. Its boundary and SOI are coterminous.

The District is governed by a five-member appointed Board of Directors. The District has one contract employee.

The District does not have a regular source of income and reports that it has had no financial activity in the last ten years, except for warrants made to the County of Fresno.

The District reports that it is inactive and states that it should be consolidated with the other five RCDs in West Fresno County, citing the report prepared approximately ten years ago by the California Association of Resource Conservation Districts.

Staff believes that consolidation of Tranquillity, Firebaugh, James, Panoche, Poso, and Westside RCDs is appropriate. As indicated on the attached map, the RCDs in Western Fresno County are contiguous and encompass approximately one-third of the County. Lands within

these six RCDs present similar natural resource concerns and service issues and each RCD is empowered to provide the same types of service.

Consolidation of the RCDs under a single umbrella may result in the ability to better provide services, reduce duplicative administrative costs, and be more competitive in obtaining grants and other funding sources.

Adoption of a single Sphere of Influence for these RCDs will not result in consolidation of the RCDs, but would indicate that the Commission is willing to consider consolidation. Staff, therefore, recommends adoption of a single Sphere of Influence for the six RCDs located within West Fresno County. Due to the District's limited financial resources, staff further recommends waiving the LAFCo fees associated with consolidation of the Districts, should they choose to consolidate.

6. <u>Westside Resource Conservation District</u>

A. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

B. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

C. Waive all LAFCo fees associated with consolidating these Districts.

The Westside Resource Conservation District encompasses approximately 974,653 acres (1,523 square miles) in southwest Fresno County. The District also encompasses approximately 52,000 acres in Kings County. Its boundary and Sphere of Influence are coterminous within Fresno County.

The District is governed by a nine-member Board of Directors who are elected at large. The District has three contract employees.

The District's FY 2006-07 Budget projected income was $72,000. Expenditures were projected to be $64,170 not counting carryover expenses of $33,500 from the prior fiscal year resulting in a deficit of $25,670. District reserves are sufficient to cover this shortfall. District funding is primarily derived from State and/or Federal grant programs.

The District has limited cost avoidance opportunities, due in part to the fact that it doesn't experience significant costs. The MSR did not identify any opportunities for rate restructuring.

The District notes that it has a cooperative agreement with the Bureau of Reclamation to help convert retired farmland to native habitat in the Tranquillity Resource Conservation District's service area.

The District may have opportunities to share facilities and revenues with other Resource Conservation Districts located in Western Fresno County should these agencies be consolidated. In response to LAFCo's request for information, the District noted that consolidation with other Resource Conservation Districts was recommended by consultants hired by the California Association of Resource Conservation Districts, but that the cost of making such a change is an obstacle. They state: "The agency has no discretionary income, it is funded entirely on special purpose grants".

Staff believes that consolidation of the Westside, Poso, James, Firebaugh, Panoche, and Tranquillity RCDs is appropriate. As shown in the attached map, the RCDs in Western Fresno County are contiguous and encompass approximately one-third of the County. Lands within

these six RCDs present similar natural resource concerns and issues and the RCDs are empowered to provide the same types of services.

Consolidation of the RCDs may result in the ability of the resulting RCD to be better able to provide services in that administrative costs would not be duplicated and a larger District may be better able to obtain grants or other funding.

Adoption of a single Sphere of Influence for these RCDs will not result in consolidation of the RCDs, but would indicate that the Commission is willing to consider such action. Staff, therefore, recommends adoption of a single Sphere of Influence for the six RCDs within West Fresno County. Due to the District's limited financial resources, staff further recommends waiving the LAFCo fees associated with consolidation of the Districts, should they choose to consolidate.

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 Reviews 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" and the general exemption from environmental review, CEQA Regulation Section 15061(b)(3), and find that the SOI Updates qualify for the same general exemption from environmental review based upon CEQA Regulation Section 15061(b)(3).

B. Find that the Municipal Service Reviews and Sphere of Influence Updates prepared for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts are complete and satisfactory.

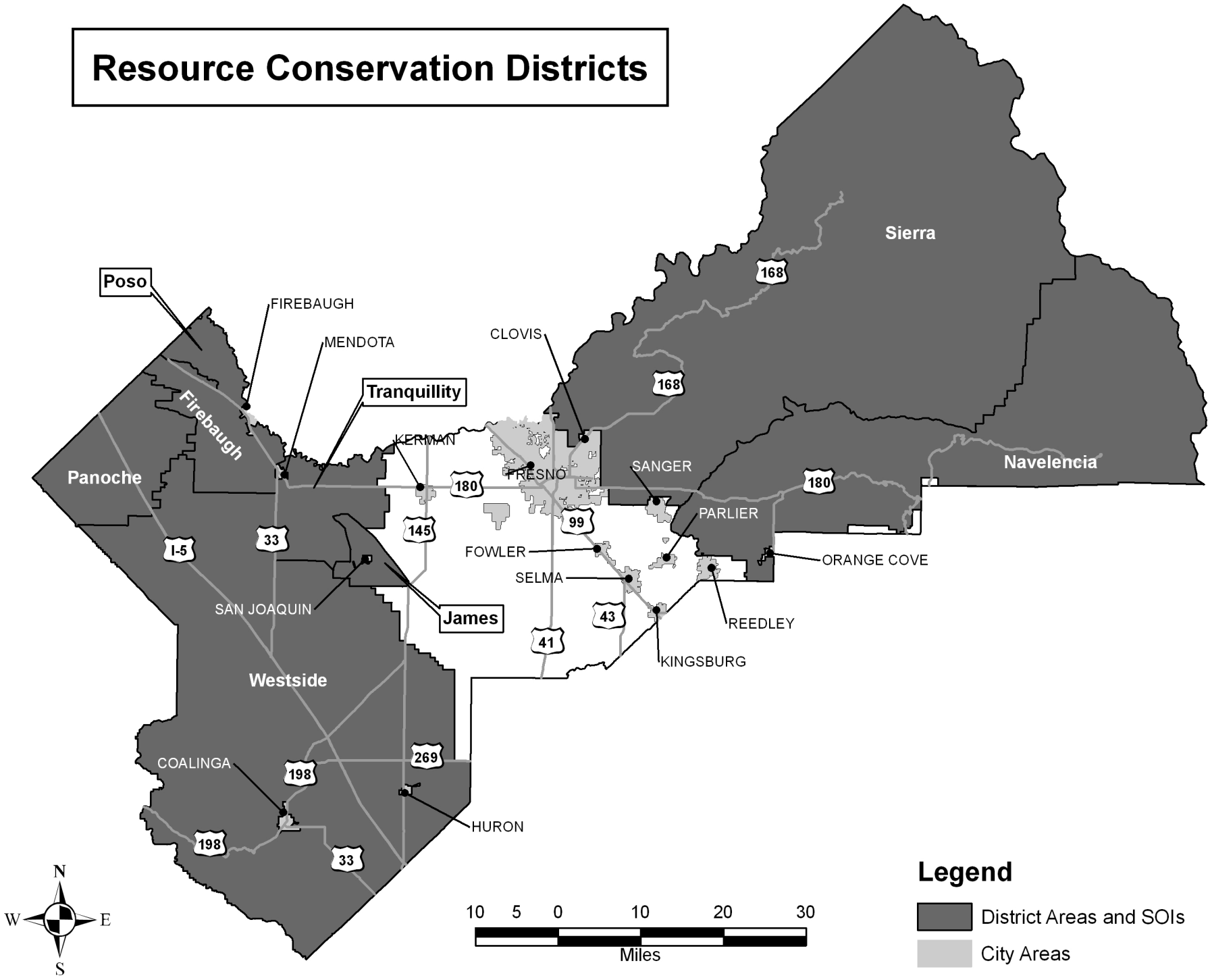
C. Find that the written determinations within the Municipal Service Reviews and Sphere of Influence Updates satisfy State Law.

D. Pursuant to Government Code Sections 56425 and 56430 make the required determinations for the Municipal Service Reviews and District Spheres of Influence; adopt the Municipal Service Reviews prepared for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts by Braitman and Associates; and update the Spheres of Influence for said Districts by reaffirming their current boundaries.

E. Adopt a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

F. Direct LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

G. Waive all LAFCo fees associated with consolidating these Districts.


Resource Conservation Districts
Sierra
Poso
FIREBAUGH
MENDOTA
CLOVIS
Tranquillity
Firebaugh
KERMAN
Panoche
FRESNO
SANGER
Navelencia
PARLIER
FOWLER
ORANGE COVE
SELMA
SAN JOAQUIN
James
REEDLEY
KINGSBURG
Westside
COALINGA
HURON
168
180
145
99
33
I-5
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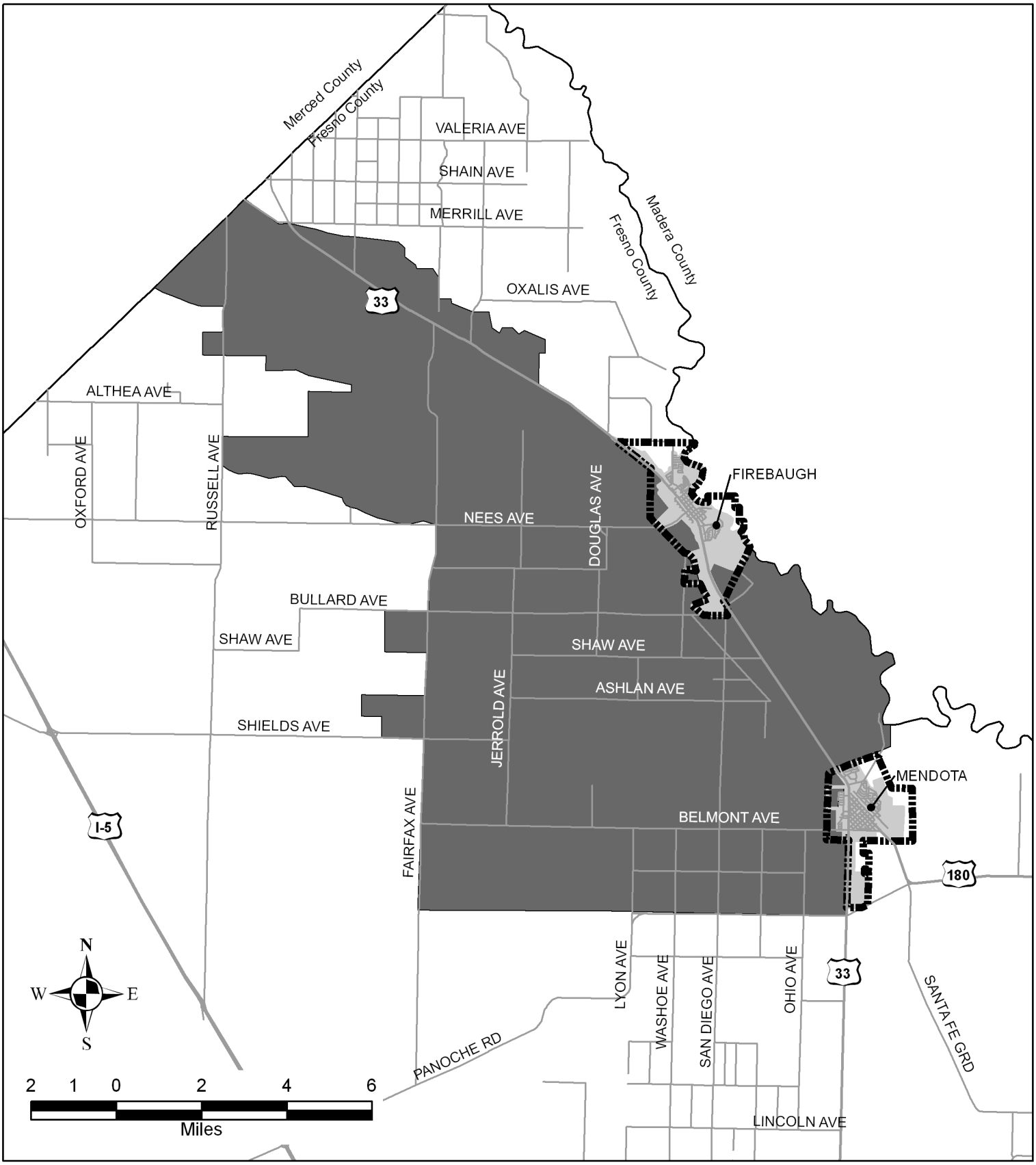
Miles
Legend
District Areas and SOIs
City Areas



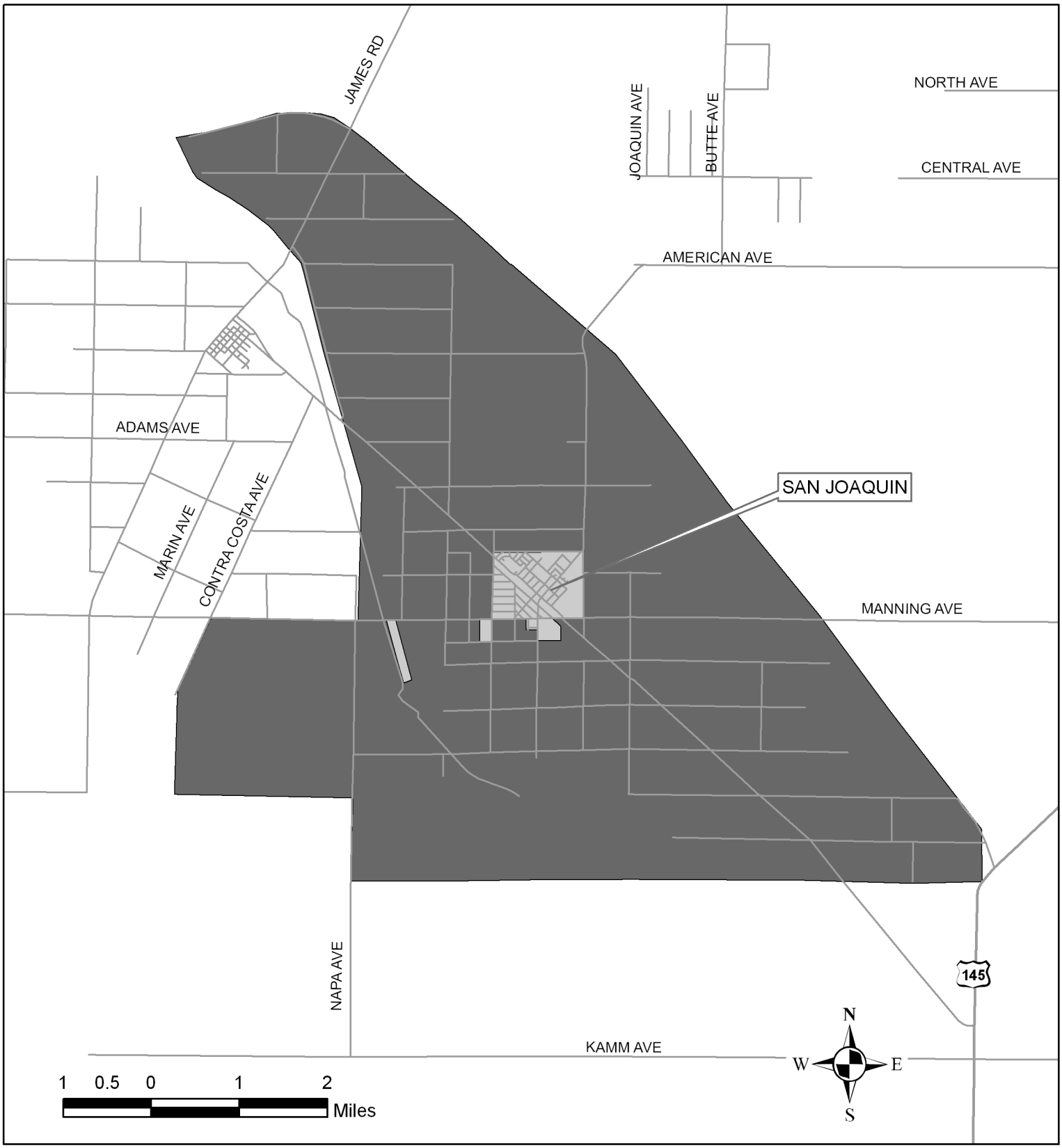
Fresno Local Agency Formation Commission
Firebaugh Resource Conservation District

Legend

- District Area and SOI
- City SOIs
- City Areas

District Formed: 1951
SOI Adopted: March 24, 1976
Map Date: July 2007

District Area: 87,983 Acres
Sphere Area: 87,983 Acres



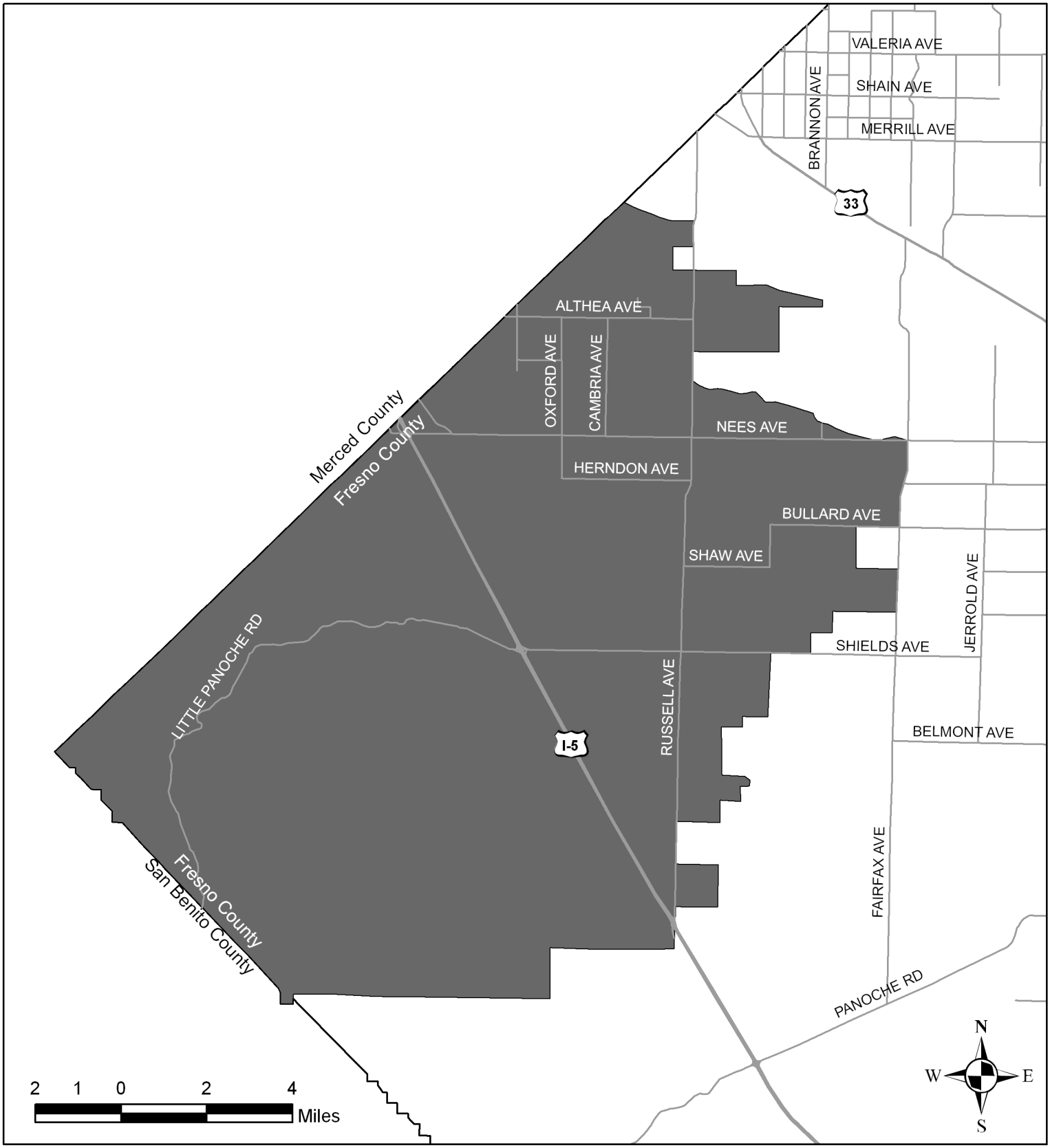
Fresno Local Agency Formation Commission
James Resource Conservation District

Legend

District Boundary and SOI

City Boundaries

District Formed: 1954
SOI Adopted: March 24, 1976
Map Date: July 2007
District Area: 26,263 Acres
Sphere Area: 26,263 Acres



Fresno Local Agency Formation Commission
Panoche Resource Conservation District

Portion of District located in Merced county not shown.

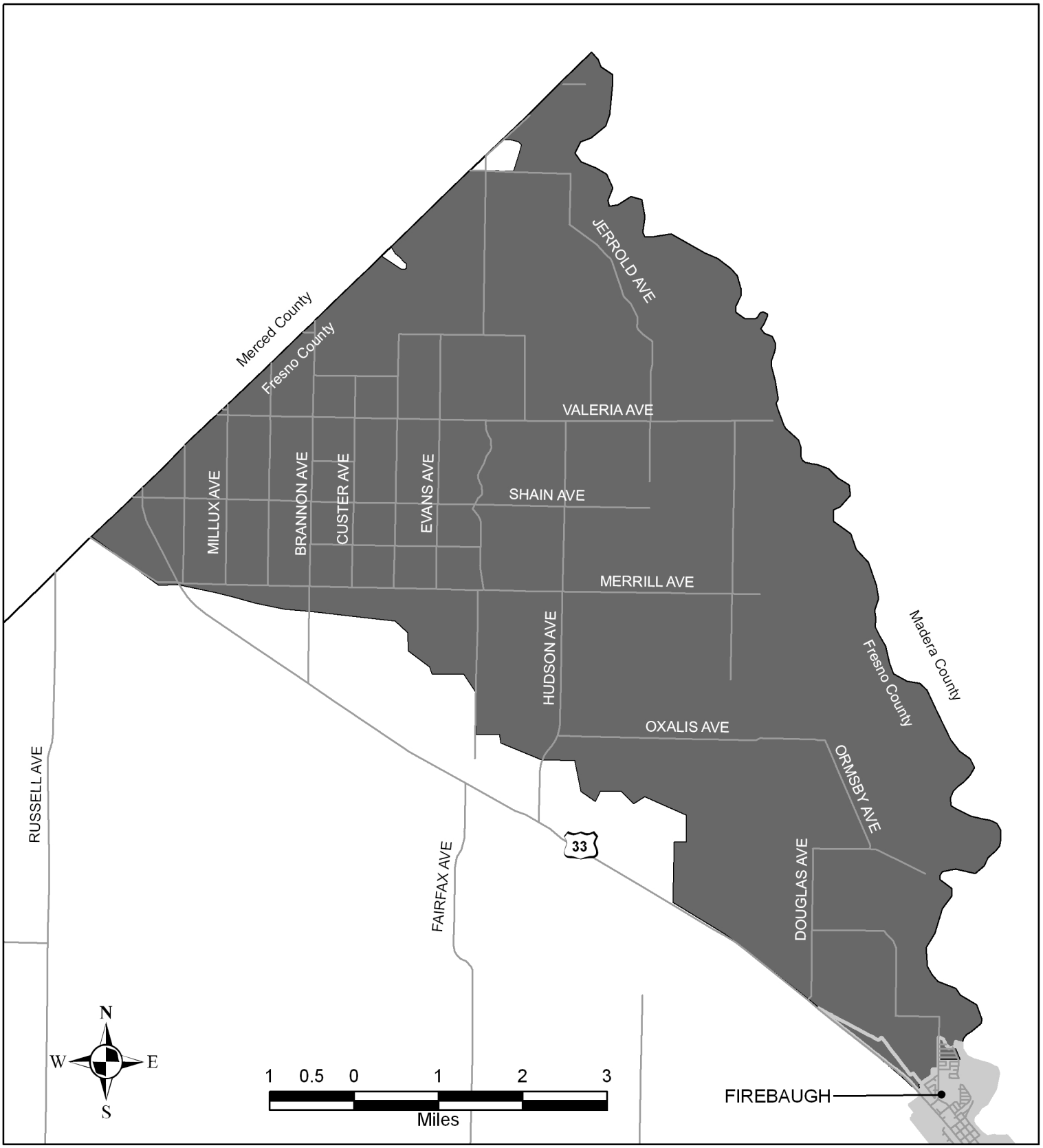
Legend

District Area and SOI

City Areas

District Formed: 1957
SOI Adopted: March 24, 1976
Map Date: August 2007

District Area: 130,281 Acres
Sphere Area: 130,281 Acres



Fresno Local Agency Formation Commission
Poso Resource Conservation District

Portion of District located in Merced County not shown.

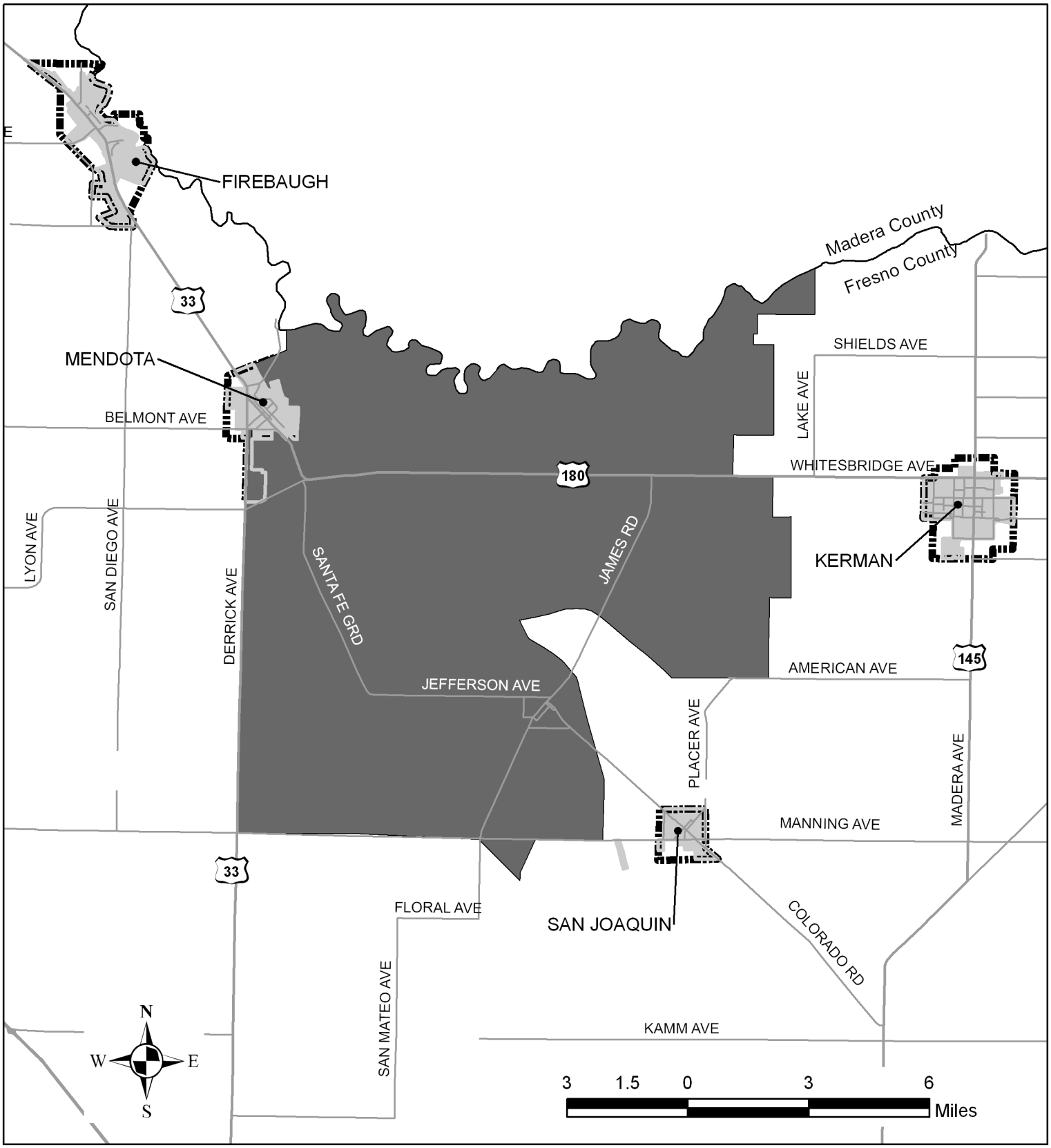
Legend

District Area and SOI

City Areas

District Formed: 1957
SOI Adopted: March 24, 1976
Map Date: August 2007

District Area: 33,522 Acres
Sphere Area: 33,522 Acres



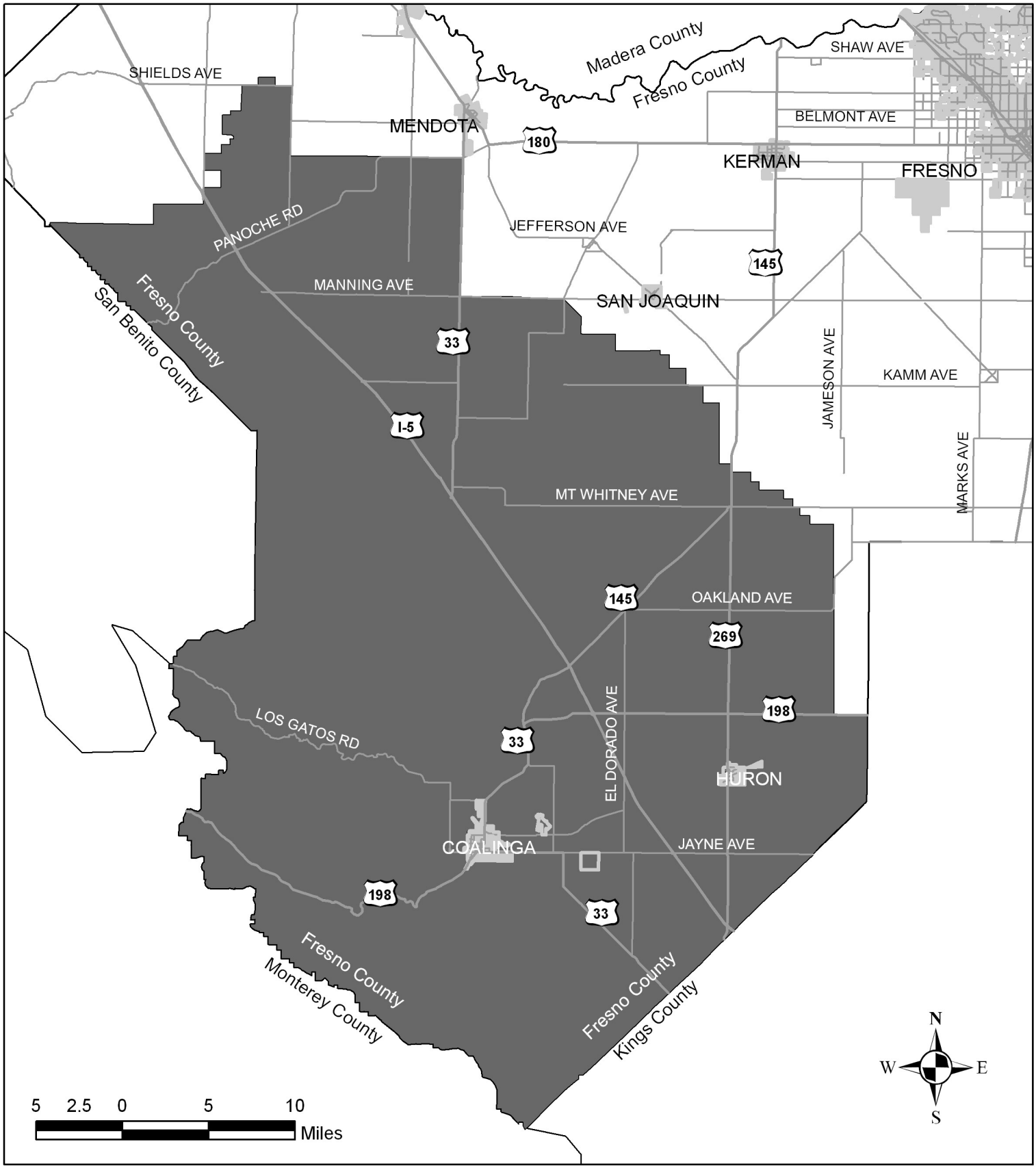
Fresno Local Agency Formation Commission
Tranquillity Resource Conservation District

Legend

- District Area and SOI
- City Areas

District Formed: 1956
SOI Adopted: March 25, 1976
Map Date: August 2007

District Area: 90,018 Acres
Sphere Area: 90,018 Acres



Fresno Local Agency Formation Commission
Westside Resource Conservation District

Portion of District located in Kings County not shown.

Legend

- District Area and SOI
- City Areas

District Formed: 1984
SOI Adopted: June 19, 1985
Map Date: August 2007

District Area: 974,653 Acres
Sphere Area: 974,653 Acres

RESOLUTION NO. MSR-07-27

FRESNO LOCAL AGENCY FORMATION COMMISSION
FRESNO COUNTY, CALIFORNIA

In the Matter of	LAFCo Determination
RESOLUTION ADOPTING MUNCIPAL SERVICE REVIEWS AND MAKING DETERMINATIONS FOR THE SPHERES OF INFLUENCE OF THE FIREBAUGH, JAMES, PANOCHE POSO, TRANQUILLITY, AND WESTSIDE RESOURCE CONSERVATION DISTRICTS	ADOPT MUNICIPAL SERVICE REVIEWS PREPARED FOR THE FIREBAUGH, JAMES, PANOCHE, POSO, TRANQUILLITY, AND WESTSIDE RESOURCE CONSERVATION DISTRICTS; AND ADOPT A SINGLE SPHERE OF INFLUENCE FOR THE FIREBAUGH, JAMES, PANOCHE, POSO, TRANQUILLITY, AND WESTSIDE RESOURCE CONSERVATION DISTRICTS

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 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 Reviews 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" and the general exemption from environmental review, CEQA Regulation Section 15061(b)(3), and find that the SOI Updates qualify for the same general exemption from environmental review based upon CEQA Regulation Section 15061(b)(3).

Section #2. This Commission finds that the Municipal Service Reviews and Sphere of Influence Updates prepared for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts are complete and satisfactory.

Section #3. This Commission finds that the written determinations contained within the Municipal Service Reviews and Sphere of Influence Updates satisfy State Law.

Section #4. Pursuant to Government Code Sections 56425 and 56430, this Commission makes the required determinations for the Municipal Service Reviews and District Spheres of Influence; adopts the Municipal Service Reviews prepared for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts by Braitman and Associates.

Section #5. This Commission adopts a single Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts.

Section #6. This Commission directs LAFCo staff to work with the Firebaugh, James, Panoche, Poso, Tranquillity, and Westside Resource Conservation Districts in seeking consolidation.

Section #7. This Commission waives all LAFCo fees associated with consolidating these Districts.

* *

ADOPTED THIS 12th DAY OF SEPTEMBER, 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 12th day of September, 2007.

Victor Lopez, Chairman
Fresno Local Agency Formation Commission

STATE OF CALIFORNIA
COUNTY OF FRESNO

I, Rick Ballantyne, Executive Officer to the Fresno County Local Agency Formation Commission, do hereby certify the foregoing to be a full, true and correct copy of the original thereof on file in my office.

Witness on the 19th day of September, 2007

Rick Ballantyne
Executive Officer to Commission

By Candie Fleming
Clerk to Commission

RESOURCE CONSERVATION DISTRICTS

MUNICIPAL SERVICE REVIEWS AND SPHERE OF INFLUENCE UPDATES

Report to the
Fresno Local Agency Formation Commission

Prepared By:

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September 2007

INTRODUCTION

This report was prepared for the Fresno Local Agency Formation Commission (LAFCO) in accordance with Sections 56425 and 56430 of the California Government Code. It responds to the requirement that LAFCO conduct a Municipal Service Review (MSR) to study the delivery of municipal services and update spheres of influence.

The Resource Conservation Districts (RCDs) in Fresno County all operate pursuant to the Resource Conservation District Law (Public Resources Code §9151 et seq.)

RCDs enable landowners within their boundaries to receive technical assistance services from the USDA Natural Resources Conservation Service (previously Soil Conservation Service) related to land improvement techniques, conservation of resources, prevention and control of soil erosion. Some RCDs also provide public education about resource conservation issues.

Eastern Fresno County

The Commission on July 11, 2007, approved Municipal Service Reviews and a joint Sphere of Influence for the Navelencia and Sierra RCDs in eastern Fresno County. It also waived the LAFCO processing fee for the consolidation of these districts to remove an obstacle to desired governmental reorganizations.

These actions did not consolidate the two RCDs but did pave the way for this change to occur; we understand the affected agencies will be submitting a proposal to consolidate.

Western Fresno County

This report concerns the six RCDs in western Fresno County. Each District's boundaries and Sphere of Influence are coterminous.

- Firebaugh RCD - about 87,983 acres (or 137.5 square miles) in northwest Fresno County. It is contiguous on the north to Madera County and Poso RCD, on the west to Merced County and Panoche RCD, on the south to Westside RCD and on the east to Tranquillity RCD.

- James RCD - about 26,263 acres (or 41 square miles) in west Fresno County. It is contiguous on the west to the Tranquillity and Westside RCDs.

- Poso RCD - about 33,522 acres (or 52.4 square miles) in northwest Fresno County. It is contiguous to Madera County on the north, to the Firebaugh RCD on the south, and includes a portion of Merced County on the west.

- Panoche RCD - about 130,281 acres (or 203.6 square miles) in northwest Fresno County. It is contiguous to San Benito County on the west, the Firebaugh and Westside RCDs on the east and includes a portion of Merced County on the north.

- Tranquillity RCD - about 90,018 acres (or 140.7 square miles) in northwest Fresno County. It is contiguous on the north to Madera County, on the south to the James and Westside RCDs and on the west to the Firebaugh RCD.

- Westside RCD - about 974,653 acres (or 1,523 square miles) in southwest Fresno County contiguous to Monterey and San Benito Counties on the west and the Firebaugh, James and Tranquillity RCDs on the north and east. The District also encompasses about 52,000 acres within Kings County.

GENERAL ANALYSIS

Some of these RCDs are more active than others. Some in have are "inactive" and did not respond to requests for information upon which to base a Municipal Service Review.

On June 13, 2007, the Fresno LAFCO staff convened a meeting of representatives of these RCDS. The letter confirming the meeting states, "One issue that will be addressed is the organization of RCDs and the possible consolidation of some or all of the Districts."

Present at the meeting were representatives of the Firebaugh, James, Panoche, Tranquillity and Westside RCDs, the United States Department of Agriculture, National Resource Conservation Service (NRCS) that works closely with RCDs and the LAFCO staff and its consultant.

That meeting ended with the understanding that representatives of those RCDs that were present and NRCS staff would meet with each other and Poso RCD, which was not present at the meeting, to examine these questions. The LAFCO staff agreed to postpone the MSR hearing for Western County RCDs and allow the joint sphere for the Eastern County RCDs to be heard in June.

Following is the status of information received from or about these six RCDs:

Firebaugh RCD

No information has been received.

Jeff Bryant at the Firebaugh RCD states the District has no board, no budget and no funds at this time. It essentially exists only on paper. He indicates there has been some thought of consolidating with other RCDs.

James RCD

John Mallyon completed the MSR Request for Information. It states this RCD in inactive and the Board only meets when sufficient business requires. It also states, "The District has considered terminating the District since the District services are no longer needed."

Poso RCD

The District did not respond to the request for information.

Panoche RCD

The District did not respond to the request for information.

Tranquillity RCD

Sarge Green completed the Request for Information. It states RCDs in western Fresno County should be consolidated and refers to a study commissioned by CARCD, the California Association of RCDs, about ten years ago. Consolidating RCDs in western Fresno County was the recommendation of that study.

Westside RCD

Sarge Green completed the Request for Information. It refers to the study commissioned by CARCD about ten years ago that recommends the RCDs in western Fresno County should be consolidated.

In response to the question, "What hurdles or obstacles do you foresee to making such a change?" the MSR states, "The costs of consolidation. The agency has no discretionary income, it is funded entirely on special purpose grants."

Recommendations

After reviewing this matter and consulting with the available affected agencies, it is recommended that 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. Adopt a joint Sphere of Influence for the Firebaugh, James, Panoche, Poso and Tranquillity and Westside RCDs.

4. Waive processing fees for the consolidation of RCDs to minimize the obstacles to desired governmental reorganizations.

These recommended actions will not consolidate the agencies, but indicate the Commission would favorably consider such a proposal if it is submitted.

District Consolidation Procedures

Consolidating special districts is a relatively easy process when the affected agencies are in agreement with the proposed change. It involves essentially the following steps:

1. LAFCO approves a single Sphere of Influence that encompasses all districts that are to be considered for consolidation.

2. The Boards of Directors of the subject districts adopt a resolution of application to initiate the consolidation.

   The resolution contains all terms and conditions to apply to the proposed change, such as, all assets and liabilities of the subject agencies shall be transferred to the successor, consolidated district.

3. One or more of the subject districts submit an application to LAFCO containing the resolution of application and other required materials, but note:

   - The expense of a map and legal description is not necessary since the boundaries of existing agencies are known and on file with the State Board of Equalization and affected County Departments such as the Assessor and Surveyor.

   - Consolidations do not require an EIR or Negative Declaration since they are categorically exempt from CEQA as a Class 20 exemption, "Changes in Government Organization."

4. LAFCO conducts a public hearing to consider the consolidation and after receiving public testimony approves the proposed change. The resolution of approval contains all of the necessary terms and conditions, including an "effective date" for when the consolidation will be completed and in effect.

   If all subject districts have agreed with the change there is no requirement for an election and the change can be recorded and thereby completed.

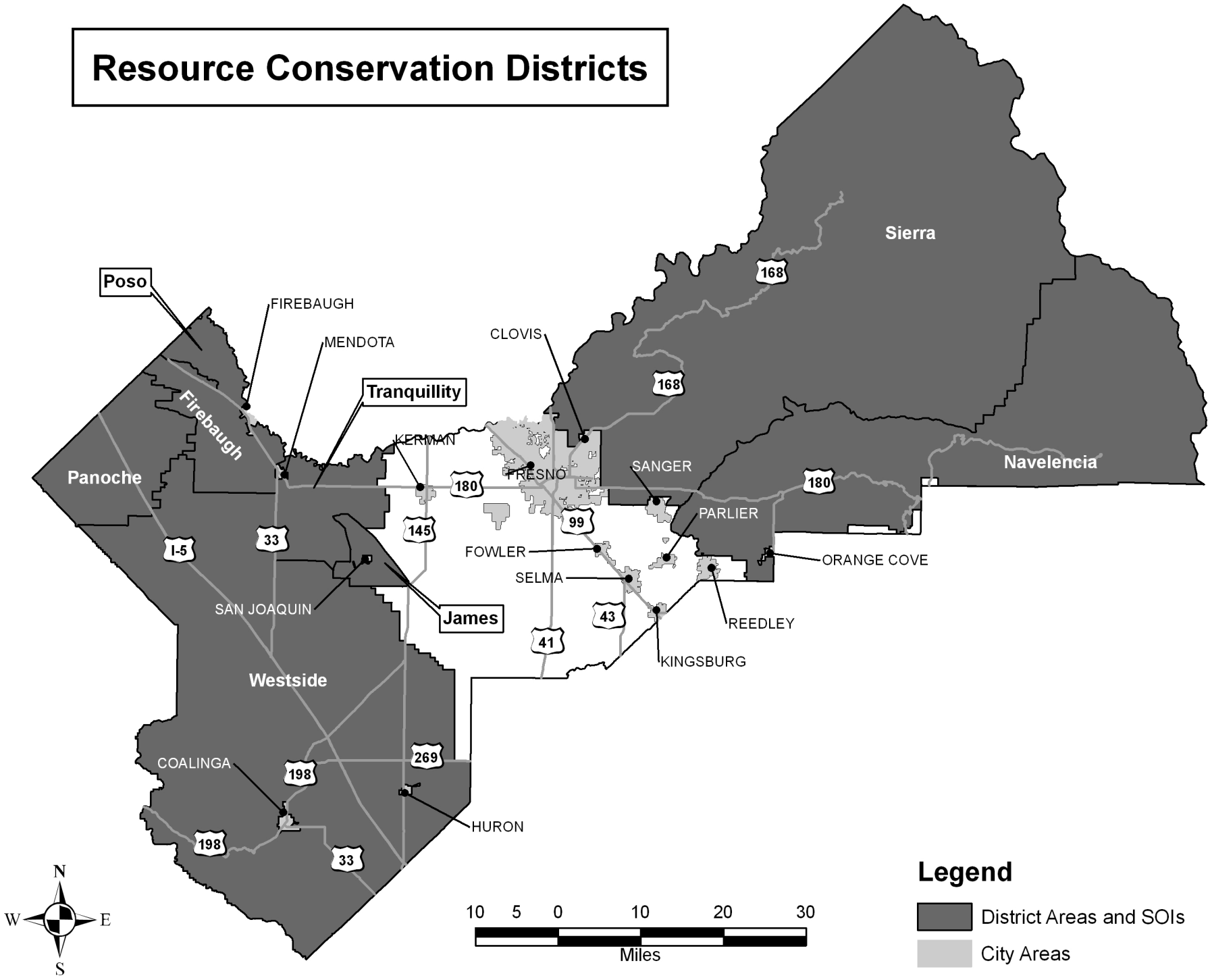
   If however one or more of the districts have not agreed with the change, an election by the registered voters within each of the subject districts will be necessary.

5. Once it is approved, the final step is for the LAFCO staff to record the consolidation and make the necessary filings with the SBE and County departments.

Written determinations regarding the MSR and Sphere of Influence Updates are provided for the Commission's consideration. This report is an informational document and does not substitute for discretionary decisions that can only be made by the Commission. The decision to approve or disapprove any determinations or policies rests entirely with the Commission.

This report is subject to reconsideration and revision as directed by the LAFCO staff or by the Commission during the course of its deliberations.

MSR Guidelines prepared by the State Office of Planning and Research were referred to in developing information, performing analysis and organizing these studies.


Resource Conservation Districts
Sierra
Poso
FIREBAUGH
MENDOTA
CLOVIS
Tranquillity
Firebaugh
KERMAN
Panoche
FRESNO
SANGER
Navelencia
PARLIER
FOWLER
ORANGE COVE
SELMA
SAN JOAQUIN
James
REEDLEY
KINGSBURG
Westside
COALINGA
HURON
168
180
145
99
33
I-5
43
41
269
198
N
W
E
S
10 5 0 10 20 30
Miles
Legend
District Areas and SOIs
City Areas

WESTSIDE RESOURCE CONSERVATION DISTRICT

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1. MUNICIPAL SERVICE REVIEW

Description of District

The Westside Resource Conservation District (RCD) was formed in 1984. It is contiguous to Monterey and San Benito Counties on the west and the Firebaugh, James and Tranquillity RCDs on the north and east. It includes about 52,000 acres in Western Kings County.

A nine-member board of directors, elected at large, governs the District. The District has three contract employees.

It contains about 974,653 acres (1,523 square miles) in southwest Fresno County, which is about one-fourth of the County. Its boundaries and Sphere in Fresno County are coterminous, as shown on the enclosed map.

District Services

The District enables landowners within its boundaries to receive technical assistance services from the USDA Natural Resources Conservation Service (previously called the Soil Conservation Service) related to improvement of land capabilities, conservation of resources, and prevention and control of soil erosion. The District, in conjunction with other RCDs in the County, provides public education about resource conservation issues.

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 owns no land or buildings.

Growth and Population Projections

District services do not directly facilitate or affect the rate or location of population development.

Financing Constraints and Opportunities

The District submitted a draft FY 2006-07 budget that projects total income of $72,000, primarily from State and/or Federal grant programs.

Projected expenditures are $64,170, not counting carryover expenses from the prior fiscal year of $33,500, for a projected "deficit" of $25,670. The District has sufficient reserves to finance this projected underfunding of the current year budget.

Cost-Avoidance Opportunities

The District does not experience significant costs, especially for an agency its size; there are limited cost-avoidance opportunities.

Opportunities for Rate Restructuring

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

Opportunities for Shared Facilities

There may be opportunities to share facilities and revenues with other western Fresno County RCDs should consolidations of such agencies occur.

Government Structure Options

The Westside RCD notes that consolidation with other RCDs was recommended by consultants hired by the California Association of Resource Conservation Districts, but that the cost of making such a change is an obstacle, stating, "The agency has no discretionary income, it is funded entirely on special purpose grants."

Management Efficiencies

Given its limited funding the District exhibits characteristics of an agency that wishes to serve its constituents, primarily the agricultural community, effectively.

The District notes it has a cooperative agreement with the Bureau of Reclamation to help convert retired farmland to native habitat in the service area of the Tranquillity RCD.

Local Accountability and Governance

An elected nine-member Board of Directors governs the District. Board agendas are posted at the Westlands Water District and via email.

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 boundaries and Sphere of Influence are coterminous.

No Proposed Sphere Change

The District feels its Sphere of Influence is correct at this time and is concerned that the process of consolidating with adjacent RCDs would be too expensive.

In order to remove an obstacle to the possible consolidation of RCDs on the west side of Fresno County it is recommended that a joint Sphere be adopted for these agencies and that processing fees be waived to encourage and allow this change.

Sphere of Influence Recommendation and Determinations

It is recommended the Commission adopt a joint Sphere of Influence for the Westside, Firebaugh, James, Poso, Panoche and Tranquillity RCDs and approve the following determinations.

1. Present and planned land uses in the area, including agriculture and open-space;

   Present land uses consist of a variety of uses that are primarily agricultural and open space with some residential, commercial and public uses. There will be no change in present or planned land uses as a result of the consolidation.

2. Present and probable need for public facilities and services in the area;

   RCDs enable landowners to receive technical assistance services related to improving land capabilities, conserving resources, and preventing and controlling of soil erosion. There will be no change in the present or probable need for these public services as a result of the consolidation.

3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;

   It appears that a consolidated District will be better able to provide services. Administrative costs for a consolidated district are significantly less than duplicated costs for several RCDs. The ability to obtain grants or other funding and the ability to address resource management issues may be improved for an RCD with a larger boundary and service area. Moreover, a consolidated RCD Board of Directors may of necessity be required to be more active than the Boards of smaller Districts.

4. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

   The lands within these RCDs present similar natural resource concerns and issues and therefore constitute a similar economic community of interest in terms of the types of services and assistance that are provided by RCDs.

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 Westside Resource Conservation District provided information on which the evaluation is based. Secretary/Manager Sarge Green 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

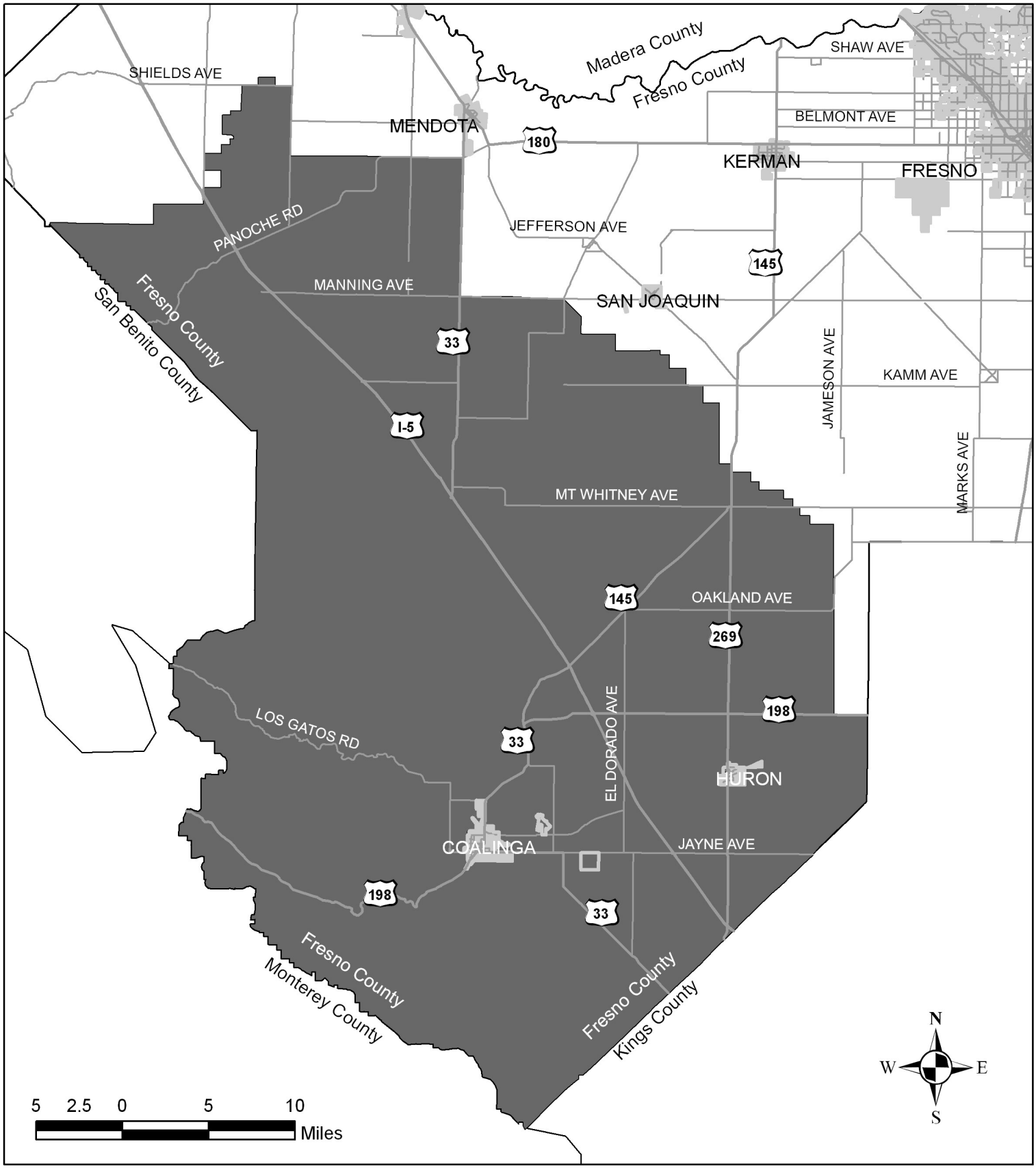
In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission:

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. Adopt a joint Sphere of Influence for the Firebaugh, James, Panoche, Poso, Tranquillity and Westside RCDs.

4. Waive processing fees for the consolidation of RCDs to minimize the obstacles to desired governmental reorganizations.



Fresno Local Agency Formation Commission
Westside Resource Conservation District

Portion of District located in Kings County not shown.

Legend

- District Area and SOI
- City Areas

District Formed: 1984
SOI Adopted: June 19, 1985
Map Date: August 2007

District Area: 974,653 Acres
Sphere Area: 974,653 Acres