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

CONSENT AGENDA ITEM No. 7

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 Review and Sphere of
Influence Update Prepared for Coalinga-Huron Recreation and Park
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 MSR and SOI Update have been prepared for the Coalinga-Huron Recreation and Park District.

Municipal Service Reviews provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not 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, if the Commission determines that modifications to a district's SOI boundary is appropriate, it is required to consider the following four criteria and make appropriate determinations in relationship to each of the following:

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

Environmental Determination

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 MSR is 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, this MSR collects data for the purpose of evaluating municipal services provided by the agency. There is no land use change or environmental impact created by such a study.

Furthermore, the MSR qualifies 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 update qualifies for the same general exemption from environmental review based upon CEQA Regulation section 15061(b)(3).

There is no possibility that this MSR or SOI update may have a significant effect on the environment because there are no land use changes associated with either document. If the Commission approves and adopts the MSR and SOI update and determines that the project is 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

The Coalinga-Huron Recreation and Park District is located in southwest Fresno County, encompassing approximately 550,006 acres (859 square miles). The District's boundary and SOI are coterminous. The District boundary is also identical to that of the Coalinga-Huron Unified School District and the Coalinga-Huron Unified School District – Library District.

District services include providing parks and recreation programs, and maintaining landscaped street medians in the Cities of Coalinga and Huron. District facilities include two parks each in Coalinga and Huron, a Senior Activities Center, Fitness Center, Community Recreation Center, softball stadium, covered band shell, Olympic size swimming pool, racquetball courts and a variety of playfields, picnic areas, and other recreation amenities. Additionally the District has a

13-acre camp, Camp Yeager, in coastal Cambria (outside of the District's boundary) with overnight facilities for families and groups.

The District is governed by a five-member Board of Directors who are elected at large. A General Manager manages the District, which employs 10 full-time, 20 part-time, and 30 seasonal employees.

The District's FY 2006-07 Budget projected revenues of \$1,200,499 and expenses of \$1,119,598. Funding is derived from property taxes, charges for rentals, Redevelopment Pass Through, and interest income. The District has approximately \$464,863 in debt, the purpose of which is to provide funding for capital improvements in advance of reimbursement from grants.

In order to avoid costs, the District uses untreated water for irrigation of its park facilities, contracts for landscape maintenance, and hires part-time staff to cover positions that were previously full-time.

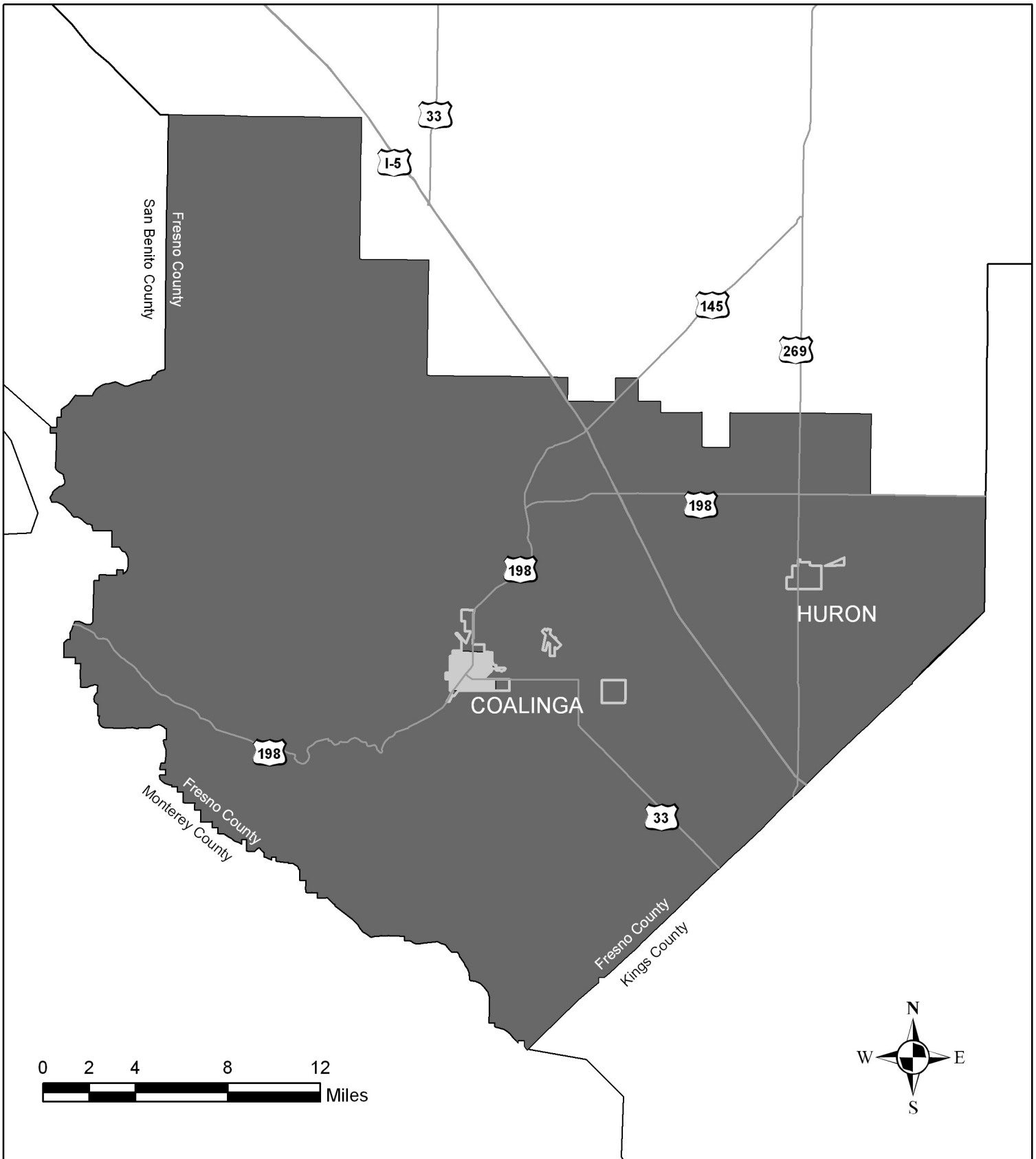
District facilities are available for rent by individuals and organizations. The District maintains a lease with the Kern County Superintendent of Schools for the use of the District's Camp Yeager recreational facility.

The MSR did not identify any opportunities for rate restructuring or other readily available government structure options.

The District reports that its Sphere and boundary are correct at this time and has not proposed any changes. The MSR did not identify any need to modify the District Sphere or boundary.

Recommendations:

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, find that prior to adopting the written determinations, the Municipal Service Review and Sphere of Influence determinations under consideration are Categorical Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15306, "Information Collection" and the general exemption from environmental review, CEQA Regulation Section 15061(b)(3), and find that the SOI Update qualifies for the same general exemption from environmental review based upon CEQA Regulation Section 15061(b)(3).
- B. Find that the Municipal Service Review and Sphere of Influence Update prepared for the Coalinga-Huron Recreation and Park District are complete and satisfactory.
- C. Find that the written determinations within the Municipal Service Review and Sphere of Influence Update satisfy State Law.
- D. Pursuant to Government Code Sections 56425 and 56430 make the required determinations for the Municipal Service Review and District Sphere of Influence, adopt the Municipal Service Review prepared for Coalinga-Huron Park and Recreation District prepared by Braitman and Associates, and update the Sphere of Influence for said District by reaffirming the current boundary.



Fresno Local Agency Formation Commission Coalinga-Huron Recreation and Park District

Legend

- District Area and SOI
- City Areas

District Formed: 1971
 SOI Adopted: May 19, 1976
 Map Date: August 2007

District Area: 550,006 Acres
 Sphere Area: 550,006 Acres

COALINGA-HURON RECREATION AND PARK DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
Fresno Local Agency Formation Commission

Prepared By:

Braitman & Associates
8277 Cheshire St.
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September 2007

1. MUNICIPAL SERVICE REVIEW

Description of District

The Coalinga-Huron Recreation and Park District was formed in 1971, providing services formerly provided by the Coalinga Unified School District. The District operates under provisions of the Recreation and Park District Act, Public Resources Code §5780 et seq.

The District is located in southwest Fresno County. It contains about 550,006 acres (or 859 square miles). Its boundaries are identical to those of the Coalinga Unified School District and the Coalinga-Huron Unified School District – Library District. The District boundaries and Sphere of Influence are coterminous, as shown on the enclosed map.

The District is governed by a five-member Board of Directors elected at large. A General Manager manages the District with 10 full-time, 20 part-time and 30 seasonal employees.

District Services and Background

The District provides public parks and recreation programs, and maintains landscaped street medians.

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 operates two parks in Coalinga and two in Huron. Its facilities include a Senior Activities Center, Fitness Center, Community Recreation Center, softball stadium, covered band shell, Olympic size swimming pool, racquetball courts and a variety of playfields, picnic areas and other recreation amenities.

In addition the District has 13-acre Camp Yeager in coastal Cambria (outside the District) with overnight facilities for families and groups.

Growth and Population Projections

District services do not directly facilitate or affect the rate or location of population development, though the District provides services based on demonstrated needs.

Financing Constraints and Opportunities

For FY 2006-07 the District projects revenues of \$1,200,499 and expenses of \$1,119,598. The District is fiscally solvent and financing is sufficient to provide District services.

Current year funding comes primarily from property taxes (\$931,898), charges for rentals and services (\$215,300), Redevelopment Pass Through (\$6,000) and interest (\$4,000).

Outstanding District debt consists of a \$464,863 municipal lease, the purpose of which is to provide funding for capital improvements in advance of reimbursement from grants.

Cost-Avoidance Opportunities

To avoid costs the District uses untreated water for park irrigation, contracts landscape maintenance and hires part-time staff to cover for prior full-time positions.

Opportunities for Rate Restructuring

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

Opportunities for Shared Facilities

The District offers facility rentals to individuals and organizations both inside and outside the District. The District maintains a lease with the Kern County Superintendent of Schools for the use of the District's Camp Yeager recreational facility in Cambria.

Government Structure Options

There do not appear to be readily available government structure options.

Management Efficiencies

The District exhibits the characteristics of a well-managed agency operating efficiently and serving its customers effectively.

Local Accountability and Governance

A five-member Board of Directors, elected at-large, governs the District. It meets monthly. Agendas are posted at the District office, Community Center and Senior Center and faxed to the newspaper and local organizations. The District maintains a website, www.chrpd.org.

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 exterior boundaries and Sphere of Influence are coterminous.

No Proposed Sphere Changes

The District reports its Sphere and boundary is correct at this time, and no changes are proposed at this time.

Sphere of Influence Recommendation and Determinations

It is recommended the Commission approve the following determinations and affirm the current Sphere of Influence.

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

Present and planned Land uses within the District are a mix of residential, commercial, industrial, public uses, agriculture and open space.

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

The mix of land uses within the District requires a broad array of public services and facilities. The probable need for public services and facilities reflect land use plans of the cities and the incorporated lands within its boundaries.

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

The capacity of District facilities is sufficient for services it provides.

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

Territory within the District represents a community of interest for District services.

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 Coalinga-Huron Recreation & Park District provided information on which the evaluation is based. Financial Coordinator Laurena Grimmatt was instrumental in providing data.

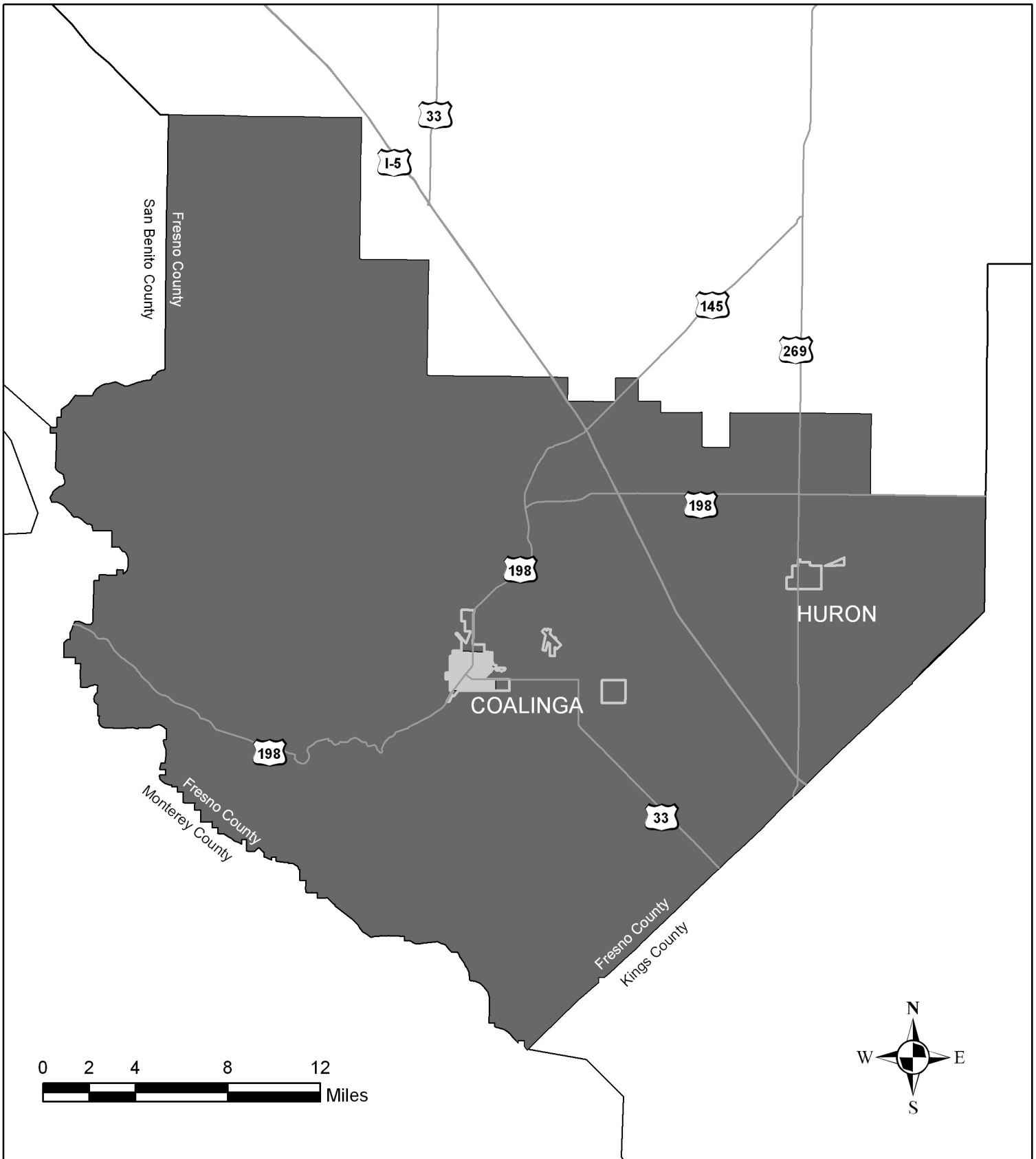
Available Documentation

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. Approve the recommended Sphere of Influence determinations and affirm the current Sphere of Influence.



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