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

AGENDA ITEM No. 14

DATE: August 22, 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 Cities:

1. City of Firebaugh
2. City of Kerman
3. City of Mendota
4. City of Reedley
5. City of San Joaquin

Summary / Background

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

On December 13, 2006, the Commission directed staff to enter into a contract with Braitman & Associates to prepare MSRs and SOI Updates for numerous cities and special districts. The attached MSRs have been prepared for the Cities of Firebaugh, Kerman, Mendota, Reedley, and San Joaquin.

Municipal Service Reviews provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not any modifications to a city or district's SOI 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.

SOI updates may involve an affirmation of the existing SOI boundary or recommend modifications to the SOI boundary. LAFCo is not required to initiate changes to an SOI based on findings and recommendations of the service review, although it does have the power to do so. Such updates are required by State law to be conducted every five years. MSRs are required to be prepared prior to, or in conjunction with, SOI updates.

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

1. Infrastructure needs or deficiencies
2. Growth and population projections for the affected area
3. Financing constraints and opportunities
4. Cost avoidance opportunities
5. Opportunities for rate restructuring
6. Opportunities for shared facilities

7. Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers
8. Evaluation of management efficiencies
9. Local accountability and governance

As part of the SOI update, 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 MSR's 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 MSR's 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 MSR's 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 MSR's or SOI updates may have a significant effect on the environment because there is no land use changes associated with the documents. If the Commission approves and adopts the MSR's 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

1. City of Firebaugh

- A. Maintain the City's existing Sphere of Influence boundary.

The City of Firebaugh is located in northwest Fresno County and northwest of the City of Mendota (see map location). The City encompasses approximately 2,087 acres (3.26 square miles) and its SOI contains approximately 3,411 acres (5.33 square miles).

The City's current population is estimated to be 6,692 (California Department of Finance data). Firebaugh has grown approximately 17% since 2000 and is projected to grow another 52% to 10,161 by 2030. This estimate, as provided by the Council of Fresno County Governments, is based on the assumption that the City will maintain the same percentage population growth as experienced from 1997 through 2007.

The City is governed by a five-member City Council. Council members are elected by division. The City is administered by a City Manager and has 34 full-time, four part-time, and one contract employees.

The City provides a wide range of services including, but not limited to: police and fire protection, emergency medical services, land use planning, parks, water and wastewater services, solid waste collection, and street lighting.

City-owned facilities include City Hall, the Community Center, the Senior Citizens Center, Veterans Building and health center, two parks, and public works facilities and infrastructure.

The City's FY 2006-07 Budget projected \$8,718,132 in revenues and \$8,325,777 in expenses. The budget included \$3,024,500 for capital projects. The City levies fees and service charges for municipal services and imposes fees on new growth to ensure adequate infrastructure and new land uses do not adversely affect the existing population.

The MSR did not identify any opportunities for shared facilities in current City operations. The City participates in the Central San Joaquin Valley Risk Management Authority to obtain reasonable priced insurance coverage, and with the Fresno County Sheriff and the Clovis and Fresno Police Departments to obtain equipment.

The City adjusts its fees and service charges as necessary to recover the City's costs to provide these services.

The City is in the process of updating its General Plan and anticipates expansion of its boundary to the north to include approximately 120 additional acres. A formal SOI application has not been submitted to LAFCo as yet. The Commission may consider such an expansion once a complete application has been received from the City. At this time, staff recommends affirmation of the existing SOI.

2. City of Kerman

A. Maintain the City's existing Sphere of Influence boundary.

The City of Kerman is located in central Fresno County along State Route 180, approximately 16 miles west of the City of Fresno. The City contains approximately 1,931 acres (3.01 square miles). Its SOI encompasses approximately 3,091 acres (4.83 square miles).

The City's current population is estimated to be 13,591 (California Department of Finance data). Kerman has grown approximately 59% since 2000 and is projected to potentially grow as much as another 142% to 32,900 by 2030. This estimate, as provided by the Council of Fresno County Governments, is based on the assumption that the City will maintain the same percentage population growth as experienced from 1997 through 2007.

The City is governed by a five-member City Council. The Council members are elected at large. The City is administered by a City Manager and has 58 full-time, 25 part-time, and 20 seasonal, and three contract employees.

The City provides a wide range of services including, but not limited to: police, land use planning, public parks and recreation programs, transit services, water and wastewater services, street maintenance, street lighting, flood control, drainage, and storm water disposal. Fire prevention and suppression services are provided by the North Central Fire Protection District. American Ambulance provides emergency medical and transport services.

City-owned facilities include City Hall, the Kerman Senior Center, Community/Teen Center, City Library, Police Station, a number of parks, water and wastewater facilities, and public works offices and shops.

Within the last three years the City has constructed two 750,000 gallon water tanks and has purchased 80 acres for future expansion of its wastewater hold ponds for a planned wastewater treatment plant expansion.

The City's 2006-07 Budget projected General Fund revenues totaling \$3,608,558 and General Fund expenditures totaling \$3,608,558. Property taxes, sales and other taxes, and charges for services constitute the vast majority of these funds. Police operations make up approximately 53% of General Fund expenditures. Administration and legislative functions, recreation and social services, and public works account for the remainder of these expenditures.

The City's five-year *Capital Improvement Program* (CIP) projects extensive municipal facilities improvements. The CIP is updated annually. The City also updates its Development Impact Fees (DIF) on an annual basis. Additionally, the City has instituted a Fire Service Impact Fee for future development of facilities for the North Central Fire Protection District. The various fees and service charges for municipal services as well as fees and DIF for new growth are intended to ensure adequate infrastructure and new land uses do not adversely affect the existing population.

The City's FY 2007-08 Budget is anticipated to include approximately \$11 million in capital improvements including an expansion of City Hall, expansion of the wastewater treatment plant, and acquisition of 40 acres for future use as a park. Improvements for the Community Center, parks and recreation facilities, and roads and drainage facilities are also anticipated.

The City shares some of its park facilities with the Kerman Unified School District and is partnered with the School District's Kerman High School Building Trades Class to build City facilities such as park restroom/concession facilities, shop/office buildings for the City's Public Works Department, and lower cost of housing units.

The City through an agreement with Fresno County provides water service to some properties located approximately one-half mile south of the City.

The City seeks to avoid costs through its participation with: 1) the Central San Joaquin Valley Risk Management Authority; 2) a groundwater management JPA with the Fresno Irrigation District (FID) and all water agencies and water companies within FID's boundary, and 3) the San Joaquin Valley Power Authority.

The City reviews its fees annually and frequently adjusts its fees and charges for service to fully recover City costs.

The City states it has recently completed a 10-year General Plan Update for its 20-year (2007-2027) General Plan. In conjunction with the General Plan Update, the City has also completed 20-year Master Plans for water, sewer, and drainage facilities. During the time in which the General Plan was being developed, potential annexations for residential development were held in suspension. With approval of the updated General Plan in February, 2007, the City Council lifted this suspension on annexations for residential development.

The City states it has delayed submitting applications to expand its Sphere until the MSR is completed. It is anticipated the City will submit a proposal to the Commission to expand its Sphere, based on its updated General Plan, in the near future. At this time the Commission cannot consider an expansion of the City's SOI since it lacks necessary information and compliance with CEQA.

Based on this information, staff recommends the Commission adopt the MSR and SOI update determinations and affirm the current Sphere of Influence, deferring action on any Sphere amendments until the City submits a complete and acceptable application.

3. City of Mendota

A. Maintain the City's existing Sphere of Influence boundary.

The City of Mendota is located in western Fresno County approximately 35 miles west of the City of Fresno (see location map). State Route 33 traverses the City of Mendota. The City contains approximately 1,627 acres (2.54 square miles). Its SOI encompasses approximately 2,539 acres (3.97 square miles).

The City's current population is estimated to be 9,426 (California Department of Finance data). Mendota has grown approximately 19% since 2000 and is projected to grow another 68% to 15,850 by 2030. This estimate, as provided by the Council of Fresno County Governments, is based on the assumption that the City will maintain the same percentage population growth as experienced from 1997 through 2007.

The City is governed by a five-member City Council. City Council members are elected at large. The City is administered by a City Manager and has 19 full-time and three seasonal employees.

The City provides a wide range of services including, but not limited to: police protection, land use planning, public parks and open space, an airport, water and wastewater services, street maintenance, street lighting, flood control, drainage, and storm water disposal. The City contracts for fire protection with the California Division of Forestry (CDF). The City contracts for emergency medical services with American Ambulance and solid waste collection and disposal with a private hauler.

City-owned facilities include the City Hall, the Library, Community and Senior Citizens' Centers, two parks, a wastewater treatment plant, public works facilities, and an animal control kennel. The City states it is in the process of expanding its wastewater treatment plant capacity from 1.24 million gallons per day (mgd) to 2.5 mgd, in order to handle future growth.

The City's FY 2006-07 Budget projected General Fund revenues totaling \$1,727,515 with substantial portions of this revenue derived from sales taxes and other taxes, and intergovernmental revenues. General Fund expenditure projections totaled \$1,673,878, with substantial portions of these expenditures being used for police and fire protection services, building, planning and engineering, public works projects, and administrative functions. The City maintains separate funds for refuse, sewer, and water services, and capital improvements, as

well as other activities. The City budgeted \$1,659,000 for specific capital projects for FY 2006-07.

The City levies fees and service charges for municipal services and imposes fees on new growth to ensure adequate infrastructure and new land uses do not adversely affect the existing population. From information provided by the City, it appears that funding is being put in place for current and future public service needs.

The City has posed the idea of sharing a regional wastewater treatment plant with the City of Firebaugh, but funding for this project is not available. No other opportunities for sharing facilities were identified in the MSR.

The City utilizes performance measures which indicate that the City has been successful in reducing expenditures and increasing revenue through recovering reasonable costs incurred while providing services to its residents. Fees and charges for services are periodically adjusted to recover City costs.

The City is in the process of updating its General Plan and, due to projected population growth, expects to propose an expansion to its Sphere of Influence in the near future. An application has not been submitted for the Commission to consider amending the City's SOI or annexation of additional lands. The Commission may consider such an expansion once a complete application has been received from the City. At this time, staff recommends affirmation of the existing SOI.

4. City of Reedley

A. Maintain the City's existing Sphere of Influence boundary.

The City of Reedley is located in southeast Fresno County, approximately 25 miles southeast of the City of Fresno and 12 miles east of State Route 99 (see location map). The City's SOI is contiguous with the Fresno/Tulare County boundary on the south. The City contains approximately 3,116 acres (4.87 square miles). Its SOI encompasses approximately 4,723 acres (7.38 square miles).

The City's current population is estimated to be 24,909 (California Department of Finance data). Reedley has grown approximately 20% since 2000 and is projected to grow another 72% by 2030. This estimate, as provided by the Council of Fresno County Governments, is based on the assumption that the City will maintain the same percentage population growth as experienced from 1997 through 2007.

The City is governed by a five-member City Council. Council members are elected by division. The City is administered by a City Manager and has 110 full-time and 80 part-time employees.

The City provides a wide range of services including, but not limited to: police and fire protection, land use planning, parks, transit services, water and wastewater services, solid waste collection and disposal and recycling, street lighting, flood control, drainage, and storm water disposal.

City-owned facilities include City Hall, a fire station, Community Center, bath house, Reedley Opera House, two swimming pools, five parks, an airport including an office, shop, and aircraft hangers, a boat launch facility, and public works facilities and infrastructure including water, wastewater, and storm drainage collection facilities.

The City's FY 2006-07 Budget projected \$24,255,695 in revenues and \$24,188,078 in expenditures. Major expenditures included public safety, recreation/parks, community

development, general government, refuse collection and disposal, sewage collection and disposal, and water services.

The City also budgeted \$6,261,062 in FY 2006-07 for capital projects. These projects include expansion of the wastewater treatment plant from 3 million gallons per day (mgd) to 5 mgd, construction of two 1.5 million gallon water storage tanks, and installation of water meters. The City is updating its Utility Master Plans along with its General Plan update, which is expected to be completed in approximately 12 months.

The City has adopted a Community Facility District (CFD) policy whereby funds are paid by new residential, commercial, and industrial development projects to the District to help support police, fire, and parks and recreation services exclusively.

The City levies fees and service charges for municipal services and imposes fees on new growth to ensure adequate infrastructure and new land uses do not adversely affect the existing population. From information provided by the City, it appears that funding is being put in place for current and future public service needs.

Sewer service rates were recently increased to cover maintenance and operation costs. Fees and charges for services are periodically adjusted to recover City expenses.

The City participates with a number of other agencies in various ways to help avoid costs. The City is part of the Reedley Public Financing Authority, the Fresno Economic Development Commission, the Southeast Regional Solid Waste Commission, and the San Joaquin Valley JPA, which was recently formed with one county and 12 cities to purchase, generate, and sell electrical energy.

The City has submitted an application to expand its SOI by approximately 68 acres, and to annex these lands so that it can build a new regional sports park on this property. A number of documents related to this proposal have been submitted to LAFCo, but the application is not yet complete. Once additional materials are submitted and the Executive Officer has determined that the application is complete, this SOI amendment and annexation proposal will be scheduled to be heard by the Commission. At this time, staff recommends affirmation of the existing SOI.

5. City of San Joaquin

- A. Maintain the City's existing Sphere of Influence boundary.
- B. Encourage the City of San Joaquin and the Fresno Westside Mosquito Abatement District to pursue the option of having the District annex that portion of the City which is not within the District, so that the entire City can be treated equally with other properties in the City and throughout the District, including properties within the Cities of Firebaugh and Mendota, and so that abatement services will be provided throughout the District's Sphere of Influence.

The City of San Joaquin is located in central Fresno County approximately 20 miles southwest of the City of Fresno (see location map). San Joaquin contains approximately 710 acres (1.11 square miles). Its SOI encompasses approximately 962 acres (1.50 square miles).

The City's current population is estimated to be 3,870 (Department of Finance data). San Joaquin has grown approximately 18% since 2000 and is projected to grow another 76% by 2030. This estimate, as provided by the Council of Fresno County Governments, is based on the assumption that the City will maintain the same percentage population growth as experienced from 1997 through 2007.

The City is governed by a five-member City Council. Council members are elected at large. The City is administered by a City Manager and has 10 full-time, one part-time, and one contract employees.

The City provides a wide range of services including, but not limited to: police, land use planning, parks and recreation programs, transit service, water and wastewater services solid waste collection and disposal, street lighting, flood control, drainage, and storm water disposal. The City provides fire protection service through a contract with the California Division of Forestry (CDF).

Staff notes that the MSR prepared for the Fresno Westside Mosquito Abatement District reported that the City of San Joaquin is within the District's Sphere of Influence, but that the majority of the City is not within the District's boundaries. As such, most of the City does not receive direct mosquito inspection and treatment services, or disease surveillance services.

City-owned facilities include the City Hall, the Community Center, Senior Center, Learning Center modular buildings where day care services are provided, a vacant fire station, two parks, public works facilities and infrastructure, water and wastewater treatment facilities, and an animal control kennel.

The City's FY 2006-07 Budget projected General Fund revenues totaling \$760,700 and General Fund expenditures totaling \$984,080. The substantial difference between these projections is financed by a beginning fund balance of \$226,620.

The City maintains separate funds for solid waste, sewer, water, and other enterprise activities, as well as redevelopment and capital improvements. The FY 2006-07 Budget projects revenues of \$5,989,093 and expenditures of \$4,989,868 of which \$2,862,779 is budgeted for specific capital improvements. The City's Capital Improvement Program (approved in July 2004) projects infrastructure needs for parks, sewers, streets, and storm drains through 2009.

The City levies fees and service charges for municipal services and imposes fees on new growth to ensure adequate infrastructure and that new land uses do not adversely affect the existing population. The City has the ability to adjust its fees and service charges as necessary to recover the City's costs to provide these services. From the information provided, it appears that the City has made it a priority to adjust fees and charges as needed. The City appears to be operating efficiently.

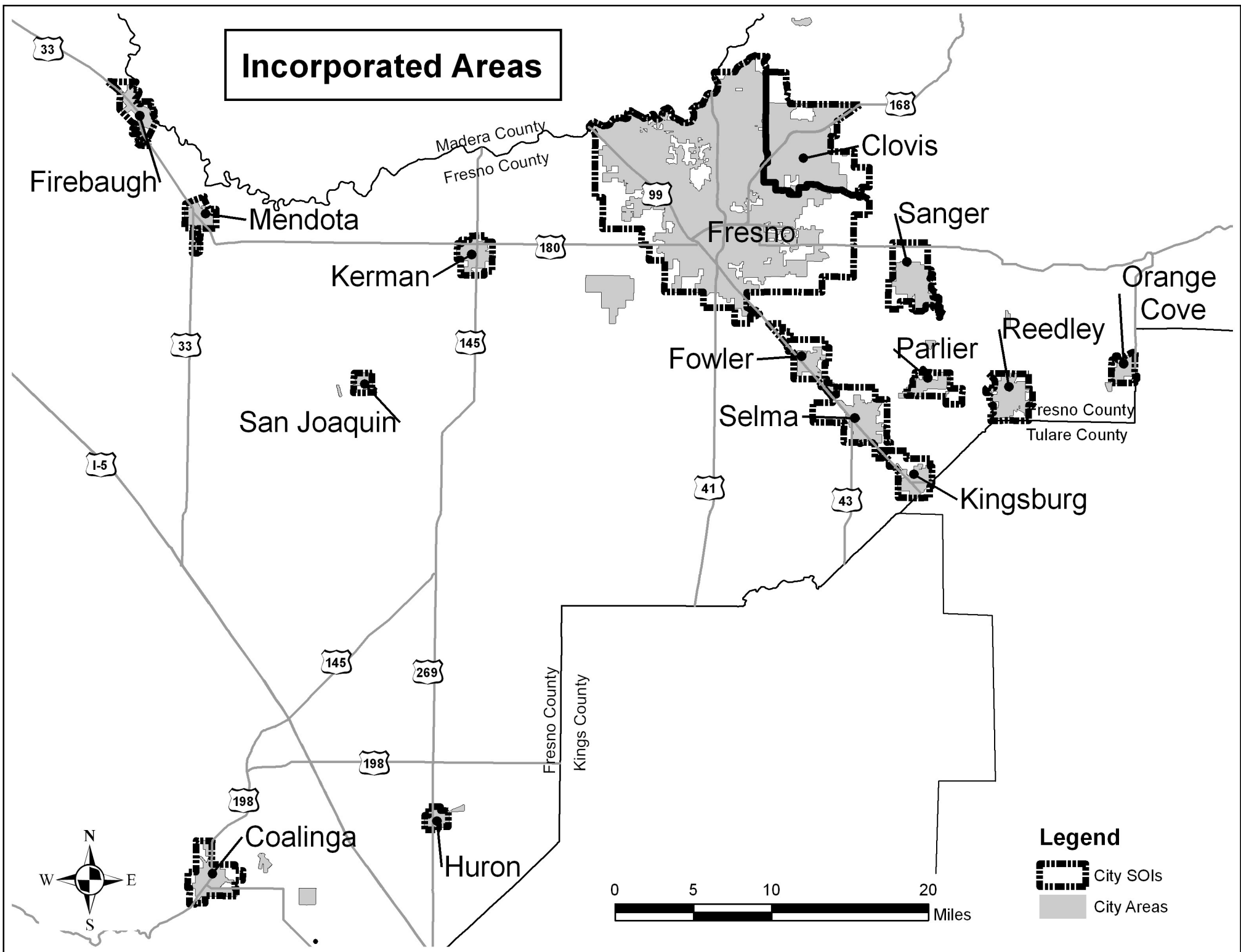
The City reports that its City boundary and Sphere of Influence are appropriate at this time and does not propose any changes. At this time, staff recommends affirmation of the existing SOI.

Recommendations:

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, find that prior to adopting the written determinations, the Municipal Service Review and Sphere of Influence determinations under consideration are 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 the Municipal Service Reviews and Sphere of Influence Updates prepared for the Cities of Firebaugh, Kerman, Mendota, Reedley, and San Joaquin 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 Review and District Sphere of Influence, adopt the Municipal Service Review prepared for the Cities of Firebaugh, Kerman, Mendota, Reedley, and San Joaquin by Braitman and Associates, and update the Sphere of Influence for said Cities by reaffirming their current boundaries.
- E. Encourage the City of San Joaquin and the Fresno Westside Mosquito Abatement District to pursue the option of having the District annex that portion of the City which is not within the District.

Incorporated Areas

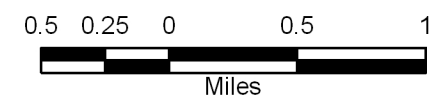
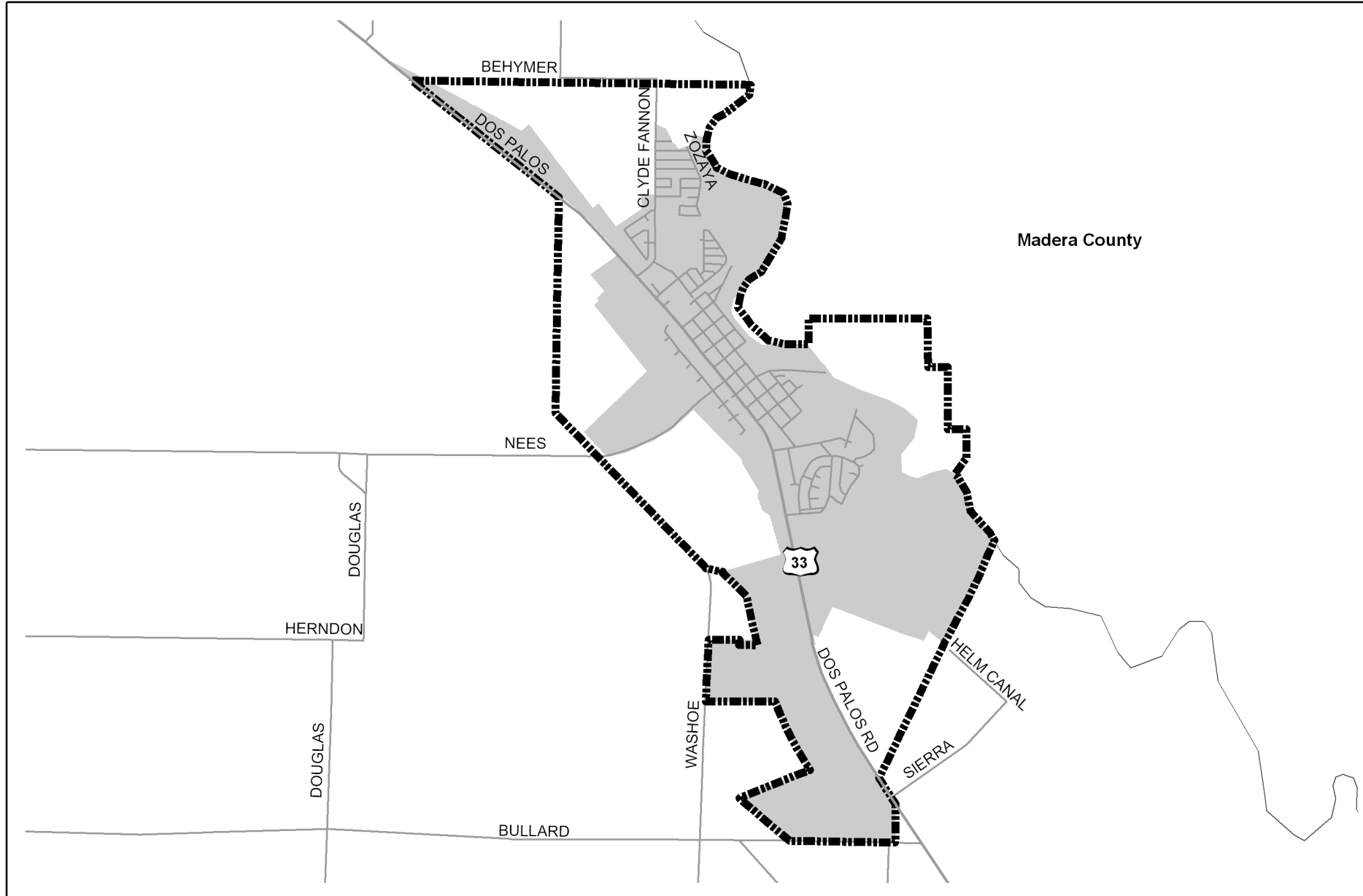


Legend

-  City SOIs
-  City Areas

CITY OF FIREBAUGH

Adopted: October 23, 1974
Updated: August 23, 2000
Map Date: June 2007



Legend

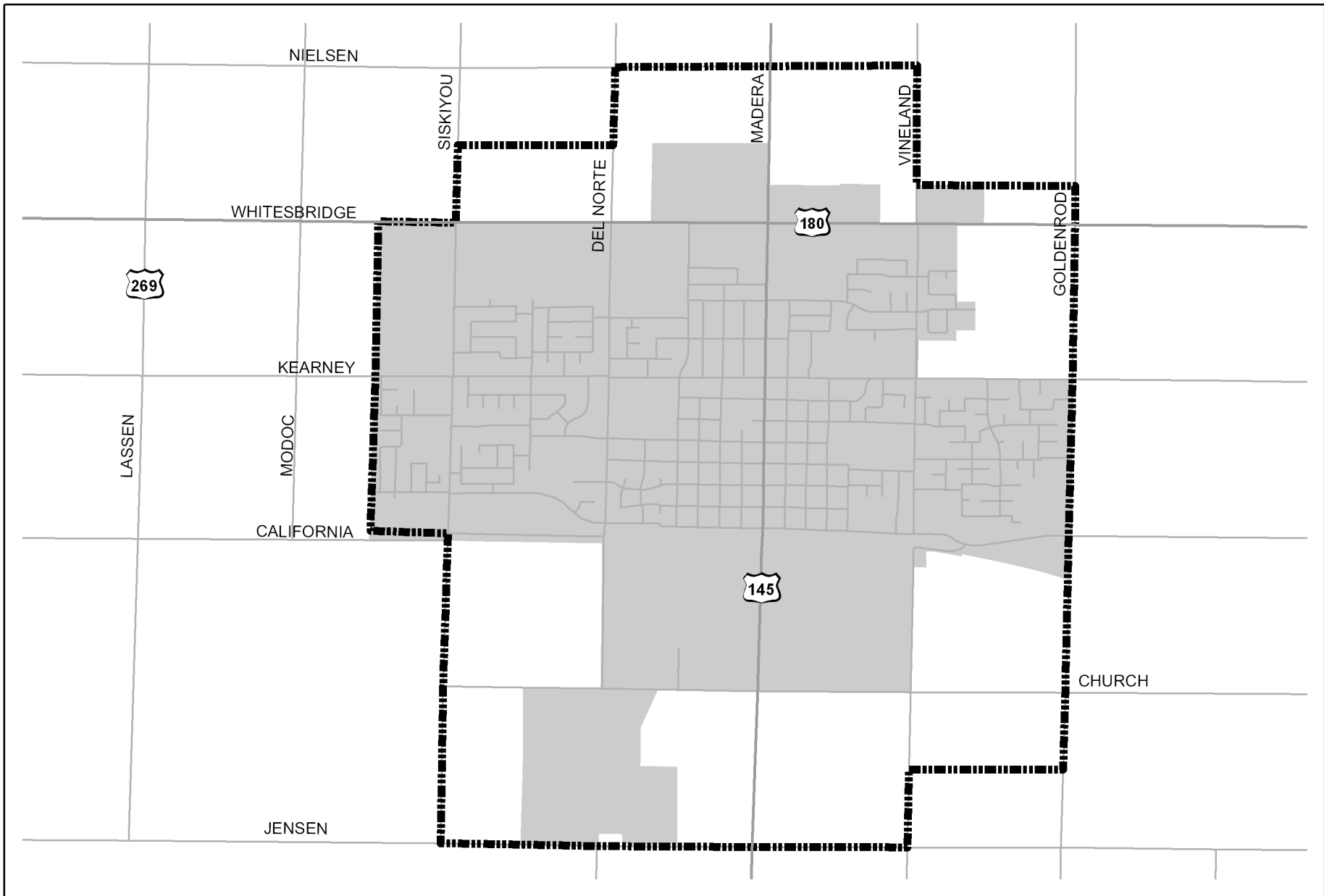
- Sphere of Influence
- City Limits

FRESNO LOCAL AGENCY FORMATION COMMISSION CITY OF FIREBAUGH SPHERE OF INFLUENCE

City Date (6/07)

Note: Areas are digitized acreages and do not reflect actual legal values

Sphere Area 3,411 Acres
City Area 2,087 Acres





CITY OF KERMAN

Adopted: October 23, 1974
 Updated: June 15, 2005
 Map Date: June 2007



Legend

 Sphere of Influence

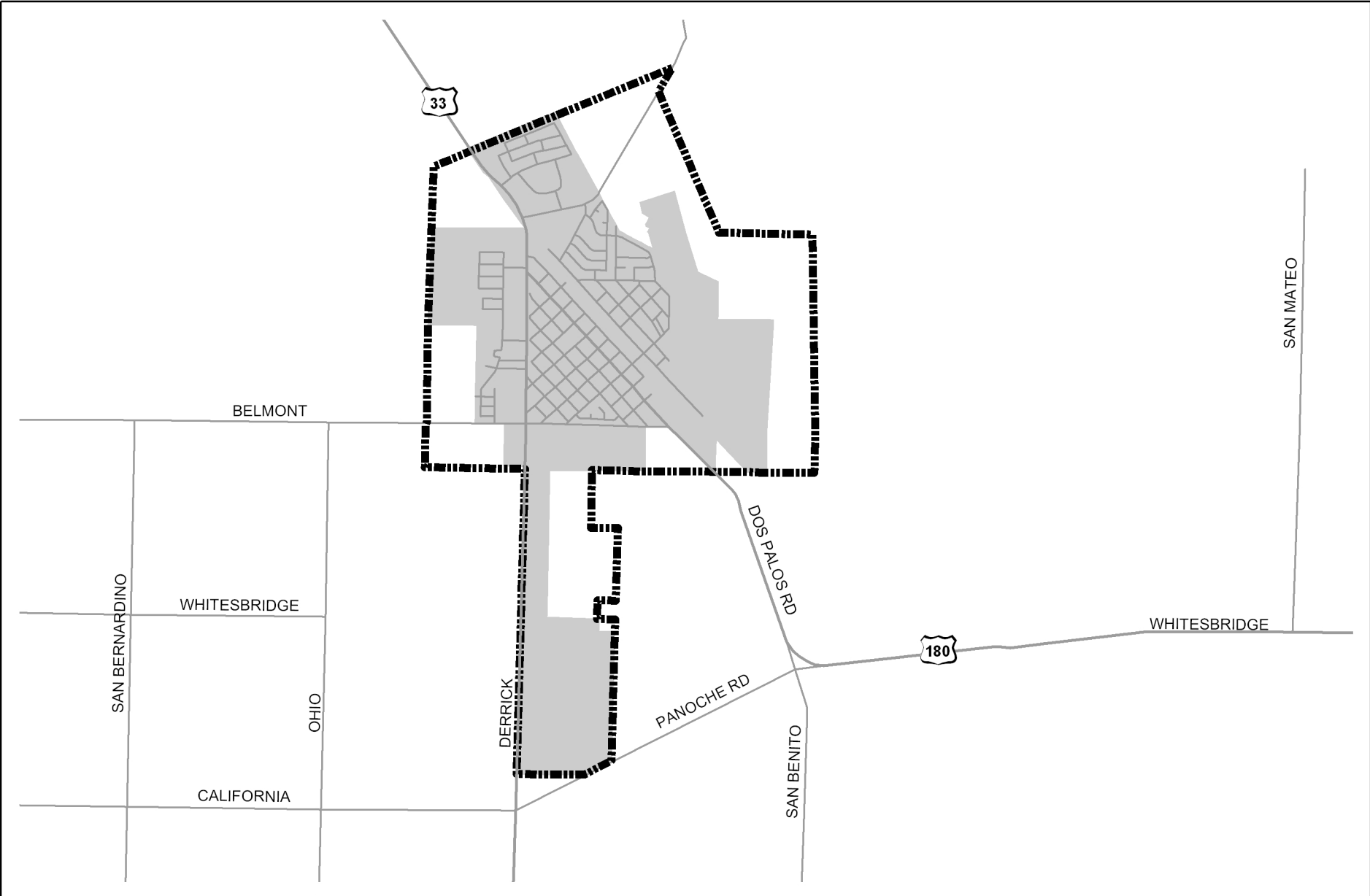
 City Limits

FRESNO LOCAL AGENCY FORMATION COMMISSION CITY OF KERMAN SPHERE OF INFLUENCE

City Date (6/07)

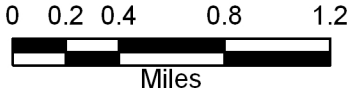
Note: Areas are digitized acreages and do not reflect actual legal values

Sphere Area	3,092 Acres
City Area	1,931 Acres



CITY OF MENDOTA

Adopted: October 23, 1974
 Updated: July 8, 1998
 Map Date: June 2007



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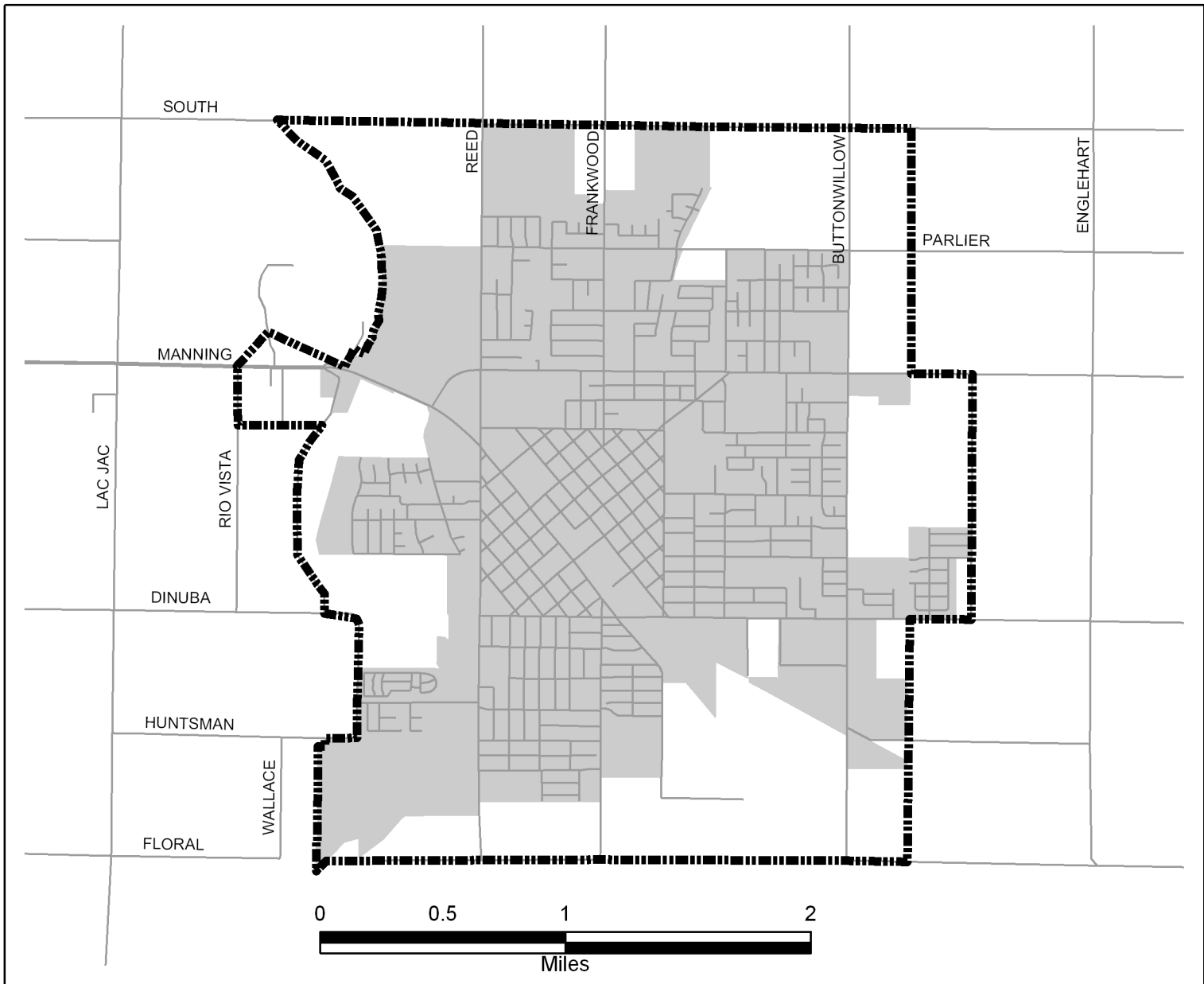
- Sphere of Influence
- City Limits

FRESNO LOCAL AGENCY FORMATION COMMISSION CITY OF MENDOTA SPHERE OF INFLUENCE

City Date (6/07)

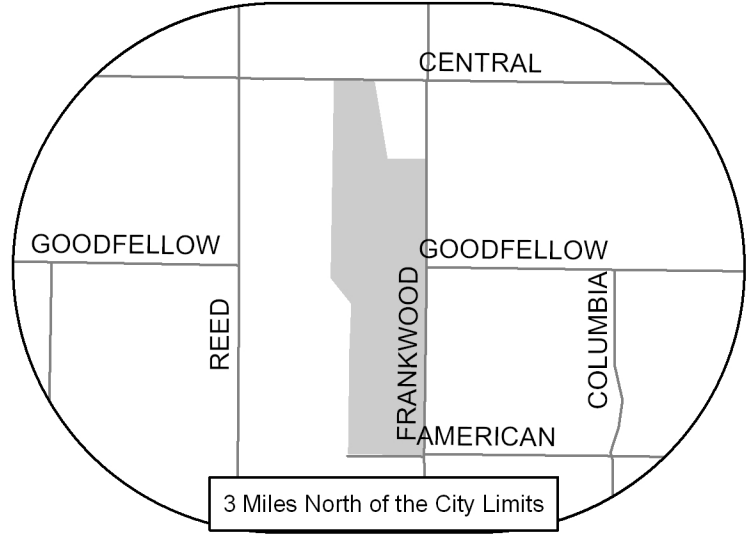
Note: Areas are digitized acreages and do not reflect actual legal values

Sphere Area 2,539 Acres
City Area 1,627 Acres



CITY OF REEDLEY

Adopted: August 27, 1977
 Updated: October 26, 1994
 Map Date: June 2007



Legend

-  Sphere of Influence
-  City Limits

FRESNO LOCAL AGENCY FORMATION COMMISSION CITY OF REEDLEY SPHERE OF INFLUENCE

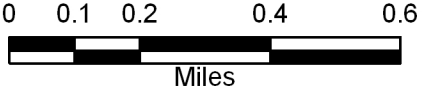
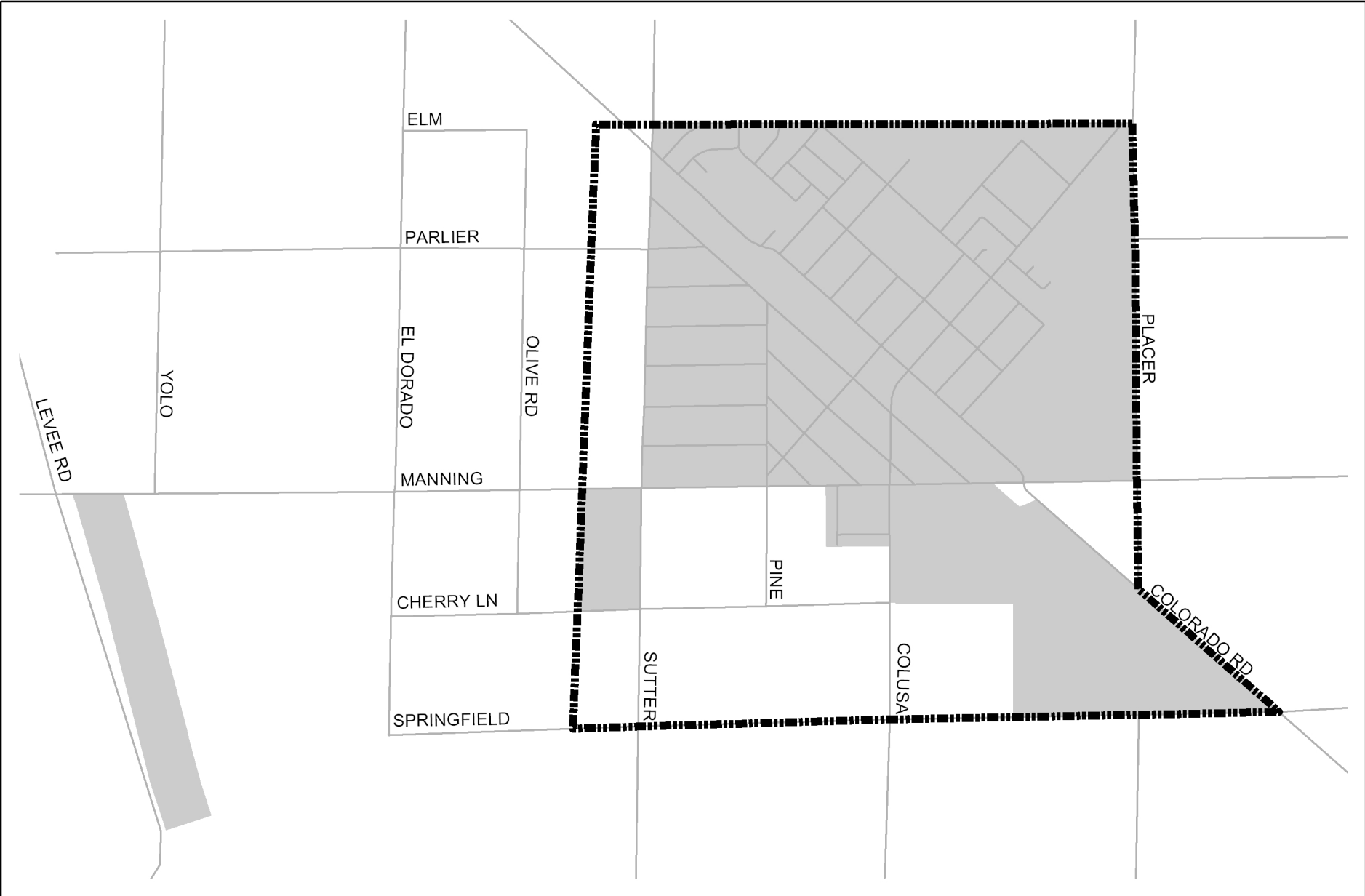
City Date (6/07)

Note: Areas are digitized acreages and do not reflect actual legal values

Sphere Area 4,723 Acres
City Area 3,116 Acres

CITY OF SAN JOAQUIN

Adopted: November 27, 1974
 Updated: August 25, 1982
 Map Date: June 2007



Legend

- Sphere of Influence
- City Limits

FRESNO LOCAL AGENCY FORMATION COMMISSION CITY OF SAN JOAQUIN SPHERE OF INFLUENCE

City Date (6/07)

Note: Areas are digitized acreages and do not reflect actual legal values

Sphere Area 962 Acres
 City Area 710 Acres

RESOLUTION NO. MSR-07-23E

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

In the Matter of

LAFCo Determination

RESOLUTION MAKING)	MAKE DETERMINATIONS AND ADOPT
DETERMINATIONS AND ADOPTING)	MUNICIPAL SERVICE REVIEW; AND
MUNICIPAL SERVICE REVIEW; AND)	MAKE DETERMINATIONS AND UPDATE
MAKING DETERMINATIONS AND)	SPHERE OF INFLUENCE FOR THE CITY
UPDATING SPHERE OF INFLUENCE)	OF SAN JOAQUIN
FOR THE CITY OF SAN JOAQUIN)	

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

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

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

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

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

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

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

Section #4. Pursuant to Government Code Sections 56425 and 56430 this Commission hereby adopts the determinations as presented in the Municipal Service Review and Sphere of Influence Update documents including, without limitation, the following:

- A. Direct staff to work with the City of San Joaquin and the Fresno Westside Mosquito Abatement District in annexing that portion of the City which is within the District's Sphere of Influence, but outside its boundary, to the District.
- B. Waive LAFCo fees normally associated with this action.

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

* * * * *

ADOPTED THIS 22nd DAY OF AUGUST, 2007, BY THE FOLLOWING VOTE:

AYES: Commissioners Larson, Anderson, Fortune, Rodriguez, 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 22nd day of August, 2007.



Victor Lopez, Chairman
Fresno Local Agency Formation Commission

CITY OF SAN JOAQUIN

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
Fresno Local Agency Formation Commission

Prepared By:

Braitman & Associates
8277 Cheshire St.
Ventura, CA 93004

August 2007

1. MUNICIPAL SERVICE REVIEW

Description of City

The City of San Joaquin was incorporated in 1920 and is one of 15 cities in Fresno County. It is a general law city operating pursuant to laws of the State of California (Government Code Section 34000 et seq.).

The City encompasses approximately 710 acres (1.11 square miles). The City's estimated population as of January 1, 2007, was 3,870 (California Department of Finance data).

The City is in an agricultural area of central Fresno County, approximately 20 miles southwest of the City of Fresno.

The City's boundaries and Sphere of Influence are largely coterminous as shown on the attached map, though the Sphere extends beyond the City primarily to the south and west. The Sphere of Influence encompasses approximately 962 acres (1.50 square miles).

The City is governed by a five-member council with members elected at large. The City Council regularly meets monthly. Agendas are posted at City Hall, the Post Office and the Learning Center. The City has a website www.cityofsanjoaquin.org

The City utilizes a city manager form of government. It has 10 full-time, one part-time and one contract employees.

City Services

The City provides the following array of municipal services:

- Police protection, including traffic law enforcement
- Land use planning and building regulation
- Public parks and recreation programs
- Library services
- Transit service
- Retail water delivery
- Wastewater collection, treatment and disposal
- Refuse disposal
- Street maintenance, including bridges and culverts
- Street lighting
- Flood control, drainage and storm water disposal

The City reports that fire protection and emergency response services for property within the City are provided by the California Division of Forestry (CDF).

The MSR for the Fresno Westside Mosquito Abatement District reported that while the entire City is within the District's Sphere of Influence, a portion of the City is not within the District, noting that:

The City of San Joaquin (1959 city limits, approx. 1 sq. mi.) is an island within our District. They receive some benefit from our services because we operate all around them but they do not pay for those services. The areas of the City that are not within our District do not receive direct services such as inspections, treatments and disease surveillance.

With the exception of the central portion of the City of San Joaquin, the rest of western and central Fresno County are provided mosquito abatement services by a number of Mosquito Abatement Districts.

INFRASTRUCTURE AND SERVICE PROVISIONS

City Infrastructure

The City of San Joaquin reports the following land, buildings and facilities:

- Community buildings include City Hall, a community center, senior center, learning center, modular buildings (where day care services are provided in cooperation with West Hills Community College) and a fire station (vacant).
- Recreational facilities include Peter Rusconi Park adjacent to the community center and the new San Joaquin Sports Park (constructed this year).
- Public works facilities include an office building, shop, and yard, wastewater treatment plant, water treatment plant, water distribution and wastewater collection facilities and animal control kennel.

City Finances

The FY 2005-06 and 2006-07 budgets and Independent Auditor's Report for the year ending June 30, 2006 are available in the LAFCO office.

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

Taxes	\$ 487,700
Licenses and Permits	170,800
Fines and Assessments	13,000
Interest and Rentals	26,000
Impact Fees	37,800
Charges for Current services	18,900
Other Revenues	<u>6,500</u>

Projected General Fund Revenues	\$760,700
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General Fund expenditures are projected by category for FY 2006-07 as:

Legislative and Executive	\$ 139,010
Finance	36,661
Economic Development	287,937
Law enforcement	85,000
Code Enforcement	40,894
Recreation	53,063
Parks	81,702
Urban Development	78,952
Other Departments	<u>180,861</u>
Projected General Fund Expenditures	\$984,080

The \$223,380 difference between projected expenditures and revenues is financed by a beginning fund balance of \$226,620.

The City maintains separate funds for refuse, sewer, water, street maintenance and other enterprise activities as well as redevelopment and capital improvements.

The City’s 2007 Strategy Plan notes the overall budget for FY 2006-07 projects revenues of \$5,989,093 and expenditures of \$4,989,868, and that since 2003 the City has resolved over \$6 million of municipal debt.

2. SERVICE REVIEW DETERMINATIONS

Infrastructure Needs and Deficiencies

The City maintains extensive infrastructure to provide services. From the budget it appears that infrastructure plans relate to current and projected public service needs. The City in FY 2006-07 budgeted \$2,862,779 for specific capital projects.

The City’s Capital Improvement Program (July 2004) projects infrastructure needs for parks, sewers, water facilities, streets and storm drains for the next five years.

Growth and Population

The City’s current population is estimated to be 3,870. The City’s population has grown approximately 18% since 2000 when the City was estimated to have a population of 3,270 and 735 housing units (2000 U.S. Census).

The City is projected to have a 2030 population of approximately 6,796, an increase of approximately 76% (Fresno Council of Governments data). (Note: This figure assumes the City will maintain the same share of population growth 2007 – 2030 as it has maintained from 1997 – 2007.)

Financing Constraints

As a California municipality, City finances are dependent on State statutes including formulas governing the distribution of certain types of revenues and local policies and decisions regarding growth of the community and the variety of services proffered.

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 levies fees and service charges for municipal services, and imposes fees and exactions on new growth to ensure adequate infrastructure and municipal services and that new land uses do not adversely affect the existing population.

Opportunities for Shared Facilities

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

Government Structure Options

There are no obvious opportunities for governmental structure options.

Cost Avoidance Opportunities

The City Strategic Planning process attempts to deliver improved municipal services. Enhanced training of city staff appears to be a high priority to identify ways to reduce costs and increase municipal revenues throughout the organization.

Opportunities for Rate Restructuring

The City has the ability to adjust fees and charges for services to recover City costs. Giving greater attention to these opportunities appears to be a city priority.

Evaluation of Management Efficiencies

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

Local Accountability and Local Government

The City is locally accountable. Notices and agendas of City Council meetings are posted at the City Hall, Post Office and Learning Center. The City maintains a website and distributes flyers and newsletters to City residents.

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 LAFCO.

Description of Current Sphere of Influence

The City’s boundaries and Sphere of Influence are largely coterminous though the Sphere extends beyond the City primarily to the south and west. A map of the City and its Sphere is attached.

Proposed Sphere Change

The City reports its Sphere and boundary are correct 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 as depicted on the map.

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

Present and planned land uses within the Sphere are a combination of residential, commercial, industrial, public, agricultural and open spaces uses.

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

The present and probable need for public facilities and services within the City and its Sphere are described in the Municipal Service Review. Urban uses within the City require a range of services such as water, sewer, law enforcement and fire protection.

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

The City indicates it is able to provide adequate facilities and services for existing and planned land uses within the City boundaries and Sphere area.

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 community of San Joaquin represents a social and economic community.

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 San Joaquin provided information on which the evaluation is based. City Clerk Diana Brooks was 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.

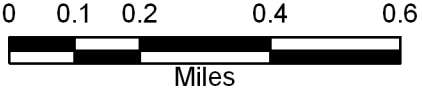
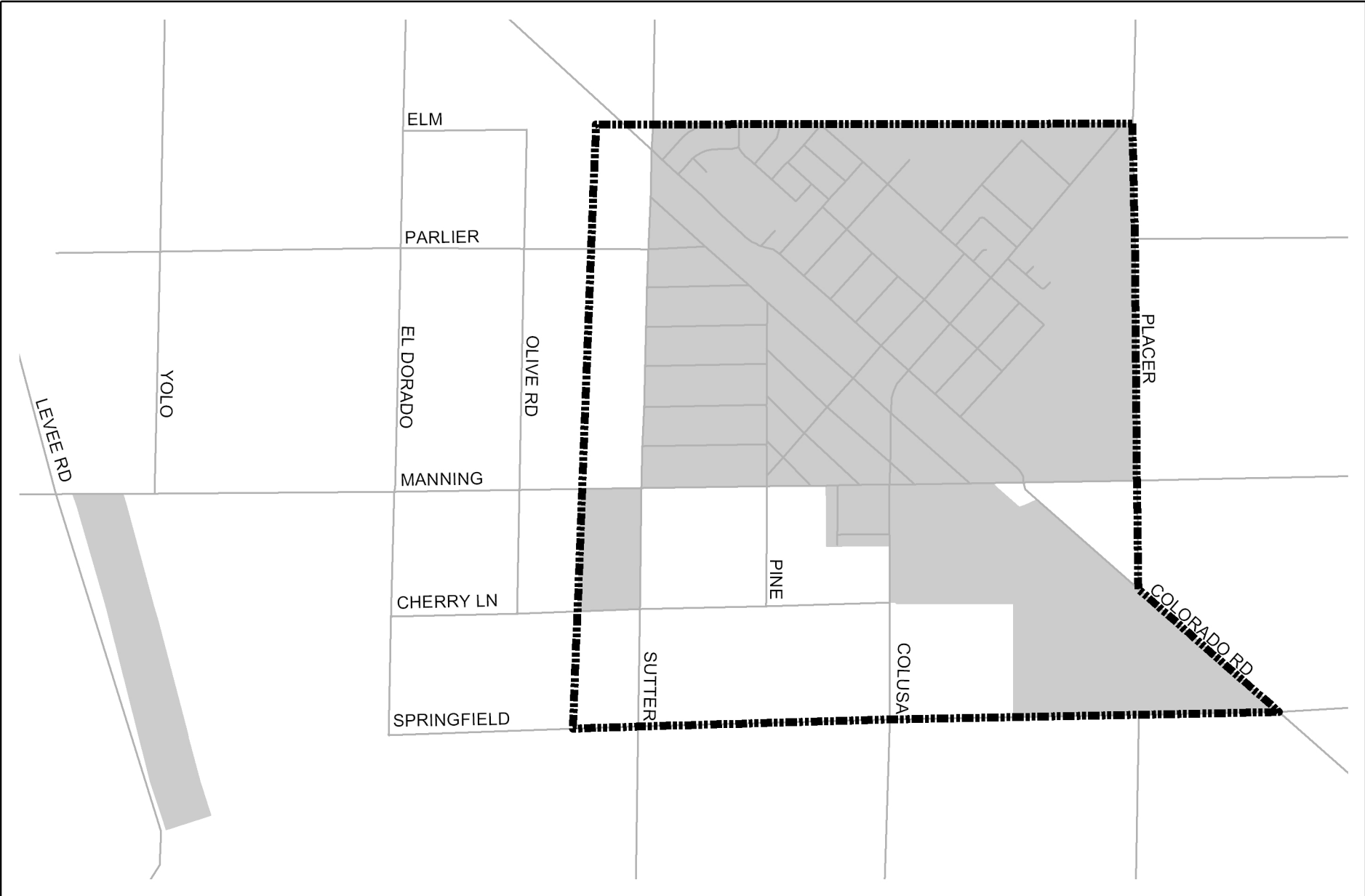
5. RECOMMENDATIONS

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

CITY OF SAN JOAQUIN

Adopted: November 27, 1974
 Updated: August 25, 1982
 Map Date: June 2007



Legend

-  Sphere of Influence
-  City Limits

FRESNO LOCAL AGENCY FORMATION COMMISSION CITY OF SAN JOAQUIN SPHERE OF INFLUENCE

City Date (6/07)

Note: Areas are digitized acreages and do not reflect actual legal values
Sphere Area 962 Acres
City Area 710 Acres