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

AGENDA ITEM No. 15

**DATE**: October 10, 2007

<u>TO</u>: Fresno Local Agency Formation Commission

FROM: Rick Ballantyne, Executive Officer

**Darrel Schmidt, Deputy Executive Officer** 

**SUBJECT:** Consider Adoption – Municipal Service Review and Sphere of

Influence Update Prepared for the Consolidated Irrigation District

(Continued from July 11 and September 12, 2007)

#### 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 MSR has been prepared for the Consolidated Irrigation District (CID).

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:

- 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.

The MSR and SOI Update prepared for the Consolidated Irrigation District were continued from the Commission's July 11, 2007 and September 12, 2007 hearings. The District requested the July 11<sup>th</sup> continuance in order to allow additional technical information to be considered within the MSR. Such information included an *Urban Impacts Engineering Study* and a technical study related to groundwater impacts resulting form urban development. The District requested that these studies be considered and/or included within the Municipal Service Review. The District also reported that the information and conclusions contained in a separate report—the *Upper Kings Basin Integrated Regional Water Management Plan* should also be considered in the MSR.

The MSR and SOI Update were continued a second time at the September 12<sup>th</sup> hearing, at the District's request, to allow the District additional time to provide information related to the studies mentioned above. The attached MSR has been revised to include this information.

#### **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 Consolidated Irrigation District encompasses approximately 144,000 acres (225 square miles) both east and west of State Route 99 in southeastern Fresno County. The District includes areas surrounding the Cities of Fowler, Kingsburg, Parlier, Sanger, and Selma. As lands are annexed into these cities, they are concurrently detached from the District. The District shares a common boundary with the Fresno Irrigation District to the north. Relatively small portions of the District are located within Kings and Tulare Counties. The District's boundary and Sphere of Influence are coterminous.

The District is governed by a five-member, elected Board of Directors and administered by a general manager. The District has 22 full-time employees.

The District provides water from the Kings River for irrigation and groundwater recharge. The District's water distribution system consists primarily of open ditches to irrigate agricultural lands within the District. Facilities include an office, yard and shop, four residences, numerous ponding basins for storage and recharge, and an extensive system of canals and pipelines for water distribution.

The District states that due to insufficient water supplies, the Kings River Basin has been operating under overdraft conditions for many years. As a result, a number of Irrigation Districts and other agencies affected by this overdraft have signed a Memorandum of Understanding (MOU) defining how they will work together to manage existing water supplies and develop new supplies for the Kings Region. This water management group was formed pursuant to the Upper Kings Basin Integrated Regional Water Management Plan (IRWMP) standards and guidelines. CID adopted the IRWMP in August, 2007. The five cities located within CID, Fowler, Kingsburg, Parlier, Sanger, and Selma all participated in development of the IRWMP.

The IRWMP has revealed that groundwater overdraft in the past 40 years in the IRWMP area equals 3.2 million acre-feet, an average of 78,000 acre-feet per year. Within CID's boundary, a Groundwater Impact Analysis commissioned by CID indicates that annual overdraft within CID's boundary in the past 40 years has averaged 24,500 acre-feet.

CID has also commissioned an Urban Impacts Study to identify and quantify the effects of urbanization on the District. Aspects of District operations identified as significantly impacted by new urban development include Assessment Revenue, Groundwater and Water Supplies, Operation and Maintenance, Urban Storm Water, and District Facilities. More specifically, the District states such impacts include, but are not limited to:

- Reduction in groundwater storage
- Increased risk to public safety
- Increased storm water discharges into District facilities
- Impacts to the integrity, location, operation, and use of District irrigation canals

#### Additionally, the District states:

"Conversion of agricultural land has created a cumulative concern related to groundwater supply and District revenues. An analysis made by the District's engineer indicates there is a net increase in groundwater consumption of approximately 1.65 acre-feet per acre when agricultural land that is irrigated with CID surface water is detached from the District and urbanized."

The District entered into Cooperative Agreements with the Cities of Fowler, Kingsburg, Parlier, Sanger, and Selma in the early 1980's, which included broad and largely unspecified provisions for groundwater use at that time. These Agreements also provided for the City's use of the District's canals and ponds for storm water disposal. The District has notified the Cities that the existing agreements do not properly address impacts to the District. It is currently negotiating with the Cities to formulate new Agreements that will adequately address groundwater and storm water issues and other impacts of urbanization on District operations.

The District's projected revenues for FY 2006-07 are \$3,061,950. Approximately two-thirds of this revenue is derived from per acre charges for water service, which range from \$7.20 to \$25.20 per acre. Significant revenue is also derived from sale of borrow material. Significant District expenses include water rights/assessments, administration and operations, insurance, and canal and facility maintenance. District expenses for FY 2006-07 were projected to be \$3,362,406, a deficit of \$300,456.

The District indicates that urbanization of land within the District results in a decrease in assessment revenue, stating:

"Based on the average annual acreage detached from the District (271 acres), CID's annual decrease in assessment revenue is approximately \$2,000. District funding is not sufficient to offset the operational impacts caused by urban development in the vicinity of District facilities."

More significant than revenue loss, however, are increased capital and operational costs associated with urbanization. The District states that its canal system was designed and constructed for an agricultural setting and were not designed to meet the safety requirements of an urban setting. Canals are not fenced, nor were they constructed to eliminate the possibility of overflow. When urban development occurs near District facilities, the District faces increased costs due to increased patrolling, security measures, and facility improvements to reduce the risk of overflow. District funding is not sufficient to offset these increased operational costs.

The District participates in the Association of California Water Agencies Joint Powers Insurance Authority for liability, property, and workers compensation insurance as a cost avoidance measure.

The District conducted a successful Proposition 218 election in 2004 which raised rates for CID gravity water service to \$22 per acre. Other rates were also adjusted at the same time.

If the District is successful in its negotiations with the Cities to restructure the Cooperative Agreement, rate payers and developers would be expected to contribute a portion of the cost of providing urban groundwater recharge and defray District operational expenses associated with a more urbanized environment.

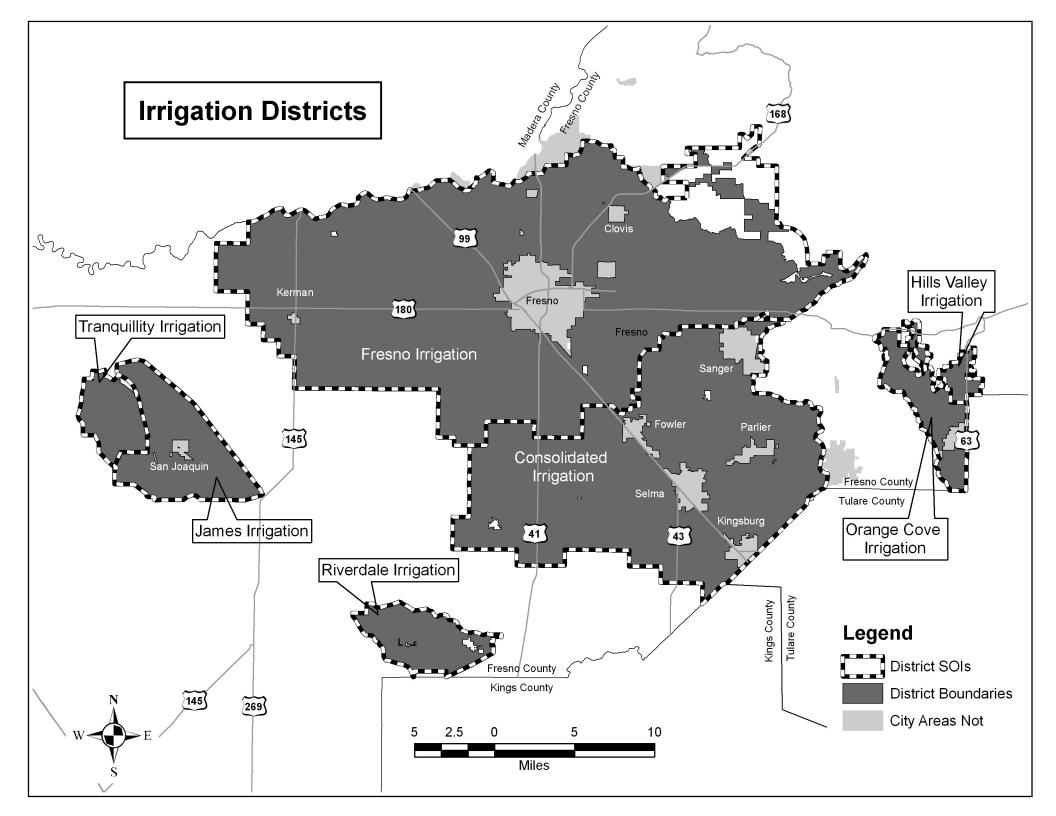
The District shares facilities in that its "Lone Tree Canal System" is diverted from Fresno Irrigation District's Fresno Canal. This system represents about 5% of the District's total water delivery capacity. The successful renegotiation of the Cooperative Agreements will improve opportunities for sharing of facilities in that the District may divert Kings River water into city

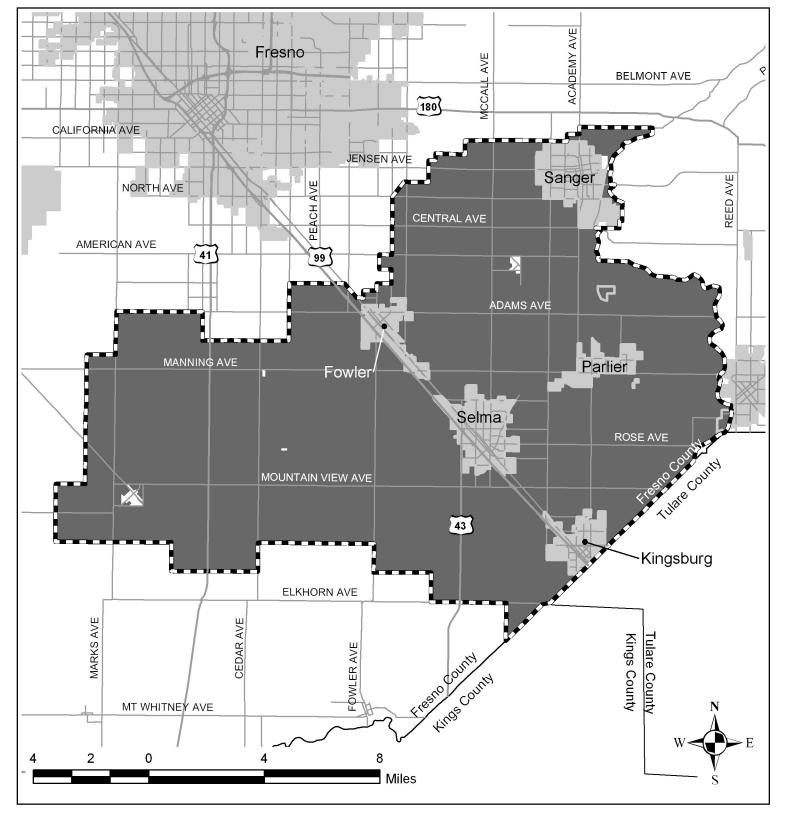
storm basins for groundwater recharge. There do not appear to be additional significant opportunities to share facilities with other agencies.

The District did not indicate that any changes to its Sphere of Influence were necessary or desired. Staff recommends that the Commission affirm the District's current Sphere.

#### **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 Update qualifies for the same general exemption from environmental review based upon CEQA Regulation Section 15061(b)(3).
- B. Find the Municipal Service Review and Sphere of Influence Update prepared for the Consolidated Irrigation 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 Update, adopt the Municipal Service Review prepared for the Consolidated Irrigation District by Braitman and Associates, and update the Sphere of Influence for said District by reaffirming its current boundary.





## Fresno Local Agency Formation Commission Consolidated Irrigation District

Note: Portion of District Also Located in Kings and Tulare Counties Not Shown

#### Legend



District Formed: 1921

SOI Adopted: January 21, 1976 SOI Updated: November 24, 1976 Map Date: September 2007 District Area: 138,535 Acres Sphere Area: 155,810 Acres

#### **RESOLUTION NO. MSR-07-8B**

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

#### In the Matter of

#### **LAFCo Determination**

RESOLUTION MAKING DETERMINATIONS
AND ADOPTING MUNICIPAL SERVICE
REVIEW; AND MAKING DETERMINATIONS
AND UPDATING SPHERE OF INFLUENCE
FOR THE CONSOLIDATED IRRIGATION
DISTRICT

MAKE DETERMINATIONS AND ADOPT MUNICIPAL SERVICE REVIEW; AND MAKE DETERMINATIONS AND UPDATE SPHERE OF INFLUENCE FOR THE CONSOLIDATED IRRIGATION DISTRICT

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 (SOI); and

WHEREAS, the Executive Officer prepared a Municipal Service Review and Sphere of Influence Update Report (MSR) for Consolidated Irrigation District; 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 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 Sphere of Influence Update qualifies 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 Consolidated Irrigation District are complete and satisfactory.

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

Section #4. This Commission, pursuant to Government Code Sections 56425 and 56430, makes the required determinations for the Municipal Service Review and District Sphere of Influence Update, adopts the Municipal Service Review prepared for the Consolidated Irrigation District by Braitman & Associates, and updates the Sphere of Influence for said District by reaffirming its current boundary.

<u>Section #5.</u> 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 10<sup>th</sup> DAY OF OCTOBER, 2007, BY THE FOLLOWING VOTE:

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

NOES: None

ABSENT: None

STATE OF CALIFORNIA) COUNTY OF FRESNO )

#### CERTIFICATION

l, 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 10<sup>th</sup> day of October, 2007.

Victor Lopez, Châirman

Fresno Local Agency Formation Commission

# CONSOLIDATED IRRIGATION DISTRICT

# 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

October 2007

#### 1. MUNICIPAL SERVICE REVIEW

#### Description of District

The Consolidated Irrigation District was formed in 1921. The District encompasses about 144,000 acres (225 square miles) on both sides of SR 99 in southeastern Fresno County. The District boundaries generally extend from Tulare County on the south to the City of Sanger on the north, and from the City of Reedley on the east to Marks Avenue on the west. Relatively small portions of the District are located within Kings and Tulare Counties. The District shares a common boundary with Fresno Irrigation District on its northerly side (see District Map).

The District surrounds the Cities of Fowler, Kingsburg, Parlier, Sanger, and Selma. As lands are annexed to the cities, they are detached from the District.

The District is governed by a five-member Board of Directors elected by Divisions. The General Manager administers the District. It has 22 full-time employees.

The District's boundaries and Sphere of Influence are coterminous, as shown on the enclosed map.

#### **District Services and Background**

The District provides Kings River water for irrigation delivery and groundwater recharge. Groundwater recharge occurs via seepage from District channels during their operation and from the delivery of Kings River water into more than 50 dedicated recharge basins.

#### Upper Kings Basin Integrated Regional Water Management Plan

Due to insufficiency of surface water supplies, the Kings Basin has been operating under overdraft conditions for many years, with an average annual overdraft of approximately 100,000 to 150,000 acre-feet. The continued groundwater overdraft and the urban growth pressure in the region call for improved water resources management in the Kings Basin.

As a result, the local agencies initiated a process of regional cooperation in 2001 to address the overdraft problem and develop solutions that can be implemented. Kings River Conservation District (KRCD), Alta Irrigation District (AID), Consolidated Irrigation District (CID), and Fresno Irrigation District (FID) formed a Basin Advisory Panel (BAP), sought technical, facilitation, and financial support from the California Department of Water Resources (DWR), and signed a Memorandum of Understanding (MOU) that defined how they would work together to manage existing supplies and develop new supplies for the Kings Region. This water management group was formed pursuant to the Upper Kings Basin Integrated Regional Water Management Plan (IRWMP) standards and guidelines

The District has been actively involved with the Upper Kings Basin Water Forum (the Water Forum) since its inception in 2001. The IRWMP is the outcome of a two-year collaborative planning process that included completion of a wide range of technical studies, preparation of briefings and technical memorandums, development of the Kings Basin Integrated Groundwater and Surface water Model (Kings IGSM), an extensive stakeholder involvement and community affairs process, and numerous meetings among various work groups and Water Forum participants.

All of the cities within CID participated in the Upper Kings Basin IRWMP. The Kings River Conservation District adopted the Upper Kings Basin IRWMP on July 30, 2007. Consolidated Irrigation District adopted the IRMWP on August 15, 2007. The IRWMP reveals that 3.2 million acre-feet of groundwater was mined from the IRWMP area during the past 40 years. This is equivalent to an average overdraft of 78,000 acre-feet per year.

The Upper Kings Basin Integrated Regional Water Management Plan is available in the Fresno LAFCo office.

#### CID Groundwater Impact Analysis

In order to quantify the potential regional and local groundwater effects of urban growth in the CID service areas, CID retained Water Resources & Information Management Engineering, Inc. (WRIME) to evaluate and quantify the potential groundwater effects of the urbanization using the Kings Basin Integrated Groundwater Surface Water Model (Kings IGSM) to compare the 2005 Existing Conditions and the 2030 Baseline Conditions. The Groundwater Impact Analysis reveals that during the past 40 years there has been an average overdraft of 24,500 acre-feet per year in CID. The Groundwater Impact Analysis is available in the Fresno LAFCo office.

#### <u>Urban Impacts Study</u>

One of the District's primary objectives is to protect the surface and groundwater supplies of growers in the District. Continued urban development increases demands for water resources that are already insufficient and this increases the potential for conflicts between existing and new water users. Urbanization also increases impervious areas which increases runoff from rainfall events. Increased runoff impacts District canals and ponding basins that are used to dispose of urban storm water.

The District commissioned Summers Engineering to identify and quantify the impacts that urban development has on the District. Areas identified as being significantly impacted by new urban development were Assessment Revenue, Groundwater and Water Supplies, Operation and Maintenance, Urban Storm Water, and District Facilities.

A copy of the Urban Impacts Study is available in the Fresno LAFCo office.

#### Cooperative Agreements with Cities

The District entered into Cooperative Agreements with the Cities of Fowler, Kingsburg, Parlier, Sanger and Selma in the early 80's. These Agreements included broad and largely unspecified provisions for urban groundwater use at that time. They also provided for the City's use of the District's canals and ponds for storm water disposal.

The Cooperative Agreements renew yearly and may be terminated with 30 days notice. The District has notified the cities that the existing agreements are outdated and do not properly address impacts to the District. The District is currently negotiating with the cities in an effort to formulate new Cooperative Agreements that will adequately address groundwater and storm water issues, as well as other urban impacts on the District.

#### 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 a water distribution system comprised primarily of open ditches. It owns or manages its own facilities which include its main office, yard and shop, four residences, numerous ponding basins utilized for storage and groundwater recharge, and an extensive canal and pipeline distribution system. A complete listing of District facilities is available in the Fresno LAFCo Office.

A major emerging issue that the District is attempting to address is the effects that city growth and urbanization has had upon the District and the improvements and mitigation measures necessary to deal with such impacts. These impacts include, but are not limited to:

- Reduction in groundwater storage.
- Increased risk to public safety.
- Increased storm water discharge into District facilities.
- Impacts to the integrity, location, operation, and use of District irrigation canals.

#### Additionally, the District has determined:

Conversion of agricultural land has created a cumulative impact related to groundwater supplies. An analysis made by the District's engineer indicates there is a net increase in groundwater consumption of approximately 1.65 acre-feet per acre when agricultural land that is irrigated with CID surface water is detached from the District and urbanized.

#### **Growth and Population Projections**

District services do not directly facilitate or affect the rate or location of population development. However, the District indirectly provides municipal water supply through its recharge of the aquifer from which the cities within the District pump their municipal water. Without such continuing recharge by the District, municipal water supplies and resultant growth and development could be constrained.

#### **Financing Constraints and Opportunities**

The District is funded primarily by acreage charges to lands located within its boundaries that benefit from water service. Charges are between \$7.20 and \$25.20 per acre.

Total projected revenue for Fiscal-Year 2006-07 is \$3,061,950—almost two-thirds of which is derived from acreage charges. The remaining income is derived from the sale of borrow material (\$500,000), water rights fund contributions (\$341,800), and interest (\$75,000).

Projected expenses for Fiscal-Year 2006-07 total \$3,362,406. Significant District costs include water rights/assessments (\$264,021), administration and operations (\$816,122) and equipment purchase (\$236,694). Other significant District costs include Insurance, Bonds and Benefits (\$865,569) and canal and facility maintenance (\$514,500).

It is apparent that the District's financial needs for operations and routine facilities improvements currently exceed District revenues. The District monitors its result of operations periodically throughout the year and makes adjustment as necessary. The District currently does not have any long term debt.

One factor compounding this financial deficiency is further urbanization of lands within the District. Urbanization detrimentally affects the District in two ways. First, it results in a small decrease in assessment revenue. Based on the average annual acreage detached from the District during the past five years (271 acres), CID's annual decrease in assessment revenue is approximately \$2,000.

Second, and much more significantly, urbanization adjacent to district facilities greatly increases capital and operational costs for the District. The District canal system was designed and constructed for an agricultural setting. The canals were not designed to meet the safety requirements of urban settings. They are not fenced, nor constructed to eliminate the possibility of overflows. When urban development occurs next to a canal or recharge pond, the District faces a combination of increased patrolling, security measures and facilities improvements to reduce risk of overflows. District revenue is not sufficient to offset the operational impacts caused by urban development in the vicinity of District facilities.

#### **Cost-Avoidance Opportunities**

The District participates in the Association of California Water Agencies Joint Powers Insurance Authority for liability, property and workers compensation insurance.

#### **Opportunities for Rate Restructuring**

The District conducted a successful Proposition 218 election in 2004 and the voters authorized a rate increase up to \$22 per acre for CID Gravity water service. CID's other rates are calculated as proportions of the CID Gravity rate and increases to the other rates were also approved on the same proportional basis. Further increases in the assessment rates would require the District to conduct another Proposition 218 election.

As previously mentioned, the District is in LAFCo sponsored negotiations with the cities to restructure the cooperative agreements. If those negotiations are successful, than it is anticipated that the Cities will implement programs to have their rate payers and developers contribute a portion of the cost of providing urban groundwater recharge and defray the increased expense of District operation in a more urbanized environment.

#### **Opportunities for Shared Facilities**

The District's "Lone Tree Canal System" is diverted from Fresno Irrigation District's Fresno Canal, so a portion of the Fresno Canal is shared between CID and FID. The Lone Tree system represents about 5% of the District's total water delivery capacity. The current Cooperative Agreements with the incorporated cities in CID allow for the diversion of Kings River water into city storm water basins for groundwater recharge. The cities in CID have not utilized this provision heretofore and one of the goals of renegotiating the Cooperative Agreements will be to improve the opportunities for sharing of facilities.

#### **Government Structure Options**

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

One possible outcome of the current negotiations could be the formation of a joint powers authority between the District and the Cities to supervise the development of additional recharge supplies and facilities to serve the District and the Cities.

#### **Management Efficiencies**

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

#### **Local Accountability and Governance**

An elected five-member Board of Directors governs the District. Landowners have the opportunity to address the Board of Directors at the regular monthly Board meetings held at the District Office. Meeting agendas are posted at the District Office. District newsletters are prepared on an irregular basis as needed. Issues with individual landowners in the District are generally addressed through the District management staff.

#### 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 proposes no changes in its Sphere of Influence or boundaries.

#### Sphere of Influence 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 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 Consolidated Irrigation District provided information on which the evaluation is based. General Manager Mark Gilkey was instrumental in providing data.

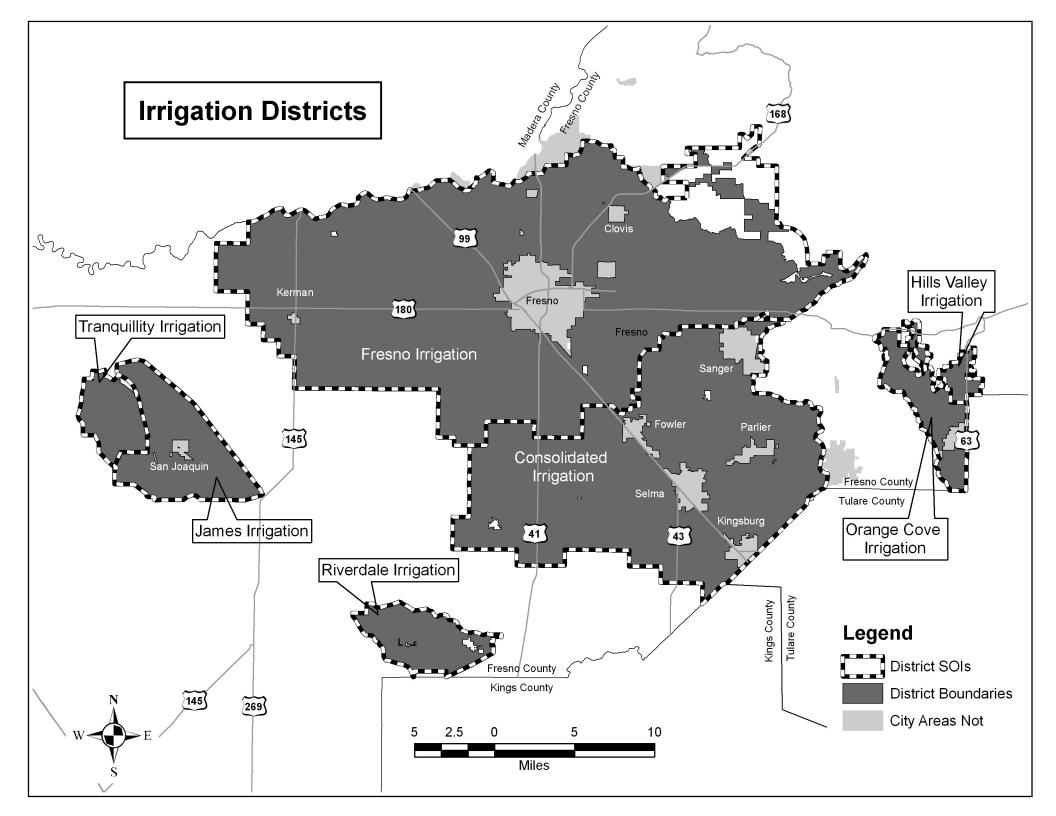
#### Available Documentation

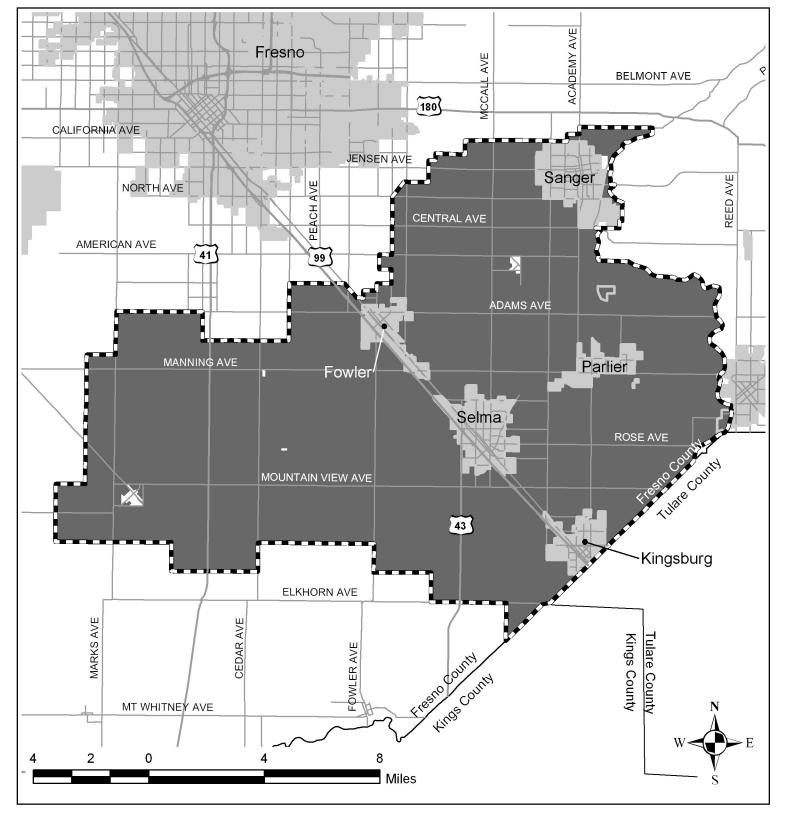
The "Request for Information for Municipal Service Reviews" submitted by the District and supporting documents referred to therein are available in the Fresno LAFCo Office.

#### 5. RECOMMENDATIONS

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

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





## Fresno Local Agency Formation Commission Consolidated Irrigation District

Note: Portion of District Also Located in Kings and Tulare Counties Not Shown

#### Legend



District Formed: 1921

SOI Adopted: January 21, 1976 SOI Updated: November 24, 1976 Map Date: September 2007 District Area: 138,535 Acres Sphere Area: 155,810 Acres