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

AGENDA ITEM No. 9

DATE: May 18, 2011

TO: Fresno Local Agency Formation Commission

FROM: Jeff Witte, Executive Officer *JW*

SUBJECT: **Consider Adoption – Municipal Service Reviews and Sphere of Influence Updates Prepared for the Firebaugh, James, Panoche, Poso, and Tranquillity Resource Conservation Districts.**

Summary/Background

Although staff is recommending adoption of the MSRs based on the available information, staff would note that all of these districts are considered to be inactive and several do not currently have board members. Previously, when LAFCo considered these districts in the original round of MSRs in 2007, there was discussion about the need to consolidate them into a single district, which staff felt could result in the districts' ability to provide better service, reduce duplicative administrative costs, and be more competitive in obtaining grants and other funding sources. At that time the Commission adopted a single sphere of influence for all of the above resource conservation districts, including Westside Resource Conservation District, which indicated the Commission's willingness to consider consolidation. Rather than waiting for the districts themselves to seek that solution, the LAFCo Commission can direct staff to initiate consolidations under section 56375(a)(2) before the next round of MSRs are due for these districts. It was also recommended at that time to waive LAFCo's fee for consolidation.

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

Municipal Service Reviews provide a comprehensive review of the services provided by a city or special district and presents recommendations with regard to the condition and adequacy of these services and whether or not modifications to a city or special 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 may 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 six criteria:

1. Growth and population projections for the affected area.
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
3. Financial ability of agencies to provide services.
4. Status of, and opportunities for, shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by Commission policy.

As part of the SOI update, the Commission is required to consider four criteria and make appropriate determinations in relationship to each of the following:

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

Environmental Determination

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

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

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

Discussion/Summary of Determinations

The Firebaugh Resource Conservation District encompasses approximately 87,983 acres (or 138 square miles).

The James Resource Conservation District encompasses approximately 26,263 acres (41 square miles).

The Panoche Resource Conservation District encompasses approximately 130,281 acres (or 203.6 square miles).

The Poso Canal Company is located in both Fresno and Merced County and encompasses a total of 67,905 acres; 33,522 acres (or 52 square miles) in Fresno County.

The Tranquillity Resource Conservation District encompasses approximately 90,018 acres (or 141 square miles).

All five of these districts are in northwestern Fresno County and are currently inactive. They would be able to provide more efficient services if they were consolidated with Westside Resource Conservation District. As part of the 2007 Municipal Service Review recommendations, the Commission adopted a single Sphere of Influence for all six districts that encompasses approximately 1,342,718 acres.

Recommendations:

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, find that prior to adopting the written determinations, the Municipal Service Reviews and Sphere of Influence determinations under consideration are Categorical Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15306, "Information Collection" and Section 15320, "Changes in Organization of Local Agencies".
- B. Find that the Municipal Service Review and Sphere of Influence Update prepared for each of the Resource Conservation Districts are complete and satisfactory.
- C. Find that the written determinations within the Municipal Service Reviews and Sphere of Influence Updates satisfy State Law.
- D. Pursuant to Government Code Sections 56425 and 56430 make the required determinations for the Municipal Service Reviews and District Spheres of Influence, adopt the Municipal Service Reviews prepared for each Resource Conservation District, and update the Sphere of Influence for said Districts by reaffirming their current boundaries.

POSO CANAL COMPANY

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

**Report to the
Fresno Local Agency Formation Commission**

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May 2011

POSO CANAL COMPANY
Soil Conservation

Contact Information

Main Contact: Ken Edmondson, Secretary
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Management Information

Governing Body: Board of Directors
Board Members: All five positions are vacant
Board Meetings: They do not meet
Staffing: 1 Secretary

Service Information

Empowered Services: Soil Conservation Services
Services Provided: Soil Conservation Services
Area Served: Northwest Fresno County into Merced County
Population Served: None
Acres Served: 67,905 acres
Infrastructure: None

Fiscal Information

Budget: 0
Sources of Funding: None
Rate Structure: None

Administrative Policies

Master Plan: Yes **Policies/Procedures:** No **By-laws:** Yes
Boundary Updated: 1957 **SOI Updated:** 2007 **Other:** No

1. MUNICIPAL SERVICE REVIEW

Description of District

The Poso Resource Conservation District was formed in 1957. It contains about 67,905 acres total; 33,522 acres (or 52 square miles) in northwest Fresno County. It is contiguous to Madera County on the north and to the Firebaugh RCD on the south. A portion of the District (34,383 acres) is located within Merced County.

The District is inactive and its boundaries and Sphere of Influence are not coterminous. The District encompasses approximately 33,522 acres. Its Sphere of Influence encompasses approximately 1,342,718 acres, as shown on the enclosed map.

The district has one employees but the board of directors is vacant and does not meet.

District Services and Background

RCDs enable landowners within their boundaries to receive technical assistance services from the USDA Natural Resources Conservation Service (previously Soil Conservation Service) related to improving land capabilities, conserving resources, preventing and controlling soil erosion.

One governmental structure option would be to consolidate this District with other RCDs in west Fresno County. In the 2007 Municipal Service Review the Commission adopted a joint Sphere of Influence for the Firebaugh, James, Panoche, Poso and Tranquillity and Westside RCDs to help make this possible.

A single RCD for this area may allow for improved services for the agricultural community, which is the primary constituent of District services.

2. MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews.

Growth and Population Projections

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

Present and planned capacity

The district is inactive.

Financial Ability of Agencies to Provide Services

The District is inactive.

Status of, and Opportunities for, Shared Facilities

The district is inactive.

Governmental Structure and Operational Efficiencies

The California Association of Resource Conservation Districts commissioned consultants to make recommendations about fifteen years ago. Consolidation was the recommendation for RCDs in western Fresno County.

Any Other Matter Related to Effective or Efficient Service Delivery

The district is inactive and would be able to provide more efficient services if it was consolidated with the Firebaugh, James, Panoche and Tranquillity and Westside RCDs.

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 Sphere of Influence encompasses approximately 1,342,718 acres.

Proposed Sphere Changes

The District’s sphere boundary was adopted in 1976 and updated in 2007. It is adequate and does not need updating.

Sphere of Influence Recommendations 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 land uses consist of a variety of uses that are primarily agricultural and open space with some residential, commercial and public uses. There will be no change in present or planned land uses.

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

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

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

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

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

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

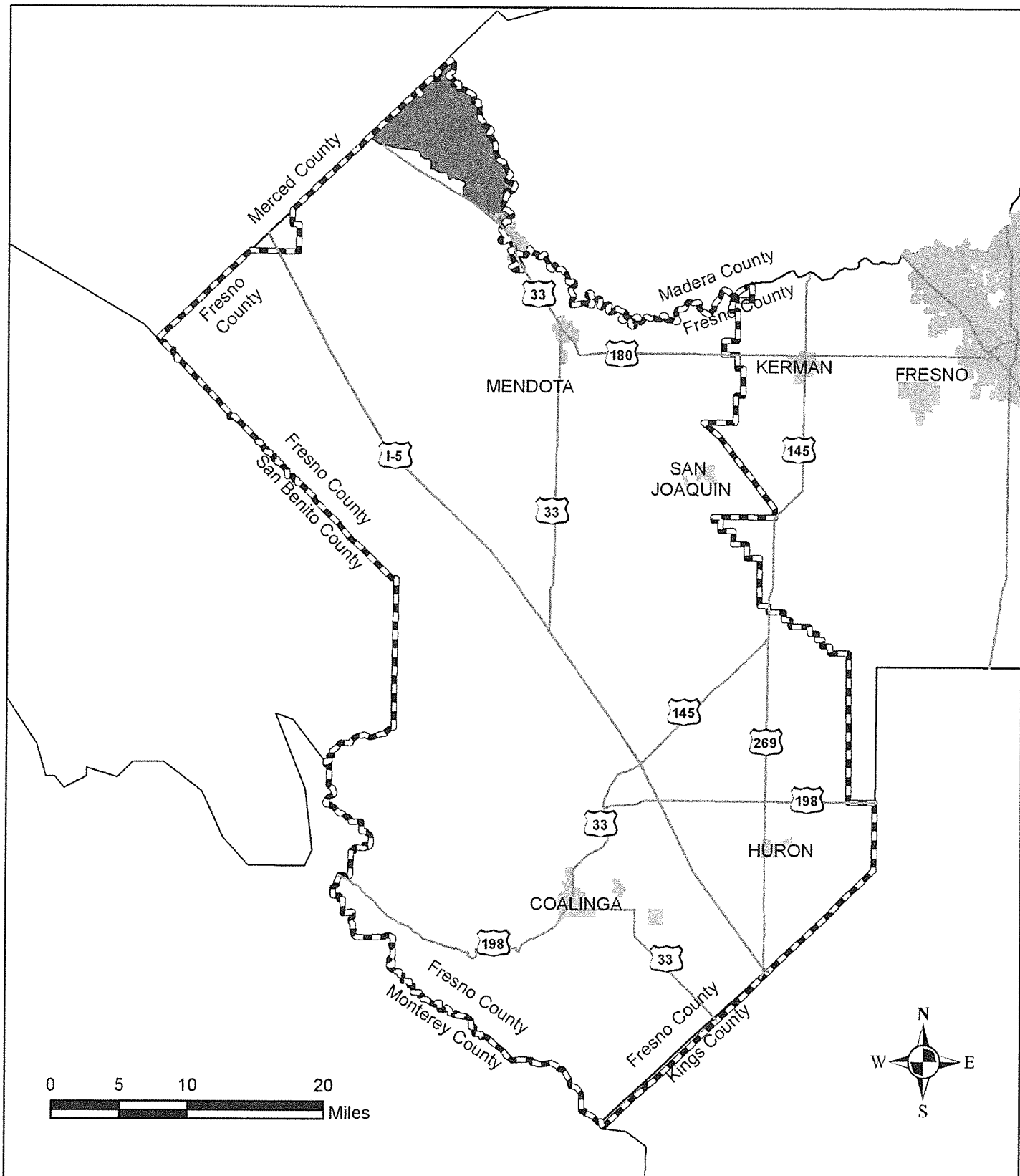
4. ACKNOWLEDGEMENTS & REFERENCES

This draft Municipal Service Review was prepared by Fresno LAFCo staff using information provided by the Poso Resource Conservation District. Responsibility for any errors or omissions rests with those who provided information for the report.

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.



Fresno Local Agency Formation Commission Poso Resource Conservation District

Portion of District located in Merced County not shown.

- Legend**
- District SOI
 - District Area
 - City Areas

District Formed: 1957
 SOI Adopted: 3/24/76
 SOI Updated: 9/12/2007

Map Date: November 2007
 District Area: 33,522 Acres
 Sphere Area: 1,342,718 Acres