

# A G E N D A

## FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)

April 10, 2013 - 1:30 p.m.

Board of Supervisors' Chamber - Hall of Records, Room 301, Fresno

### COMMISSION MEMBERS

Armando Lopez, Chairman  
Robert Silva, Chair Pro Tem  
Henry Perea  
Deborah A. Poochigian  
Mario Santoyo

### ALTERNATE MEMBERS

Richard Braun  
Phil Larson  
Daniel Parra

### LAFCO STAFF

Jeff Witte, Executive Officer  
Candie Fleming, Clerk to the Commission  
Samantha Hendricks, LAFCo Technician II  
Kenneth Price, LAFCo Counsel

LAFCo Office: 2607 Fresno Street, Suite B, Fresno, CA – 93721 - (559) 600-0604 - FAX (559) 495-0655

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1. **Call to Order and Roll Call**
  2. **Pledge of Allegiance**
  3. **Consider Approval:** Minutes from the regular LAFCo Meetings of:
    - A. February 27, 2013
    - B. March 13, 2013.
  4. **Potential Conflicts of Interest:** Any Commission Member who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter.
  5. **Comments from the Public:** Any person wishing to address the Commission on a subject not listed on the agenda may do so at this time. (State your name and address and please keep your comments to three (3) minutes.)

### **CONSENT AGENDA**

ALL CONSENT AGENDA ITEMS ARE CONSIDERED TO BE ROUTINE IN NATURE AND WILL BE ENACTED BY ONE MOTION. THERE WILL BE NO INDIVIDUAL DISCUSSION OF THESE ITEMS UNLESS REQUESTED (PULLED) BY A MEMBER OF THE COMMISSION OR THE PUBLIC. ANY ITEM PULLED FROM THE CONSENT AGENDA FOR DISCUSSION WILL BE SET ASIDE UNTIL AFTER APPROVAL OF THE CONSENT AGENDA. PRIOR TO TAKING ANY ACTION THE PUBLIC WILL BE GIVEN THE OPPORTUNITY TO COMMENT ON ANY CONSENT ITEM. THE CONSENT AGENDA WILL BE CONSIDERED ON OR ABOUT 1:30 P.M.

### 6. **Consider Items**

- A. **Accept:** LAFCO Financial Statement for March 2013
- B. **Approve:** Reschedule LAFCo May 8, 2013 Meeting to May 1, 2013

**Recommendation:** Take Actions per Staff's Recommendation

### **PUBLIC HEARING**

7. **Consider Approval:** City of Kingsburg "Guardian-Sun Maid Reorganization". Proposed annexation of approximately 430 acres to the City of Kingsburg and the Selma-Kingsburg-Fowler County Sanitation District and detachment from the Fresno County Fire Protection District, the Kings River Conservation District, and the Consolidated Irrigation District for territory located south of east Mountain View Avenue, west of south Bethel Avenue, and east of State Route 99 (**LAFCo File No. RO-12-7**).

**Recommendation:** Continue to the June 5, 2013 Hearing

8. **Provide Direction:** Request from the Building Industry Association to Revise LAFCo's Peninsula Policy (Continued from March 13, 2013).

**Recommendation:** Provide Direction

9. **Consider Approval:** LAFCo Preliminary Budget for the Fiscal year 2013-14.

**Recommendation:** Provide Direction and Approve

## **OTHER MATTERS**

10. Subcommittee Report on the Selection of LAFCo Chairman and Vice Chairman.

## 11. **CLOSED SESSION**

- A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**  
Pursuant to Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9  
*Name of Case: City of Fresno v. Fresno County Local Agency Formation Commission (CASE NO. 13CECG00392).*
- B. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54957.9. Number of Cases: 1
- C. **PUBLIC EMPLOYMENT APPOINTMENT**  
Title: Executive Officer.

## 12. **ADJOURNMENT**

**THE NEXT LAFCO MEETING** will be held on May 1, 2013, at 1:30 p.m. in the Board of Supervisors' Chamber - Hall of Records, Room 301, Fresno, California.

### **PLEASE NOTE:**

(1) If you are an applicant for, or a participant in, any proceeding on the agenda for a **land use entitlement** and have made **campaign contributions** totaling more than \$250.00 to any member or alternative member of the Commission **within twelve (12) months prior to the Commission considering your application**, please immediately inform the Commission of your contribution. State law **disqualifies** each Commissioner and Alternative Commissioner from participating in and voting on land use entitlement decisions (which include changes of organization and reorganizations) if the Commissioner or Alternative Commissioner has received campaign contributions from (i) an applicant for a land use entitlement, (ii) someone who lobbies the Commission or LAFCo staff regarding an application for land use entitlement, (iii) someone who testifies in person before the Commission regarding an application for land use entitlement, or (iv) someone who otherwise acts to influence the outcome of an application for land use entitlement. State law also prohibits applicants and participants from making campaign contributions to a Commissioner or Alternate Commissioner within three (3) months **after** the Commission's action. If you have any questions regarding these requirements (which are contained in the **California Political Reform Act** Government Code Section 84308 *et seq.*) please feel free to contact LAFCo staff at (559) 600-0604.

(2) In compliance with the Americans with Disabilities Act (**ADA**), if you need special assistance to participate at this meeting, please contact Ms. Candie Fleming, Clerk to the Commission at 559-600-0604. Notification provided a minimum of 48 hours prior to the meeting will enable the Clerk to make reasonable arrangements to ensure accessibility to this meeting. Pursuant to the ADA, the meeting room is accessible to the physically disabled.

(3) Staff reports prepared for each item listed in this agenda may be viewed at the Fresno LAFCo Website:  
**[www.fresnolafco.org](http://www.fresnolafco.org)**.

# FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)

## "MINUTES"

### LAFCo MEETING – FEBRUARY 27, 2013

**Call to Order:** Chairman Lopez called the meeting to order at 11:00 a.m.

**Members Present:** Commissioners Deborah Poochigian, Mario Santoyo, Robert Silva, Henry Perea, and Armando Lopez

**Members Absent:** None

**Staff Present:** Jeff Witte, LAFCo Executive Officer  
Ken Price, LAFCo Counsel  
Candie Fleming, Commission Clerk  
Samantha Hendricks, LAFCo Technician

#### **1. Call to Order and Roll Call**

Chairman Lopez called the meeting to order at 11:00 a.m.

#### **2. Pledge of Allegiance**

Chairman Lopez led the recitation of the Pledge of Allegiance.

#### **3. Minutes from the Regular LAFCo Meeting of January 9, 2013.**

Commissioner Poochigian said that one of her statements on the January 9<sup>th</sup> minutes was misquoted and asked that it be corrected. A motion was made by Commissioner Silva to approve the January 9<sup>th</sup> minutes and the motion was seconded by Commissioner Perea. The motion was unanimously approved.

#### **4. Potential Conflicts of Interest**

No conflicts were declared.

#### **5. Comments from the Public**

Mike Jaurena, a resident of Coalinga, offered his comments about the fire transition agreements. Mr. Jaurena stated he has worked as a safety professional for Chevron for 17 years, started his own business, and is considered an expert in emergency response and fire protection. Mr. Jaurena said he is adamantly opposed to some of the annexations and proposed annexations that are going on, saying that the cities were just looking for a way to finance their irresponsible spending and annexing land is an easy way to do it. Mr. Jaurena feels that the west side will suffer from these annexations, but LAFCo is in a position to help protect the County from frivolous and irresponsible annexations. Mr. Jaurena gave an example of the City of Kingsburg's proposal to annex an area, while not having the skills, ability, or competency to provide emergency response to that area. Mr. Jaurena said he felt that the Fresno County Fire Protection District has always been there for the people and the people need to be there for the District.

Executive Officer Witte asked Mr. Jaurena to leave his contact information so staff could keep him informed of the status of the transition agreements and any policy changes.

Keith Larkin, Chief, Fresno County Fire Protection District, said they currently look at how each annexation will affect the District. Mr. Larkin said that individual annexations do not greatly affect the District; however, collectively they have a significant effect on the District. Mr. Larkin said that Cities primarily annex bare land that doesn't require services but the taxes from that land helps to provide revenue for funding the rest of the region. Mr. Larkin said that when that tax revenue goes away the entire region suffers. Mr. Larkin talked about the regional approach and supporting other agencies and how population in the District has been reduced by about one percent, but the call volume has increased thirty percent. Mr. Larkin said the increase is because the District aids other entities whose departments have shrunk due to loss of funding. Mr. Larkin was also concerned because the District and the City of Clovis had spent six months to develop an agreement that contained a clause saying that, if LAFCo changes its policy and no longer requires a transition agreement, the agreement will go away.

## **CONSENT AGENDA**

### **6. Consider Action on the Following Items:**

- A. Accept LAFCO Financial Statement for January 2013.**
- B. Approve One-Year Extension for the City of Fresno "McKinley-Blythe No. 1 Reorganization".**
- C. Approve One-Year Extension for the City of Parlier" Reorganization No. 11-01 (South Foothill)".**
- D. Approve One-Year Extension for the City of Reedley "Reed-Beechwood Reorganization, Annexation 2005-1".**

A motion was made by Commissioner Perea to approve the Consent Agenda per staff's recommendations and the motion was seconded by Commissioner Santoyo. The motion was unanimously approved.

## **PUBLIC HEARING**

- 7. Consider Appointment:** Consider appointing a subcommittee consisting of one County Commissioner and one City Commissioner to explore changing LAFCo's policy for selection of Chairman and Vice Chairman.

Executive Officer Witte presented staff's report. Chairman Lopez asked Commissioners Perea and Silva if they would serve on the Subcommittee. Both Commissioners agreed and a motion was made by Commissioner Poochigian to appoint the Commissioners Perea and Silva to the Subcommittee and the motion was seconded by Commissioner Santoyo. The motion was unanimously approved.

## **OTHER MATTERS**

- 8. Informational Item.** Clarification by Legal Counsel on LAFCo Commissioner Disclosure and Recusal Requirements.

LAFCo Counsel Ken Price presented his report and recommended that staff ask each applicant to

disclose the identity of closely held members or officers of corporations who own property. Mr. Price said that if the applicant does not wish to disclose that information, the Commissioners could then recuse themselves to avoid a conflict, although it might result in there not being a quorum to vote on the item.

Commissioner Silva asked for clarification of section 56100.1, and Counsel Price explained that section was about advocacy groups formed to affect annexations, not Commissioners.

9. **Informational Item.** Report regarding dismissal of *City of Fresno v. Fresno Local Agency Formation Commission* (Case No. 12CECG01822) – Willow Copper No. 1 Reorganization and Chestnut Copper No. 1 Reorganization (Granville).

LAFCo Counsel Ken Price reported that the City of Fresno had filed suit against LAFCo because of pre-zoning issues. Mr. Price said that LAFCo, the City of Fresno, and Granville had resolved the matter by entering into a settlement agreement and the City had dismissed its complaint.

Commissioner Perea asked if he could add an informational item and invited the Commissioners to attend a joint meeting between the Counties of Fresno and Madera regarding regional and planning issues. Mr. Perea said the meeting was to be held on March 19<sup>th</sup> at 9:00 a.m. at Fresno COG.

#### **ADJOURNMENT TO CLOSED SESSION**

LAFCo Counsel Ken Price said that because the Board Chambers was scheduled to be used at 12:00 by another group, it would be appropriate to adjourn into Closed Session and continue the Closed Session at the next hearing to reporting out of closed session.

A motion was made by Commissioner Perea to continue the hearing to March 13, 2013, and the motion was seconded by Commissioner Poochigian. The motion was unanimously approved.

The meeting was adjourned into Closed Session at 11:25 a.m.

10. **PUBLIC EMPLOYMENT APPOINTMENT**  
**Title: Executive Officer (Candidate Interviews)**

# **FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)**

## **“MINUTES”**

### **LAFCo MEETING – MARCH 13, 2013**

**Call to Order:** Chairman Lopez called the meeting to order at 1:30 p.m.

**Members Present:** Commissioners Deborah Poochigian, Mario Santoyo, Robert Silva, Henry Perea, and Armando Lopez

**Members Absent:** None

**Staff Present:** Jeff Witte, LAFCo Executive Officer  
Ken Price, LAFCo Counsel  
Candie Fleming, Commission Clerk  
Samantha Hendricks, LAFCo Technician

#### **1. Call to Order and Roll Call**

Chairman Lopez called the meeting to order at 1:30 p.m.

#### **2. Pledge of Allegiance**

Chairman Lopez led the recitation of the Pledge of Allegiance.

#### **3. Public Employment Appointment-Closing of February 27, 2013**

Chairman Lopez reported that there was no reportable action taken during the February 27<sup>th</sup> Closed Session. Commissioner Poochigian made a motion to close the February 27, 2013 hearing. Commissioner Perea seconded the motion and the motion was unanimously approved.

Commissioner Silva made a motion to open the March 13, 2013 hearing. Commissioner Perea seconded the motion and the motion was unanimously approved.

#### **4. Minutes from the Regular LAFCo Meeting of February 27, 2013.**

There was a consensus to continue the February 27<sup>th</sup> minutes to the April 10, 2013 hearing.

#### **5. Potential Conflicts of Interest**

No conflicts were declared.

#### **6. Comments from the Public**

There were no comments from the public.

## **CONSENT AGENDA**

### **7. Accept LAFCO Financial Statement for February 2013.**

A motion was made by Commissioner Perea to accept the February financial statement and the motion was seconded by Commissioner Santoyo. The motion was unanimously approved.

## **PUBLIC HEARING**

### **8. Fire District Transition Agreement Update.**

LAFCo Counsel, Ken Price, presented an extensive report with PowerPoint slides regarding existing LAFCo policy, concerns expressed by cities and the Fresno County Fire Protection District about the policy, the legal framework associated with the policy, and possible options to revise the policy. Staff recommended that any changes to the policy on fire transition agreements be made after the Commission considers the municipal service review on fire protection districts, which is currently being prepared by the Commission's consultant.

The Commission noted that the staff reports contained drafts of the proposed fire transition policy, which stated that until the final version was approved in 2003, the policy stated that the Commission "may require a transition agreement" but prior to being approved it was changed to "shall require a transition agreement". The Commission also asked if LAFCo could appoint or require a mediator or arbitrator to resolve disputes between the parties. Counsel Price said that staff would like guidance as to what changes the Commission would like to see made to the policy. The Commission asked if the policy prohibits an application from being brought before the Commission, and if it did, then that needed to be changed. Counsel Price responded that the policy itself doesn't prohibit an application from being presented to the Commission. Counsel Price also explained how LAFCo's broad conditioning authority could be used and how LAFCo could impose certain mitigation measures to reduce impacts on the District if there wasn't an agreement. The Commission felt that they should focus on time deadlines for negotiations and require the District to delineate the adverse impacts and justify how the retention of property tax revenues would mitigate impacts associated with detachment.

Bruce Rudd, City Manager for the City of Fresno, stated he supported the recommendation to review the District's MSR and recommendations. Mr. Rudd was also interested in why the language was changed from "may require" to "shall require". Mr. Rudd said it wasn't logical to assume that payment to the District of ten years of tax increment, or a percentage of the tax, would mitigate anything without any kind of study. The Commission asked if the City of Fresno was close in negotiations to get the results they wanted. Mr. Rudd said they have been in negotiations for well over a year and a half and have requested a nexus study to be done to measure the impact of the annexations on the District. The Commission asked if the District still provided some services to the area after annexation. Mr. Rudd said that at the time of annexation, the City Fire Department assumed all responsibility for fire protection services. The Commission asked about the legality of LAFCo's policy and Counsel Price responded that LAFCo's condition requiring some agreement between a City and a District is not a violation of law.

John Holt, Assistant City Manager for the City of Clovis, stated that the LAFCo policy needed to be amended because it hindered orderly growth. Mr. Holt said that having gone through mediation he would not recommend that course of action. Mr. Holt said that he would encourage the other cities to wait until the District's MSR is complete to finalize their agreements. Michael Despain, Fire Chief for the City of Clovis' Fire Department, said the City of Clovis doesn't receive any service from the District and that all jurisdictions are seeing an increase in calls and a decrease in revenue. Chief Despain also explained that all agencies in the State of California participate in mutual aid agreements, which allows agencies to call on each other when they need help, but it is up to the chief of the requested agency to determine if they are able to help. Chief Despain also explained that automatic aid is where the dispatcher uses a computer to determine the closest unit, regardless of the agency they belong to, and send a responder, and that the Cities of Fresno and Clovis do not participate in automatic aid.

Keith Larkin, Fire Chief for the Fresno County Fire Protection District, stated they were also in support of waiting until their MSR was complete to get all of the facts. Chief Larkin said that past annexations reveal that 99% of them were for bare land which are not service issues until the area is developed, and at that point, the property taxes go up 15-20 times. Chief Larkin also stated that the cities keep asking for a nexus study, but since the District doesn't charge a fee, there is no point to have a study. The Commission commented that since the cities have to pay the District it seems reasonable for them to want to know what they are paying for. Chief Larkin said they hope the MSR will answer some of those questions when it is complete.

Don Pauley, City Manager for the City of Kingsburg, stated that they have a template transition agreement based on the City of Clovis' agreement that each of the cities can use as a framework for their city. Mr. Pauley said the District notified them and some other cities that it was intending to terminate the automatic aid agreement so several of the cities have gotten together and created their own free standing agreement. The Commission asked about the possibility of using a mediator. Mr. Pauley said he didn't think it was a good idea. Mr. Pauley said they felt that the District is in the driver's seat and the cities have to approve an agreement, if they want to process any annexations, and didn't feel that mediation would change that. The Commission asked Mr. Pauley if he would be okay with the Commission deciding to either deny an annexation or attach conditions to the annexation, if there were no agreement in place. Mr. Pauley responded that would be better than what they currently have.

Staff indicated that the MSR for the fire protection districts would be ready by the May Commission meeting and, with the MSR, staff would present some policy options.

**9. Consider Adoption:** Municipal Service Review and Sphere of Influence Update Prepared for the Broadview, International, Mid-Valley, Oro Loma, Stinson, and Widren Water Districts and the Freewater County Water District.

Executive Officer Witte presented staff's report. A motion was made by Commissioner Silva to find the Municipal Service Reviews and Sphere of Influence Updates to be categorically exempt from CEQA and to adopt the Municipal Service Reviews and Update the Sphere of Influence for each of the districts. Commissioner Perea seconded the motion and the motion was unanimously approved.



10. **Consider Approval:** Malaga County Water District “North-Chestnut No. 1 (Imperial Truck Wash) Annexation” (LAFCo File No. AD-13-1).

Executive Officer Witte presented staff’s report. A motion was made by Commissioner Perea to approve the annexation and the motion was seconded by Commissioner Santoyo. The motion was unanimously approved.

11. **Consider Approval:** County of Fresno “CSA No. 47 (Quail Lake) Dissolution” (LAFCo File DOD-12-1).

Executive Officer Witte presented staff’s report. Darrel Schmidt, Fresno County Public Works and Planning, spoke in support of the dissolution and addressed the Fresno Irrigation District’s (FID) concerns about the water recharge facility and how Cal Water planned to take over all operations including the recharge facility. Dirk Poeschel, representing the Quail Lake Home Owners Association (HOA), stated that the HOA has been working with FID to address their concerns regarding what would happen if Cal Water no longer could serve the area. William Stretch, FID Chief Engineer, explained the District’s concerns and that the District was in support of the dissolution, as long as the water recharge was to continue, which was a condition of approval for the subdivision.

The Commission asked who would be responsible if the area ever ran out of water. Counsel Price responded that according to LAFCo, law the County would normally be the successor, but in this case, the County is contracting with Cal Water and since Cal Water is regulated by the Public Utilities Commission (PUC), the PUC would have the responsibility to appoint a receiver.

A motion was made by Commissioner Silva to conditionally approve the dissolution as recommended by staff and the motion was seconded by Commissioner Poochigian. The motion was unanimously approved.

12. **Provide Direction.** Request from the Building Industry Association (BIA) to Revise LAFCo’s Peninsula Policy.

Executive Officer Witte presented staff’s report. Mike Prandini from the BIA stated that the BIA had two additional conditions they would like to see added to the peninsula policy. Mr. Prandini said the additional conditions would address a situation if a city refused to prepare an annexation plan, or if the city were to drag its feet preparing an annexation plan, which could stall the development. Executive Officer Witte said that only one of the fifteen cities does not require developers to process annexations through their city and developer-initiated annexations tend to lead to a lot of loose ends. Mr. Witte said that there needs to be some guidelines to define “timely”. Mr. Prandini said that one of the cities has taken a direction toward future planning that could result in delaying the development.

The Commission asked how a developer or the BIA could create an annexation plan without city involvement. Counsel Price said that the CKH allows for applications to be submitted by landowner petition and LAFCo has to process and consider the petitions, but the city may have protest rights. The Commission asked if this type of policy would be unique to Fresno County or do other Counties have a similar policy. Executive Officer Witte explained that only Counties that have issues with rural residential developments near cities have similar policies. Counsel Price said there are two sections in the CKH that prohibit annexations resulting in "islands" or "substantially surrounded areas" unless LAFCo can make certain findings. The Commission said there is no sense of urgency and said LAFCo should take time to review the policy and wondered if staff could work something out with the one city. Executive Officer Witte responded that could be awkward but if the Commission wanted to continue the item to the next hearing staff could review the policy and come up with some language to address the issue. The Commission asked if Mr. Prandini was okay with conditions 1 - 9 and he responded that the BIA just wanted to make sure development is not stalled indefinitely.

Commissioner Poochigian made a motion to continue the item to the April 10, 2013 hearing and to incorporate the two additional conditions. Commissioner Perea seconded the motion and the motion was unanimously approved.

Commissioner Perea asked if item 15 could be moved up because the people from Calwa had been waiting for a while and item's 13 and 14 were more internal items. The Commission agreed.

## **OTHER MATTERS**

### **15. Presentation: Calwa Recreation and Park District "Community Long-Term Sustainability Strategies".**

Sandra Celedon, a resident of Calwa, presented a PowerPoint presentation regarding the Calwa Recreation and Park District. The Commission asked Executive Officer Witte if he had any comments on the information in the presentation. Executive Officer Witte responded that LAFCo is not a law enforcement agency. Executive Officer Witte said staff could review and update the MSR; however, to get an accurate look at the whole picture, there would need to be some kind of investigation which LAFCo does not have the ability to do. Executive Officer Witte said the Commission could direct staff to prepare a letter to the District Board and request some information that could be referred to another agency. Counsel Ken Price said that the California Attorney General has oversight over special districts activities and that the District Attorney can get involved if there is criminal activity or integrity issues. Counsel Price also said that if there are alleged Brown Act or public records act violations, there is a provision called "Citizen Attorney General" that allows citizens to sue public agencies. The Commission said there are some pretty serious allegations being raised and staff should request feedback from the Calwa Board and find out what LAFCo's authority is enforce conditions of the MSR are not being followed.

The Commission asked Miss Celedon if they had considered recalling the board members and Miss Celedon responded that the cost is a major factor and until recently, residents didn't even know there was a recreation and park district. The Commission felt there was mass confusion about who overlooks special districts. Executive Officer Witte said one option would be to have the City of Fresno manage the park since it is partially located in the City. Mr. Witte said that if after some investigation these issues can be resolved, there would be no need for the recreation and park district to be governed by anyone else.

Thomas Soto, a resident of Calwa for 45 years, spoke in support of the current board members.

Mary Rosales, Calwa Recreation and Park District Board Member and resident, said the current board members were elected; however, there had been some corruption by the previous board. Ms. Rosales said the current board started doing some investigation but found there were many obstacles including finding legal counsel. The Commission asked about elections and Miss Rosales responded that board member terms are two-year and four-year terms and the last election was in 2011. Ms. Rosales said the district does not have \$40,000 to hold an election in 2013. The Commission asked why there isn't a policy regarding elections and also asked if the District was following the recommendations in the MSR. Miss Rosales said she wasn't aware of any recommendations. The Commission asked if staff or Counsel could attend their next meeting to ask the Board to address some of the concerns. Miss Rosales said the next Board meeting was March 21<sup>st</sup> and that a lot of the issues occurred because they were following the procedures of the past administration. Ms. Rosales said the Board was not aware that their appointments were to be made by either the Fresno City Council or the County Board of Supervisors. Counsel Price asked who their current legal counsel for the district was. Miss Rosales said Mr. Paul Pimentel was the District's legal counsel. The Commission asked about the lack of financial records and audits and asked if they could be made available.

Sandra Celedon said she had sent several cure or correct letters to the Board but she has not received any response. Selena Rubio, a resident of Calwa, said the Board Members are biased and do not address the concerns of the residents. Amparo Cid from the California Rural Legal Assistance Foundation thanked the Commission and said that it was a huge leap forward just knowing there will be a board meeting in March. Miss Cid said she had tried to attend the meeting in December to see what was going on, but it had been postponed indefinitely.

## **PUBLIC HEARING**

### **13. Consider Approval: Preliminary Budget for Fiscal Year 2013-2014**

Commissioner Silva made a motion to approve the budget. Commissioner Santoyo seconded the motion and it was unanimously approved.

14. **Consider Approval:** Consider LAFCo Participation in SJVIA (San Joaquin Health Insurance Authority) for LAFCo Employee Health Insurance.

Commissioner Poochigian said she was on the SJVIA Board and it was a good idea for LAFCo. Executive Officer Witte then presented staff's report. A motion was made by Commissioner Poochigian to allow LAFCo participation in SJVIA and the motion was seconded by Commissioner Perea. The motion was unanimously approved.

**CLOSED SESSION**

- 16A. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**  
**City of Fresno v. Fresno LAFCo (Case No. 13CECG00392)**

- 16B. **PUBLIC EMPLOYMENT APPOINTMENT**  
**Title: Executive Officer (Candidate Interviews)**

No reportable action was taken in closed session and the meeting was adjourned at 4:50 pm.

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**Fresno Local Agency Formation Commission (LAFCo)  
Executive Officer's Report**

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**Consent Agenda Item No. 6A**

**DATE:** April 10, 2013  
**TO:** Fresno Local Agency Formation Commission  
**FROM:** Jeff Witte, LAFCo Executive Officer  
**SUBJECT:** Consider Acceptance – LAFCO Financial Statement for March  
**Recommendation:** Accept March, 2013 Financial Statement.

**Fresno LAFCo  
Bank Reconciliation – Main Checking Account  
Central Valley Community Bank**

**3/1/2013 to 3/31/2013**

Beginning Balance	\$341,509.86
Less Checks Paid	\$36,826.79
Sub Total	\$304,683.07
Plus Deposits	\$13,611.39
Ending Balance	\$318,294.46

**Fresno LAFCo  
Bank Reconciliation – Single Signature Account  
Central Valley Community Bank**

**3/1/2013 to 3/31/2013**

Beginning Balance	\$605.28
Less Checks Paid	\$380.00
Sub Total	\$225.28
Plus Deposits	\$0.00
Ending Balance	\$225.28

**LAFCo Reserve Accounts**

Legal Reserve	\$60,032
General Reserve	\$8,000



# Deposits By Month

Tuesday, March 26, 2013

From	Deposit Date	Amount	Description
City of Kerman	3 /5 /2013	\$500.00	PA-13-1 "Mid-Valley Disposal"
Bigelow-Silkwood Friant Ranch	3 /11/2013	\$211.39	Friant Ranch Legal Fees
Widren Water District	3 /11/2013	\$300.00	Preparation and Adoption of Municipal Service Review
Westlands Water District	3 /25/2013	\$300.00	Preparation and Adoption of Municipal Service Review
BN 5950 LP	3 /25/2013	\$500.00	PA-13-2 "Barstow-DeWolf Northeast Reorganization"
BN 5950 LP	3 /25/2013	\$11,500.00	RO-13-2 "Barstow-DeWolf Northeast Reorganization"
Provost & Pritchard Engineering	3 /27/2013	\$300.00	Preparation and Adoption of Municipal Service Review
		\$13,611.39	



# Checks Written

Monday, March 18, 2013

10:07:12 AM

Check #	Check Amount	Vendor Name	Uses	Cleared
10575	\$1,899.35	Baker, Manock & Jensen	Legal Counsel	
1	\$1,899.35			
10576	\$132.40	Baker, Manock & Jensen	Legal Counsel	
1	\$132.40			
10577	\$5,768.00	Baker, Manock & Jensen	Legal Counsel	
1	\$5,768.00			
10578	\$52.84	California Business Machines	Copy Machine	
1	\$52.84			
10579	\$97.40	California Business Machines	Office Supplies	
1	\$97.40			
10580	\$119.89	COF-ITSD	Telecommunications	
10580	\$31.73	COF-ITSD	PeopleSoft HRMS	
10580	\$57.14	COF-ITSD	PeopleSoft Financials	
10580	\$1,290.59	COF-ITSD	County Data Processing	
4	\$1,499.35			
10581	\$13,515.06	COF-Payroll	County Payroll	
1	\$13,515.06			
10582	\$309.91	COF-General Services	Postage	
1	\$309.91			
10583	\$28.97	DS Waters	Office Supplies	
1	\$28.97			
10584	\$64.77	FP Mailing Solutions	Postage Machine Rental	
1	\$64.77			
10585	\$28.86	Lopez, Armando	Mileage	
10585	\$100.00	Lopez, Armando	Meeting Attendance	
2	\$128.86			

Check #	Check Amount	Vendor Name	Uses	Cleared
10586	\$110.39	Ace Trophy-Jay T Ogas	Office Supplies	
10586	\$110.39	Ace Trophy-Jay T Ogas	Office Supplies	
2	\$220.78			
10587	\$132.00	Business Journal	Publications	
1	\$132.00			
10588	\$75.00	Perea, Henry	Meeting Attendance	
1	\$75.00			
10589	\$2,058.11	Physicians' Building Partners	Lease	
1	\$2,058.11			
10590	\$120.77	Quill.com	Office Supplies	
10590	\$65.55	Quill.com	Office Supplies	
10590	\$68.30	Quill.com	Office Supplies	
10590	\$34.15	Quill.com	Office Supplies	
10590	\$56.05	Quill.com	Office Supplies	
10590	\$213.31	Quill.com	Office Supplies	
6	\$558.13			
10591	\$100.00	Santoyo, Mario	Meeting Attendance	
1	\$100.00			
10592	\$70.00	SDDS-Same Day Delivery Services	Postage	
1	\$70.00			
10593	\$100.00	Silva, Robert	Meeting Attendance	
10593	\$42.18	Silva, Robert	Mileage	
2	\$142.18			
10594	\$65.59	Witte, Jeff	Office Supplies	
1	\$65.59			
20000	\$1,368.75	Morrow, Jan	Bookkeeping	
1	\$1,368.75			



Check #	Check Amount	Vendor Name	Uses	Cleared
AutoDraft	\$65.59	ADP-Wokers Comp	Payroll	
AutoDraft	\$4,068.64	ADP-Jeff Witte	Payroll	
AutoDraft	\$3,831.36	ADP-Employee Taxes	Payroll	
AutoDraft	\$573.75	ADP-Employer Taxes	Payroll	
4	\$8,539.34			
36	\$36,826.79			

# Single Signiture Account-Checks

Check #	Check Date	Check Amount	Vendor Name
1007			
	3/25/2013	\$350.00	State Board of Equalization
	Check Total	\$350.00	
1008			
	3/26/2013	\$30.00	Clovis Community Foundation
	Check Total	\$30.00	
	Total:	\$380.00	



## Outstanding Invoices-Accounts Receivable

Tuesday, March 26, 2013

Invoice Number	Billed To	Description	Amount
00005	Riverdale Memorial	MSR Preparation	\$300.00
00006	Clovis Memorial	MSR Preparation	\$300.00
00008	Bluffs CSD	MSR Preparation	\$300.00
00011	Laton CSD	MSR Preparation	\$300.00
00024	Westside RCD	MSR Preparation	\$3,488.00
00035	West Fresno Red Scale Protective District	MSR Preparation	\$300.00
00039	Camp 13 Drainage District	MSR Preparation	\$300.00
00044	Selma Health Care District	MSR Preparation	\$300.00
00064	International Water District	MSR Preparation	\$300.00
00065	Mid-Valley Water District	MSR Preparation	\$300.00
00066	Oro Loma Water District	MSR Preparation	\$300.00
00069	Freewater County Water District	MSR Preparation	\$300.00
			\$6,788.00

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

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**CONSENT AGENDA ITEM No. 6B**

**DATE:**       **April 10, 2013**

**TO:**           **Fresno Local Agency Formation Commission**

**FROM:**       **Jeff Witte, Executive Officer**

**SUBJECT:**   **Consider Approval: Reschedule LAFCo May 8, 2013 Meeting to May 1, 2013**

**Recommended Action:**

Approve request to reschedule the May 8, 2013, LAFCo meeting to May 1, 2013.

**Background:**

It was brought to staff's attention that several of the Commissioners would be unavailable to attend the May 8, 2013 meeting, but would to be available to attend a meeting on May 1, 2013. From staff's perspective, there are no issues with moving the hearing forward one week.

**The Following Have Received Copies of This Report:**

LAFCo Commissioners and Alternates  
Ken Price, LAFCo Counsel, Baker, Manock, and Jensen

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

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**AGENDA ITEM NO. 7**

**DATE:**       **April 10, 2013**

**TO:**           **Fresno Local Agency Formation Commission**

**FROM:**       **Jeff Witte, LAFCo Executive Officer**

**SUBJECT:**   **Consider Adoption: City of Kingsburg "Guardian-Sun Maid Reorganization"**. Proposed annexation of 118.68 acres to the Selma-Kingsburg-Fowler County Sanitation District (SKF) for the territory located between Golden State Boulevard and State Route 99 north of the existing City of Kingsburg City Limits. The proposal will also include the annexation of 430.84 acres to the City of Kingsburg and detachment from the Fresno County Fire Protection District, the Kings River Conservation District, and the Consolidated Irrigation District for territory located south of east Mountain View Avenue, west of south Bethel Avenue, and east of State Route 99. At the request of Fresno County, the boundary includes the industrialized area and the area between Golden State and State Highway 99 **(LAFCo File No. RO-12-7)**.

**Applicant:** Don Pauley, City Manager, City of Kingsburg

**Land Owners/Parties of Real Interest:** Donald and Janet Berry, George and Louise Alves, David Kazanjian, Anastacio and Oralia Mulillo, Susan Scarry, Vie-Del Company, Sun-Maid Growers of California, Guardian Industries, Selma Farmers Market LLC, Consolidated Irrigation District (Phillip Desatoff), Selma-Fowler-Kingsburg County Sanitation District, and the City of Kingsburg

**Recommendation:**

As explained below, continue to the June 5, 2013, hearing to see whether or not the City of Kingsburg and the Fresno County Fire Protection District can agree on conditioning language with respect to transition of services, property tax revenues, and the operation of Station 83.

**Background:**

The City of Kingsburg (the "City"), in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, has initiated a reorganization intended to annex 430 acres to the City (118.68 of such acres will be annexed to the Selma-Kingsburg-Fowler Sanitation District) and detached from the Fresno County Fire Protection District, Consolidated Irrigation District, and the Kings River Conservation District.

On November 19, 2003, the City, in accordance with State law requirements, pre-zoned the entire territory to appropriate zone districts consistent with the City of Kingsburg's General Plan. On September 6, 2012, the Kingsburg City Council certified the mitigated negative declaration prepared for this reorganization with the adoption of Resolution 2012-35. The Kingsburg City Council initiated this reorganization on September 6, 2012, with the adoption of Resolution No. 2012-36. A Certificate of Filing has been issued by the LAFCo Executive Officer.

Consideration of this reorganization requires the Commission to review and consider the Mitigated Negative Declaration prepared and certified by the City for the Guardian/Sun-Maid Annexation and Change of Zone (Pre-Zone) under the requirements of the California Environmental Quality Act ("CEQA").

### **The Proposed Reorganization:**

The proposed Guardian/Sun-Maid Reorganization includes the annexation of approximately 430 acres to the City (118.68 of such acres will be annexed to the Selma-Kingsburg-Fowler Sanitation District) and detachment from the Fresno County Fire Protection District, Consolidated Irrigation District, and the Kings River Conservation District. The subject territory has been pre-zoned by the City as Heavy Industrial, Light Industrial, and Highway Commercial. The entire area is located within the City of Kingsburg's existing Sphere of Influence and within the North Kingsburg Specific Plan Area which identified the subject territory for future annexation consideration (collectively, the "Project").

The Project area is roughly triangular in shape, located along the north City limits and is generally bounded by Mountain Avenue on the north, Bethel Avenue on the east, and State Route 99 along the south and west. The proposed annexation area is also bisected by Golden State Boulevard and the Union Pacific Railroad that runs parallel to State Route 99.

The majority of the Project area, 350 acres, is developed with industrial/commercial uses, approximately 52 acres are undeveloped, and the remainder consists of street rights-of-way. The environmental setting of the Project area is dominated by agricultural use to the north and east, State Highway 99 to the west, and a recreational vehicle park and vacant land to the south. The agricultural uses are predominantly vineyards and stone fruit.

Pre-zoning of the Project area is a requirement for the annexation and the pre-zoning must be consistent with the City's General Plan in order to meet LAFCo policies. The area east of the railroad had been pre-zoned Heavy Industrial consistent with the Kingsburg General Plan. As part of the Project, the City of Kingsburg pre-zoned approximately 2.35 acres of Highway Commercial east of the railroad, along Mountain View, and approximately 39.29 acres of Highway Commercial and 87.44 acres of Light Industrial between the Golden State Corridor and State Highway 99 consistent with the Kingsburg General Plan and the North Kingsburg Specific Plan. The North Kingsburg

Specific Plan identified the area between the Golden State Corridor and State Highway 99 with a mixed use overlay to allow a range of uses in the future.

The Project also includes the annexation of a portion of the subject property to the Selma-Kingsburg-Fowler County Sanitation District (SKF) and detachment from the Fresno County Fire Protection District, Consolidated Irrigation District, and Kings River Conservation District.

### **Factors to be Considered Pursuant to Government Code Section 56668**

1. Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next ten years.

Within the proposed annexation area there are ten landowners, including only two residences. The current County zoning is heavy industrial and agriculture. The property has been pre-zoned by the City as light industrial, heavy industrial and highway commercial.

The proposed annexation area is located along the north City limits and is generally bounded by Mountain Avenue on the north, Bethel Avenue on the east, and State Route 99 along the south and west. The proposed annexation area is also bisected by Golden State Boulevard and the Union Pacific Railroad that runs parallel to State Route 99.

The majority of the proposed annexation area, 350 acres, is currently developed with industrial/commercial uses, approximately 52 acres are undeveloped, and the remainder consists of street rights-of-way. The environmental setting of the Project area is dominated by agricultural use north and east, State Highway 99 to the west, and a recreational vehicle park and vacant land to the south. The agricultural uses are predominantly vineyards and stone fruit. There is no additional development proposed within the proposed annexation area at this time.

2. The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. As well as the ability of the newly formed or receiving entity to provide the services which are subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary changes.

Water Services – Currently, the three industries have their own water systems. A water main will be extended from Kamm Avenue to Amber Lane. Once the annexation has been approved, ownership of the water main will transfer to the City and be made available for connection to all adjoining properties.

Sanitary Sewer – The subject territory is within the Selma-Kingsburg-Fowler (SKF) County Sanitation District and two of the three industries are already connected to the SKF sewer. For the remaining industry, connection to the SKF sewer will not be difficult to achieve.

Storm Water Drainage – Each of the three industries in the subject territory handle runoff on-site and have ample acreage for this purpose.

Solid Waste Collection – The City of Kingsburg contracts with Waste Management for solid waste collection and the industries in the subject territory have the option of receiving services under this contract.

Police Protection – The subject territory is currently under the jurisdiction of the Fresno County Sheriff's Department and California Highway Patrol. The Kingsburg Police Department will provide law enforcement protection after annexation.

Fire Protection – The subject territory is currently served by the Fresno County Fire Protection District from Station 83, which is located directly across Mountain View Avenue from the Guardian glass plant. Supplemental protection is provided from the Tulare County Fire Department's Kings River Station, the Kings County Fire Department Station at Burris Park, and the City of Kingsburg. Following reorganization, the City of Kingsburg will assume primary responsibility for fire protection.

Ambulance and Paramedic Service – Services are provided by the Kingsburg Fire Department and would continue to be rendered in the same manner.

Street Lighting – The only street light in the public right-of-way serving the subject territory is located at the southwest corner of Bethel and Mountain View Avenues. Responsibility for the provision of street lighting will transition from the County of Fresno to the City of Kingsburg. Sun-Maid is responsible for maintenance of all lights installed on Bethel Avenue along the Sun Maid plant.

Parks and Recreation – The City has a full-time Community Services Coordinator and a Parks Master Plan adopted in 2002. Because the City collects recreation area acquisition and improvement fees only from new residential development, and because the subject territory is industrial in nature, the subject territory will not generate such fees, nor will it generate demand for parks and recreation services.

Transit Services – In cooperation with the Council of Fresno County Governments, the City operates a dial-a-ride transit van in and around the City during business hours six days per week that will serve the subject territory.



Schools – The subject territory is divided by the boundary between the Selma Unified School District and Kingsburg's school districts (Kingsburg Joint Union High School District and Kingsburg Joint Union Elementary Charter School District). Because there are only two residences within the territory, an insignificant number of students, if any, are added to the population of any school. However, the project generates considerable revenues for schools through property taxes and school fees. Building projects within the territory are assessed school fees at the industrial rate of 51 cents per square foot.

Public Right-of-Way – The City will assume responsibility for Bethel Avenue from Kamm Avenue to Mountain View Avenue, and for Indianola Avenue south of Mountain View. The City of Kingsburg is annexing only half of the right-of-way of Mountain View Avenue, leaving the County responsible for the northern (westbound) portion. Projects on Mountain View will have to be coordinated between the City and County of Fresno.

Other Services – City-provided services will be more convenient to access than those currently provided by the County of Fresno. City Hall, the Planning and Development Department, the Senior Center, the police and fire departments, and other city facilities are located within a few miles of the subject territory. In Kingsburg there are branches of the Fresno County Free Library and the Fresno County Superior Court.

3. The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

There are no effects anticipated since the area is covered in the City of Kingsburg's General Plan and is within an area previously designated by LAFCo as the City of Kingsburg's Sphere of Influence.

4. The conformity of both the proposal and its anticipated effects with both the adopted Commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Section 56377.

See section on consistency of the reorganization with LAFCo Policies, Standards and Procedures below.

5. The effect of the proposal on maintaining the physical and economic integrity of agricultural lands.

Although the 2008 Important Farmland Mapping and Monitoring Map for eastern Fresno County identifies portions of the project area as prime farmland, much of the areas so identified is currently developed as industrial and commercial uses consisting of buildings or structures and areas used for the application of wastewater by the Sun Maid Raisin Growers.

Only a small portion of the project site is currently cultivated and the otherwise undeveloped parcels are small, precluding use for production agriculture. A 15-acre vineyard on the south side of Mountain View Avenue west of Bethel Avenue is owned by Guardian Industries. It is anticipated it will be used for future expansion. A remnant vineyard of about four acres also exists between State Highway 99 and Golden State Boulevard southeast of Amber Avenue.

In addition, the City of Kingsburg has a right-to-farm ordinance that will allow the continued operation of agricultural properties upon annexation.

6. The definiteness and certainty of the boundaries of the territory, the conformance of proposed boundaries with lines of assessment or ownership, the creation of island or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

The boundaries are definite and certain and contiguous to the existing City limits. There are no conflicts with lines of assessment or ownership.

7. A regional transportation plan adopted pursuant to Section 65080, and its consistency with city or county general and specific plans.

A transportation system within the project area is currently developed. The major access to the properties within the project area is from Mountain View to the north, Bethel to the east and south, and Golden State to the west and east. A Traffic Impact Study was prepared for the proposed project, which indicated that the study intersections and road segments currently operate at acceptable levels of service.

8. The sphere of influence of any local agency which may be applicable to the proposal being reviewed.

The entire project area is located within the City of Kingsburg's existing Sphere of Influence and is adjacent to existing City Limits.

9. The comments of any affected local agency or other public agency.

By letter dated November 21, 2012, the City of Selma informed LAFCo of its pending litigation against the City of Kingsburg concerning the Mitigated Negative Declaration. In that letter, the City of Selma requested that "the Commission make any and all determinations upon the Resolution of Application only after notice and hearing on the Resolution of Application, in accordance with applicable law."

This letter was followed up by 2 additional letters dated December 6, 2012 and December 14, 2012, reiterating the same comments.

On March 29, 2013, staff received a large set of documents from the Fresno County Fire Protection District concerning the Guardian/Sun-Maid Reorganization, the lack of a fire transition agreement between the Fresno County Fire Protection District and the City of Kingsburg, the Mitigated Negative Declaration prepared for the Guardian/Sun-Maid Reorganization, and the City's ability to provide fire protection services to the newly annexed territory. Due to the voluminous nature of the documents and the fact that staff only received it a few days before the preparation of this report, staff is in the process of fully reviewing and/or analyzing the documents. They are provided with this report.

10. Timely availability of water supplies adequate for projected needs.

As stated, currently the three industries within the subject territory have their own water systems. A water main will be extended from Kamm Avenue to Amber Lane. Once the annexation has been approved, ownership of the water main will transfer to the City and be made available for connection to all adjoining properties.

11. The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments.

Following reorganization, the subject territory will be zoned light industrial, heavy industrial, and highway commercial. No new residences are expected to be constructed within the subject territory.

12. Any information or comments from the landowners, voters, or residents of the affected territory.

As of this writing, LAFCo has not received any information or comments from landowners, voters, or residents. However, LAFCo has received signed consent forms from five of the landowners (11 parcels) owning just less than forty-six percent of the land value.

13. Any information relating to existing land use designations.

The current County zoning for the subject territory is heavy industrial and agriculture.

The 2008 Important Farmland Mapping and Monitoring Map for eastern Fresno County identifies portions of the project area as prime farmland. However, much of the areas so identified are currently developed as industrial and commercial uses consisting of buildings or structures and areas used for the application of wastewater by the Sun Maid Raisin Growers.

Only a small portion of the project site is currently cultivated and the otherwise undeveloped parcels are small, precluding use for production agriculture. A 15-acre vineyard on the south side of Mountain View Avenue west of Bethel Avenue is owned by Guardian Industries. It is anticipated it will be used for future expansion. A remnant vineyard of about four acres also exists between State Highway 99 and Golden State Boulevard southeast of Amber Avenue.

14. The extent to which the proposal will promote environmental justice.

Given the current and projected land uses, staff is not aware of any impact the application will have with respect to the fair treatment of people of all races and income, or the location of public facilities or services.

15. Location and Characteristics of any Disadvantaged Unincorporated Communities

LAFCo staff and the City of Kingsburg have determined that there are no disadvantaged unincorporated communities in the area being annexed or in the surrounding area.

#### **Consistency with LAFCo Policies, Standards and Procedures:**

The entire project area is located within the City of Kingsburg's existing Sphere of Influence and is adjacent to existing City Limits.

The proposal is consistent with LAFCo Policy 102-05, which in part states:

*All developed urban land inside a City's Sphere of Influence shall be encouraged to annex to the City.*

The proposal is consistent within the North Kingsburg Specific Plan Area which identified this territory for future annexation consideration.

No additional development is planned for the affected territory. The Service Plan submitted for this Reorganization indicates that all necessary urban services (police, fire, water, etc.) are available to serve the affected territory. (See Service Plan at [www.fresnolafco.org](http://www.fresnolafco.org).)

As per State law, the factors to be considered in reviewing reorganization proposals include the extent to which the proposal will promote "environmental justice". As set forth in Government Code Section 56668(o), environmental justice means "the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and provision of public services." Staff believes that the increased level of public services that will be provided by the City to the affected territory supports this objective.

The proposal would carry out LAFCo's purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental

agencies so as to advantageously provide for the present and future needs of the County and its communities.

LAFCo Policies, Standards and Procedures section 102-04-041 requires, when a proposed reorganization includes annexation of territory to a city and detachment from a fire protection district, a transition agreement to provide for the orderly transition of services from the fire protection district to the city. Transition agreements are to provide for orderly transfer of service from the fire protection district to the city, and may involve transfer of stations, personnel, equipment, property taxes, etc., as mutually determined by the city and fire protection district.

The fire transition agreement between the Fresno County Fire Protection District and the City expired on December 31, 2012, and a new agreement has not been entered into by the parties. When a fire transition agreement is not in place, LAFCo Policies, Standards and Procedures, requires the City to submit the following information to the Executive Officer:

- (1) A statement explaining why the city does not have a transition agreement in effect with the fire protection district; and
- (2) Reasons, if any, why the city believes that a transition agreement is not necessary or is undesirable for the processing of the proposed reorganization.

In conformance with the requirements of LAFCo Policies, Standards and Procedures, the City provided their reasons in the attached statements concerning the lack of a fire transition agreement between the City and the Fresno County Fire Protection District. The District opposes this Application and has responded with documents disputing the City's contentions and providing additional materials (See Exhibit "A").

### **Fire Protection Services:**

Currently, the subject territory is served by the Fresno County Fire Protection District from Station 83. Station 83 is directly across Mountain View Avenue from the Guardian glass plant (part of the proposed annexation). In addition to receiving fire protection from Station 83, the subject territory receives supplemental protection from the Tulare County Fire Department's Kings River Station (Avenue 400 west of Road 40, about six miles east), the Kings County Fire Department station at Burris Park (Clinton Avenue west of Sixth Avenue, 12 miles south), and the City of Kingsburg.

Upon annexation, the City fire department would assume primary responsibility for fire protection. The City has determined that it has sufficient service capability to meet the fire and emergency response needs of the annexed territory. The closest City of Kingsburg fire station to the subject territory is located in downtown Kingsburg, approximately 2.4 miles from the subject territory. The City also owns a site at the southeast corner of Sierra Street and Bethel Avenue (slightly more than one mile from the subject territory) that has been designated for development of a satellite fire station. This station, if constructed, would provide additional service to the subject property from

the City of Kingsburg. Although a mutual aid agreement is currently in place between the Fresno County Fire Protection District and the City, under which fire staff at Station 83 would respond to a fire within the subject territory, the Fresno County Fire Protection District has indicated that it intends to terminate that mutual aid agreement.

In the absence of a fire transition agreement, the City has indicated that it is willing to agree to provide to the District a lump-sum payment constituting ten years of property tax revenues for allocation toward fire protection, or approximately \$300,000.00. This amount would be consistent with the terms contained in the immediately expired fire transition agreement between the City and the District.

Staff is recommending that this item be continued to the June 5, 2013, hearing to give the City and the District one last attempt to enter into a fire transition agreement consistent with LAFCo Policy 102-04-041. Staff is concerned that Station 83, given its close proximity to the subject territory, would potentially not serve the subject property. One potential remedy to this concern would be an agreement between the City and the District to jointly share the cost of Station 83 as it relates to a proportionate cost for the service needs for the annexed area.

Staff makes note that LAFCo has broad conditioning authority. Under Gov. Code section 56886(h), LAFCo could condition its approval of this application on the "acquisition, improvement, disposition, sale, transfer or division of any property, real or personal."

LAFCo Policy 102-41-041-A allows for the Commission to approve this application in the absence of a fire transition agreement between the City and the District based upon various findings including "any other appropriate reason(s) that are in the public interest, as determined by the Commission."

#### **Property Tax Exchange Agreement:**

Revenue and Taxation Code Section 99 provides that whenever an application is filed, but prior to issuing a certificate of filing, the Executive Officer shall initiate a process through the County Assessor and Auditor of generating information to allow for the negotiated exchange of property taxes related to the boundary changes that have been proposed.

On January 16, 2013, LAFCo staff sent notice of the application to the County of Fresno Auditor-Controller, Vicki Crow, requesting resolutions from the subject agencies agreeing on the exchange of property tax revenue. [However, the Auditor-Controller did not respond as the City and County have a Master Tax Sharing agreement in place.](#) Therefore, a negotiated exchange of property taxes related to the proposed boundary changes is not required. A copy of the letter to Vicki Crow is attached at Exhibit "B".

## **Environmental Impacts and Compliance with CEQA:**

The City of Kingsburg (the “City”) is the lead agency and has found that although the Project could have a significant effect on the environment, sufficient mitigation was adopted to prevent significant effects on the environment.

- On April 25, 2012, the City released, for public review and comment, a mitigated negative declaration and a notice of intent to adopt that mitigated negative declaration for the Project (the “Mitigated Negative Declaration” available on the LAFCo website at [www.fresnolafco.org](http://www.fresnolafco.org)).
- The public review period for the Mitigated Negative Declaration closed on May 25, 2012.
- On September 6, 2012, the Kingsburg City Council certified the final Mitigated Negative Declaration.
- On March 29, 2013, the City of Kingsburg informed the LAFCo Executive Officer that the City intends to provide an addendum to the certified Mitigated Negative Declaration addressing the lack of a fire transition agreement between the Fresno County Fire Protection District and the City of Kingsburg.

In December, 2012, the City of Selma filed a Petition for Writ of Mandate against the City of Kingsburg challenging the City’s certification of the Mitigated Negative Declaration (12CECG03223). A copy of the City’s lawsuit is available on the website at [www.fresnolafco.org](http://www.fresnolafco.org).

The City of Selma essentially alleges that it is adversely affected by the City of Kingsburg’s failure to adequately consider, evaluate, and mitigate the significant environmental impacts of the project as it relates to impacts on air quality, agricultural impacts, greenhouse gas emissions, hydrology and water quality, traffic, fire protection, and overall cumulative impacts.

On March 29, 2013, the City informed LAFCo’s Executive Officer that the City intends to provide an addendum to the Mitigated Negative Declaration concerning the lack of a fire transition agreement between the Fresno County Fire Protection District and the City. The lead agency or a responsible agency may prepare an addendum to a previously adopted negative declaration if minor technical changes or additions are necessary. (CEQA Guidelines, § 15164(b)). An addendum need not be circulated for public review but can be included in or attached to the adopted negative declaration. (CEQA Guidelines, § 15164(c)). The decision-making body shall consider the addendum with the adopted negative declaration prior to making a decision on the project. (CEQA Guidelines, § 15164(d)). Section 14(a) of the Mitigated Negative Declaration states as follows:

*a) Fire Protection*

**Less than Significant.** The annexed area will be served by the City’s fire department. The City of Kingsburg has determined that it

has sufficient service capability to meet the fire and emergency response needs of the area. A transition agreement is in place between the City and the Fresno County Fire Protection District that addresses financial impacts resulting from detachment from the District. Impacts on fire protection would be less than significant.

Due to the expiration of the fire transition agreement in place between the City and the Fresno County Fire Protection District that was in place at the time the Mitigated Negative Declaration was adopted by the City, the City has prepared an addendum to the Mitigated Negative Declaration (the "Addendum"), which is attached as Exhibit "C".

The City completed Mitigated Negative Declaration covers the action now before the Commission with respect to annexation of 430 acres to the City of Kingsburg, and portions of that same territory to the Selma-Kingsburg-Fowler County Sanitation District (SKF), as well as the detachment of the same territory from the Fresno County Fire Protection District, Consolidated Irrigation District, and the Kings River Conservation District and the pre-zone of the subject area to Heavy Industrial, Light Industrial, and Highway Commercial.

As a "Responsible Agency" the Commission is required, pursuant to CEQA Guidelines, to independently review and consider the environmental effects of the Project as presented in the adopted Final Mitigated Negative Declaration for the Guardian/Sun-Maid Reorganization prepared by the Lead Agency, the City of Kingsburg, prior to reaching a decision on the Project. (CEQA Guidelines 15096). Once the Commission has considered such impacts, however, the Commission has limited ability to conduct its own separate environmental review. (See *City of Redding v. Shasta County Local Agency Formation Commission* (3d Dist. 1989) 209 Cal.App.3d 1169 (requiring responsible agencies to treat lead agencies' environmental documents as legally adequate even when such documents are the subject of pending litigation against the lead agencies).)

The Commission has several options with regard to CEQA and the certified Mitigated Negative Declaration. The Commission may choose one of the following three options:

**Option 1:** The Commission can rely on the Mitigated Negative Declaration certified by the City of Kingsburg.

**Option 2:** The Commission can elect to prepare a subsequent or supplemental mitigated negative declaration for the entire Project. (This option is only available if the Commission believes that substantial new information has become available since the City's certification of the Mitigated Negative Declaration. At this time, Staff is unaware of any such new information other than the litigation mentioned previously.)

**Option 3:** The Commission can elect to assume the role of lead agency for the Project.



### **Indemnification Agreement:**

Staff recommends that approval of the proposal be conditioned upon the Applicant signing an indemnification agreement, acceptable to the LAFCo Executive Officer and Counsel, agreeing to defend, indemnify, and hold harmless the Commission from and against any claims, actions (including those filed by any state or governmental agency), costs, or damages arising out of, or in connection with, the Commission's actions related to this matter.

### **Alternatives for Commission Action:**

Again, staff recommends that the Commission continue this matter for 30 days. This report presents specific actions for the Commission to consider, including the approval of the Guardian/Sun-Maid annexation to the City of Kingsburg and the Selma-Kingsburg-Fowler County Sanitation District (SKF) and the detachment of the same territory from the Fresno County Fire Protection District, Consolidated Irrigation District, and the Kings River Conservation District and the pre-zoning of the subject area to Heavy Industrial, Light Industrial, and Highway Commercial with specific terms and conditions.

It is recommended that following its review of this report and any testimony and materials that are submitted, the Commission consider the following options:

**OPTION 1** – Continue this item to the June 5, 2013, hearing for the reasons specified above.

**OPTION 2** - Adopt this report and APPROVE the following proposed action:

Approve the Reorganization annexing 430 acres to the City of Kingsburg (118.68 acres of which shall also be annexed to the Selma- Kingsburg-Fowler Sanitation District) and detached from the Fresno County Fire Protection District, Consolidated Irrigation District, and the Kings River Conservation District.

1. Acting as Responsible Agency under CEQA Guidelines, find that the environmental effects of the project as shown in the adopted Mitigated Negative Declaration (including the Addendum) prepared and certified by Kingsburg City Council were reviewed and considered and comply with the requirements of CEQA Guidelines section 15096.
2. Find that the proposed reorganization is consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, including, but not limited to, Section 56668 and Fresno LAFCo adopted Policies, Standards and Procedures, including, but not limited to, Section 102-04-041, and this action carries out LAFCo's purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the County and its communities.

3. Find that approval of the proposed reorganization is based on sufficient information including the Executive Officer's report to the Commission and all other testimony and information provided by persons and interested agencies, and in connection with state law, including, but not limited to, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, CEQA, and Commission Policies, Standards and Procedures.
4. Assign the distinctive short-form designation "Guardian/Sun-Maid Reorganization" and approve the annexation of 430 acres to the City of Kingsburg (118.68 acres of which shall also be annexed to the Selma-Kingsburg-Fowler Sanitation District) and detached from the Fresno County Fire Protection District, Consolidated Irrigation District, and the Kings River Conservation District, subject to the following terms and conditions:
  - 4.1 Applicant shall execute an indemnification agreement with the Commission, agreeing to defend, indemnify, and hold harmless the Commission from and against any claims, actions (including those filed by any state or governmental agency), costs, or damages arising out of or in connection with the Commission's actions related to this matter; and
  - 4.2 A transition agreement acceptable to the City and the District concerning staff at Station 83.
5. Waive further Conducting Authority Proceedings and order the reorganization subject to requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the 30-day reconsideration period.
6. Direct staff to initiate and conduct subsequent proceedings in compliance with the decision of the Local Agency Formation Commission only upon the signing of the resolution by the Chair.

**OPTION 3 – Adopt this report and DENY the proposed changes.**

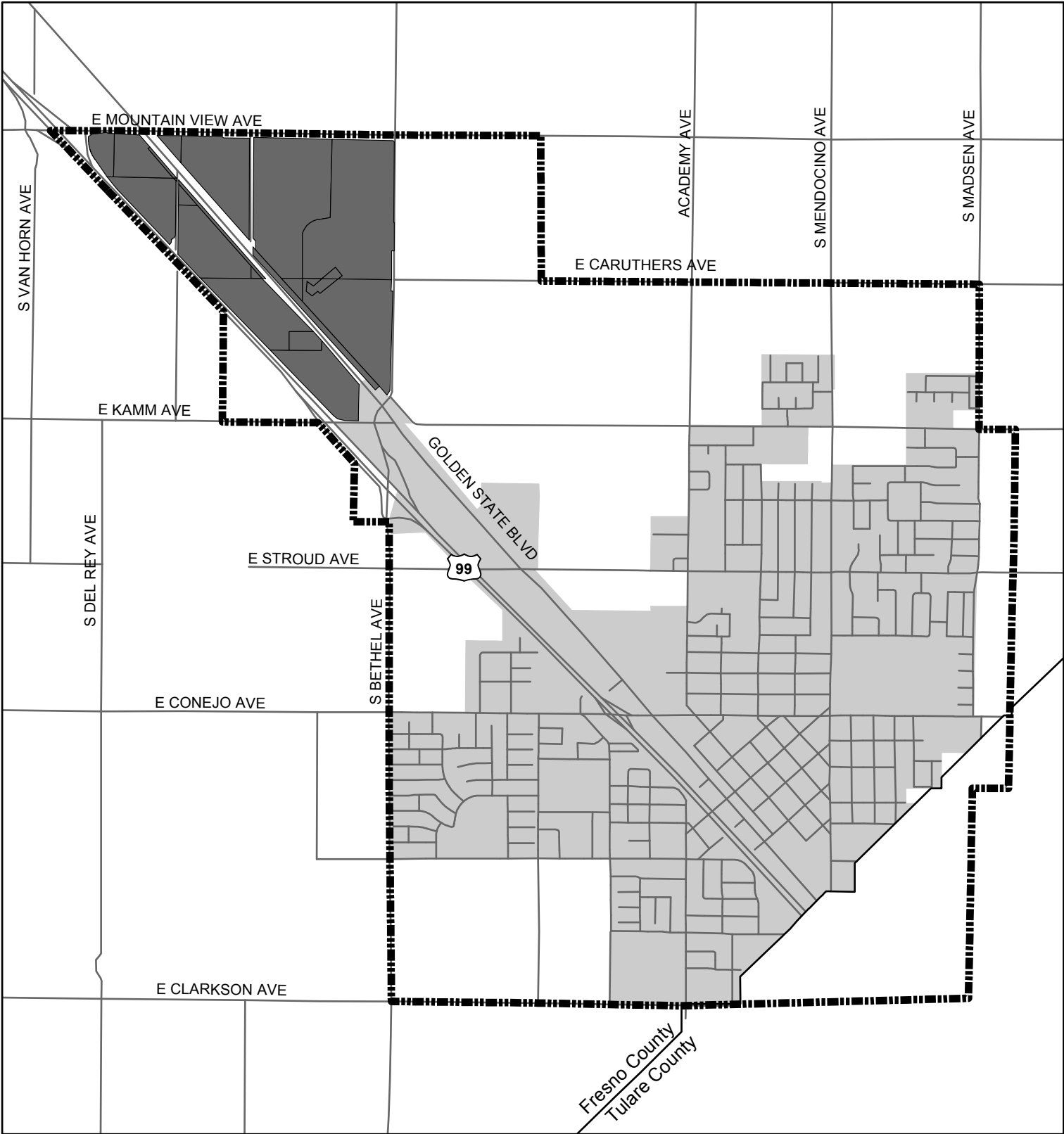
**EXHIBITS:**

Exhibit "A" – Documents provided by Fresno County Fire Protection District

Exhibit "B" – Revenue & Taxation Code Section 99 Letter to Vicki Crow

Exhibit "C" – Addendum to the Guardian/Sun-Maid Reorganization Mitigated Negative Declaration.

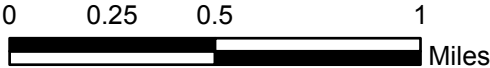
**FIGURE 1 - ANNEXATION TO THE CITY**



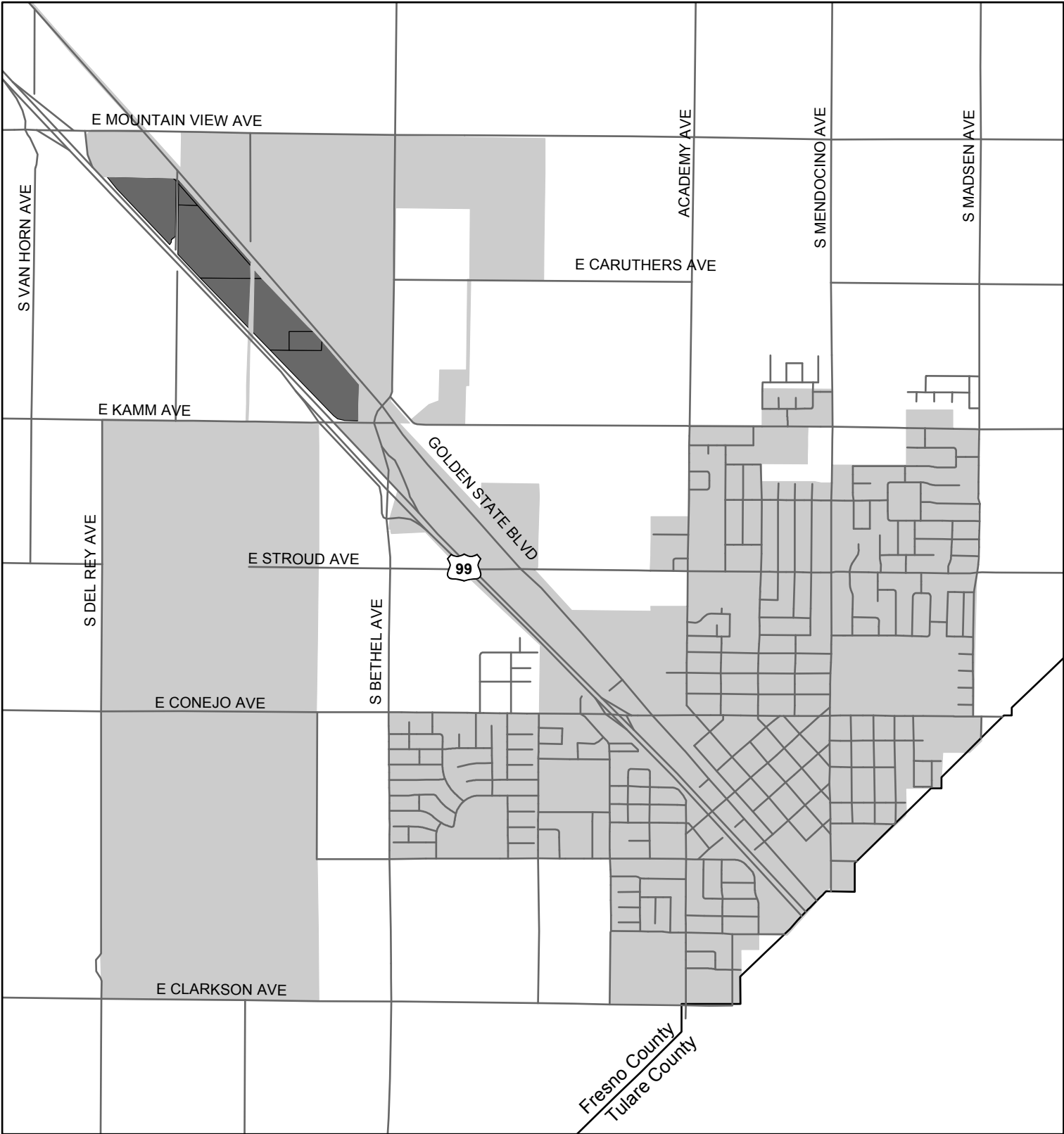
**Legend**

- Sphere of Influence
- City Limits
- Affected Territory



City of Kingsburg "Guardian-Sun Maid Reorganization"  
LAFCo File No. RO-12-7



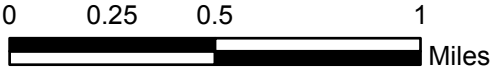
**FIGURE 2 - ANNEXATION TO DISTRICT**



**Legend**

-  District Boundary and SOI
-  Affected Territory

City of Kingsburg "Guardian-Sun Maid Reorganization"  
LAFCo File No. RO-12-7





## EXHIBIT A

# FRESNO COUNTY FIRE

PROTECTION DISTRICT

210 South Academy Avenue  
Sanger, California 93657  
Telephone: (559) 493-4300  
Fax: (559) 875-8473  
[www.fresnocountyfire.org](http://www.fresnocountyfire.org)

March 29, 2013

Jeff Witte, LAFCo Executive Officer  
2607 Fresno Street, Suite B  
Fresno, California 93721

Re: City of Kingsburg, Sun-Maid Guardian Reorganization

Dear Mr. Witte,



Initially, the Fresno County Fire Protection District ("District") notes that a Municipal Service Review ("MSR") (Government Code section 56430) is currently underway with respect to the District and would be the baseline for significant portions of information requested by you as Commission and the Executive Officer to evaluate the applications of the City of Kingsburg ("City") for change of organization. Accordingly, the District requests that the Commission continue the matter for seventy days consistent with Government Code section 56666 which would be beyond the time frame when the completion of the MSR is currently proposed. In the absence of such information the record on this application could lead to an inconsistent analysis by the Commission's Executive Officer with respect to the facts necessary to determine the primary issue of which local agency can most efficiently provide fire service to the affected territory of the application.

Second, the District notes that the City environmental document under the California Environmental Quality Act (Public Resources Code section 21000, *et seq.* "CEQA") that accompanied the application, a Mitigated Negative Declaration ("MND") for consideration by the Commission and their responsible agency under CEQA is factually inaccurate in at least one respect.

The involved MND disposes of the issue of impact of the application action on the environment, specifically public services - fire protection by indicating that a Transition Agreement is in effect (while acknowledging that it expires on December 31, 2012) between the City and the District. In other words, there are changed circumstances under which the project - the annexation/detachments are to be carried out - something none of the affected agencies would dispute.

Executive Officer Witte  
March 29, 2013  
Page 2

In referencing these issues, the District reserves the right to comment in all respects on the City application currently scheduled for hearing on April 10, 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith A. Larkin", with a stylized flourish at the end.

KEITH A. LARKIN  
Fire Chief

dh

cc: Ken Price, LAFCo Attorney  
Armando Lopez, LAFCo President  
Michael Del Puppo, Board President  
William D. Ross, District Counsel



## FRESNO COUNTY FIRE

PROTECTION DISTRICT

210 South Academy Avenue  
Sanger, California 93657  
Telephone: (559) 493-4300  
Fax: (559) 875-8473  
[www.fresnocountyfire.org](http://www.fresnocountyfire.org)

March 20, 2013

### VIA ELECTRONIC DELIVERY

[jewitte@co.fresno.ca.us](mailto:jewitte@co.fresno.ca.us)  
[Mando.parlier@gmail.com](mailto:Mando.parlier@gmail.com)  
[kprice@bakermanock.com](mailto:kprice@bakermanock.com)  
[mikedelpuppo@fresnocountyfire.org](mailto:mikedelpuppo@fresnocountyfire.org)

Don Pauley, City Manager  
City of Kingsburg  
1401 Draper Street  
Kingsburg, California 93631

Dear Mr. Pauley,

In consideration of a "stand alone" Transition Agreement with the City of Kingsburg for the Guardian/Sun Maid reorganization, the Fire District would like the City to clarify their means for providing fire protection services to the affected property once the annexation is complete. In referencing the Negative Declaration submitted for the City action before the annexation, the City states that fire protection services will be provided by the City and through the existing Automatic Aid Agreement with the Fire District. Given the current level of emergency response services provided to the City by the Fire District through our Automatic Aid Agreement and the close proximity of Fire District Station 83 facilities to the affected property, the Fire District is concerned that fire services will remain their primary responsibility after the annexation.


As you know, in 2007 the Fire District and City of Kingsburg entered into an Automatic Aid Agreement for fire protection services. Within that Agreement the City agrees to provide one (1) engine with 2 personnel staffing when requested by the Fire District and the Fire District agrees to provide a Chief Officer and two (2) engines with 2 personnel staffing when requested by the City. To illustrate how this equates in sharing of resources, in 2012 the Fire District responded into the City of Kingsburg on 88 calls, with 115 Fire Apparatus, for a total of 145 hours of time committed and by comparison the City of Kingsburg has responded into the Fire District on 39 calls, with 42 Fire Apparatus, for a total of 15 hours of time committed. As you can see, the level of support the Fire District is providing to the City in time commitment is almost ten (10) times that provided by the City to the Fire District. This does not include any additional resources that may be called upon from the Fire District including Water Tenders, technical rescue, Hazardous Materials, Critical Incident Stress Management (CISM), breathing support, and ICS organization for large scale incidents.

Mr. Pauley  
March 20, 2013  
Page 2

Once the Fire District has received a Standards for Deployment Plan from the City of Kingsburg that appropriately addresses the response to fire protection and hazardous materials incidents occurring at the Sun Maid and Guardian Glass facilities, we will welcome the opportunity to engage in discussions for formulating a "stand alone" Transition Agreement.

If you should have any questions or need further clarification, please feel free to contact me at (559) 493-4300.

Sincerely,

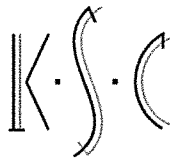


KEITH A. LARKIN  
Fire Chief

gw

cc: Mike Del Puppo, Board President  
Jeff Witte, LAFCo Executive Officer  
Armando Lopez, LAFCo Chairman  
Ken Price, LAFCo Legal Counsel





KAHN, SOARES & CONWAY, LLP  
ATTORNEYS AT LAW

MICHAEL J. NOLAND  
HANFORD OFFICE  
mnoland@kschanford.com

March 8, 2013



**Via Email (cfleming@co.fresno.ca.us) and U.S. Mail**

Jeff Witte, Executive Officer  
Fresno Local Agency Formation Commission  
2607 Fresno Street, Suite B  
Fresno, CA 93721

Re: Stand-Alone Fire Transition Agreement for the Guardian-Sun Maid  
Reorganization;  
Our File No. 11141.01

Dear Mr. Witte:

This letter is in response to your letter dated February 25, 2013 addressed to Don Pauley, City Manager for the City of Kingsburg and Keith Larkin, Chief, Fresno County Fire Protection District.

Please be advised the City of Kingsburg will enter into a stand-alone Fire Transition Agreement, only for the Guardian-Sun Maid Reorganization, having the same terms and conditions as the Transition Agreement between the City of Kingsburg and the Fresno County Fire Protection District dated October 16, 2003 and which expired on December 31, 2012 ("**Transition Agreement**"). In accordance with the provisions of Section 3.1 of the Transition Agreement, the City of Kingsburg will pay the Fire Transition Fee of approximately Three Hundred Thousand Dollars (\$300,000.00) to the Fresno County Fire Protection District within sixty (60) days after the end of the fiscal year in which the City of Kingsburg starts to receive the City's apportionment of general purpose ad valorem real property tax revenue from the annexation territory.

The City of Kingsburg will prepare the stand-alone Fire Transition Agreement in accordance with the statements set forth in this letter upon being advised by the Fresno County Fire Protection District of its agreement to proceed in the same manner.

March 8, 2013

Page 2

Should you have any questions with regards to the statements set forth in this letter or wish to discuss this matter further, please do not hesitate to contact me.

Thank you for your continued assistance with regards to this matter.

Sincerely,

KAHN, SOARES & CONWAY, LLP

A handwritten signature in black ink, appearing to read "Michael J. Noland", written over the printed name.

Michael J. Noland

MJN/jla

Enclosure

cc: Kenneth Price, LAFCo Legal Counsel  
Donald F. Pauley, City Manager, City of Kingsburg



## FRESNO COUNTY FIRE

PROTECTION DISTRICT

210 South Academy Avenue  
Sanger, California 93657  
Telephone: (559) 493-4300  
Fax: (559) 875-8473  
[www.fresnocountyfire.org](http://www.fresnocountyfire.org)

February 27, 2013

Jeff Witte, Executive Officer  
Fresno Local Agency Formation Commission  
2607 Fresno Street, Suite B  
Fresno, California 93721

Dear Mr. Witte,

The Fresno County Fire Protection District (District) is in receipt of your letter dated February 25, 2013, in which you reference a "stand-alone" Transition Agreement for the Guardian-Sun Maid Reorganization. Please accept this letter as a point of clarification to the discussions held at the meeting in my office on February 20, 2013, attended by LAFCo Counsel Ken Price, yourself, and myself.

The District is willing to give consideration to utilizing the Transition Agreement that expired this past December 31, 2012, as a stand-alone agreement with the City of Kingsburg (City) for the Guardian-Sun Maid Reorganization. However, it was offered as a good faith gesture to the City with the conditions that the City agree to pay the District as a prorated portion of the current property tax revenue received by the District (as per the Agreement calculations) and that the City be willing to enter into a successor agreement. The District simply asks for the City to put forth a good faith gesture in return.

Since it appears that LAFCo has taken on the mediator role in these discussions, please provide this clarification to the City of Kingsburg and advise us of their response.

Thank you for your assistance with this matter.

Sincerely,

KEITH A. LARKIN  
Fire Chief

gw

cc: Michael Del Puppo, Board President

## Witte, Jeff

---

**From:** Don Pauley <dfpauley@cityofkingsburg-ca.gov>  
**Sent:** Tuesday, February 26, 2013 4:47 PM  
**To:** bhaddix@ci.sanger.ca.us; Bruce Rudd; 'John Holt'; 'Rene Ramirez'; 'Rob Brown'; 'Steve Henry'; Dave Elias; D-B Heusser; Fire Chief; 'Greg Tarascou'; 'Jerry Isaak'; 'John Borboa'; Lou Martinez; 'Mark Scott'; 'Mike Despian'; 'Mike Kain'; Nicole Zieba; 'Rob Wooley'; Roseann Galvin; scarrigan@ci.sanger.ca.us  
**Subject:** Final meeting

The Fire Transition Agreement Committee held its final meeting with the Fire District this morning. The purpose for the meeting was to explore with Chief Larkin his statements that the District is open to negotiating Transition Agreements with other jurisdictions different from the terms contained in the Clovis agreement. Considering that the Clovis agreement contains a most favored nation status clause that would allow Clovis to benefit from any agreement(s) that have a more favorable fiscal impact the Committee wanted to clarify what he meant. In our meeting Chie Larkin offered a very disturbing scenario.

The District proposal is to include in future transition agreements with individual jurisdictions a service component that could include dispatch services as a condition of Auto Aid Agreements with the District; he argued that this would improve the dispatch of closest available units thus avoiding delays; and Training, Servicing of vehicles and equipment, and Prevention, i.e. business inspections and plan checks. These service components are offered as an offset to the financial impacts of the transition agreement. Clearly any jurisdiction wishing to avail themselves of one or more of these service components will be an element of the template and done so on a case-by-case basis. Whether they result in a most favored nation status clause implication will be determined by the City of Clovis.

In the end it was clear that the District is unwilling to make changes that they feel will impact the financial benefits of the Clovis agreement. All they are willing to do is offer other jurisdictions services that further tie them to the District into the future and offer some "benefits" for allowing the District to continue to collect property tax revenues for ten years after an annexation.

Based on the District's proposal the Committee has determined that the Clovis agreement will serve as the template for jurisdictions wishing to enter into an agreement with the District. Whether the jurisdiction will avail themselves of the service components being offered by the District must be on a jurisdiction-by-jurisdiction basis. The Committee would further suggest that any agreement be annexation specific until the LAFCo Board has made changes to their policies requiring transition agreements to avoid any conflict over the application of new LAFCo policies to agreements that are in effect at the time LAFCo takes such action.

The LAFCo Board will be receiving an update from the Committee on the status of negotiations at the Boards March 13<sup>th</sup> meeting. They will also be receiving a white paper from their staff on their transition agreement policy. This meeting will be at 1:30 PM in the Board of Supervisors Board room. You might want to put it on your calendar as the presence of all cities will continue to show our interest in and desire for change.

Thank you for allowing me to serve as the Chair of the Committee. I would encourage all of you to continue your vigilance and input with LAFCo and the implementation of a County-wide Auto Aid Agreement between all of the cities. Only through those efforts will we be able to show the District, LAFCo and the County that we are able to function in a mutually self-supporting way.

Don Pauley  
City Manager  
City of Kingsburg  
1401 Draper Street  
Kingsburg, CA 93631  
Phone: (559) 897-5821  
Fax: (559) 897-5568  
[dfpauley@cityofkingsburg-ca.gov](mailto:dfpauley@cityofkingsburg-ca.gov)  
Web Site: [cityofkingsburg-ca.gov](http://cityofkingsburg-ca.gov)

"Do what you love in the service of people who love what you do" Steve Farber



## Fresno Local Agency Formation Commission

February 25, 2013

Mr. Don Pauley, City Manager  
City of Kingsburg  
1401 Draper Street  
Kingsburg, CA 93631

Mr. Keith Larkin, Chief  
Fresno County Fire Protection District  
210 S. Academy Avenue  
Sanger, CA 93657

Dear Mr. Pauley and Chief Larkin:

Subject: Stand-Alone Fire Transition Agreement for the "Guardian-Sun Maid  
Reorganization"

Per our recent conversations, it is my understanding that both the City of Kingsburg and the Fresno County Fire Protection District would be agreeable to entering into a "stand-alone" fire transition agreement for the "Guardian-Sun Maid Reorganization" utilizing the same terms of the fire transition agreement that expired on December 31, 2012. It is also my understanding that the City of Kingsburg is willing and able to pay the same fire transition fee (approximately \$300,000) described in the expired agreement to the Fresno County Fire Protection District.

LAFCo policies require that a copy of the transition agreement be supplied to the Executive Officer along with the completed application. I ask that you provide me with an executed copy of the stand-alone fire transition agreement as soon as possible. Alternatively, because I am aware of the terms of the prior agreement, the City and District may each supply me with a confirmatory letter of their intent to move forward with such a stand-alone agreement. However, I do ask that you provide the Commission with the fully executed stand-alone agreement by the time the item is considered before the Commission, which I anticipate to be April 10, 2013.

Please let me know as soon as possible if you have any further questions or concerns.

Yours truly,

  
Jeff Witte  
Executive Officer

JW:cf

Cc: Darlene Mata, Planning Consultant  
Ken Price, LAFCo Counsel



## EXHIBIT B

# Fresno Local Agency Formation Commission

### NOTICE OF FILING OF APPLICATION FOR JURISDICTIONAL CHANGE UNDER REVENUE AND TAX CODE SECTION 99

DATE: January 16, 2013

TO: Dave King, Assessor's Office  
Vicki Crow, Auditor-Controller's Office

SUBJECT: "Guardian-Sun Maid Reorganization" (Revised – Maps & Legal Descriptions Attached)

In order to begin the computations required by Section 99 of the Revenue and Taxation Code, we are giving you notice that the subject application has been received for processing. Before we can issue a certificate of filing, resolutions from the subject local agencies agreeing on the exchange of property tax revenue are required. Any special district affected may negotiate on its own behalf. The Board of Supervisors shall negotiate and adopt such resolution on behalf of the subject special districts.

The agencies whose service area or responsibilities will be altered by the application are:

Fresno County Fire Protection District  
Kings River Conservation District

Please refer to the pertinent provisions of Section 99(b) for the procedures. Since there are time limitations within these particular sections, we would appreciate your prompt attention to the matter. Attached is a map of the area of the jurisdictional change.

Also, please send us a copy of the letter from the County Auditor sent out to the affected agencies, and a list of those agencies, giving the calculations done by your office. Unless otherwise instructed by that agency, your letter requesting negotiation should be sent to the clerk of the local agency. Please notify us of the date of mailing for all affected agencies.

Thank you.

*Jeff Witte*  
JEFF WITTE  
EXECUTIVE OFFICER

JW:cf

cc: John Navarette, Administrative Officer (app. and map)  
City of Kingsburg (applicant)  
Gigi Gibbs, Economic Development Analyst

## **ADDENDUM TO GUARDIAN/SUN-MAID REORGANIZATION INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION**

### **INTRODUCTION**

On August 15, 2012, the City of Kingsburg City Council, by resolution, adopted a Mitigated Negative Declaration for the Guardian/Sun-Maid Reorganization (“**Annexation**”). The Initial Study evaluated whether the impacts from the Annexation and pre-zoning (collectively, “**Project**”) of approximately 430 acres of land (collectively, “**Territory**”) into the City of Kingsburg and a portion of the Territory into the Selma-Kingsburg-Fowler County Sanitation district may have a significant effect on the environment. The Annexation of the Territory results in the detachment of the Territory from the Fresno County Fire Protection District, Consolidated Irrigation District and the Kings River Conservation District. The Project includes the pre-zoning of the Territory to Heavy Industrial, Light Industrial and Highway Commercial.

Effective, December 31, 2012, the Transition Agreement Between the City of Kingsburg and the Fresno County Fire Protection District Regarding Transfer of Certain General Ad Valorem Real Property Tax Revenue Affected by Annexations dated October 16, 2003 (“**Transition Agreement**”) expired. The City of Kingsburg and the Fresno County Fire Protection District have not entered into a new transition agreement.

### **STATUTORY ANALYSIS**

Under the California Environmental Quality Act (“**CEQA**”), an addendum to an adopted Negative Declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15163 of the CEQA Guidelines calling for preparation of a subsequent negative declaration have occurred. Section 14 of the Initial Study (Public Services) acknowledges the existence of the Transition Agreement which addresses financial impacts (revenue transfers from the City of Kingsburg to the Fresno County Fire Protection District) that may result from the detachment of the Territory from the Fresno County Fire Protection District. The Transition Agreement did not require the Fresno County Fire Protection District to continue to provide fire protection services to the Territory after annexation and expiration of the Transition Agreement did not result in any new or increased impacts to fire protection services for the Territory after annexation. Additionally, the City of Kingsburg Fire Department has sufficient capacity to service Territory with both fire and emergency services.

The provisions of Section 15162 of the CEQA Guidelines do not require the preparation of a subsequent negative declaration because the expiration of the Transition Agreement does not result in:

(i) a substantial change in the Project which will require major revisions of the Mitigated Negative Declaration due to the involvement of new significant environment effects or a substantial increase in the severity of previously identified significant effects;

(ii) a substantial change with respect to the circumstances under which the Project is undertaken which will require major revisions of the Mitigated Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(iii) new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Mitigated Negative Declaration was adopted which shows any of the following: (a) the Project will have one or more significant effects not discussed in the Mitigated Negative Declaration; (b) significant effects previously examined will be substantially more severe than shown in the Mitigated Negative Declaration; (c) mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the City of Kingsburg declined to adopt the mitigation measure or alternative; or (d) mitigation measures or alternatives which are considerably different from those analyzed in the Mitigated Negative Declaration will substantially reduce one or more significant effects on the environment, but the City of Kingsburg decline to adopt the mitigation measure or alternative. Therefore, this Addendum satisfies the requirements of Section 15164 of the CEQA Guidelines.

## **SUMMARY AND FINDINGS**

All potential impacts identified on the Initial Study “Environmental Checklist” were reconsidered in the preparation of this Addendum. For all impact areas identified on the “Environmental Checklist”, the expiration of the Transition Agreement will not result in any: (i) physical changes to the Territory; (ii) changes to the Project; (iii) new impact(s) not already identified in the Guardian/Sun-Maid Reorganization Mitigated Negative Declaration; or (iv) substantial increase in the severity of previously identified impacts. This Addendum supports the finding that the Project does not result in any new impacts and does not exceed the level of impacts identified in the Mitigated Negative Declaration due to Project modification, physical changes to the Territory or new information regarding the Project.

This Addendum is written as an addition to and will be attached to the Guardian/Sun-Maid Reorganization Mitigated Negative Declaration, adopted August 15, 2012. A copy of this Addendum is available for review at the City of Kingsburg Planning Department, 1401 Draper Street, Kingsburg CA 93631.





October 18, 2012



**County of Fresno**  
COUNTY ADMINISTRATIVE OFFICE  
**JOHN NAVARRETTE**  
COUNTY ADMINISTRATIVE OFFICER

Donald F. Pauley, City Manager  
City of Kingsburg  
1401 Draper Street  
Kingsburg, CA 93631-1908

Dear Mr. Pauley:

Subject: Notice of Intent to File the Guardian/Sun-Maid Annexation/Reorganization

In accordance with Article II, Section 2.2 of the Amended and Restated Memorandum of Understanding between the City of Kingsburg and the County of Fresno, we have reviewed the annexation proposal described in the letter received from Consulting Planning Director Darlene Mata on October 5, 2012.

We have determined that the proposed annexation by the City of Kingsburg is consistent with the Standards for Annexation contained in Exhibit I of the Amended and Restated Memorandum of Understanding.

It is recommended that the southern half-width right-of-way for Mountain View Avenue and the full width rights-of-way for Amber, Indianola, Bethel, and Kamm Avenues, and the Golden State Boulevard be included in this annexation.

If you have any questions, you may contact me at (559) 600-1710 or Will Kettler at (559) 600-4497.

Very truly yours,

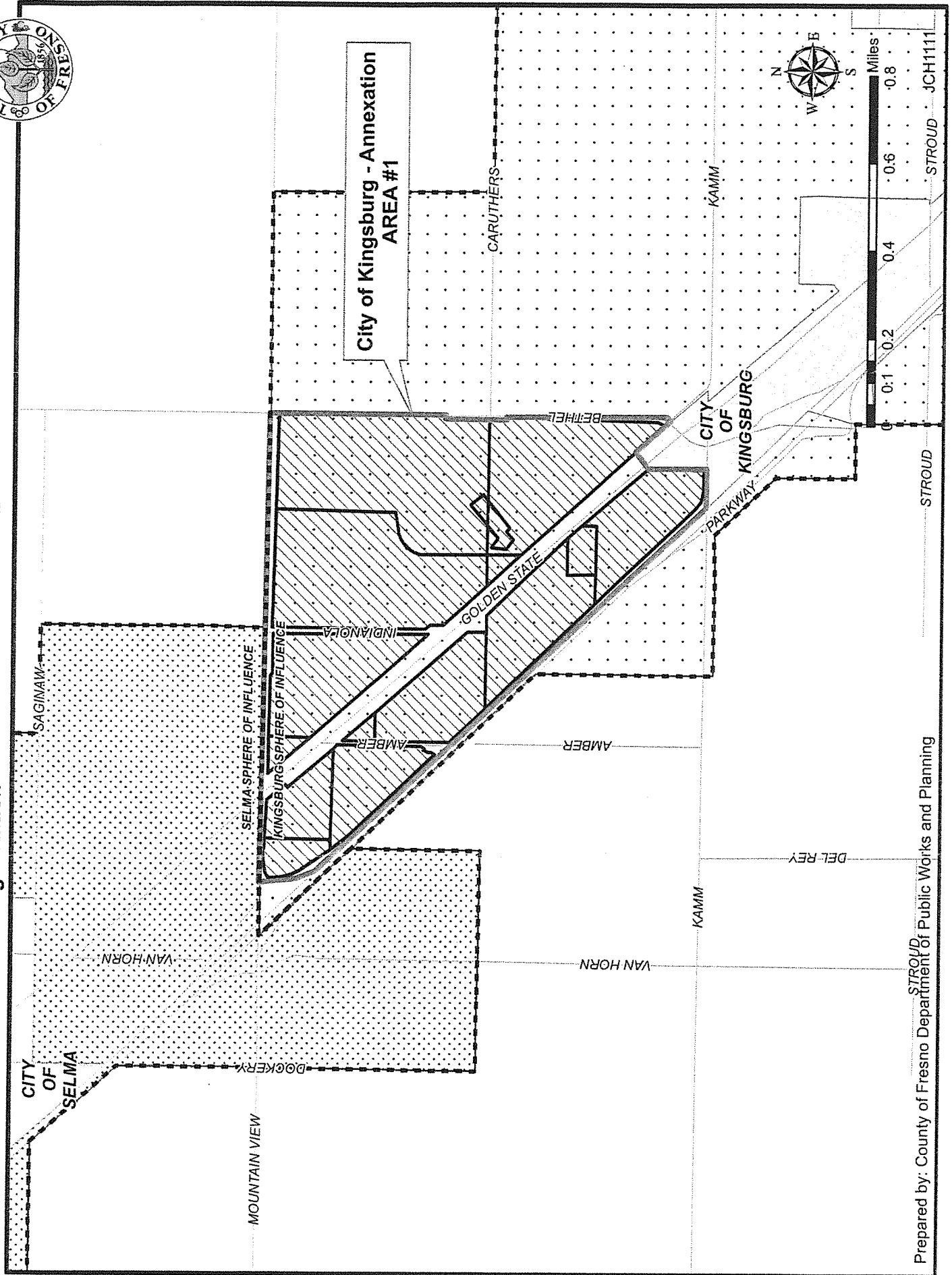
*for* John Navarrette  
County Administrative Officer

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c: Alan Weaver, Director, Department of Public Works and Planning  
Bernard Jimenez, Deputy Director of Planning, Department of Public Works and Planning  
Will Kettler, Division Manager, Development Services Division  
Mohammad Khorsand, Senior Planner, Development Services Division  
Jeff Witte, Executive Officer, LAFCo  
Darlene R. Mata, Consulting Planning Director, City of Kingsburg

# LOCATION MAP

Guardian-Sun Maid Annexation/Reorganization





# Fresno Local Agency Formation Commission

DATE: November 29, 2012  
TO: Will Kettler, Manager, Development Services Division, Stop #214  
Department of Public Works and Planning  
FROM: Jeff Witte, Executive Officer  
SUBJECT: "Guardian-Sun Maid Reorganization"; AGENCY NO. RO-12-7



The attached application has been filed for processing with the Fresno Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency's assistance in reviewing and commenting on this application is requested. At this time we are requesting information on the following factors (Attach extra sheets as necessary):

1. County plan designation for the area:  
The subject annexation area is designated Agriculture, Highway Commercial, Limited Industrial, and Limited Industrial Reserve in the County adopted Kingsburg Community Plan.
2. Consistency of the proposal with adopted County General and Community Plans and policies.  
The County's General Plan directs commercial and industrial uses to incorporated cities and unincorporated communities where necessary support services are available. Annexation and development of the subject area represents a logical continuation of the existing development pattern within the City of Kingsburg's Sphere of Influence in conformance with the Amended and Restated Memorandum of Understanding (MOU) between the City of Kingsburg and the County of Fresno.
3. Any pending County plans, projects (i.e. community development, roads, etc.) or development permits:  
None.
4. Other related comments:  
On October 18, 2012, the County reviewed the proposal and determined that the proposed reorganization is consistent with the Standards of Annexation contained in the MOU between the City of Kingsburg and the County of Fresno.
5. Recommendations:  
It is recommended that the southern half-width right-of-way for Mountain View Avenue and the full-width rights-of-way for Amber, Indianola, Bethel, and Kamm Avenues, and the Golden State Boulevard be included in this annexation.

In order to proceed with the processing of this application, your comments need to be returned to this office by **December 4, 2012**. Your assistance is greatly appreciated. Thank you.

Will Kettler, Development Services Manager  
Department of Public Works and Planning

11/29/12  
Date

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## Fresno Local Agency Formation Commission

DATE: November 15, 2012  
TO: Elections Division-Voter Registration  
FROM: Jeff Witte, Executive Officer *JW*  
SUBJECT: "Guardian-Sun Mald Reorganization"; AGENCY NO. RO-12-7

The attached application has been filed for processing with the Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency's assistance in reviewing and commenting on this application is requested. At this time we are requesting the following information indicated by an "X":

- A. \_\_\_\_\_ Please furnish a list of all registered voters along with their address as shown upon the most recent assessment roll being prepared by the County within 300 feet of the exterior boundary of the property.
- B.   X   Number of registered voters in the area.   2
- C.   X   If more than 11 registered voters, for notification purposes please furnish a list of all registered voters along with their address as shown upon the most recent assessment roll being prepared by the County. Also please furnish a list of registered voters along with their addresses for the territory within 300 feet of the exterior boundary of the property.
- D. \_\_\_\_\_ What percent of the registered voters in the proposal area does the attached petition represent? \_\_\_\_\_
- E.   X   Will the proposal adversely affect precinct boundaries or the conduct of elections?   No
- F. \_\_\_\_\_ Other comments:

In order to proceed with the processing of this application, your comments need to be returned to this office by **December 4, 2012**. Your assistance is greatly appreciated. Thank you.

JW:sh

Attachments: Map, Legal description

*Morgan Bennett*  
\_\_\_\_\_  
Signature and Title Information Technology Analyst

12/04/2012

\_\_\_\_\_  
Date



## County of Fresno

### DEPARTMENT OF PUBLIC HEALTH

EDWARD L. MORENO, M.D., M.P.H.

DIRECTOR-HEALTH OFFICER

December 3, 2012

Mr. Jeff Witte  
Local Agency Formation Commission  
2115 Kern St., Suite 310  
Fresno, CA 93721

Dear Mr. Witte:

PROJECT NO: RO-12-7

SUBJECT: Guardian-Sun Maid Reorganization



FA0000568  
LU0016568  
2620  
CX

1. Adequacy and availability of existing and proposed community water and sewer systems:
2. Need for services other than those proposed:
3. Effect of project on air or water quality:
4. Related County plans or projects:
5. Other comments:
  - Any water wells and/or septic systems that exist or have been abandoned within the project area, not intended for use, shall be properly destroyed by an appropriately licensed contractor.

Prior to destruction of agricultural wells, a sample of the upper most fluid in the well column should be sampled for lubricating oil. The presence of oil staining around the well may indicate the use of lubricating oil to maintain the well pump. Should lubricating oil be found in the well, the oil should be removed from the well prior to placement of fill material for destruction. The "oily water" removed from the well must be handled in accordance with federal, state and local government requirements. Transportation of these materials on public roadways may require special permits and licensure.

- Our records indicate leaking underground fuel storage tanks were located on two of the parcels:

Sun-Maid parcel APN 393-113-06S had two leaking underground fuel storage tanks with soil contaminated by petroleum products. The contamination at the site is under the jurisdiction of the California Central Valley Regional Water Quality Control Board (RWQCB). Any

#### *Dedicated to Public Health*

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Jeff Witte  
RO-12-7  
December 3, 2012  
Page 2 of 2

construction at this site should only be undertaken with their knowledge and comment.  
Contact the RWQCB at (559) 445-5116.

Guardian Industries parcel APN 393-240-47S had one underground fuel storage tank with soil contamination. Information on this site indicates it is a former contamination with no further action required. Should construction and/or grading activities uncover stained soils, the California Central Valley Regional Water Quality Control Board (RWQCB) shall be contacted immediately.

- Should any abandoned underground storage tank(s) be found during the project, the applicant shall apply for and secure an Underground Storage Tank Removal Permit from the Fresno County Department of Public Health, Environmental Health Division. Contact the Certified Unified Program Agency at (559) 600-3271 for more information.

If I can be of more assistance, please feel free to contact me at (559) 600-3271.

Sincerely,

**Janet Gardner**

Digitally signed by Janet Gardner  
DN: cn=Janet Gardner, o, ou,  
email=jgardner@co.fresno.ca.us, c=US  
Date: 2012.12.03 07:46:08 -08'00'

R.E.H.S., M.P.H.  
Environmental Health Specialist III  
Environmental Health Division

jg

cc Steven Rhodes, Supervising Environmental Health Specialist  
Wayne Fox, Supervising Environmental Health Specialist

RO-12-7 Guardian Sun-Maid Reorganization



## City of Kingsburg

1401 Draper Street, Kingsburg, CA 93631-1908  
(559)897-5821 (559)897-5568

December 6, 2012

Jeff Witte  
Fresno County Local Agency Formation Commission  
2607 Fresno Street, Suite B  
Fresno CA 93721

Bruce Blayney  
Mayor

David Karstetter  
Mayor Pro-tem

COUNCIL MEMBERS  
Chet Reilly  
Michelle Roman  
Ben Creighton

Donald F. Pauley  
City Manager

SUBJECT: GUARDIAN/SUN-MAID ANNEXATION

Dear Mr. Witte,

We are in receipt of the comment letters you received during the "Request for Comment" period on the City of Kingsburg proposed annexation.

Per your request, we investigated the comment from the Fresno County Department of Public Health, which states that there are leaking underground fuel storage tanks on two parcels within the annexation area. A review of the California Regional Water Quality Control Board (RWQCB) list of contaminated sites indicates that the two sites referenced by Fresno County have been cleaned up and the case closed by the RWQCB. I have attached a copy of the information from the website.

The proposed annexation does not include any additional development on either parcel. If, at any point in the future, a permit for development is requested, the City of Kingsburg will comply with all State and County regulations applicable to wells, septic systems and underground tanks.

If you need any additional information or documentation, please contact me at (559) 897-5328.

Thank you for your assistance with this project.

Sincerely,

Darlene R. Mata  
Consulting Planning Director



## GEOTRACKER

## LAYERS

☒ SIGNIFIES A CLOSED SITE☒ Leaking Underground Tank (LUST) Cleanup Sites☒ Other Cleanup Sites☒ Land Disposal Sites☒ Military Sites☒ WDR Sites☐ Permitted Underground Storage Tank (UST) Facilities☒ Monitoring Wells\*

\* ZOOM IN TO SEE MWS

☐ DTSC Cleanup Sites☐ DTSC Haz Waste Permit

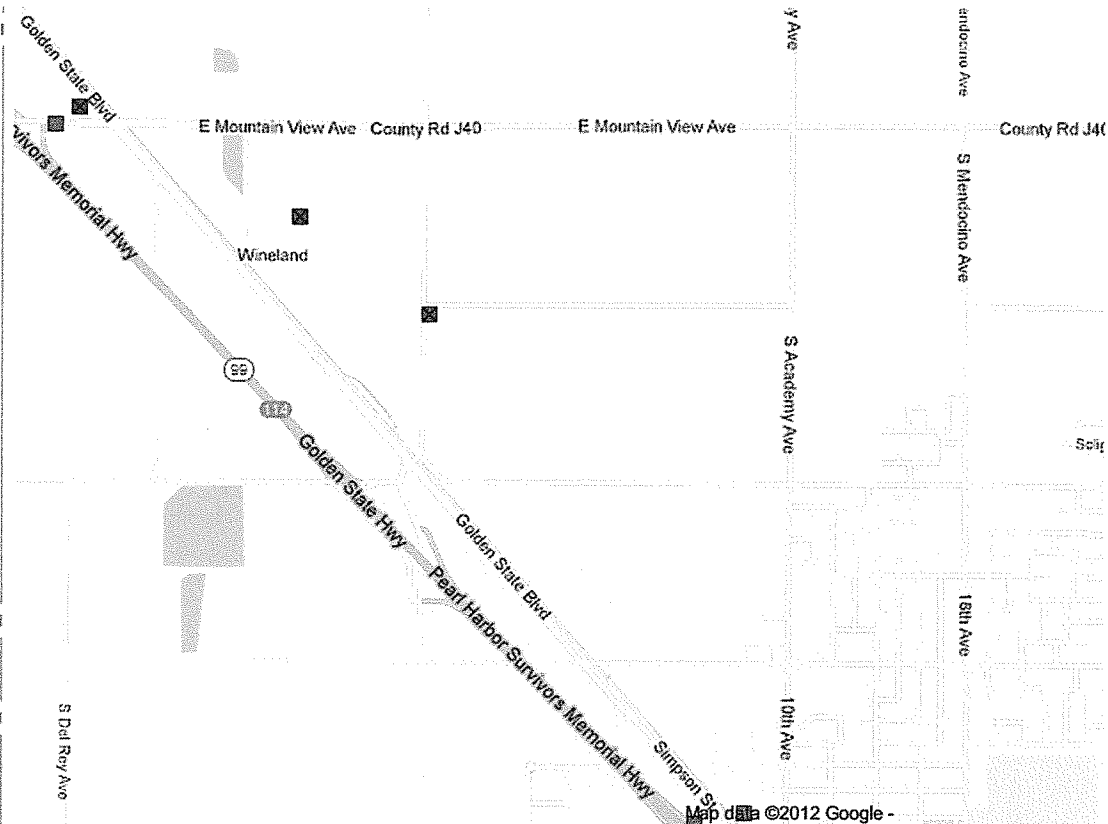
## MAP SIZE

640x480

## OPTIONS

☒ Site List - [EXPORT TO EXCEL](#)

6 Sites

☐ SHOW SITES WITHIN 1000 FEET OF THE FOLLOWING ADDRESS: kingsburg ca

Go

## SITE LIST

SITE NAME	GLOBAL ID	CLEANUP STATUS	ADDRESS	CITY
<input checked="" type="checkbox"/> DARLING OIL	T0601964196	OPEN - SITE ASSESSMENT	11010 MOUNTAIN VIEW	SELMA
<input checked="" type="checkbox"/> DARLING OIL & TIRE	T0601900108	COMPLETED - CASE CLOSED	11010 MOUNTAIN VIEW	SELMA
<input checked="" type="checkbox"/> GUARDIAN INDUSTRIES CORP	T0601900541	COMPLETED - CASE CLOSED	11535 MT VIEW	KINGSBURG
<input checked="" type="checkbox"/> HEUBLEIN, INC.	SLT5FS274445	OPEN - SITE ASSESSMENT	965 SIERRA ST	KINGSBURG
<input checked="" type="checkbox"/> SUN-MAID GROWERS OF CALIFORNIA	T0601900269	COMPLETED - CASE CLOSED	13525 BETHEL AVE S	KINGSBURG
<input checked="" type="checkbox"/> SILVAS OIL COMPANY	T10000001780	OPEN - SITE ASSESSMENT	1250 LAUREL AVE	KINGSBURG

MAP AN ADDRESS:

Go!





# City of Kingsburg

1401 Draper Street, Kingsburg, CA 93631-1908 (559) 897-5821 Fax (559) 897-5568

March 18, 2013

Mr. Jeff Witte  
Executive Officer  
Fresno Local Agency Formation Commission  
2607 Fresno St. Suite 13  
Fresno, CA 93721



Chet Reilly  
Mayor

Michelle Roman  
Mayor Pro-tem

COUNCIL MEMBERS

Bruce Blayney  
Ben Creighton  
David Karstetter

Donald F. Pauley  
City Manager

Re: Guardian-Sun Maid Reorganization

*Jeff*  
Dear Mr. ~~Witte~~:

Your email of March 15, 2013 requested clarification of the City of Kingsburg's response to Section 2, Reasons for Proposal, in the City's referenced application for annexation.

Article IV, Section 4.1 of the Amended and Restated Memorandum of Understanding between the County of Fresno and the City of Kingsburg dated January 31, 2006 states, "COUNTY shall not approve any discretionary development permits for new urban development within CITY'S sphere of influence unless development shall have first been referred to CITY for consideration of possible annexation."

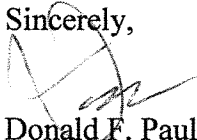
In 2003 the City of Kingsburg was advised by Fresno County that Guardian Industries had applied for permits to modify their float line. In response to that information the City notified that County of the City's intention to apply for annexation of the area east of Golden State Boulevard, West of Bethel Avenue, north of Kamm Avenue and south of Mountain View Avenue. In discussions prior to applying for annexation the County proposed expansion of the annexation to include the area east of Golden State and west of SR 99. The County and Guardian Industries also proposed the City agree to delay the annexation until all improvements had been completed and a Certificate of Occupancy issued. The City agreed to both of these proposals thus expanding the area of annexation and delaying the application for annexation.

Once all Certificates of Occupancy were approved the City been the process to apply for annexation which has been delayed a number of times due to opposition by the City of Selma and the developer of the Selma Crossing project. The City is now focused on securing approval of the annexation and is appreciative of your efforts to present the

application to the Commission at their April meeting for consideration by the Commission.

Should you or Mr. Price have any further questions or requests for clarification please feel free to contact Darlene Mata or myself.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Pauley', is written over a circular stamp or seal.

Donald F. Pauley  
City Manager

Cc: Kingsburg Mayor & City Council  
City Attorney Mike Noland  
Consulting Planning and Development Director Darlene Mata



# Fresno Local Agency Formation Commission

Date: November 15, 2012  
To: State Department of Health Services  
From: Jeff Witte, Executive Officer *JW*  
Subject: "Guardian-Sun Maid Reorganization"; AGENCY NO.: RO-12-7



The attached application has been filed for processing with the Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency's assistance in reviewing and commenting on this application is requested. At this time we are requesting information on the following particular factors:

1. Adequacy and availability of existing and proposed community water systems:

*Adequate*

2. Need for services other than those proposed:

3. Effect of project on water quality:

*None*

4. Related State or County plans or projects:

5. Other comments:

*Please consider extending boundaries at the south east to include Viking Trailer Park, 501 W. O. Kamm Avenue*

In order to proceed with the processing of this application, your comments need to be returned to this office by **December 4, 2012**. Your assistance is greatly appreciated. Thank you.

*Betsy Gault*, Senior Sanitary Engineer  
Signature and Title

*12/19/12*  
Date

JW:sh

Attachment: Application, Map, Legal Description, Service Plan, Resolution



*Mail TO:*

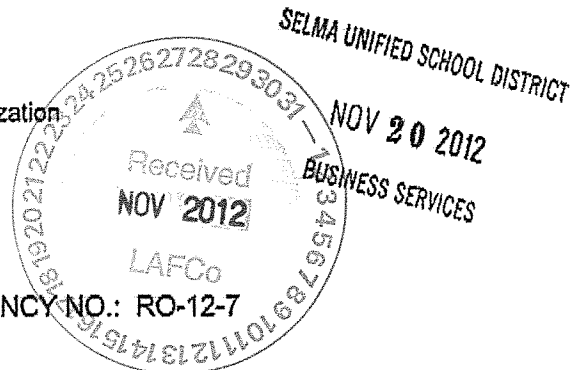
# **LAFCo** Fresno Local Agency Formation Commission

DATE: November 15, 2012

TO: County Committee on School District Reorganization  
Selma Unified School District  
Kingsburg Unified School District  
State Center Community College

FROM: Jeff Witte, Executive Officer *JW*

SUBJECT: "Guardian-Sun Maid Reorganization"; AGENCY NO.: RO-12-7



The attached application has been filed for processing with the Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency's assistance in reviewing and commenting on this application is requested. At this time we are requesting information on the following particular factors:

1. Under present attendance boundaries, which schools will students from this area attend?  
WILSON ELEM (K-6); LINCOLN MIDDLE (7-8); SELMA HIGH (9-12)

2. Are any of the above schools of the District already at or near capacity? Please describe:

NO

3. Will this proposal and other pending proposals create any overcrowded conditions at any of the above schools? Please describe:

NO

4. Is there any agreement, ordinance, or other arrangement of the District and/or City to provide for school facilities that would affect any resulting overcrowding from this proposal? Please describe:

NO

5. Describe any building plans of the District that would affect this proposal:

NONE

6. Other Comments:

In order to proceed with the processing of this application, your comments need to be returned to this office by December 4, 2012. Your assistance is greatly appreciated. Thank you.

JW:sh

Attachments: Application, Map, Legal Description, Resolution



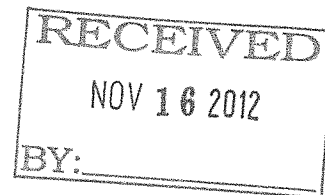
# Fresno Local Agency Formation Commission

DATE: November 15, 2012

TO: County Committee on School District Reorganization  
Selma Unified School District  
Kingsburg Unified School District  
State Center Community College

FROM: Jeff Witte, Executive Officer *W*

SUBJECT: "Guardian-Sun Maid Reorganization"; AGENCY NO.: RO-12-7



The attached application has been filed for processing with the Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency's assistance in reviewing and commenting on this application is requested. At this time we are requesting information on the following particular factors:

1. Under present attendance boundaries, which schools will students from this area attend?  
Washington Elem., Roosevelt Elem., Lincoln Elem., Reagan Elem., Rafer Johnson Jr. High, and Central Valley Home School.

2. Are any of the above schools of the District already at or near capacity? Please describe:  
No

3. Will this proposal and other pending proposals create any overcrowded conditions at any of the above schools? Please describe:  
No

4. Is there any agreement, ordinance, or other arrangement of the District and/or City to provide for school facilities that would affect any resulting overcrowding from this proposal? Please describe:  
No

5. Describe any building plans of the District that would affect this proposal:  
None

6. Other Comments:  
None

In order to proceed with the processing of this application, your comments need to be returned to this office by **December 4, 2012**. Your assistance is greatly appreciated. Thank you.

JW:sh

Attachments: Application, Map, Legal Description, Resolution



## INTER OFFICE MEMO

Fresno County Public Library



Date: December 3, 2012

To: Jeff Witte

From: Laurel Prysiaczny, County Librarian

Subject: Guardian-Sun Maid Reorganization: AGENCY NO: R)-12-7

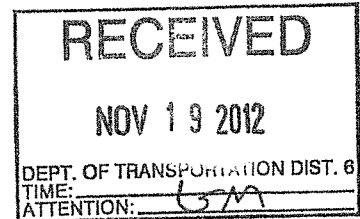
As the action proposed currently is of organization/reorganization, it has no impact on any historic properties within the affected area.

\*\*If upon construction and digging there are any archaeological findings, they should not be disturbed until the right authorities are contacted.

FRL-99- R2.135

**LAFCo**

## Fresno Local Agency Formation Commission



DATE: November 15, 2012

TO: Ken Price, Baker, Manock, and Jensen  
Laurel Pryszczycki Fresno County Library  
Historical Landmarks and Records Commission (HLRC)  
✓ Paul-Albert Marquez, Chief, Office of Transportation  
Consolidated Irrigation District  
Consolidated Mosquito Abatement District  
West Fresno Red Scale Protective District

FROM: Jeff Witte, Executive Officer *JW*

SUBJECT: "Guardian-Sun Maid Reorganization"; AGENCY NO.: RO-12-7



The attached application has been filed for processing with the Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency has been identified as an affected and/or interested agency and your assistance in reviewing and commenting on this application is requested.

The Fresno Local Agency Formation Commission (LAFCo) is in receipt of a resolution of application initiating proceedings for this proposal. LAFCo can not take any further action on this resolution of application for 10 days following this notice and request for comments.

If your agency files a written request for a hearing during this 10-day period, LAFCo must notice and hear this proposal at a public hearing. If no written request is filed by your agency, the Commission may proceed without notice and hearing if all required conditions pursuant to state law have been satisfied (Gov Code Sec 56663 (b))

Please return any comments you have regarding this proposed reorganization by **December 4, 2012**. Your assistance is greatly appreciated. Thank you.

JW:sh

Attachments: Application, Map, Legal Description, Service Plan, and Resolution

*No Comment  
Jennifer Marquez, ATP  
11/27/12*

**Witte, Jeff**

---

**From:** Brehm, Dan  
**Sent:** Tuesday, December 04, 2012 1:37 PM  
**To:** Fleming, Candace Lynn  
**Cc:** Polfer, James; Hendricks, Samantha; Witte, Jeff  
**Subject:** RE: "Guardian-Sun Maid Reorganization"

Candie:

There are no zones of benefit in CSA 35 located in the Guardian Sunmaid Annexation. As you know, CSA 35 exists County wide in the unincorporated area of the County and outside any spheres of influence of incorporated cities. (LAFCo Resolution of April 26, 1989 and Board Resolution #89-279 of 5-23-89 give the parameters and the capabilities of CSA 35.)

Please let me know if you have further questions or if I can be of further assistance. I may have missed the intention of your question.

Best Regards,  
Dan Brehm  
Senior Engineering Technician  
Public Works and Planning  
Design Division  
2220 Tulare Street, 7th Floor  
Fresno, CA 93721  
(559) 600-4521  
[dbrehm@co.fresno.ca.us](mailto:dbrehm@co.fresno.ca.us)

How are we doing?

Please take a couple of minutes to complete our new [Super Short Customer Service Survey](#)

---

**From:** Fleming, Candace Lynn  
**Sent:** Tuesday, December 04, 2012 11:44 AM  
**To:** Brehm, Dan  
**Cc:** Hendricks, Samantha; Witte, Jeff  
**Subject:** "Guardian-Sun Maid Reorganization"

Dan,

We received the Assessor's Report for the above reorganization for the City of Kingsburg. The Assessor indicated that CSA #35 has some zones within the affected territory. The City's resolution of application does not indicate detachment from CSA #35. Since I am not very familiar with how CSA #35 operates could you please tell me that if the territory is annexed to the City, if the territory will also need to be detached from CSA #35?

<< File: doc00154720121204113846.pdf >>

*Candice Fleming*  
*Clerk to the Commission*





# City of Kingsburg

1401 Draper Street, Kingsburg, CA 93631-1908 (559) 897-5821 Fax (559) 897-5568

December 28, 2012

Mr. Jeff Witte  
Executive Officer  
Fresno Local Agency Formation Commission  
2607 Fresno Street, Suite B  
Fresno, CA 93721



Bruce Blayney  
Mayor

David Karstetter  
Mayor Pro-tem

COUNCIL MEMBERS  
Ben Creighton

Chet Reilly  
Michelle Roman

Donald F. Pauley  
City Manager

Re: Guardian-Sun Maid Reorganization

Dear Mr. Witte:

The City of Kingsburg is in receipt of your letter of December 18, 2012 requesting additional information related to Fire and Police Protection services to the area proposed to be annexed by the City of Kingsburg known as the Guardian-Sun Maid Reorganization. The City offers the following responses.

## FIRE –

(i) The City of Kingsburg is currently participating in negotiations between the Fresno County Fire Protection District (FCFPD) and all cities in Fresno County that are required to have Transition Agreements with FCFPD as a condition of annexation approval by LAFCo. The Mayors of Fresno County sitting as the City Selection Committee on November 15<sup>th</sup> unanimously endorsed and supported the efforts of the City Managers to negotiate a new template Fire Transition Agreement with FCFPD.

The City Managers Committee is comprised of the City Managers of Kingsburg and Sanger (east side city), the Assistant City Managers of Fresno and Clovis, and the Fire Chiefs of Fresno and Coalinga who is also representing the Coalinga City Manager (west side city). The negotiations re-started with a meeting on December 13<sup>th</sup> where the cities presented their negotiating points to FCFPD. It was agreed by all parties that the recently mediated Clovis Transition Agreement will be used as the starting point for future negotiations. The second meeting is scheduled for January 7<sup>th</sup>.

Due to the recent efforts to re-start negotiations it would be unwise for the City to state that there are “anticipated changes” to the current Fire Transition Agreement. We can however state in no uncertain terms that it is the goal of the City to reach mutual

agreement on the terms of a new Fire Transition Agreement with FCFPD in a timely manner.

(ii) The Kingsburg Fire Department currently has one Captain and one Firefighter/Paramedic on staff 24/7 supplemented by one per diem Firefighter/Paramedic, Paramedic or Paid Call Firefighter/EMT. With this arrangement the Department is able to maintain a staffing level of three for each shift. All of the Department's full time staff are certified Firefighter I or higher and HAZMAT operations level. Of the 10 per diem personnel 8 are certified Firefighter I and HAZMAT operations or higher.

The Department staff currently consists of 3 Captains, 3 Firefighter/Paramedics, 12 Paid Call Firefighters/EMTs and a Fire Chief. The Department was recently awarded and accepted a SAFER grant from FEMA that will allow the Department to return to a pre-2008 staffing level of 1 Captain and 2 Firefighter/Paramedics per shift for a total of 9 full time staff supplemented by Paid Call Firefighter/EMTs by March of 2013. The Department is in constant recruitment for Paid Call Firefighters and EMTs.

The Department has 3 Engines, a 55' aerial truck, 3 ambulances and 2 administration/support vehicles.

(iii) The Fire Department currently has an Auto-Aid Agreement with FCFPD which includes Station 83 as the first responding unit, if available. If Station 83 is not able to respond, FCFPD responds to the request with a unit from their stations at Sanger, Caruthers, Del Ray or Clovis.

(iv) The Kingsburg Fire Department has an Auto-Aid Agreement with the Tulare County Fire Department and a Mutual Aid Agreement with the Kings County Fire Department. These Departments respond to requests for assistance to the Kingsburg Fire Department's service area which will include the area proposed to be annexed.

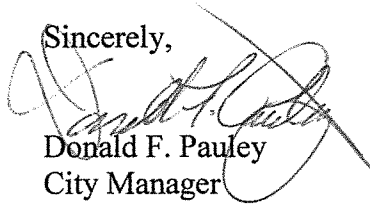
The Fire Department is finalizing the details of an Auto-Aid Agreement with the Selma and Sanger Fire Departments for these Departments' service areas. It is tentatively scheduled for approval by the Kingsburg City Council on January 9<sup>th</sup>. This Agreement is anticipated to serve as the framework for a County-wide Master Mutual Aid Agreement for all of the city Fire Departments in Fresno County that will supplement and strengthen the State's Master Mutual Aid Plan.

#### POLICE –

From November 20, 2011 to November 20, 2012 the Kingsburg Police Department responded to 58 calls for service in the area proposed for annexation.

We hope that the above information adequately responds to your request. Should you require additional information, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in dark ink, appearing to read "Donald F. Pauley", is written over the printed name and title.

Donald F. Pauley  
City Manager

cc: Darlene Mata  
Mike Noland

# **City of Kingsburg Service Plan**

## **GUARDIAN/SUN-MAID REORGANIZATION**

July 2012

### **A. INTRODUCTION**

The roughly triangular subject territory for the Guardian/Sun-Maid Reorganization encompasses 20 parcels and road rights-of-way comprising approximately 430 acres generally bounded by the State Route 99 freeway, Bethel and Mountain View Avenues.

A plan for providing services and improvements to land being annexed to cities is required by the Local Agency Formation Commission (LAFCo) and provides the following:

1. Assurances to LAFCo that newly annexed territory to a city will be properly served as urban territory.
2. A basis for determining the impact of an annexation when a determination is made pursuant to the California Environmental Quality Act (CEQA).
3. It provides information to property owners, districts and interested individuals.

### **B. MUNICIPAL SERVICES**

Services that already exist or are proposed for extension to the subject territory include the following:

#### Water service

Currently, the three industries that occupy all of the parcels within the subject territory have their own water systems. The Guardian Industries glass plant, Vie-Del grape processing facility and Sun-Maid Growers raisin plant each have two on-site water wells. Through an extra-territorial agreement with George and Lousie Alves, dba G & L Enterprises, 13281 Golden State Boulevard, to extend a water main from Kamm Avenue to Amber Lane. Once the annexation has been approved ownership of the water main will transfer to the City and be made available for connection to all adjoining properties.

#### Selma-Kingsburg-Fowler County Sanitation District (sanitary sewer)

The subject territory is within the Selma-Kingsburg-Fowler County Sanitation District (SKF) and two of the three industries are already connected to the SKF sewer. The Vie-Del plant currently makes use of a private septic system, but connection to the SKF sewer will not be difficult to achieve when the septic system fails or a construction project makes connection expedient. The plant is on the west side of Indianola Avenue, and there is a 12-inch line under

## GUARDIAN/SUN-MAID REORGANIZATION SERVICE PLAN

Page 2 of 5

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the west edge of Indianola Avenue along the Vie-Del plant. The properties west of Golden State will be able to connect to an S-K-F line on the west side of Golden State Boulevard if they are not already connected.

### Storm water drainage

Each of the three industries in the subject territory handle runoff on-site and have ample acreage for this purpose. In fact, two of the industries also dispose of process wastewater on site. Sun-Maid uses 40 acres of grain and grass crops for spray fields, and Vie-Del has ponding areas for disposal of condensed steam. The properties west of Golden State also handle runoff on-site and have ample acreage for this purpose.

### Solid waste collection

The City of Kingsburg contracts with Waste Management for solid waste collection, and the industries in the subject territory have the option of receiving services under this contract. However, the industries have indicated a preference to continue current arrangements for handling solid waste, which include a very high rate of diversion from the waste stream heading to landfills. Waste from one industry is processed by another in the same manner that the industries cooperate in the operation of the co-generation plant located on land owned by Sun-Maid.

### Police protection

The subject territory is currently under the jurisdiction of the Fresno County Sheriff's Department and California Highway Patrol. The Kingsburg Police Department will provide law enforcement protection upon annexation. The annexation would increase the department's area of responsibility, expanding the service territory northward one mile. The subject territory has historically generated few calls for service. The police and Sheriff's Department frequently aid each other in providing extraterritorial coverage and investigative services.

The department has 12 sworn officers and 25 authorized reserve officer positions in a city of slightly over 11,382 population (2010 U. S. Census). City limits encompass 2.7 square miles prior to the annexation of the 430 acres. The property tax revenues that would be realized by the City as a result of the annexation, estimated at \$140,000 per year on the base valuation alone, would make it possible to employ additional personnel if necessary.

### Fire protection

The subject territory is currently served by the Fresno County Fire Protection District from Station 83. The station is directly across Mountain View Avenue from the Guardian glass plant, less than a tenth of a mile away. Supplemental protection is provided from the Tulare County Fire Department's Kings River Station (Avenue 400 west of Road 40, about six miles east), the King County Fire Department station at Burris Park (Clinton Avenue west of Sixth Avenue, 12 miles south), and the City of Kingsburg.

## GUARDIAN/SUN-MAID REORGANIZATION SERVICE PLAN

Page 3 of 5

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Upon annexation, the City fire department would assume primary responsibility for fire protection, but personnel from Station 83 on Mountain View Avenue would continue to respond to the subject territory on a mutual aid basis. The City's downtown fire station is approximately 2.4 miles from the subject territory. The City also owns a site at the southeast corner of Sierra Street and Bethel Avenue that has been designated for development of a satellite fire station. This site is slightly more than one mile from the subject territory.

The City of Kingsburg currently has a transition agreement in place through December 31, 2012. The subject territory would be covered by the agreement upon annexation.

### Ambulance and paramedic service

Services are provided by the Kingsburg Fire Department and would continue to be rendered in the same manner to the subject territory upon annexation.

### Street Lighting

Bethel Avenue lighting along the Sun-Maid plant is from lights installed and maintained by Sun-Maid. There is only one street light in the public right-of-way serving the subject territory, located at the southwest corner of Bethel and Mountain View Avenues. Responsibility for the provision of street lighting would transition from the County of Fresno to the City of Kingsburg.

### Parks and Recreation

The City of Kingsburg has a full-time Community Services Coordinator and a Parks Master Plan adopted in 2002. The City collects recreation area acquisition and improvement fees from new residential development. However, the subject territory will not generate such fees, nor will it directly generate demand for parks and recreation services, since it is entirely industrial in nature.

### Transit services

In cooperation with the Council of Fresno County Governments (COFCG), the City of Kingsburg operates a dial-a-ride transit van in and around the City during regular business hours six days per week. The subject territory is within the transit van's service area. Intra-city bus service is available from downtown Kingsburg locations along routes operated by COFCG and Greyhound Bus Lines.

### Schools

The subject territory is divided by the boundary between the Selma Unified School District and Kingsburg's school districts (Kingsburg Joint Union High School District and Kingsburg Joint Union Elementary Charter School District). The territory, being entirely industrial in nature, adds no students to the population of any school. However, it generates considerable revenues

for schools through property taxes and school fees. Building projects within the territory are assessed school fees at the industrial rate of 51 cents per square foot.

#### Public right of way

The City of Kingsburg will assume responsibility for Bethel Avenue from Kamm Avenue to Mountain View Avenue, and for Indianola Avenue south of Mountain View. Because Mountain View forms the line of demarcation between the spheres of influence of Kingsburg and Selma, Kingsburg is annexing only half of the right-of-way of Mountain View Avenue, leaving the County responsible for the northern (westbound) portion. Projects on Mountain View, such as median island clean-up, will have to be coordinated between the City and County. Repairs or improvements should not be necessary for a period of years because the roadway was reconstructed and widened to four lanes in recent years.

#### Other services

City-provided services will be much more convenient to access than those provided by the County primarily from the county seat, Fresno, approximately 20 miles away. City Hall, the Planning and Development Department, the Senior Center, the police and fire departments, and other city facilities are all located within a few miles of the subject territory. In Kingsburg there are branches of the Fresno County Free Library and the Fresno County Superior Court.

### **C. FINANCING OF SERVICES AND FACILITIES**

All of the services are provided by one of the following sources of funds or by some combination:

- Property taxes.
- Sales taxes.
- Developer impact fees.
- Business license fees.
- Transient occupancy taxes.

Business developments typically generate more in the way of property taxes than residential subdivisions. The City seeks the addition of commercial and industrial development to achieve a better balance with residential areas, provide jobs, make more goods and services available to residents, and improve the City's budgetary situation.

Outside sources of funds include:

- State grants, loans and entitlements, such as motor vehicle in-lieu fees. Some of the state funds are reserved for specific purposes, such as street improvements.
- Federal grant and loan programs and entitlements, some of which are also reserved. Examples are Community Development Block Grants and funds for senior citizens that are conveyed through the Fresno-Madera Area Agency on Aging.

## GUARDIAN/SUN-MAID REORGANIZATION SERVICE PLAN

Page 5 of 5

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Assessment districts are formed at the encouragement of the City for maintenance of public improvements and for lighting and landscaping installation and maintenance. The sale of bonds is also an option.

### **D. COMPLIANCE WITH C.E.Q.A.**

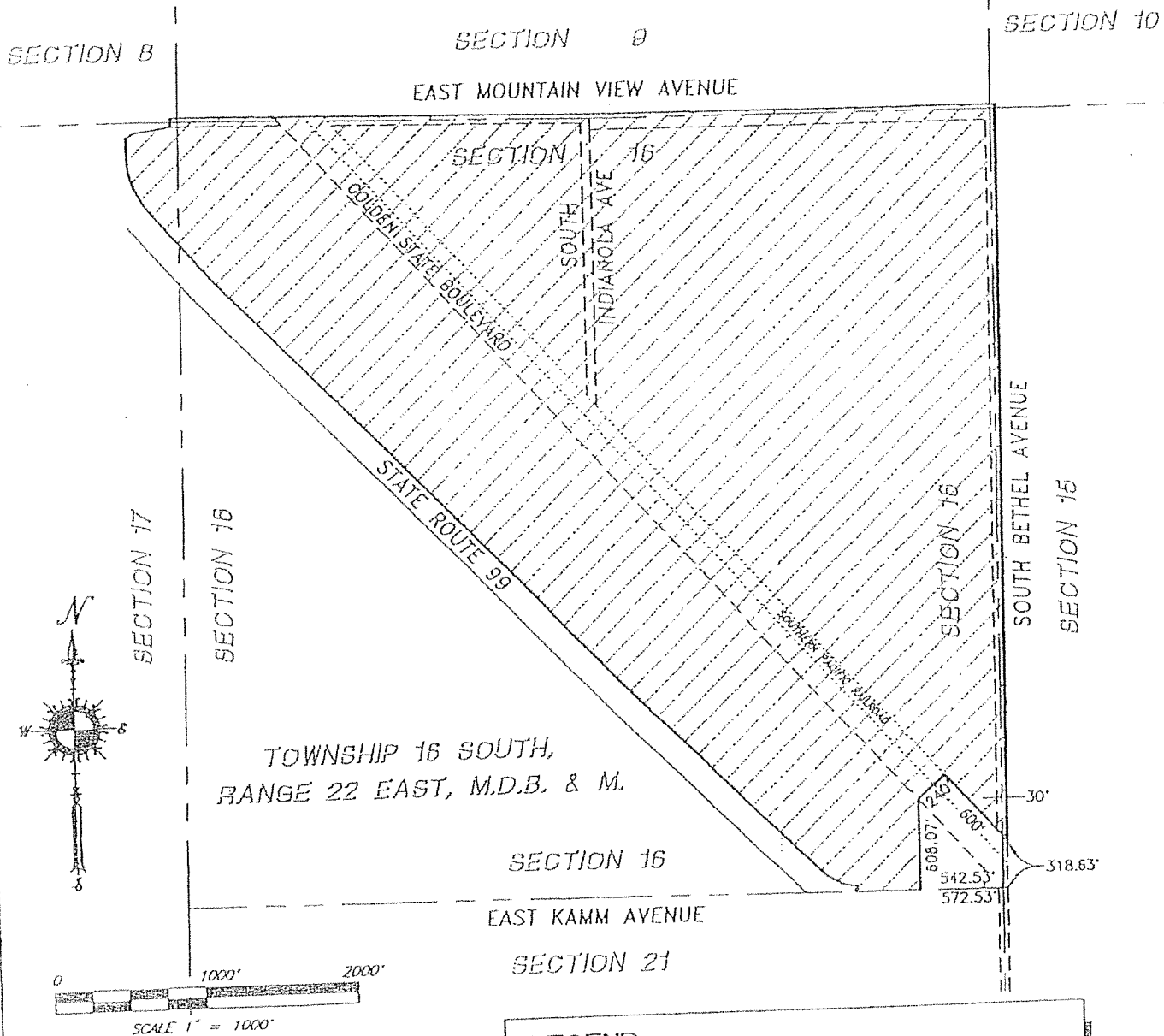
A Mitigated Negative Declaration of environmental impact was prepared and circulated in conformance with the California Environmental Quality Act (CEQA) for the project. The project consists of the Guardian/Sun-Maid Reorganization and pre-zoning a portion of the subject territory (183 acres) to Light Industrial and Highway Commercial through application COZ 2012-02.

#### Attachments:

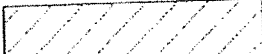
- Annexation area
- Water lines in annexation area
- Sewer lines in annexation area

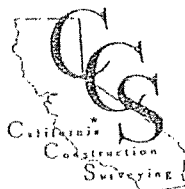


# City of Kingsburg - Annexation



## LEGEND:

- INDICATES SECTION LINE.
- - - INDICATES CURRENT PUBLIC ROAD RIGHT-OF-WAY LIMITS.
- ..... INDICATES CURRENT SOUTHERN PACIFIC RAILROAD RIGHT-OF-WAY LIMITS.
- INDICATES CURRENT STATE ROUTE 99 RIGHT-OF-WAY LIMITS.
-  INDICATES LIMITS OF THE CITY OF KINGSBURG ANNEXATION, CONTAINING: ± 430.84 ACRES



2801 Airport Dr. Ste. 202  
Madera, California 93637

David: 559-779-9474  
Mike: 209-761-1027  
Fax: 559-354-0107

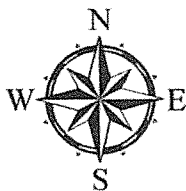
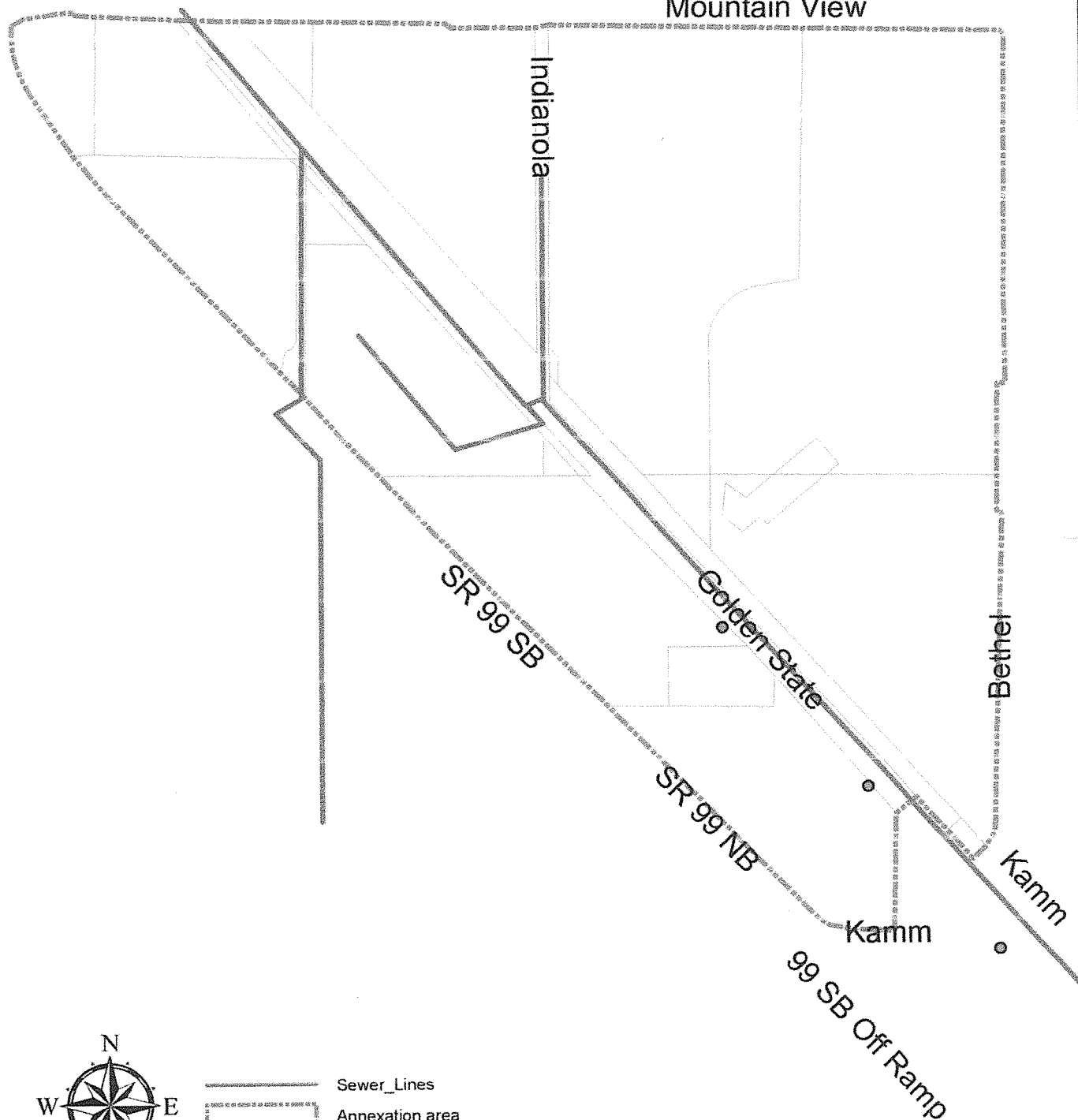
[www.ccsurveying.net](http://www.ccsurveying.net)

DATE OF SURVEY	01-09-2006
DRAWING PATH	05142
DRAWING NAME	BNDRY_ANNEX
DRAWN BY	J.CAMIT
REVISION DATE	07-19-2007

# Sewer Lines in Annexation Area



Mountain View



Sewer\_Lines  
Annexation area

# Water Lines in Annexation Area



Mountain View

Indianola

SR 99 SB

Golden State

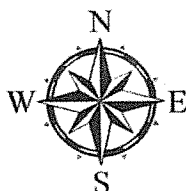
Bethel

SR 99 NB

Kamm

Kamm

99 SB Off Ramp



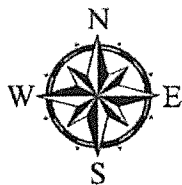
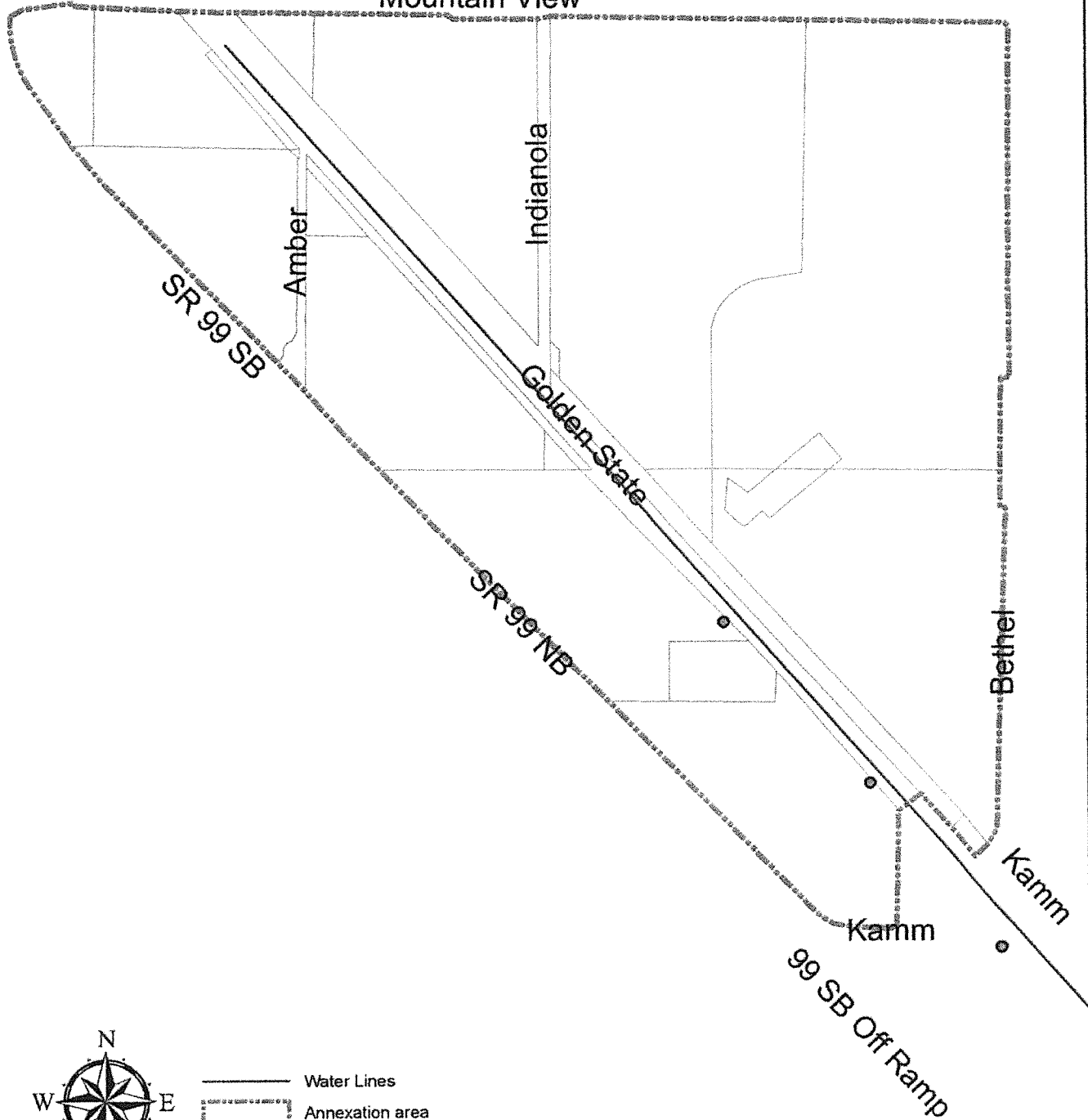
Water Lines

Annexation area

# Water Lines in Annexation Area

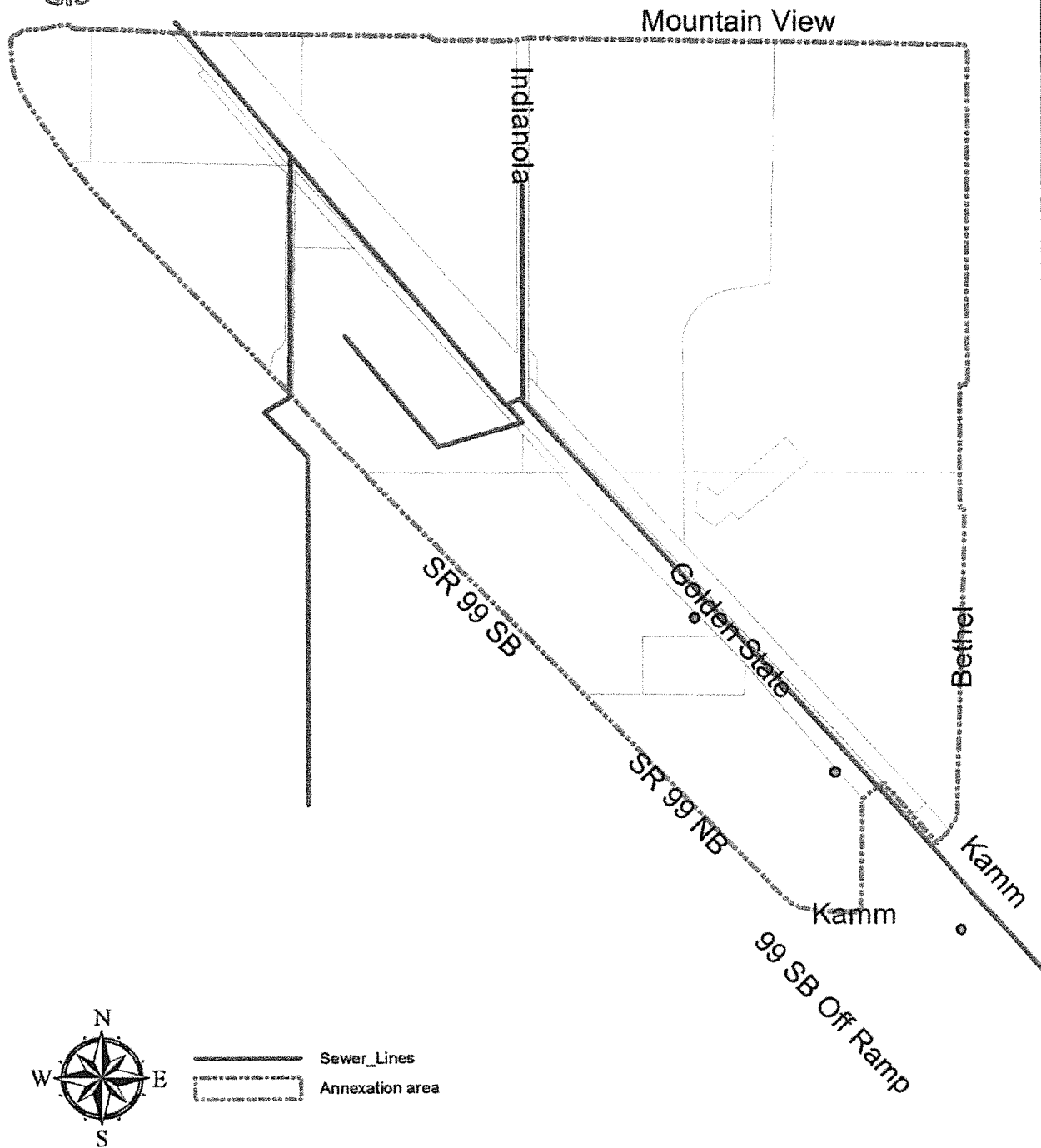


Mountain View



Water Lines  
Annexation area

# Sewer Lines in Annexation Area



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

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**AGENDA ITEM No. 8**

**DATE:** April 10, 2013

**TO:** Local Agency Formation Commission

**FROM:** Jeff Witte, Executive Officer

**SUBJECT:** **Provide Direction:** Request from the Building Industry Association to Revise LAFCo's Peninsula Policy (Continued from March 13, 2013 Meeting)

**RECOMMENDATION:**

Provide Discussion and direction pertaining to the use of criteria as suggested in "Exhibit A".

**EXECUTIVE SUMMARY:**

This issue pertains to proposals that are initiated by cities/developers that are within the cities' existing spheres of influence. When a proposal is presented to staff, often times in order to not create an island, staff requires the city/developer to include rural residential territory that results in an inhabited annexation that can later be defeated at a protest hearing. While staff is not specifically seeking a change in State law or our local policies, staff is interested in being able to better respond to cities and members of the development community during the pre-application process where frequently the boundaries of a specific proposal are formulated or refined.

Generally, this issue is most prevalent for cities that have adjacent rural residential properties within their spheres of influence. This issue usually pertains to annexations to the Cities of Fresno and Clovis and to some extent, the City of Sanger. Most of the other cities in the County do not have the same proximity to rural residential properties, which do not create the same problems as those experienced by Fresno and Clovis. Previously, staff has recommended that extensions of existing peninsulas or the creation of new peninsulas would be subject to some additional criteria found in Exhibit A.

During the last LAFCo meeting, staff discussed this issue with the Commissioners and heard testimony from the public, including Mr. Mike Prandini of the Building Industry Association (BIA). During that hearing, Mr. Prandini asked for certain policy changes, which are attached in Exhibit B. Mr. Prandini requested that LAFCo have certain criteria to, in part, give cities certain deadlines with respect to processing applications and, if these deadlines are not met, LAFCo would consider the change of organization or reorganization as a petition by the developer, rather than as an application by the city.

## **BACKGROUND:**

This item was continued from the March 13, 2013 meeting, to allow time for staff to review the concerns expressed by the BIA. Staff is recommending that a city submit a plan for annexation when it submits an annexation application that would extend a peninsula. The BIA was concerned that annexations could be held up if the annexing city did not have an annexation plan to submit with the application. To address this No.10 has been added to the list of criteria on Exhibit "A". This was added to address a situation where a city does not have a plan for dealing with peninsula annexations. These criteria would guide the Executive Officer in the review of such an application, including additional procedures for processing the application that may add conditions of approval being placed on an annexation.

Staff received a letter dated October 9, 2012, from the BIA, requesting LAFCo to review and reconsider their existing Policy on peninsulas. The letter also contained suggested criteria of what they would like to see included in LAFCo's policy on peninsulas.

The Commission considered public testimony on this matter at the November 7, 2012, hearing and directed staff to meet with representatives from the cities, BIA, development community, County Planning, and Fresno County Sheriff's office to discuss implications related to situations where a peninsula may be formed or extended. With that direction, staff convened a meeting of the aforesaid groups at LAFCo on December 12, 2012, for the purpose of reviewing LAFCo's policy, land use issues, and any other service-related implications of creating a peninsula or extending an existing one.

As a result of the discussions at the December 12<sup>th</sup> meeting, it became clear that there is really no "one size" or single standard that will fit all occasions in terms of establishing a mathematical formula or some pre-specified design constraints. This group concluded that the existing criteria suggested by staff and the BIA should only add two additional requirements, which would include seeking input from the Sheriff's office with respect to any service related issues that such proposal could generate. In a report presented to the Commission in November, staff had suggested notifying the Sheriff's Office of annexations and requesting comments; however, the group thought it was important enough to formalize the process. The group also wished to have the County Planning Department's comments to the proponents' (city or applicant) application that should show how the proposal fits in with a previously approved master plan or specific plan for the area and why such an annexation boundary is required to operationalize the master plan or specific plan.

These two additional requirements would be included in the pre-application review process before an application is submitted to LAFCo. If LAFCo determines to allow for the creation of a peninsula, the annexing city will need to provide justification for the peninsula and why it is not feasible to annex the surrounding territory at that time. The City will also need to provide a plan to LAFCo showing their future strategy for annexing the areas surrounding the peninsula.

Attached as "Exhibit A", is the criteria suggested by the Cities, County, Sheriff, BIA, etc. at the December 12<sup>th</sup> meeting for a policy revision.

## ***LAFCO Laws and Policies:***

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), contains various legislative findings, which mandate "logical formation and modification of the boundaries of local agencies . . ." (Gov. Code section 56001.).

Section 56375(m) creates a way for LAFCo to waive the statutory restrictions on annexations that would result in islands or peninsulas. It states, "To waive the restrictions on Section 56744 if it finds that the application of the restrictions would be detrimental to the orderly development of the community and that the area that would be enclosed by the annexation or incorporation is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

Moreover, Section 56375(5) states, "As a condition to the annexation of an area that is surrounded, or substantially surrounded, by the city to which the annexation is proposed, the commission may require, where consistent with the purposes of this division, that the annexation include the entire island of surrounded, or substantially surrounded territory."

State law tends to group the creation of peninsulas and islands in the same category; however, this report is NOT seeking any modification in terms of creating islands and is only addressing the creation or extension of peninsulas under certain circumstances based on the criteria attached in "Exhibit A"

LAFCo Policies, Standards, and Procedures also address this issue. Section 210-08 states the "Proposal would not create islands. Boundaries minimize creation of peninsulas and corridors, or other distortion of boundaries, and should include any developed islands or substantially surrounded area with the proposed developing area."

LAFCo Policies define "substantially surrounded territory" as meeting one of two criteria: (1) "The proposal must have at least three sides contiguous with city boundaries"; or (2) "The proposal must have at least 75% of its perimeter contiguous with city boundaries." (Section 005-09.)

Therefore, unless the Commission can make the findings included in Section 56375(m), the Commission may not approve an annexation unless it is a substantially surrounded territory.

## **DISCUSSION:**

Of the 15 cities, most of this issue is focused on the Fresno-Clovis Metropolitan area; however, there are ramifications for the City of Sanger and some of the other smaller cities. The BIA appears to assert that LAFCo policies make it challenging for future annexations.

Land use decisions related to rural residential property date back 40 to 50 years, when rural residential land was still some distance from the city limits. Over the years, as several of the cities have grown and developed new general plans, new annexations are encroaching upon rural residential properties.

Another element in the discussion is that an annexation that contains 12 or more registered voters is considered an inhabited annexation under the CKH. An unintended consequence of adding



rural residential properties to a developer's property in order to avoid creating a peninsula is that it often results in an inhabited annexation, which can be defeated at the protest hearing.

Previously, cities and developers have avoided annexing inhabited territory by annexing around the inhabited territory, which can result in the creation of a peninsula. This practice has left some very unusual boundaries and it now has reached the point that it will be extremely difficult to process more annexations under the present policies. Thus, even if land is available within the city's approved sphere of influence, is fully provided for in the city's general plan, has been pre-zoned correctly, does not have environmental issues, and the developer has the ability to provide services to the property, the land still may not be annexable because to do so, would create a peninsula,

### **BIA PROPOSAL:**

The BIA is asking the Commission to consider the following four points when an annexation could result in a peninsula, or further extension of a peninsula:

1. The annexation complies with the Municipal Service Plan for the annexing jurisdiction.
2. The annexation is consistent with the adopted plans and policies of the annexing jurisdiction.
3. The annexation is within the sphere of influence of the annexing jurisdiction.
4. The annexation is consistent with the other adopted standards for annexation.

In their proposal, the BIA states that a revision to the criteria for the peninsula policy is needed and without such, there will be serious limits on the amount of property that can be developed which could potentially cause adverse impacts on the creation of jobs and the local economy.

### **STAFF ANALYSIS:**

Staff agrees with the BIA as to the ramifications that the existing policy has on the Fresno-Clovis Metropolitan area. Under the CKH, an inhabited annexation requires a protest hearing that allows both landowners and registered voters to protest an annexation, if all of the landowners and registered voters have not consented to the annexation. It is likely that development of inhabited property within the existing metropolitan area, that has already been included in general plans, zoning ordinances, and other documents will not take place, if the annexation is defeated at the protest hearing. Further, if land within the existing metropolitan area that has already been planned for development cannot be annexed, growth would likely be directed toward larger agricultural areas, thus triggering a series of events that LAFCo has even greater reservations about.

In addition to the four points that the BIA brings up, there are other considerations related to the provision of governmental services. Specifically, the provision of various safety services needs to be considered. In many cases, the sheriff and the police are crossing each other's boundaries to serve these "fringe" areas. Even if the extension of a peninsula may not make any material difference, it is important to examine each annexation on a case-by-case basis with special

consideration for safety services. Typically, LAFCo's focus during the pre-application meeting with the County planning staff and the applicant is to discuss land use issues. By adding the opportunity for sheriff's representatives to attend the pre-application meeting, it would assist in identifying any area where special concerns exist in terms of jurisdictional boundaries and safety services.

Another concern is to ultimately address and resolve issues with areas that were left out of previous annexations because they were inhabited, and the landowners and/or registered voters were opposed to annexation. As a result of the December workshop session, the project will need to show its relationship to the master plan for the area. This plan would presumably include planning concepts that are not only consistent with the city's general plan, but are also consistent with their master plan for development of an enhanced community. In some cases, operationalizing a good specific plan may meet these proposed requirements.

Staff would also support two additional requirements in this area. First; that any such peninsula annexation include other properties where possible, including territory containing up to 11 registered voters. While this would still result in a protest hearing, it would also assist in squaring up boundaries. Secondly, depending on the circumstances of each application, staff would generally support a city's peninsula annexation if the city has an annexation program in place that has been approved by Fresno LAFCo. The annexation program would be designed to annex those areas that are already largely developed and are already within the city's sphere of influence, but are not a part of a specific development proposal.

## **Exhibit A**

Provide direction to staff to include the following items related to peninsula annexations:

1. All applicants are encouraged to conduct a preapplication review with LAFCo to determine whether or not the annexation would cause an island and if LAFCo would require the addition of territory to avoid an island.
2. The annexation complies with the Municipal Services Plan for the annexing jurisdiction.
3. The annexation is consistent with the adopted plans and policies of the annexing jurisdiction.
4. The annexation is within the sphere of influence of the annexing jurisdiction.
5. The annexation is consistent with the other adopted standards for annexation.
6. Annexation, to the extent possible, will include up to 11 registered voters.
7. Cities wishing to use the revised peninsula plan will submit to LAFCo for approval, an annexation program to include areas already in the city's sphere of influence, but not a part of a development proposal for annexation.
8. LAFCo shall include participation by the Sheriff's Office in any related boundary discussion.
9. All proposals shall show how the boundaries of the annexation area are needed to advance a city's master plan or specific plan.

### **(NEW)**

10. In cases where the applicant wishes to annex to a city and the city does not have an approved plan on file with LAFCo, the Executive Officer may require the following steps in addition to the above criteria with the exception of No. 7. The Executive Officer may also require:
  - a. A mandatory meeting with the nearby property owners as determined by the Executive Officer.
  - b. Mitigation of certain impacts to nearby property owners related to annexation (i.e. water sewer etc.)
  - c. Providing for filing fees for additional annexations at a future date.
  - d. Compliance with LAFCo's policy for addressing Disadvantaged Communities

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

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**AGENDA ITEM NO. 9**

**DATE:** April 10, 2013

**TO:** Local Agency Formation Commission

**FROM:** Jeff Witte, Executive Officer

**SUBJECT:** Consider Approval – Proposed Fiscal Year 2013-2014 LAFCo Budget

**RECOMMENDATION:**

Approve the Proposed FY 2013-2014, LAFCo Budget estimates as shown on the attached Exhibits and seek direction with respect to any recommended changes that the Commission may desire to incorporate within the Final Budget that will be presented at the May 1, 2013 hearing.

**EXECUTIVE SUMMARY:**

This year's budget proposes an increase from \$480,169 to \$521,486 (↑) \$41,317. This increase reflects the projected salary and benefits for the new Executive Officer (↑) \$27,516. As you may recall, your present Executive Officer has been working under a contract that did not include health insurance or retirement benefits. To date, our fund balance is \$307,749. Anticipated expenditures through the end of the Fiscal Year will draw that balance down to \$170,011. Even though there is a budget increase of \$41,317, staff anticipates that LAFCo should be able to contribute \$50,000 from its General Fund as opposed to last year's contribution of \$18,574. With this year's contribution of \$50,000 from the General Fund, the Cities' and County's share will only increase from \$216,532 to \$220,743, or \$4,211 each.

**Discussion**

California Government Code, Sections 56000 *et seq.*, requires the Commission to adopt a proposed budget by May 1<sup>st</sup> and a final budget by June 15<sup>th</sup> annually at a noticed public hearing. At today's hearing the Commission will consider and approve a Preliminary Budget for Fiscal Year 2013-2014. All Commission recommendations will be incorporated into the Final Budget scheduled to be heard by the Commission at its regular hearing in May, 2013.

State law requires the budget must be equal to the previous fiscal year's budget unless staffing or program costs have been reduced, which is not anticipated for the next fiscal year. LAFCo will experience cost increases in several areas and a budget reduction would not be appropriate.

A prudent reserve fund balance in the amount of 15% to 20% of the total operating budget was previously recommended by Vicki Crow, Fresno County Auditor/Controller-Tax-Collector which would be between \$78,223 and \$104,297. LAFCo also maintains a legal reserve in the amount of \$60,000 that is held separate from LAFCo's general fund.

## **Summary of Budget Accounts and Recommendations**

The discussion below presents an account by account analysis of the recommended Budget compared to the FY 2012-2013 Budget. The total recommended appropriation for FY 2013-2014 is \$521,305, which is a 9.14% increase from the approved FY 2012-2013 Budget.

### **Account Number 7040 - Telephone/Communications Recommended Appropriation - \$1,108(↓)**

This estimate was provided by the County based on current usage and is \$ 354 less than last year's recommended budget appropriation of \$1,462. The projected expense for this account as of 6/30/13 is \$1,097.

### **Account Number 7101 - Liability Insurance Recommended Appropriation - \$12,203(↑)**

The above amount is the estimated cost for Liability Insurance, provided by Alliant Insurance Services for September, 2013 through September, 2014. This amount includes an estimated 10% increase over last year's cost (\$11,094) as recommended by the insurance company.

### **Account Number 7205 - Maintenance – Equipment Recommended Appropriation - \$676(↑)**

This estimate is based upon actual copier maintenance costs on current usage. The projected expense for this account as of 6/30/13 is \$668.

### **Account Number 7250 - Professional Membership Dues Recommended Appropriation - \$6,466(↑)**

This figure was provided by CALACO and is an increase of \$145 over last year's dues for CALAFCO membership.

### **Account Number 7265 - Office Operational Expenses (Office Supplies) Recommended Appropriation - \$6,000(↑)**

This is an increase of \$1,000 over last year's request. The amount budgeted in this account has not been increased for several years and the \$6,000 more accurately reflects LAFCo's current needs and includes additional costs associated with preparing MSRs. The projected expense for this account as of 6/30/13 is \$6,767.

### **Account Number 7268 - Postage Recommended Appropriation - \$5000(=)**

This amount is the same as last year's budget. The projected expense for this account as of 6/30/13 is \$3,671.

**Account Number 7286 - PeopleSoft Human Resources Charge**  
**Recommended Appropriation - \$605(↑)**

This estimate was provided by the County and reflects Personnel costs for the two contract employees. It is a \$224 increase over last year. The projected expense for this account as of 6/2013 is \$343.

**Account Number 7287 - PeopleSoft Human Resources Financial Charge**  
**Recommended Appropriation - \$663(↓)**

This estimate was provided by the County and reflects the County's cost for payroll for the two contract employees. It is a \$14 decrease over last year. The projected expense for this account as of 6/3013 is \$785.

**Account Number 7295 - Professional and Specialized Services**  
**Recommended Appropriation - \$423,983(↑)**

This account includes LAFCo staff salaries and benefits (\$314,273), estimates for services based on current costs for LAFCo Counsel (\$85,000), Special Counsel (\$6,000), accounting services provided by the Auditor's Office (\$3,000), Administration and Personnel services (\$2000), Bookkeeping Service (\$6,000), Payroll Services (\$850), Assessor's Office (\$4,500), Health Department (\$1,760), and Elections (\$600). The salaries and benefits account assumes an increase of \$27,213 for the new Executive Officer, but does not include any cost increase for the two County employees. This is a total increase of \$35,479 in this account over last year's budget. The projected expense for this account as of 6/3013 is \$427,583.

**Account Number 7296 – Data Processing Services**  
**Recommended Appropriation - \$16,652(↑)**

This estimate was provided by the County and reflects an increase of \$5,270 over last year's estimate, which was \$11,328. This account charges LAFCo for computer and phone rental and maintenance services. The projected expense for this account as of 6/30/13 is \$14,999.

**Account Number 7325 - Publications & Legal Notices**  
**Recommended Appropriation - \$3,000(=)**

This figure is based on current year notification expenses and is the same as last year's estimate. The projected expense for this account as of 6/30/13 is \$3,145.

**Account Number 7340 - Rents & Leases-Buildings**  
**Recommended Appropriation - \$26,248(↑)**

This amount reflects the annual cost to lease LAFCo's office space for twelve months. The above estimate was provided by the Milner Klein Realty Company. The projected expense for this account as of 6/30/13 is \$25,248.

**Account Number 7355 – Postage Equipment Rental**  
**Recommended Appropriation - \$382(↑)**

This amount reflects the annual cost to lease LAFCo's postage meter. The above estimate is based on the current year's cost which is projected to be \$383 by the end of 6/30/13.

**Account Number 7412 – Mileage/Auto Allowance**  
**Recommended Appropriation - \$2,000(↑)**

This amount is an increase of \$1,000 over last year's estimate. This account is to reimburse the Commission and staff for mileage for attending Commission meetings and conferences. The projected expense for this account as of 6/30/13 is \$1,699.

**Account Number 7415 – Commissioner Per Diem**  
**Recommended Appropriation - \$4,500(=)**

This amount provides for twelve regular meetings and does not include any special meetings. Although the per diem was increased from \$75.00 to \$100.00, the amount remains the same because one Commissioner declines to accept the per diem increase and one Commissioner declines to accept any per diem.

**Account Number 7416 – Transportation, Travel & Education for Commissioners & Staff**  
**Recommended Appropriation - \$6,600(↑)**

This account reflects a \$2,600 increase in response to the Commission's desire for more educational opportunities. Many of the Commissioners have recently been appointed to LAFCo and desire to attend more training that is provided by CALAFCO outside our area. The projected expense for this account as of 6/30/13 is \$4,844.

**Account Number 8300 – Fixed Assets (Computers)**  
**Recommended Appropriation - \$3,000(↑)**

Three thousand dollars would be placed in a "reserve account" toward buying computers for the office and contracting for computer services outside of the County's system in the near future. The County estimates LAFCo's cost for leasing their computers and using their services for the 2013-2014 fiscal year is \$16,652. Staff is researching the costs to see if there would be a savings by using outside services.

**Account Number 8991 – Contingencies**  
**Recommended Appropriation - \$3,000(=)**

This amount is the same as last year's recommendation. To date, no funds have been used out of this account.

**Revenues**

In the past, revenues to support LAFCo have come from three sources: Fresno County, the 15 Cities in the County, and LAFCo's application processing fees. Based on the adopted 2012-2013 Budget, \$216,532 was contributed by the County and Cities (50% each) to offset LAFCo's net operating costs as required by State law. Application fees deposited during the first nine months of this year amounted to \$79,750 (\$54,750 above what was estimated at June 30, 2013). Most of the Cities, which in the past have been the biggest source of annexation applications, continue to have sufficient lots in inventory due to the very slow rate of absorption in the present economy. Because of these discussions, staff is recommending an estimate of \$30,000 in application fees that will be collected in the next fiscal year.

## **Reserve Funds**

Previously staff set aside \$60,000 for legal reserve. Staff also recommends keeping around \$19,000 held in reserve for benefits payouts. While this amount is needed to offset the cost of employee retained benefit, exact calculation of this amount can be difficult because it is based on balances for sick leave and vacation which fluctuate during an employee's time with the agency.

## **Summary**

Based on a recent review of LAFCo's General Fund account balance, if LAFCo contributes \$50,000 to offset the Cities' and County's share of LAFCo's support, the General Fund account balance should be drawn down to about \$120,011. LAFCo anticipates paying out an estimated amount of \$19,000 in benefits payout within the next six months that would draw down the General Fund balance to \$101,011. Staff is also recommending setting aside \$3,000 for the future purchase of computers and phone system outside of the County's system, as staff feels there would be some savings in that area. This will draw down the General Fund Balance to \$98,011 (18.79%). As per the County Auditor's recommendation, we should maintain a minimum reserve of between \$78,220 and \$104,297 (based on 15% to 20% of LAFCo's operating budget).

## **Recommended Action**

Approve the Preliminary Fiscal Year 2013-2014 Budget, as it would balance anticipated costs, while maintaining a prudent reserve fund (Special Fund) of 15% to 20% of the estimated annual budget amount.

JW:cf



**EXHIBIT 1**  
**FISCAL YEAR 2013-2014 PROPOSED BUDGET**  
**Total Services, Supplies and Capital Facilities - Appropriations**

**Fund No.:** 4825 Special Fund  
**Subclass No.:** 10000  
**Org No.:** 9690 LAFCo Contract

BUDGET ITEM	ADOPTED FY 2012-2013 BUDGET	RECOMMENDED FINAL FY 2013-2014 BUDGET	ADOPTED FINAL FY 2013-2014 BUDGET
7040 Telephone Charges	\$1,467	\$1,108	
7101 Liability Insurance	\$11,790	\$12,203	
7175 Property/Other Insurance	\$18	\$0	
7205 Maintenance-Equipment	\$600	\$676	
7250 Professional Memberships	\$6,321	\$6,466	
7265 Office Operations Expense	\$5,000	\$6,000	
7266 Messenger Service	\$0	\$0	
7268 Postage	\$5,000	\$5,000	
7286 PeopleSoft Human Resources Charge	\$381	\$605	
7287 PeopleSoft Financials Charge	\$677	\$663	
7295 Professional & Special Services	\$395,504	\$423,983	
7296 Data Processing Services	\$11,382	\$16,652	
7325 Publication & Legal Notices	\$3,000	\$3,000	
7340 Office Leases	\$26,029	\$26,248	
7355 Postage Equipment Rental	\$0	\$382	
7412 Mileage	\$1,000	\$2,000	
7415 Commissioner Per Diem	\$4,500	\$4,500	
7417 Trans & Travel - Comm & Adv Bds	\$4,500	\$6,000	
8300 Fixed Assets (Computers)	\$0	\$3,000	
8991 Contingencies	\$3,000	\$3,000	
<b>Total</b>	<b>\$480,169</b>	<b>\$521,486</b>	<b>\$0</b>

TOTAL RECOMMENDED APPROPRIATIONS FOR 2011-2012

**EXHIBIT 2**  
**FISCAL YEAR 2013-2014 PROPOSED BUDGET**  
**Net Operating Cost and City/County Contribution Calculation**

	<b>RECOMMENDED FINAL FY 2013-2014 BUDGET</b>
<b>Total Operating Budget</b>	<b>\$521,486.00</b>
<b>Net Operating Cost</b> (Total Budget Minus Fees and Reserve Contribution)	<b>\$441,486.00</b>
Contribution from General Fund	\$50,000.00
Fees	\$30,000.00
<b>Fees and Fund Balance Contribution</b>	<b>\$80,000.00</b>
<b>Cities' Contribution</b> (The actual apportionment will be determined by the County Auditor)	<b>\$220,743.00</b>
<b>County Contribution</b>	<b>\$220,743.00</b>
<b>City/County Contribution</b>	<b>\$441,486.00</b>
<b>Total Revenue</b>	<b>\$521,486.00</b>

**EXHIBIT 3**  
**FISCAL YEAR 2013-2014 PROPOSED BUDGET**  
**Special Fund Balance**

	<b>RECOMMENDED FINAL FY 2013-2014 BUDGET</b>
<b>Estimated Fund Balance as of June 30, 2013</b>	<b>\$170,011.00</b>
<b>(Funds Held In Separate Legal Reserve Account Not Included in General Fund Balance)</b>	<b>\$60,000.00</b>
<b>Estimate of Benefits Payout</b>	<b>\$19,000.00</b>
<b>Office Equipment Reserve Account</b>	<b>\$3,000.00</b>
<b>Contribution from General Fund</b>	<b>\$50,000.00</b>
<b>General Fund Balance After Benefit Payout and Contribution</b>	<b>\$98,011.00</b>
<b>Percentage of Budget Remaining In Special Fund After Transfer</b>	<b>18.79%</b>

**EXHIBIT 4**  
**PROPOSED FISCAL YEAR 2013-2014 BUDGET**  
**ACCOUNT #7295 - PROFESSIONAL AND SPECIALIZED SERVICES**  
General Administrative, Auditor-Controller, Professional and Specialized, Salaries/Benefits

BUDGET ITEM	ADOPTED FY 2012-2013 BUDGET	RECOMMENDED FINAL FY 2013-2014 BUDGET	ADOPTED FINAL FY 2013-2014 BUDGET
<b>GENERAL COUNTY</b>			
Administrator, Personnel, Employee Relations,	\$2,000	\$2,000	
<b>SUB-TOTAL</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$0</b>
<b>AUDITOR-CONTROLLER TREASURER-TAX COLLECTOR</b>			
Financial Statements and General Accounting	\$7,100	\$3,000	
Payroll Services		\$850	
Bookkeeping Service	\$0	\$6,000	
<b>SUB-TOTAL</b>	<b>\$7,100</b>	<b>\$9,850</b>	<b>\$0</b>
<b>PROFESSIONAL &amp; SPECIALIZED SERVICES</b>			
Fresno Co. Assessor	\$4,500	\$4,500	
LAFCo Counsel	\$80,000	\$85,000	
Fresno Co. Elections	\$500	\$600	
Fresno Co. Health	\$1,760	\$1,760	
Special Counsel	\$6,000	\$6,000	
Executive Officer Compensation	\$102,567	\$130,083	
<b>SUB-TOTAL</b>	<b>\$195,327</b>	<b>\$227,943</b>	<b>\$0</b>
<b>SALARIES AND BENEFITS</b>			
6100 - Regular Salaries	\$103,825	\$101,842	
6200 - Extra Help	\$0	\$0	
6300 - Overtime	\$0	\$0	
6350 - Unemployment Insurance	\$1,590	\$617	
6400 - Retirement Contribution	\$54,754	\$57,337	
6500 - Oasdi Contribution	\$7,761	\$7,792	
6550 - Workers Comp Contribution	\$235	\$235	
6600 - Health Insurance Contribution	\$15,760	\$15,820	
6650 - Life & Disability Insurance	\$288	\$292	
6670 - Benefit Administration	\$280	\$255	
<b>SUB-TOTAL</b>	<b>\$184,493</b>	<b>\$184,190</b>	
<b>GRAND TOTAL</b>	<b>\$388,920</b>	<b>\$423,983</b>	

\* Portion of County Support - Total Contribution of Salaries and Benefits

**EXHIBIT 5**

**FISCAL YEAR 2013-2014 PROPOSED BUDGET**  
**Salaries and Benefits - County Employees**

**Fund No.:** 0001 General Fund  
**Subclass No.:** 10000  
**Org No.:** Fresno Local Agency Formation Commission Contract

<b>Account Number &amp; Description</b>	<b>ADOPTED FY 2012-2013 BUDGET</b>	<b>RECOMMENDED FINAL FY 2013-2014 BUDGET</b>	<b>ADOPTED FINAL FY 2013-2014 BUDGET</b>
6100 - Regular Salaries	\$103,825	\$101,842	
6200 - Extra Help	\$0	\$0	
6300 - Overtime	\$0	\$0	
6350 - Unemployment Insurance	\$1,590	\$617	
6400 - Retirement Contribution	\$42,111	\$57,337	
6500 - Oasdi Contribution	\$7,761	\$7,792	
6550 - Workers Comp Contribution	\$235	\$235	
6600 - Health Insurance Contribution	\$15,820	\$15,820	
6650 - Life & Disability Insurance	\$288	\$292	
6670 - Benefit Administration	\$280	\$255	
<b>Total Salaries and Benefits</b>	<b>\$171,910</b>	<b>\$184,190</b>	

**EXHIBIT 6**

**PROPOSED FISCAL YEAR 2013-2014 BUDGET**

**Salaries and Benefits - Executive Officer**

**Executive Officer**

**Org No.:** Fresno Local Agency Formation Commission Contract

<b>Account Number &amp; Description</b>	<b>ADOPTED 2012-2013 BUDGET</b>	<b>RECOMMENDED FINAL FY 2013-2014 BUDGET</b>	<b>ADOPTED FINAL FY 2013-2014 BUDGET</b>
Salary	\$90,000	\$100,000	
Car Allowance (\$400/month)	4,800	\$4,800	
Worker's Comp (Quote from insurance company)	660	\$720	
6350 - Unemployment Insurance	846	\$846	
6400 - Retirement	0	\$7,500	
6500 - Oasdi Contribution	6,885	\$8,017	
6600 - Health Insurance	0	\$7,908	
6650 - Life & Disability	0	\$292	
<b>Total Salaries and Benefits</b>	<b>103,191</b>	<b>\$130,083</b>	

OASDI rate of .062 + Medicare rate of .0145 times gross salary

		Approved 2012/2013	Actual 7-1-12 to 3-15-13	Proposed Expenses from 4/15/13 to 6/30/13	Projected Expenses as of 6/30/13	Recommended 2013/2014
	<b>Budget Items</b>					
7040	Telecommunications	\$1,467	\$823	\$274	\$1,097	\$1,108
7101	Liability Insurance	\$11,790	\$11,094	\$0	\$11,094	\$12,203
7175	Property/Other Insurance	\$18	\$18	\$0	\$18	\$0
7205	Maintenance-Equipment	\$600	\$501	\$167	\$668	\$676
7250	Professional Memberships	\$6,321	\$6,321	\$0	\$6,321	\$6,466
7265	Office Operations Expense	\$5,000	\$5,075	\$1,692	\$6,767	\$6,000
7268	Postage	\$5,000	\$2,826	\$942	\$3,768	\$5,000
7286	PeopleSoft Human Service	\$381	\$257	\$86	\$343	\$605
7287	PeopleSoft Human Financial Charges	\$677	\$589	\$196	\$785	\$663
7295	*Professional & Special Services	\$395,504	\$306,087	\$121,496	\$427,583	\$423,983
7296	Data Processing Charges	\$11,382	\$11,249	\$3,750	\$14,999	\$16,652
7325	Publication & Legal Notices	\$3,000	\$2,351	\$794	\$3,145	\$3,000
7340	Office Leases	\$26,029	\$18,922	\$6,307	\$25,229	\$26,248
7355	Postage Equipment Rental		\$287	\$96	\$383	\$382
7412	Mileage	\$1,000	\$1,486	\$213	\$1,699	\$2,000
7415	Trans, Travel & Education (Per Diem)	\$4,500	\$3,800	\$1,125	\$4,925	\$4,500
7416	Trans & Travel - Conferences	\$4,500	\$4,344	\$500	\$4,844	\$6,000
8300	Fixed Assets	\$0	\$6,754	\$0	\$6,754	\$3,000
	Contingencies	\$3,000	\$0	\$0	\$0	\$3,000
	<b>Total</b>	<b>\$480,169</b>	<b>\$382,784</b>	<b>\$137,638</b>	<b>\$520,422</b>	<b>\$521,486</b>
	<b>Designated Reserves</b>					
	General	\$8,000	\$0	\$0	\$0	\$15,000
	Legal	\$60,000	\$0	\$0	\$0	\$60,000
	Office Equipment	\$10,000	\$6,754	\$0	\$3,246	\$3,000
	Benefits	\$20,000	\$0	\$0	\$0	\$15,000
	<b>Total</b>	<b>\$98,000</b>	<b>\$6,754</b>	<b>\$0</b>	<b>\$3,246</b>	<b>\$93,000</b>
	<b>Source of Funds</b>					
	Estimated Beginning Fund Balance (Less	\$108,520			\$108,520	
	City Contribution	\$216,532			\$216,532	
	County Contribution	\$216,532			\$216,532	
	Fees	\$25,000	\$79,750	\$0	\$79,750	
	<b>Total</b>	<b>\$566,584</b>	<b>\$79,750</b>	<b>\$0</b>	<b>\$621,334</b>	

		Approved	Actual 7-1-12 to 2-15-13	Proposed 3-15-13 to 6-30-13	Projected Expenses as of 6- 30-13	Recommended 2013/2014
	<b>Budget Items</b>					
	Administrator, Personnel, Employee Relations	\$2,600	\$2,577	\$50	\$2,627	\$2,000
	Financial Statements and General Accounting	\$7,100	\$2,153	\$1,174	\$3,327	\$3,000
	Payroll Services					\$850
	Independent Financial Audit	\$7,000	\$3,270	\$3,730	\$7,000	\$0
	Bookkeeping Service	\$0	\$1,369	\$840	\$2,209	\$6,000
	Fresno County Assessor	\$4,000	\$1,700	\$1,700	\$3,400	\$4,500
	LAFCo Counsel	\$80,000	\$79,223	\$15,000	\$94,223	\$85,000
	Fresno County Elections	\$1,000	\$150	\$150	\$300	\$600
	Fresno County Health	\$1,760	\$1,056	\$704	\$1,760	\$1,760
	Special Counsel	\$6,000	\$0	\$500	\$500	\$6,000
	<b>Total</b>	<b>\$109,460</b>	<b>\$91,498</b>	<b>\$23,848</b>	<b>\$115,346</b>	<b>\$109,710</b>
	<b>County Employee Compensation</b>					
	Salaries and Benefits	\$182,119	\$137,256	\$61,871	\$199,127	\$184,190
	<b>Total</b>	<b>\$182,119</b>	<b>\$137,256</b>	<b>\$61,871</b>	<b>\$199,127</b>	<b>\$184,190</b>
	<b>Executive Officer Compensation</b>					
	Salary & Benefits	\$103,025	\$77,333	\$35,777	\$114,765	\$130,083
	<b>Total</b>	<b>\$103,025</b>	<b>\$77,333</b>	<b>\$35,777</b>	<b>\$113,110</b>	<b>\$130,083</b>