

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

AGENDA ITEM NO. 8

DATE: September 13, 2017

TO: Fresno Local Agency Formation Commission

FROM: David E. Fey, Executive Officer 

BY: George Uc, Senior LAFCo Analyst

SUBJECT: **Consider Adoption:** Municipal Service Review and Sphere of Influence Update for Coalinga-Huron Cemetery District

Recommendation: Adopt the Municipal Service Review update prepared for the Coalinga-Huron Cemetery District and update the District's sphere of influence by taking the following actions:

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines find that the MSR prepared for the Coalinga-Huron Cemetery District is Categorically Exempt from the provisions of CEQA under Section 15306, "Information Collection."
- B. Find that the Municipal Service Review prepared for the Coalinga-Huron Cemetery District is complete and satisfactory.
- C. Find that the written determinations and recommendations included within the Municipal Service Review and Sphere of Influence update for the Coalinga-Huron Cemetery District satisfy State Law.
- D. Pursuant to Government Code Sections 56425 and 56430 make the required determinations and recommendations for the Municipal Service Review and Sphere of Influence update, and adopt the Municipal Service Review prepared for the subject District, and update the Sphere of Influence for the said District by reaffirming the existing boundaries.

Executive Summary

The Coalinga-Huron Cemetery District ("District") was formed in 1957 to provide burial and interment of human remains to meet the cultural, economic, religious, and social needs within the Coalinga-Huron area. The District is an independent special district governed by a three-member board of trustees. The attached Municipal Service Review (MSR, Attachment B) provides supportive evidence and recommends the affirmation of the District's current SOI. Staff recommends that the Commission affirm the current sphere of influence (SOI).

The Coalinga-Huron Cemetery District Office Manager Pam D'Artnay actively participated in the development of the MSR and was provided a copy of this report.

Cemetery Districts

The California Legislature authorized the creation of public cemetery districts in 1909 through California Public Cemetery District Law, (Health and Safety Code section 9000 *et seq.*). This law was revised in its entirety and recodified effective January 1, 2004. The Public Cemetery District Law provides broad statutory authority for public cemetery districts to own, improve, expand, and operate public cemeteries.¹

There are 12 cemetery districts in County of Fresno: Clovis, Coalinga-Huron, Dunlap, Fowler, Kingsburg, Oak Grove, Parlier, Reedley, Sanger/Del Rey, Selma, Squaw Valley, and Washington Colony.

In accordance with Government Code section 56066, Fresno County is the principal county for The Coalinga-Huron Cemetery District and LAFCo is responsible for updating the SOI for the District consistent with section 56425(g). In order to update the agency's SOI, Fresno LAFCo has prepared the attached service review in accordance with section 56430.

Coalinga-Huron Cemetery District - Discussion & Summary of Determinations

The Coalinga-Huron Cemetery District (District) is an independent special district governed by a three-member board of trustees, and functions independently from the County. The major functions of the trustees are to set policy, define goals and objectives, and adopt rules and regulations as the custodians of the District's property. The board has an appointed Office Manager to carry out District policy, direct the agency's operations, provide daily supervision of staff and facilities, and administer the District's expenditures. The District's Office Manager is a part-time employee and is assisted by two grounds persons. The District consults its finance activities with a financial consultant.

The District is solely within County of Fresno situated in the southwest corner of Fresno County. The District's jurisdictional boundaries abut the Fresno-Kings County line on the southeast, the Fresno-Monterey County line on the southwest, and Fresno-San Benito County line to the northwest. The District's service area and sphere of influence (SOI) are coterminous and encompass 560,278 acres, as shown on Exhibit A.

The largest growth area anticipated to occur inside the District's service will likely be generated by the City of Coalinga, and secondarily by City of Huron. The City of Coalinga contains the largest population concentration within the District's boundaries. Coalinga's city limits encompass 4,143 acres, while its SOI encompasses 5,154 acres. There are 1,011 acres within the City of Coalinga SOI suitable for future urban development. The City of Huron encompass 1,041 acres, while the City's SOI encompasses 1,170 acres. There are 129 acres within Huron's SOI suitable for future urban development.

According to the ACS U.S. census tracts/block group units located within the District, there is an estimated total population of 29,578 people inside the District's boundaries.²

The District's infrastructure consists one 25.3-acre cemetery site located at 40054 Calaveras Avenue, Coalinga, CA 93210, also commonly known as the "Pleasant Valley Cemetery." Of the

¹ Health and Safety Code (HSC) section 9000.

² Calculated population by LAFCo based on esix US census tracts, 18 block group units within the District. July 31, 2017.

total 25.3-acre cemetery site, only 4.8 acres are developed with burial sites. The District has approximately 20 acres on reserve available for future expansion. The District also owns the District office building, a shop, equipment, and machinery needed to provide burial and interment services.

The District annually averages 60 interments. Assuming an industry standard planning estimate of 550 plots per acre, the District's 20-acre reserve could accommodate approximately 11,000 future interments. Based on industry standards, the District has interment capacity beyond LAFCo's 20 to 25-year SOI planning horizon.

District Revenue

The District's primary source of revenue is the annual property tax charged to all parcels within the District's boundaries. The District receives its share of the 1% property tax based on its pre-Proposition 13 level of taxation through the Fresno County Auditor-Controller/Treasurer-Tax Collector. The District also receives revenue from plot sales, services rendered, intergovernmental agreements, and land interest generated by sold plots, operation grant funding, contributions, and capital grants. For the 2015-16 fiscal year, the District budget amounted to \$585,600.

The District has an established endowment fund. The District shows approximately \$500,963 in its nonspendable and restricted fund balance at the time the financial audit was performed.

Issue of Concern and Recommendation

During the preparation of this report, the District informed LAFCo that it previously relied on a neighboring well located less than a mile from the cemetery for its irrigation water; however, the well broke down early 2000s. The District's office building and visitors building are plumbed to an extension of the City of Coalinga water system. The District pays a monthly user fee of \$1.85 per 1,000 cubic foot of water used to the City of Coalinga.

The District informed LAFCo that it does not have an active well of its own and used water from an adjacent private well to irrigate its facility until that well was exhausted. In the past, the District irrigated its cemetery facility; however, the cost of Coalinga water became excessive for the District to continue irrigating.³ The District informed LAFCo that prior to California's driest years 2014-2016, the District reduced irrigation times to avoid exhausting its funds keeping the cemetery irrigated. As a consequence, the cemetery facility is currently not irrigated.

The District has received complaints of relatives of the interred about the condition of the facility. LAFCo staff have been made aware of these complaints. Staff made a field visit to the District facility in 2016, observed the condition of the cemetery and spoke with District management. Given the limitations of discretionary revenue, the MSR recommends that the District should take steps to secure a more reliable and affordable water source; whether it is contracting with City of Coalinga to obtain reclaimed water to irrigate, or transition to a low watering - drought tolerant landscape.

³ LAFCo communication with District Office Manager, July 13, 2017

Water Resources, Sustainable Groundwater Management Act

The District's jurisdictional boundaries overlap with the Pleasant Valley Groundwater Sustainability Agency (PVGSA).⁴ The PVGSA is composed entirely by the Pleasant Valley Water District. Under State statute, a GSA is responsible for developing and implementing a groundwater sustainable plan (GSP) to meet the sustainability goal of the basin to ensure that it is operated within its sustainable yield, without causing undesirable results.⁵ As such, LAFCo anticipates that within the next five years the local GSAs will work with all groundwater users to establish recharge programs to offset and balance groundwater usage within the groundwater table.

Using the Commission's 20 to 25-year planning horizon for SOIs, District management does not expect any boundary growth or activities to occur. LAFCo expects that growth of District facilities will occur through expansion of its existing facilities or the purchase/lease of real property within the District boundaries. The MSR update recommends the Commission to consider updating the District's SOI by reaffirming the existing boundaries.

Comments Received- MSR Public Review Period

Pursuant to LAFCo policy 107-03, the draft MSR shall be posted on the Commission's website with a minimum 21-day public review period. The public review period provides an opportunity for local agencies and public to submit written comments as it pertains to information presented in the draft MSR. On August 23, 2017, the Coalinga-Huron Cemetery District's MSR was made available for public review. No public comments have been received to date.

Summary/Background

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

MSRs provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not modifications to a city's or district's SOI is necessary. MSRs can be used as informational tools by LAFCo and local agencies in evaluating the efficiencies of current district operations and may suggest changes in order to better serve the public.

SOI updates may involve an affirmation of existing SOI boundaries or recommend modifications to SOI boundaries. LAFCo is not required to initiate changes to an SOI based on determinations and recommendations of the service review, although it does have the power to do so.

State law requires that the Commission adopt written MSR determinations for each of the following seven criteria:

1. Growth and population projections for the affected area.

⁴ California Department of Water Resources, SGMA Portal, <http://sgma.water.ca.gov/portal/gsa/print/211>.

⁵ California Department of Water Resources, SGM Sustainable Groundwater Management, <http://www.water.ca.gov/groundwater/sgm/gsa.cfm>.

2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
3. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by commission policy.

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

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

The attached MSR presents these determinations with District information and the analysis used in support of the Commission's determinations and recommendations.

Environmental Determination

The California Environmental Quality Act ("CEQA") requires that the Commission undertake and review an environmental analysis before granting approval of a project, as defined by CEQA. MSRs are categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 - Regulation section 15306), which states: "Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource." MSRs collect data for the purpose of evaluating municipal services provided by the agencies. There are no physical changes to the environment created by these studies.

There is no possibility that this MSR and SOI update may have a significant effect on the environment because there are no proposed changes to the environment.