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

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**AGENDA ITEM No. 9 and 10**

**DATE:** September 9, 2015

**TO:** Fresno Local Agency Formation Commission

**FROM:** David E. Fey, AICP, Executive Officer 

**PREPARED BY:** George Uc, LAFCo Analyst II

**SUBJECT:**

9. Consider Adoption: Municipal Service Review and Sphere of Influence Update Prepared for the City of Fresno
10. Consider Approval: City of Fresno "Sphere of Influence Revision." A request to revise the City of Fresno's sphere of influence by adding approximately 37 acres of territory located north of Copper Avenue and east of Friant Road (LAFCo File No. RSOI-164).

**RECOMMENDATION:** Continue to Date Uncertain

**Executive Summary**

On August 24<sup>th</sup> staff received a letter from Fresno City Manager Bruce Rudd (attached) requesting the Commission to table the September 9, 2015, hearing of the Draft City of Fresno MSR to the November 4<sup>th</sup> hearing. Mr. Rudd expressed that there were a number of statements contained in the Draft MSR that were not accurate or were outdated and asked that the hearing be continued in order for the City to provide LAFCo with proposed revisions, clarifications, and amendments to the Draft MSR that accurately reflects the City's ability to serve the community.

**Background**

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

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 or district's SOI are necessary. MSRs can be used as informational tools by LAFCo and local agencies in evaluating the efficiencies of current district operations and may suggest changes in order to better serve the public.

SOI updates may involve an affirmation of the existing SOI boundaries or recommend modifications to the 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.
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.



**BRUCE RUDD**  
City Manager

August 19, 2015

Mr. David Fey, Executive Director  
Fresno Local Agency Formation Commission  
2607 Fresno St  
Fresno, CA 93721



RE: Draft Municipal Service Review

Dear Mr. Fey,

I am in receipt of the notice advising the City of Fresno of a hearing in which the Fresno Local Agency Formation Commission (LAFCo) will consider information, recommendations, and amendments to the Draft Municipal Service Review (MSR) of the City of Fresno. As noted, the information contained in the MSR can be used by the Commission to determine whether the current Sphere of Influence is sufficient or whether revisions to the Sphere are warranted.

Pursuant to our discussions on August 6, 2015, the Draft MSR represents a significant departure from MSRs previously conducted by the Commission for any city within Fresno County. While the level of assessment and analysis may be warranted, it is important that the information that is ultimately provided to the Commission is both timely and accurate.

Unfortunately, this does not appear to be the case. For example, there are a number of statements contained in the Draft MSR related to the City's financial condition and/or operations that are either inaccurate or so outdated that they are no longer relevant. Furthermore, the Draft MSR contains recommendations that include topics such as the annexations of county islands, dissolution of special districts, etc., yet no analysis was conducted to examine the operational impacts and/or financial implications associated with any of these recommendations.

Therefore, the City of Fresno is formally requesting that the Commission table the September 9, 2015, hearing of the Draft City of Fresno MSR until its November meeting so that we can provide LAFCo with proposed revisions, clarifications, and amendments to the Draft MSR that accurately reflects our ability to adequately serve our community.

Please feel free to contact me at (559) 621-7780 or at [bruce.rudd@fresno.gov](mailto:bruce.rudd@fresno.gov) if you have any questions or need further information related to this matter.

Sincerely,

Bruce Rudd  
City Manager

Cc: Ashley Swearengen, Mayor  
Fresno City Councilmembers  
Renena Smith, Assistant City Manager  
Jennifer Clark, Director of Development and Resource Management

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