

**DRAFT**

**TRANQUILLITY RESOURCE  
CONSERVATION DISTRICT**

**MUNICIPAL SERVICE REVIEW AND  
SPHERE OF INFLUENCE UPDATE**

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

**MSR 21-2/ USOI-194**

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**21-day Public Review:**

April 21, 2021 through May 12, 2021

<b>Profile: Tranquillity Resource Conservation District</b>		
<b>Formation:</b>	1959	
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<b>Mailing Address</b>	516 W. Shaw Avenue, Suite 200 Fresno, CA 93704	
<b>Website</b>	<a href="http://www.tranquillityrcd.org">www.tranquillityrcd.org</a> (under development)	
<b>Principal Act</b>	California Public Resources Code, section 9151, et seq.	
<b>Board of Directors (5-member)</b>	<b>Name</b>	<b>Term</b>
	Jerry Radinoff, president	Appointed 2019, expires 12/2022
	Thomas J. Fairless, secretary	Appointed 2019, expires 12/2022
	Anthony Borges	Appointed 2019, expires 12/2024
	Stephen J. Shehadey	Appointed 2020, expires 12/2024
	Mahmood "Moe" Dean	Appointed 2020, expires 12/2024
<b>Board Meetings</b>	Second Monday of each month at the Tranquillity Branch Library	
<b>Staffing</b>	1 Executive Director	
<b>Service Area</b>	90,018 acres	
<b>Sphere Area</b>	1,342,718 acres (TRCD is a portion of the 2007 consolidated SOI)	
<b>2019 Sphere Update Request</b>	Additional 137,553 acres	
<b>Budget</b>	\$5,000 (Fiscal Year 2020)	
<b>District Long Range Plan</b>	Yes	
<b>District Policies</b>	No	

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## Executive Summary

In 2007, the Commission consolidated the spheres of influence ("SOI") of the five Resource Conservation Districts ("RCDs") in Fresno County's west side: Firebaugh RCD, James RCD, Panoche RCD, Poso RCD, Tranquillity RCD, and Westside RCD, encompassing approximately 1,342,718 acres.

Since that time, there has been no subsequent effort nor interest from any of the five agencies to follow up with an application to consolidate into one RCD.

In 2015, the Westside RCD board adopted a resolution to dissolve the district and the general manager submitted an incomplete application for dissolution. Poso RCD was dissolved in 2019 pursuant to Senate Bill 448 (Wieckowski) proceedings.

On August 20, 2019, the Tranquillity Resource Conservation District ("Tranquillity RCD" or "District") filed an application with the Fresno Local Agency Formation Commission ("LAFCo") requesting a SOI update (File No. USOI-194) that would expand the Tranquillity RCD SOI eastward by approximately 315,117 acres that would align with State Route 99.

In addition to the Tranquillity RCD's current interest in becoming active, conversations with the remaining RCD managers (James RCD, Firebaugh RCD, and Panoche RCD), LAFCo learned that these once-dormant agencies are also working to reinstate services. They also do not favor consolidating into one RCD.

Given that the consolidated SOI failed to achieve its goal, and the current lack of interest on the part of the affected RCDs to consolidate, LAFCo staff is proceeding with the Tranquillity RCD SOI application to remove it from the consolidated SOI and take appropriate actions to adopt separate and distinct SOIs for all RCDs.

On December 8, 2020, the District informed LAFCo of its desire to modify the initial application by reducing the requested SOI and subsequent annexation to only encompass land generally coterminous with the McMullin Area Groundwater Sustainability Agency boundary. The proposed Tranquillity RCD SOI update consists of the addition of approximately 137,553 acres of land generally east of the District's 90,018-acre service area (**Figure 3**). Land uses within the District and affected territory are mainly agricultural with scattered rural residential.

The District's board believes that it can assist local growers and various local agencies promote education and activities that support the protection, conservation, and restoration of natural resources. On June 8, 2020, the District adopted a five-year Long-Range Plan for 2020 through 2025 which outlines the District's plan to begin providing services within its current and proposed expansion area.

The Tranquillity RCD SOI update is necessary to facilitate the subsequent annexation application (File No. AD 19-02) of the affected territory into the District's service area.

## California Environmental Quality Act (CEQA)

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) directs LAFcos to comply with the California Environmental Quality Act (“CEQA”)<sup>1</sup> for SOI updates.<sup>2</sup>

LAFco prepared the MSR update for the Tranquillity RCD SOI update pursuant to Government Code (“GC”) section 56430. An MSR gathers data to present an independent assessment of service provisions provided within a geographic area in the County. Furthermore, an MSR provides a foundation that may support future LAFco actions. Therefore, an MSR is exempt from environmental review under CEQA guidelines section 15306, “Information Collection.”

However, this MSR update also evaluates the District’s request to LAFco to expand the Tranquillity RCD SOI essential to facilitate the successive annexation application. The affected territory consists of unincorporated agricultural land and sparse rural residential land uses.

In conducting environmental review for the Tranquillity RCD SOI update and annexation, Tranquillity RCD assumed the role of Lead Agency, pursuant to CEQA Guidelines. The District determined that the proposal is ministerial in nature. The requested Tranquillity RCD SOI update will not change existing land uses nor change the land use designations depicted by the Fresno County General Plan.

Since it can be seen with certainty that the proposal does not have the potential to result in a significant effect on the environment, it is not subject to CEQA pursuant to CEQA guidelines Section 15286 and Public Resources Code Section 21080 (b)(1), Ministerial. On August 21, 2019, the Tranquillity RCD filed a Notice of Exemption with the Fresno County Clerk (#E201910000302).

Acting as Responsible Agency pursuant to CEQA Guidelines, LAFco considered the Notice of Exemption as prepared by the Lead Agency for its own review and update of the Tranquillity RCD SOI. LAFco finds that it can be seen with certainty that the proposed SOI update does not have the potential to result in a significant effect on the environment, therefore the SOI update is not subject to CEQA pursuant to section 15061 (b)(3) of the CEQA Guidelines.

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<sup>1</sup> California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code.

<sup>2</sup> Government Code section 56428.

Figure 1 - District Map

# Tranquillity Resource Conservation District

Services: technical assistance with the preservation of natural resources

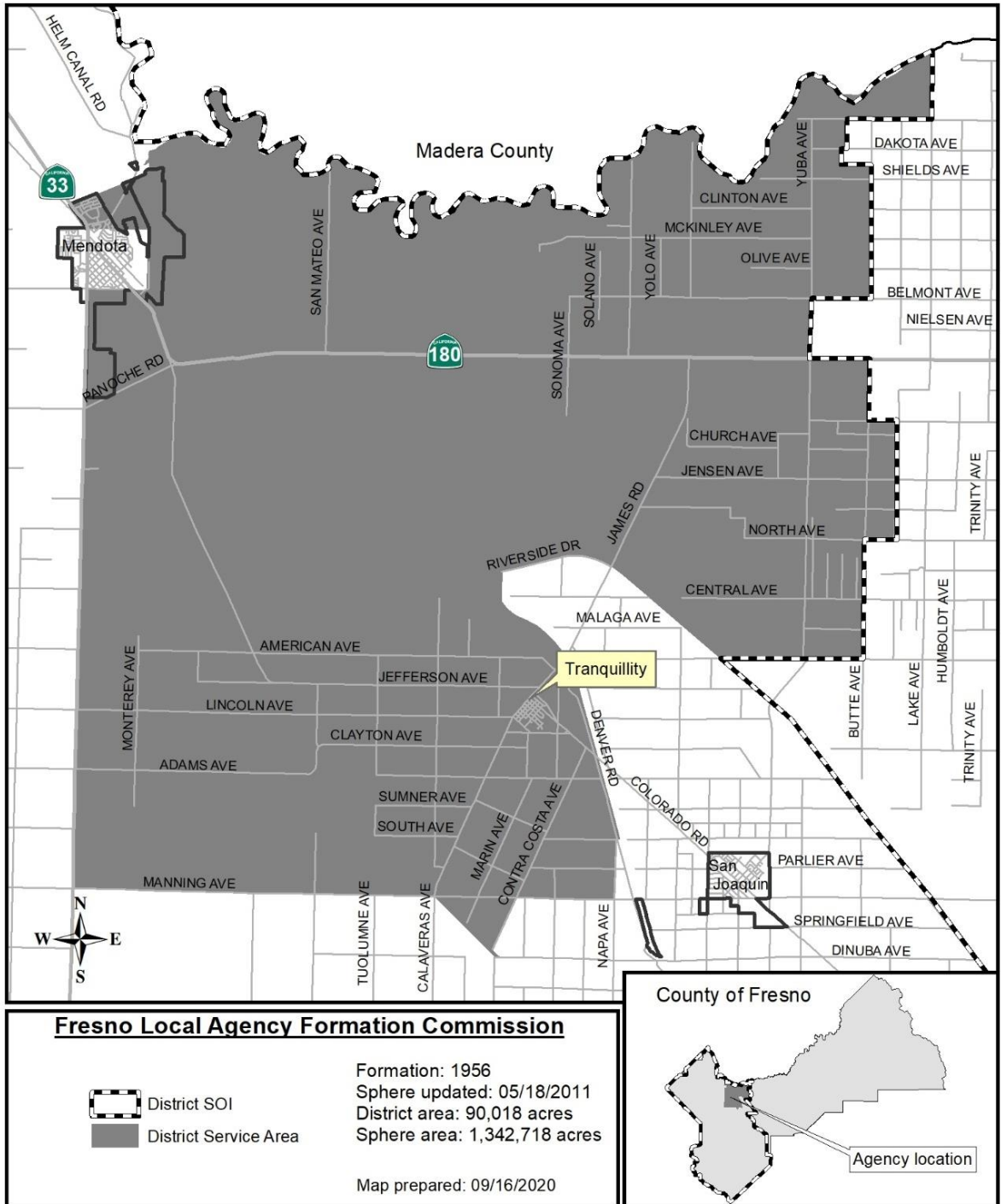


Figure 2 - 2007 Consolidated Westside RCD Sphere of Influence

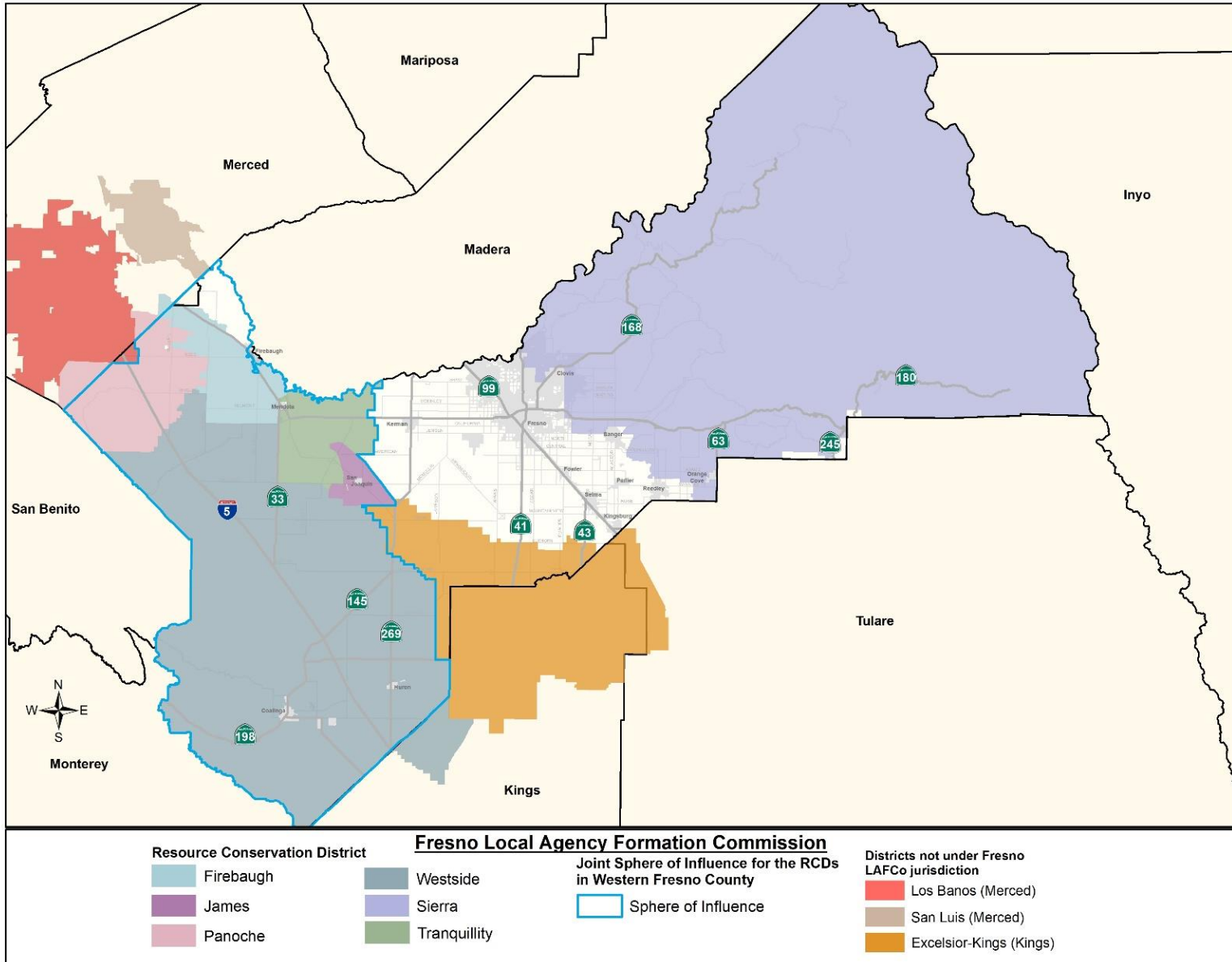
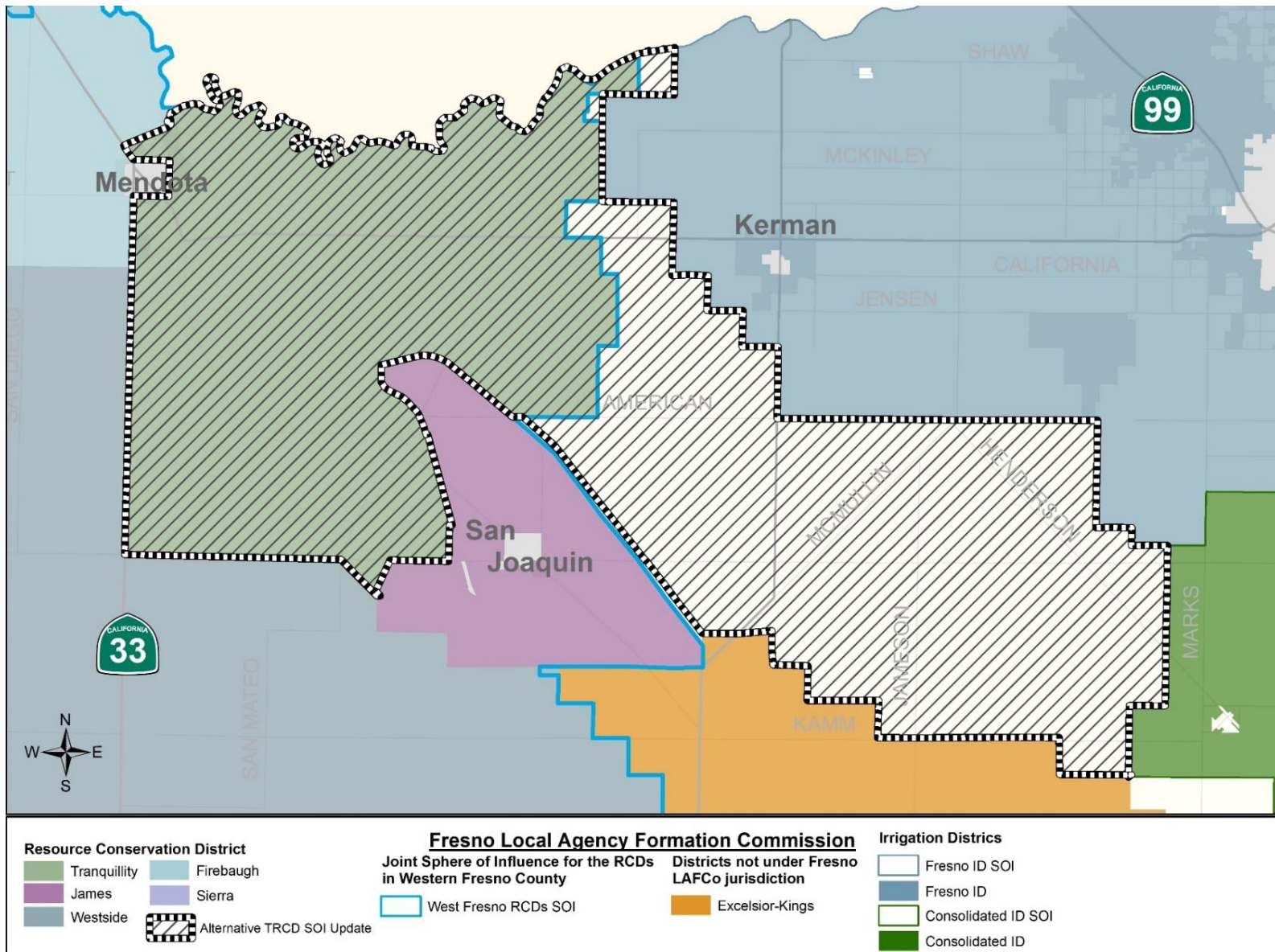




Figure 3 - Proposed Tranquillity RCD SOI update





# 1. Municipal Service Review

Tranquillity RCD was formed in 1959 as a Soil Conservation District to aid in the conservation of resources in the area east of the City of Mendota and the areas near the unincorporated community of Tranquillity.<sup>3</sup>

LAFCo considered the District SOI and MSR updates in 2007 and 2011 and noted each time that the District was not active, had no current board of directors, had no employees, nor provided any services.

The Tranquillity RCD has recently reactivated after years of inactivity. In 2019, a governing board was successfully appointed, and a District Manager was hired. The District Manager also serves as the general manager of the McMullin Area Groundwater Sustainability Agency ("MAGSA"), a California Joint Powers Authority formed to implement the Sustainable Groundwater Management Act of 2014. Current District services consist largely of general administration in support of its recently adopted Long-Range Work Program and planning to increase service capacity.

## Principal Act

Resource Conservation Districts are authorized under Division 9 of the California Public Resources Code ("PRC", also known as the "Principal Act"). The Tranquillity RCD operates pursuant to PRC section 9001 et seq. which was enacted for the following purpose:

To provide for the organization and operation of resource conservation districts for the purposes of soil and water conservation, the control of runoff, the prevention and control of soil erosion, erosion stabilization, including, but not limited to, these purposes in open areas, agricultural areas, urban development, wildlife areas, recreational developments, watershed management, the protection of water quality, and water reclamation, the development of storage and distribution of water, and the treatment of each acre of land according to its needs.<sup>4</sup>

There are 95 RCDs in California, serving rural, urban, and suburban communities throughout the State.<sup>5</sup>

According to CARCD, the 95 RCDs in the State are grouped into the following ten regions: Bay-Delta, Central Coast, Central Sierra, High Desert, Modoc Plateau, North Coast, Sacramento Valley, San Joaquin Valley, SoCal Inland, Southern Baja, and non-district regions. RCDs in Fresno County are identified in the San Joaquin Valley Region. The San Joaquin Valley Region consists of 16 RCDs spanning from San Joaquin County down to Kern County. As of 2020, the County of Fresno is the principal county to six local RCDs:

- Firebaugh Resource Conservation District
- James Resource Conservation District
- Panoche Resource Conservation District
- Sierra Resource Conservation District

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<sup>3</sup> Fresno County Board of Supervisors action summary minutes of public hearing June 23, 1959.

<sup>4</sup> PRC section 9001(a)(2).

<sup>5</sup> California Association of RCDs, <https://carcd.org/rcds/>.

- Tranquillity Resource Conservation District
- Westside Resource Conservation District

Each RCD operates independently with its own governing board and is authorized by the principal act to define its own local goals, objectives, and priorities based on the issues and needs within its service areas.

Generally, RCDs promote programs dealing with various types of conservation efforts, bring environmental awareness, and watershed stewardship. Most RCDs in the State originated in the 1950's as local Soil Conservation Districts. The State Legislature broadened the purposes of Soil Conservation Districts in the 1970's resulting in a name change to more accurately reflect the role of the RCDs within California.

## **Service Area and the 2007 Consolidated RCD Sphere of Influence**

The District is solely within County of Fresno and covers the unincorporated community of Tranquillity, the Mendota Wildlife Management Area, and much of the City of Mendota. The District is generally bounded by Fresno-Madera County line to the north, State Route 33/Derrick Avenue to the west, Manning Avenue to the south, and Butte Avenue to the east (**Figure 2**). Land east of the District's service area is not identified within an existing RCD.

The District's service area contains 90,018 acres. The first District sphere of influence ("SOI") was adopted by LAFCo in 1976 and remained coterminous with the District's service area until the Commission adopted a consolidated SOI for the west side RCDs in 2007.

Neighboring RCDs include Madera RCD and Colombia RCD to the north in Madera County, Firebaugh RCD to the northwest, Westside RCD to the west and south, and the James RCD to the southeast.

In 2007, the Commission approved a consolidated SOI encompassing approximately 1,342,718 acres for the five RCDs in Fresno County's westside, shown as **Figure 2**.<sup>6</sup> The purpose of determining a single SOI to encompass the RCDs was to facilitate the eventual consolidation of the five westside RCDs. The Commission reaffirmed this intent in 2011 and waived all LAFCo fees associated with a future consolidation proposal application to LAFCo. However, none of the five RCDs followed up on this consolidation.

In 2015, the Westside RCD board of directors adopted a resolution of application to LAFCo to initiate dissolution proceedings.<sup>7</sup> The then Westside RCD general manager submitted an incomplete application to LAFCo and LAFCo staff responded with a letter of identifying items needed for a complete application. No further contact with the Westside RCD has taken place.

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<sup>6</sup> Firebaugh, James, Panoche, Poso, and Tranquillity Resource Conservation Districts.

<sup>7</sup> Westside RCD Resolution 2015-01, Authorizing District Dissolution and Disposition of Assets. Adopted by Westside RCD on January 21, 2015.

In 2019, LAFCo ordered the dissolution of Poso Resource Conservation District an inactive special district pursuant to the proceedings included in Senate Bill 448 (Wieckowski).

Currently, the 2007 consolidated SOI bounds the remaining five RCDs in Fresno County's westside.

### **SOI Update Application No. USOI-194**

On August 20, 2019, the District submitted a SOI update application (File No. USOI-194) and subsequent annexation application (File No. AD-19-02) to LAFCo.

Rather than expand the 2007 consolidated SOI (which has not served the purpose intended by LAFCo), LAFCo staff is proceeding with the subject applications based on a SOI independent from the 2007 west side RCD SOI, **see Figure 3**.

As proposed in the application, the District SOI update would encompass the existing service area and include approximately 137,553 acres of additional acres of unincorporated land into the Tranquillity RCD SOI. The District SOI update would encompass a total of 227,571 acres. As noted, the Tranquillity RCD SOI update is necessary to facilitate the subsequent annexation of territory into the District's service area.

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

The District's service area mainly encompasses unincorporated land. The City of Mendota's original incorporated limits are excluded from the District; however, land inside Mendota's city limits north of McKinley Avenue, east of Guillen Park Drive, south of Belmont Avenue, and east of State Route 33/Derrick Avenue are inside the District.

LAFCo obtained geographic information system ("GIS") files derived from the U.S. Census Bureau, American Community Survey ("ACS") five-year reports for year 2012 through 2016, to estimate a current population for territory inside the District. According to the ACS data for year 2012 through 2016, Census block group units located within the unincorporated portion of the District show that there is an estimated total population of approximately 4,347 residents. LAFCo notes that the population estimate can be higher number than actual because the census block group boundaries do not exactly match with the boundaries of the District.

The County of Fresno is the land use authority for the unincorporated portion of the District, while the City of Mendota is the land use authority for the incorporated portion of the District.

The Fresno County General Plan designates majority of the land within the District for agricultural use.<sup>8</sup> The County of Fresno also maintains the Tranquillity Community Plan ("TCP") to guide future growth within the unincorporated community of Tranquillity. The Fresno County General Plan designates land within the TCP as rural single-family residential, central trading-commercial, and light manufacturing. According the Fresno County General Plan, rural settlement areas surrounded by agriculture and open

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<sup>8</sup> Fresno County General Plan Figure 1-5 Current Land Use, Figure LU-1a, Countywide Land Use Diagram, 2000.

space have historically experienced little growth since their establishment. Therefore, LAFCo does not expect significant population growth to occur in or near the District's boundaries.

The City of Mendota's General Plan designates urban land uses for the incorporated land also within the District.<sup>9</sup> The City of Mendota may experience limited growth over the next 20 to 25 years; however, the District does not anticipate that it will affect its services. The District informed LAFCo that it does not intend to provide services to urban incorporated communities. Therefore, future annexations to the City of Mendota should be detached from the District for any future city annexations.

With respect to the District's proposed SOI update, annexation of the 137,553 acres has the potential to add approximately 1,260 parcels that are primarily in agricultural operation. LAFCo estimates that the annexation has the potential to add an estimated 3,094 residents into the District. Majority of the land in affected territory is subject to active agricultural operations. There are no incorporated cities within the affected territory.

## **District services**

The District informed LAFCo that it has been working alongside with the California Association of Resource Conservation Districts ("CARCD"), the California Department of Conservation ("DOC"), and MAGSA to build its effectiveness to provide better assistance to its constituents.

As the District emerges from over a decade of inactivity, its current services consist of general administration, creation of a District long-range plan and an annual plan, and planning to increase service capacity. The District's general manager informed LAFCo that the District's initial scope of services may include, but are not limited to:

- enhancement and betterment of conditions which encourage soil, water and other resource management and productivity,
- carbon sequestration farming planning and implementation,
- natural soil building amendment,
- water retaining crop placement,
- pollinator habitat development and monarch butterfly habitat development and enhancement

Division 9 requires of the Public Resources Code ("PRC") notes that RCDs may develop a strategic plan that identifies "all resource issues within the district for local, state, and federal resource conservation planning."

On June 8, 2020, the District adopted a Long-Range Plan for years 2020 through 2025. The District's Long-Range Plan identifies the District's mission statement, summarizes its history, and states its conservation priorities. The District's Long-Range Plan identifies six goals and 27 objectives that sets a vision for the District's annual work plan and upcoming budgets. The District intends to annually review its adopted Long-Range Plan's goals and make necessary updates.

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<sup>9</sup> City of Mendota 2005-2025 General Plan Update, August 2009.

The District intends to pursue funding to study the benefits of on-farm projects targeted at Carbon Farming Planning (Carbon Sequestration), cover crop development (Soil Moisture Enhancement), and composting projects (Soil and Water Management Enhancements).

## Disadvantaged Unincorporated Communities

A disadvantaged unincorporated community ("DUC") is defined by Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") as an inhabited territory (meaning territory within which there reside 12 or more registered voters), or as determined by LAFCo policy, that constitutes all or a portion of a "disadvantaged community" as defined by section 79505.5 of Water Code. The State Water Code defines a "disadvantaged community" as a community with an annual median household income ("MHI") that is less than 80 percent of the statewide annual median household income.

On January 9, 2013, Fresno LAFCo exercised its powers under CKH and adopted local policy which refined the DUC definition within Fresno LAFCo's jurisdiction. Fresno LAFCo's DUC Policy characterizes DUCs as at least 15 dwelling units at a density not less than one unit per acre. Additionally, LAFCo's policy includes "Legacy Communities" which is defined as a geographically isolated community that meets the DUC criteria, is at least 50 years old, and is beyond the adopted SOI of any City.

On February 12, 2020, Fresno LAFCo comprehensively updated its DUC database based upon updates of demographic datasets that estimate MHI levels within the County of Fresno. The 2020 DUC database relies upon information collected through the Commission's MSR Program, sphere of influence update program, and demographic information obtained from the U.S. Census Bureau Americans Community Surveys, five-year reports for years 2012-2016.

The statewide annual MHI reported for years 2012 through 2016 was \$63,783. Therefore, the calculated threshold for a DUC is any geographic unit with a reported annual MHI that is less than \$51,026. Census block group data was used to provide the economic and population backgrounds for this section of the MSR. The list below details LAFCo's DUC measures for the Census block groups within the District's service area and requested SOI update.

**Table 1, DUC data summary**

	DUC Name	Census Tract	Block Group	MHI	Less than 80% Statewide Annual MHI	15 Units at a Density ≥ One Unit per Acre	Number of Registered Voters <sup>10</sup>
1	Tranquillity	82.00	2	\$31,250	Yes	Yes	229
2	Perrin Colony	76.00	1	\$42,278	Yes	Yes	32
3	Raisin City	76.00	3	\$32,556	Yes	Yes	76

<sup>10</sup> Register vote count estimate as of December 2019.

The District service area and proposed SOI update encompasses census block groups that meet the Water Code definition of Disadvantaged Communities based on reported MHI levels. Based on this data, the following locations meet LAFCo's DUC criteria:

1. Tranquillity is located 10 miles southeast of the City of Mendota near the junction of South James Road and Colorado Road. The DUC boundary encompasses approximately 181 acres, 216 households, and an estimated population of 736 residents. Based on dwelling unit estimates, there is at least one dwelling unit per acre within this DUC. Tranquillity Public Utility District provides street lighting, storm drainage, sewer collection and treatment, and parks services. Tranquillity Irrigation District provides potable water. Fire protection is provided by Fresno County Fire Protection District.
2. Perrin Colony is located north of Raisin City near the intersection of South Hayes Avenue and West Parlier Avenue. The DUC encompasses approximately 45 acres consisting of 50 parcels each containing either a mobile home or single-family unit, or a combination single-family unit and a mobile home. Water is attained through private wells and sewer is attained through private septic tank systems. Fire protection is provided by the Fresno County Fire Protection District.
3. Raisin City located south of West Manning Avenue and along South Henderson Road. This DUC encompasses approximately 45 acres, consists of 80 dwelling units, and has an estimated population of 234 people. County Service Area No. 43 (Raisin City) provides potable water and street lighting services. Sewer service is achieved through private septic tanks. Fire protection is provided by the Fresno County Fire Protection District.

District services are limited to promoting the conservation of local resources. For the purpose of this MSR, the communities within the District and are eligible to receive District services.

## **District Infrastructure**

The District does not own, plan for, or operate any public facilities. The District does not own capital infrastructure or equipment necessary to provide a direct service to its constituents. The District manager informed LAFCo that the District does not have an office in the District; however, the manager is able to schedule meetings with individuals at the Tranquillity Branch Library. If a public facility were to become necessary, or required by an emergency, the District informed LAFCo that staff would need to explore and identify potential funding sources on a case-by-case basis.

Based on the LAFCo record, during the early 1970s the District owned a pool of rental equipment available to landowners within the District. The use of the rental equipment allowed growers to complete several projects and implement a number of conservation measures on their farmland. The District also coordinated soil and water conservation activities, provided technical assistance, and maintained groundwater conditions that affected local wells, water supply, and the water table. The current disposition of this equipment is not known.

## District Finances

This section of the MSR analyzes financial information provided by the District to determine if the District has enough revenue and financial systems in place to provide service to its constituents. The analysis is based on available financial data, communication with the District to estimate budgets for Fiscal Years ("FY") 2019 and 2020, and electronic mail communication with the District.

The District's FY starts July 1<sup>st</sup> and ends June 30<sup>th</sup> of each year. Since reinstating activities, the District has not adopted a formal budget. Nonetheless, the District manager provided LAFCo the following financial information:

- For FY 2019, the District had approximately \$9,384 in its Fresno County Treasury account with revenue mainly attributed to a cash balance carryover plus the built interest on the balance during its years of inactivity.<sup>11</sup>
- During FY 2019, the District was awarded \$12,000 by CARCD through a grant from the Central Valley Regional Foundation for the requested SOI update and annexation applications to LAFCo.
- By FY 2020 District funds amounted to \$5,000 largely from remaining grant funds and local contributions. For the same FY, the District's expenditures amounted to \$5,000. The main expenditure is attributed to District's meeting expenses and funding set aside (\$468) for the development of a District website.<sup>12</sup>

The District manager informed LAFCo that for FYs 2019 and 2020 that it had sufficient revenue to fund expenditures. At the time this MSR was prepared, the District informed LAFCo that it does not have a regular source of income such as fees for services, special assessments, or property taxes. Most of its future service capacity is anticipated to be funded through its ability to secure project-specific state grants and contributions.

LAFCo notes that the District must have a process for determining its priorities and allocating available financial resources to meet those priorities. The financial planning process would allow the District to attach dollar amounts to the goals and objectives identified in its Long-Range Plan and annual work plan. A formal budget process needs to be established, which may consist of developing financial procedures, frequency of budget reviews, persons responsible to administer funds, and methods to amend adopted budgets. Establishing a sound budget will ensure that the goals of the District are met and will demonstrate the District's commitment to effectively reinstate services.

The District manager informed LAFCo that over the last 10 years when the District was inactive it had no record of revenue or expenditures other than warrants or minimal interest earned on a previous cash balance held in the County of Fresno Treasury. As a result of this inactivity, and the lack of district management or oversight, no audited financial statements were prepared during the District's inactivity.

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<sup>11</sup> Electronic communication with District Manager, September 15, 2020.

<sup>12</sup> LAFCo communication with District manager in September 15, 2020 email.



This is consistent with LAFCo's September 4, 2020, communication with the County Auditor-Controller/Treasurer-Tax Collector ("AC/TTC"), Financial Reporting & Audits Division that the District has not provide the County any financial reporting documents for the District's finances as required by the following statutes:

- Annually file a copy of the District's adopted budget for the upcoming fiscal year with the Fresno County Assessor Controller – Treasurer Tax Collector's Office, Special Accounting Division. (Government Code section 53901)
- Annually prepare audited financial statements for all District financial transactions in accordance with generally accepted accounting principles for the preceding fiscal year; and, furnish a copy to the State Controller. The report shall be furnished within seven months after the close of each fiscal year and shall be in the form required by the Controller. (Government Code section 53891)
- Annually file a copy of the District's audited financial statements within 12 months of the closed fiscal year with the Fresno County Assessor Controller – Treasurer Tax Collector's Office, Financial Reporting & Audits Division. (Government Code section 26909)

As noted earlier, the District is going through the process of reinstating services and building funding to support its program. The District manager informed LAFCo that during 2018 and 2019, the District was not identified as an inactive special district by the State Controller's Office per Senate Bill 448's definition. According to the District Manager, a former employee of the District would provide the State Controller's Office an annual notice to inform the Controller that the District had no financial activity to report. The District expects to begin reporting its annual financial activities to the Fresno County AC/TTC.

## **Public Facilities, Opportunities for Shared Facilities**

The District's management is provided through contract with Water Management Professionals, Inc.

The District manager informed LAFCo that future opportunities for shared facilities may arise from its effort to reinstate activities and services. The District has cooperative engagements with CARCD Region 9 members to develop a network of supporting agencies. At the time this MSR was prepared, there were no other opportunities identified for additional shared facilities that would present a benefit to the District.

Since hiring a District manager in 2019, the District has been working with MAGSA and CARCD to increase its capacity. The District's adoption of its Long-Range Plan supports planned services that could benefit non-district landowners.

Furthermore, the District is working with local agencies to identify potential RCD services that would enhance or improve the services that existing local agencies may not be currently studying or promoting in the valley floor.

The District's service area overlaps with the following types of special districts and agencies located in Fresno County:

### Overlap

- City of Mendota (portions in City's south and east areas)
- Columbia Canal Company (portion)
- Farmers Water District
- Fresno County Fire Protection District
- Fresno Slough Water District
- Fresno Westside Mosquito Abatement District
- Kings River Conservation District (portion)
- Lower San Joaquin Levee District
- Mid-Valley Water District
- North Central Fire Protection District
- Silver Creek Drainage District
- Tranquillity Irrigation District
- Tranquillity Public Utility District
- West Fresno County Red Scale District
- Westlands Water District

### Adjacent

- Columbia Resource Conservation District
- James Irrigation District
- James Resource Conservation District
- Fresno Irrigation District
- Firebaugh Canal Water District
- Firebaugh Resource Conservation District
- Westside Resource Conservation District

The proposed District SOI update has the potential to add the following local agencies into the District SOI:

- **Cemetery Districts:** Washington Colony Cemetery District
- **County Service Areas by Number:** No. 43 (Raisin City)
- **Fire Protection Districts:** North Central Fire Protection District
- **Mosquito Districts:** Fresno Mosquito and Vector Control District
- **California Water Districts:** Mid-Valley and Raisin City

### Nearby Groundwater Sustainability Agencies:

- City of Mendota Groundwater Sustainability Agency
- Farmers Water District Groundwater Sustainability Agency
- San Joaquin River Exchange Contractors Groundwater Sustainability Agency
- Central Delta-Mendota Region Multi-Agency Groundwater Sustainability Agency
- McMullin Area Groundwater Sustainability Agency
- County of Fresno GSA - Delta-Mendota Management Areas 'A' and 'B'
- James Groundwater Sustainability Agency
- North Kings Groundwater Sustainability Agency
- Westside Westlands Water District Groundwater Sustainability Agency

## Government Accountability

Accountability for community service needs, including governmental structure, and operational efficiencies is evaluated as part of the MSR. This MSR is an informational document that will be used by LAFCo, other local agencies, and the public at large to examine the governmental structure of the District.

The District operates under the authority granted by California's Resource Conservation District Law (Public Resources Code section 9151 *et seq.*) Among many services, the District's principal act empowers RCDs to conduct surveys, investigation, and research items relating to the conservation of resources and disseminate information concerning preventive measures.<sup>13</sup>

The District's principal act mandates directors to seek the cooperation of local, state, and federal agencies in order to avoid duplication of surveys, investigations, and research activities.<sup>14</sup> A list of all the powers and duties granted to RCDs can be found under section 9401 of the PRC.

LAFCo considered the District SOI and MSR updates in 2007 and 2011 and noted each time that the District was not active, had no current board of directors, nor provided any services.

During the preparation of this MSR, the District informed LAFCo a new board of directors has revitalized a plan to reinstate District services. On July 9, 2019, the Fresno County Board of Supervisors ("BOS") considered candidates and appointed three directors to serve as the District's board of directors. In early 2020, the Fresno County BOS appointed two additional directors to the District board. Currently, all five board positions are active.

A five-member board of directors serves as the governing body of the District. The five members of the board are elected by the voters within the District boundaries to serve four-year terms. The expiration of the term of any director does not constitute a vacancy, and the director holds office until his or her successor has qualified.<sup>15</sup> As indicated earlier, due to the prolonged time of inactivity, current board members have been appointed and reappointed in lieu of an election by Fresno County Board of Supervisors, Supervisorial District 1, consistent with requirements of the California Elections Code.

Each Director is required to take the oath of office prior to being appointed to the District's Board and file a Form 700s – Statements of Economic Interests—upon taking office, annually, and upon leaving office. Form 700s are disclosures of personal economic interest, help to ensure that financial conflict of interest is avoided. Every two years, board members are required to participate in training that cover general ethics principles and specific laws concerning conflict of interest, prerequisites for of office and government transparency. The District informed LAFCo that all board members have satisfied these training requirements.

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<sup>13</sup> PRC section 9402

<sup>14</sup> *Ibid.*

<sup>15</sup> PRC section 9314.

The District's board members serve as volunteers and do not receive compensation for attending district board meetings; however, consistent with the PRC, board members are entitled to be compensated for expenses incurred while performing their duties as board members, such as travel time for training seminars, workshops, or conferences.<sup>16</sup>

Board meetings are held on the second Monday of each month at 4:30 p.m. at the Tranquillity Branch Library. The Tranquillity Branch Library is located at 5831 Juanche Avenue, Tranquillity, California, 93668. Meetings are noticed consistent with Brown Act requirements, which include posting agendas and notices of hearings in public places. Public notices and agendas listing items to be considered by the board are displayed outside of the library at least 72 hours before each meeting. District board meetings are open to the public. Landowners, residents, and the public may attend the board meetings.

Meetings of the board of directors are conducted by the District president in a manner consistent with the latest edition of Robert's Rules of Order. The District board annually elects one of its members to serve as the District president, another member to serve as a vice-president, and another member to serve as secretary. The District president presides at all meetings of the board, announces the Board's decisions on all subjects, decides all questions of orders, subjects, and signs all board ordinances, resolutions, and contracts approved by the District board. The president also performs any other duties imposed by the board, after first receiving approval by at least three members of the board. In the absence of the president, the vice-president assumes all duties of the president.

The District has appointed a manager who is responsible to oversee the District's daily operations. The District manager is the custodian of all records of the proceedings taken by the board of directors and the District's financial records. The District manager reports directly to the District board, oversees the District's Long-Range Plan, prepares an annual work plan, monitors potential grant opportunities, schedules board meetings, and oversees the District's annual budget.

The District informed LAFCo that it has established a website (<https://tranquillityrcd.org/>), as required by Senate Bill 929 (McGuire), the Special Districts Transparency Act of 2020. The District informed LAFCo that the new District website is under development. The public may communicate with District staff in person, by phone, or email.

The District is a member of the California Association of Resource Conservation District ("CARCD"). CARCD advocates for its member districts with State and Federal agencies, policy makers, and individuals to ensure the resilience and health of California's water, soil, wildlife habitat, and other natural resources — today and for generations to come. CARCD also provides legislative representation, educational resources, and district support and collaboration.

The District informed LAFCo that its current governance structure is appropriate to resume activity and provide services. At the time of MSR preparation, the District's government structure appeared to be adequately structured to operate.

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<sup>16</sup> PRC section 9303.

## **Any other matters related to effective or efficient service delivery**

During the preparation of this MSR LAFCo received various enquiries on the initial proposed SOI expansion and subsequent annexation because the proposal, according to the agencies, has the potential to create overlaps with existing water management agencies that already collect a fee to provide or promote the conservation of local resources.<sup>17, 18</sup>

In an effort to address the affected local agencies' concerns and to avoid any potential duplication of services, the District informed LAFCo of its desire to modify the initial application by reducing the requested SOI and subsequent annexation to only encompass land generally identified in the District and the McMullin Area Groundwater Sustainability Agency Boundary.<sup>19</sup>

The proposed Tranquillity RCD SOI update consists of the addition of approximately 137,553 acres of land generally east of the District's 90,018-acre service area (**Figure 3**). LAFCo notes that the proposed SOI update omits the irrigation districts that expressed opposition to the original proposal.

## **2. Municipal Service Review Determinations**

The LAFCo has prepared this MSR in accordance with Government Code section 56430. State law requires LAFCo's to identify and evaluate public services provided by the District. The following provides LAFCo's written statements of its determinations with respect to each of the following seven topics:

### **1. Growth and population projections for the affected area.**

- The County of Fresno is the land use authority for the unincorporated portion of the District and the City of Mendota is the land use authority for the incorporated portions of the District within city limits. Most of the land inside the District is under active agricultural uses with the exception of the portion of the District in the City of Mendota, the Mendota Wildlife Management Area, and the community of Tranquillity.
- Land east of the District's service area is not identified within an existing RCD. The proposed District SOI update requests the LAFCo to include non-RCD districted land east of the District's service into the updated District SOI. The Fresno County General Plan designates majority of the land within the affected territory for agricultural use.
- The District informed LAFCo that it does not intend to provide services to urban incorporated communities and intends to detach these territories from the District in the future. The District intends to detach territories from the District on any future City annexations.

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<sup>17</sup> Paul Peschel, former General Manager of Kings River Conservation District. Public Comments at LAFCo's September 9, 2020 hearing.

<sup>18</sup> Fresno LAFCo Minutes for the September 11, 2019 hearing.

<sup>19</sup> Tranquillity RCD Letter to LAFCo, RE: Request for Modification of Pending Application dated, December 8, 2020.

- 2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.**
  - The District service area and proposed District SOI update encompasses census block groups that meet the Water Code definition of Disadvantaged Communities based on reported MHI levels.
  - Table one of this MSR identifies and characterizes three locations that meet LAFCo's DUC definition: Tranquillity, Perrin Colony, and Raisin City.
- 3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.**
  - The District is working with the California Association of Resource Conservation Districts, the McMullin Area Groundwater Sustainability Agency, and the California Department of Conservation to build capacity to provide assistance to its constituents.
  - The District does not own or operate any public facilities, capital infrastructure, or equipment necessary to provide a direct service to its continuance.
  - On June 8, 2020, the District adopted its five-year Long-Range Plan for years 2020 through 2025. The District's long-range plan identifies six goals and 27 objectives that sets a vision for the District's annual work plan and budget. The District annually reviews its adopted long-range plan goals and makes necessary updates, if needed.
- 4. Financial ability of agencies to provide services.**
  - The District does not have a regular source of income such as fees for services, special assessments, and most of its future service capacity is anticipated to be funded through its ability to secure project-specific state grants and contributions.
  - As the District emerges from over a decade of inactivity, the current District services consists of general administrative, reinstating a District work program, and planning to increase service capacity.
  - The District is going through the process of reinstating services and building a finance program. During its years of inactivity, the District had no record of revenues or expenditures that support any significant financial activities have taken place within the last ten years.
  - Since reinstating activities, the District has not adopted a formal budget. The District provided LAFCo the following financial descriptions: For FY 2019, the District had a modest budget with its revenues mainly attributed to a cash balance carryover plus the built interest on the balance

during its years of inactivity. According to the District, its Fresno County Treasury account has approximately \$9,384.

- As of September 4, 2020, the County Auditor-Controller/Treasurer-Tax Collector ("AC/TTC"), Financial Reporting & Audits Division informed LAFCo that the District has not provide the County any financial reporting documents for the District's finances, as required by statute.
- For FY 2020, the District budget amounted to \$5,000. As part of the budget, the District establishes an annual work plan for the upcoming year based on its adopted 2020 to 2025 long-range plan. The District's initial scope of services to be provided may include, but are not limited to:
  - enhancement and betterment of conditions which encourage soil, water and other resource management and productivity,
  - carbon sequestration farming planning and implementation,
  - natural soil building amendment,
  - water retaining crop placement,
  - pollinator habitat development and monarch butterfly habitat development and enhancement.

**5. Status of, and opportunities for, shared facilities.**

- There were no opportunities identified for additional shared facilities that would benefit the District.

**6. Accountability for community service needs, including governmental structure and operational efficiencies.**

- The District operates under the authority granted by California's Resource Conservation District Law. A five-member board of elected officials serves as the governing body of the District. The District's board members serve as volunteers and do not receive a compensation for attending district board meetings.
- The District board meetings are held on the second Monday of each month at 4:30 pm at the Tranquillity Branch Library.
- The District informed LAFCo that it has established a website, as required by Senate Bill 929 (McGuire), the Special Districts Transparency Act of 2020.

**7. Any other matter related to effective or efficient service delivery, as required by commission policy.**

- LAFCO has reviewed its local policies and there are no other pertinent matters.



### 3. Sphere of Influence Determinations

LAFCo staff reviewed the District SOI update in light of the data collected during the MSR process, as well as from conversations with the District in order to provide the Commission a sound SOI update recommendation for its consideration.

The proposed District SOI update recommends the Commission to remove the District from the 2007 consolidated RCD SOI based on the District's recent interest to reinstate services and planned services to be expanded within the District and locations east of its service area that are not currently inside an existing RCD.

The District SOI update encompasses the District's service area and approximately 137,553 acres east of the District's service area. In total, the District SOI update would amount to 227,571 acres, shown on **Figure 3**. The SOI update generally aligns to the boundaries the MAGSA boundaries. It's anticipated that the District SOI update will facilitate the subsequent and coterminous annexation application (File No. AD 19-2) of the affected territory into the District.

LAFCo recommends that the District continue its effort to reinstate services, build new partnerships, and establish a growth plan to annex new territory further east of MAGSA. In summary, the service review found that the District is positioning itself to efficiently provide services within its service area and expanded SOI, and it has adequate planning efforts in place that supports an update to the District SOI.

In determining the SOI of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following items pursuant to Government Code Section 56425 (e):

1. **The present and planned land uses in the area, including agriculture and open space.**
  - The Fresno County General Plan designates majority of the land within the District for agricultural use. The City of Mendota's General Plan designates urban land uses for the portions of land within the District and Mendota SOI. Most of the land in the District is identified under active agricultural contracts. The District's service area includes portions of City of Mendota, the Mendota Wildlife Management Area, and the community of Tranquillity. There is no proposed change to the present or planned land uses in the affected area.
2. **The present and probable need for public facilities and services in the area.**
  - The District is working with the California Association of Resource Conservation Districts, MAGSA, and the California Department of Conservation to establish its capacity to provide services to its constituents.
  - The District does not own or operate any public facilities, capital infrastructure, or equipment necessary to provide a direct service to its continuance.

- On June 8, 2020, the District adopted its five-year Long-Range Plan for years 2020 through 2025. The District's long-range plan identifies six goals and 27 objectives that sets a vision for the District's annual work plan and budget. The District annually reviews its adopted long-range plan goals and makes necessary updates, if needed.
3. **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**
    - The District operates in accordance with Public Resources Code Division 9, Resource Conservation District Law. The District does not own or operate any public facilities, capital infrastructure, or equipment necessary to provide a direct service to its continuance.
    - The District Manager informed LAFCo that state grant funding and contributions are expected to fund its service capacities and majority of its programs.
  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.**
    - There are no relevant social or economic communities of interest in the District's service area.
  5. **For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.**
    - The District does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.
    - Table one of this MSR update identifies and characterizes three locations that meet LAFCo's DUC definition: Tranquillity, Perrin Colony, and Raisin City.

## 4. Recommendations

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

1. Receive this report and any public testimony regarding the proposed Municipal Service Review and proposed sphere of influence update.
2. Find that the Municipal Service Review is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines section 15306 (Information Collection).

3. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
4. Approve the recommended sphere of influence update determinations, together with any changes deemed appropriate.
5. Find that LAFCo, as a Responsible Agency pursuant to the California Environmental Quality Act (CEQA) considered the Notice of Exemption prepared by Tranquillity Resource Conservation District, Lead Agency, for its review and update of the District SOI.
6. Find that as a Responsible Agency, Fresno LAFCo, it can be seen with certainty that the proposal does not have the potential to result in a significant effect on the environment, and that the proposal is not subject to CEQA pursuant to CEQA guidelines Section 15061 (b)(3).
7. Remove the Tranquillity Resource Conservation District from the 2007 consolidated SOI and adopt a SOI for the District that is coterminous with the recommended 227,571 acre SOI as depicted in **Figure 3** of the MSR.
8. Recommendations to the Tranquillity Resource Conservation District:
  - a. That the District continue its effort to reinstate services, build new partnerships, and establish a growth plan to annex new territory into the District.
  - b. That the District begins to annually adopt a formal budget program that identifies the District's revenues and expenditures for the upcoming year.
  - c. Annually file a copy of the District's adopted budget for the upcoming fiscal year with the Fresno County Assessor Controller – Treasurer Tax Collector's Office, Special Accounting Division. (Government Code section 53901)
  - d. Annually prepare audited financial statements for all District financial transactions in accordance with generally accepted accounting principles for the preceding fiscal year; and, furnish a copy to the State Controller. (Government Code section 53891)
  - e. Annually file a copy of the District's audited financial statements within 12 months of the closed fiscal year with the Fresno County Assessor Controller – Treasurer Tax Collector's Office, Financial Reporting & Audits Division. (Government Code section 26909)

## 5. Acknowledgements

This MSR and SOI update was prepared by Fresno LAFCo. Supporting documentation was made available through the effective partnership with the Tranquillity Resource Conservation District. LAFCo extends its appreciation to Tranquillity Resource Conservation District's District Manager for assisting in the development of this Municipal Service Review.

Available Documentation – documents used for the preparation of this report consist of public records and are available at the Fresno Local Agency Formation Commission Office located at:

**Fresno Local Agency Formation Commission**  
2607 Fresno Street, Suite B  
Fresno, California 93721

The Municipal Service Review is available on Fresno LAFCo's website:

<http://www.fresnolafco.org/MSR.asp>

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