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**COUNTY SERVICE AREA NO. 32
CANTUA CREEK**

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

Report to the
Fresno Local Agency Formation Commission

MSR-21-07 / USOI-206

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COUNTY SERVICE AREA NO. 32 (Cantua Creek)

Potable water service, wastewater treatment, street lighting, and solid waste collection services

Contact Information

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Management Information

District formation: 1981
Principal act: County Service Area Law, Government Code Section 25210-25217.4
Special district powers: Prescribed in Government Code Section 25212-25212.4
Authorized services:¹ Ground and surface water production, treatment, and distribution; wastewater collection, treatment, and disposal; street lighting; solid waste collection

Governing body: Fresno County Board of Supervisors

Board members: Brian Pacheco, Chairman
Sal Quintero, Vice Chairman
Steve Brandau
Buddy Mendes
Nathan Magsig

Citizen advisory committee: None

Board meetings: On scheduled Tuesdays, the dates which have been approved at a regularly scheduled board meeting of the Board of Supervisors

Staffing: Fresno County Public Works and Planning, Resources Division, composed of a district administrator, four staff analysts, one program technician, one office assistant, and administrative and technical support staff

Service Information

Services provided: Potable water, wastewater treatment, street lighting, solid waste disposal
Population served: 476 residents, 102 single-family residences and 30 mobile homes
Acres served: 61 acres
Infrastructure: Surface water treatment facility, pumps, distribution system, sanitary sewer system, wastewater treatment facility.

Fiscal Information

Budget: \$645,996
Sources of funding: Service fees
Rate structure: Monthly base rate charges. Additional charges for water usages based on tiered rates.

Administrative Policies

Master plan: No **Policies/Procedures:** No **By-laws:** No **SOI Updated:** 2011

¹ Pursuant to Government Code sec. 56425(i).

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Figure 1- Existing District Map

County Service Area No. 32 (Cantua Creek)

Authorized Services: Street Lights, Water, Sewer, Street Maintenance, Garbage, Park & Recreation

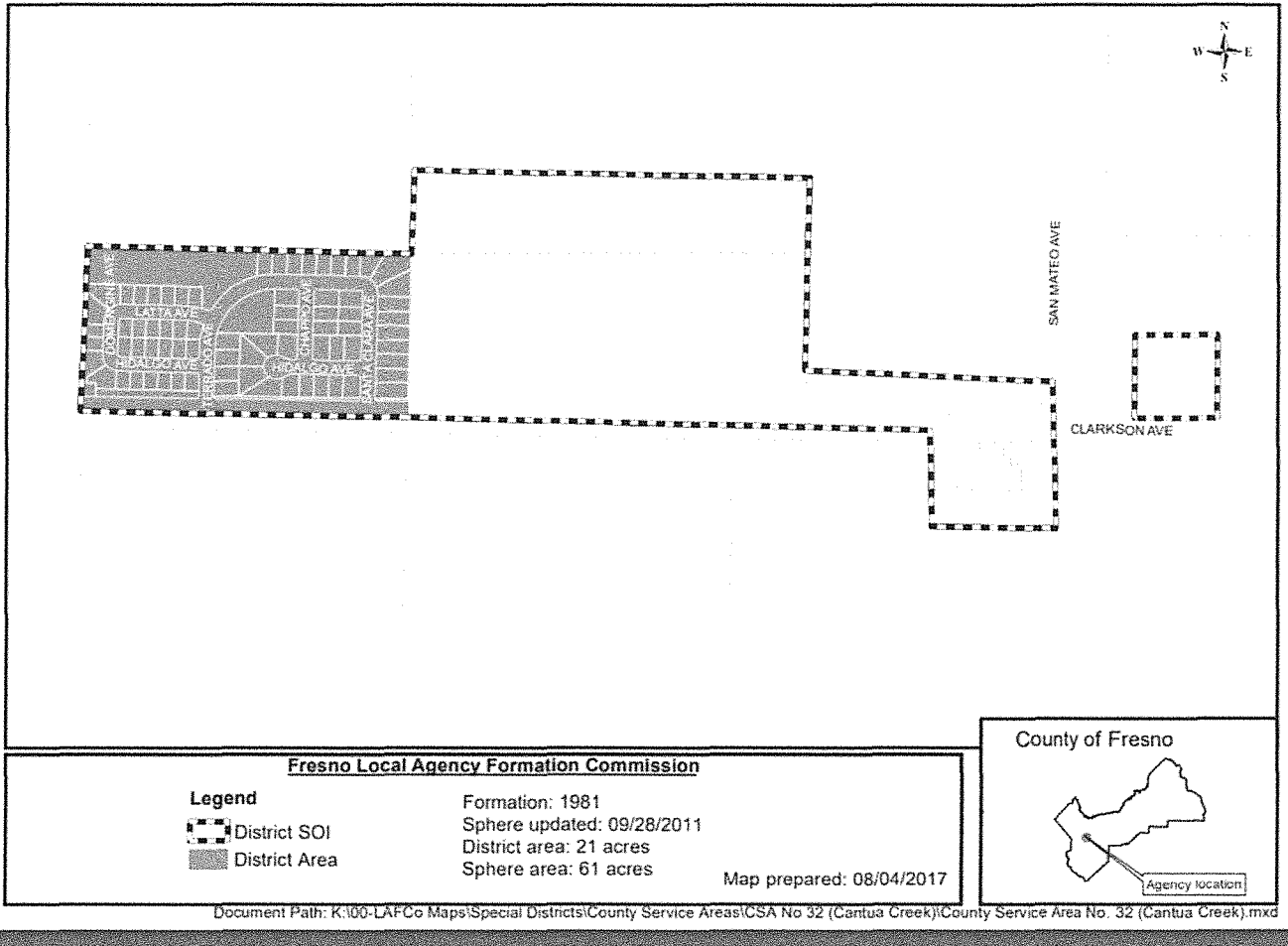
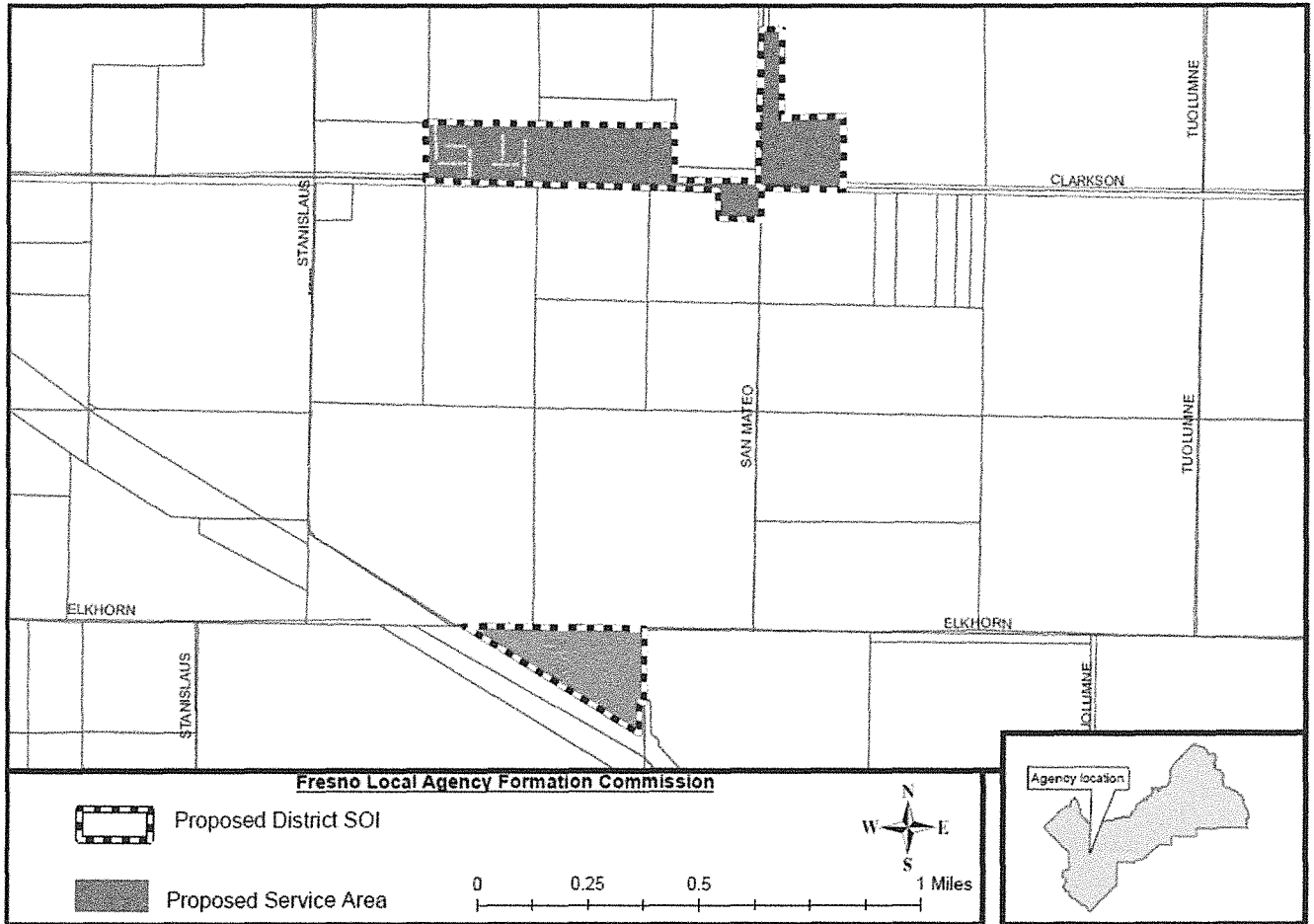


Figure 2 Proposed CSA 32 SOI and Service Area

County Service Area No. 32 (Cantua Creek)

Authorized Services: Street Lights, Water, Sewer, Street Maintenance, Garbage, Park & Recreation



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1. MUNICIPAL SERVICE REVIEW

PRINCIPAL ACT AND DISTRICT OVERVIEW

District Overview: Services provided and Infrastructure

CSA 32 provides water, sewer, garbage collection, street lighting and recreational facilities services for the 73-lot Cantua Creek housing development located along Clarkson Avenue west of San Mateo Avenue. In addition, CSA 32 provides water service to the following uses outside of its service area: the Cantua Creek Elementary School, 13 Cantua Creek school homes, a 16-unit mobile home park, and 18 single family homes.

The District treats and distributes surface water received from Westlands Water District via the State Water Project Canal.

District facilities include a surface water treatment plant, a potable water storage facility, distribution lines, storage facility and backup well and a wastewater collection system, treatment plant and disposal ponds.

CSA 32 has a surface water treatment facility and potable water storage facility located in the service area on West Clarkson Avenue approximately ¼ mile east of South Stanislaus Avenue at APN 038-341-01ST. The County operates and maintains these facilities. The treatment facilities are outdated and are not capable of consistently producing potable water that meets current water standards for Disinfection By-Products (DBPs) and, as such, have been cited for water quality issues. The system has been issued Compliance Orders from the state for exceeding maximum contaminant levels for DBPs.

Developments Regarding District Services

On February 14, 2008, CSA 32 system received Compliance Order 03-12-080-003 due to a Total Trihalomethanes (TTHM) violation.

In April 2010, Fresno County Public Works and Planning (“PW&P”) assumed operational responsibilities for the community water and sewer systems from California Water Services, that had previously been under contract with the County to operate and maintain these services. The District contracts with PG&E to provide street lighting services and with a private hauler to provide garbage removal.

On November 7, 2014, the system was issued Compliance Order 03-23-14R-024 which replaced the previous compliance order. The new compliance order was due to a Total Trihalomethanes TTHM and Haloacetic Acid (HAA5) violation. The surface water treatment plants at CSA 32 and County Service Area 30 (CSA 30) are close in proximity and have similar disinfection byproduct issues. These two systems are old and may not provide optimal total organic carbon (TOC) reduction to help in control of TTHM. Contact time (CT) may not be achieved under all conditions according to the permit issued by State Water Resources Control Board (SWRCB) in January 2009. Additionally, one of the existing filtration plants is an inline filtration plant, which SWRCB has determined is not acceptable for water obtained from the California Aqueduct.

Extensive research conducted during the planning and design phase of the consolidation project for CSAs 30 and 32 determined that constructing a new surface water treatment facility was not feasible due to high costs for operation and maintenance. It was found that transitioning to groundwater is the most viable option. CSA 32 received grant funding for the planning, design, and construction of the groundwater project.²

Cantua Creek Vineyards IV, LLC

Cantua Creek Vineyards IV, LLC, ("CCV") has been operating a public well system to serve residents of the farm labor housing units on its property on the east side of San Mateo Avenue north of Clarkson Avenue. CCV owns 15 units of farm labor housing, a service shop and a leased building containing a United States Postal Service Post Office. CCV provides the facilities on its property with water that it extracts from a well located on its property. The well is a permitted system operating under Domestic Water Supply Permit No. 03-23-13P-003, which was issued by the SWRCB on January 31, 2013.

CCV is unable to provide adequate quantities of safe potable water to its residents, in accordance with State of California Drinking Water Standards, and the SWRCB has issued compliance order No. 03-23-14R-101 to CCV for a violation of the arsenic Maximum Contaminant Level (MCL).

CCV is generally located outside of CSA 32's SOI and service area except for a 4,000 square foot area located in parcel APN 038-231-49S that is designated as a noncontiguous SOI. CCV desires to establish a permanent service connection to draw potable water from the CSA 32 for service to CCV's residents. An interim step was taken by LAFCo to authorize an extension of service from CSA 32 to the CCV property through resolution no. OS-17-02.

The County has obtained a grant from the SWRCB through the Drinking Water State Revolving Fund for the planning and construction of improvements to the CSA 32 potable water system that would complete this connection. The work to be performed consists in general of drilling two potable water wells at CSA 32 and connecting these wells via pipeline to an existing water distribution facility. As part of the project, the existing water distribution facilities will be improved to accommodate the new water source, while the old treatment plant will be removed and disposed.

CURRENT AND PROPOSED DISTRICT SPHERE OF INFLUENCE AND SERVICE AREA

The District service area is approximately 21 acres in size and has not been changed since it was initially formed in 1981 to encompass Cantua Creek Subdivision No. 1, Tract 3456. The larger 64-acre SOI was approved in 1991 and includes the service area, the school and school housing, a mobile home park, and a portion of the CCV property.

PW&P proposes an amendment of the District's SOI to support a concurrent annexation of the territory within it to the District by including nearby parcels, the Cantua Creek Elementary

² Report to the Board of Supervisors, County of Fresno, County Service Area 32 Cantua Creek FY 2021-22, June 2021.

School, the homes located on the school property, residences, and agricultural commercial uses on CCV's property as well as CCV's independently owned and operated water system, various adjacent rights of way, and a parcel adjacent to the State Water Project canal. These activities are necessary to fulfill the request by SWRCB to improve the collective drinking water quality of the area while increasing administrative and operational efficiency.

The proposal will increase the SOI and service area for a total of approximately 110 acres to include.

Acreage	Service Area	Sphere of Influence
Existing	21	64
Proposed*	110	110

*includes full rights of way of adjacent roads

AUTHORIZED DISTRICT SERVICES

Under the District's principal act, a County Service Area could provide up to 26 different types of governmental services within its boundaries.³

When formed in 1981, the District was authorized to provide "water, sewer, lighting, streets, garbage, refuse disposal, recreation, and day-care services."⁴ Administrative activities that the District is authorized by its principal act include levying and collecting tax assessments, performing agreements, entering contracts, and providing governmental services necessary to maintain the District's infrastructure and public facilities.

Pursuant to California Government Code ("GC") section 56425(i), "when adopting, amending, or updating a SOI for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts."

Authorized services provided by CSA 32 are ground and surface water production, treatment, and distribution; wastewater collection, treatment, and disposal; street lighting; and solid waste collection.⁵

All other remaining services or powers enumerated in the District's principal act but not identified in the formation resolution are considered "latent," meaning that though they are permitted by the principal act under which the District is formed but they are not being exercised. Activation of these latent powers and services will require LAFCo authorization as indicated in GC sec. 25213.5.^{6,7}

³ GC sec. 25213-25213.6.

⁴ Fresno LAFCo File No. FD-80-02.

⁵ Report to the Board of Supervisors, County of Fresno, County Service Area 32 Cantua Creek FY 2021-22, June 2021.

⁶GC sec. 56050.5, "Latent service or power."

DISTRICT GROWTH AND POPULATION PROJECTIONS

The District is in western Fresno County at the intersection of Clarkson and San Mateo Avenues, approximately 30 miles southwest of the City of Fresno, 13 miles south of the unincorporated community of Tranquillity and the City of San Joaquin, and four miles east of El Porvenir/Three Rocks.

The County of Fresno is the land use authority for territory in the District's service area. The Fresno County 2000 General Plan Land Use Element designates land around the District for agricultural use.

The General Plan designates the community of Cantua Creek as a Rural Settlement Area. The boundaries of the Cantua Creek Rural Settlement Area are similar but not identical to the proposed CSA 32 SOI, the exception being the proposed service area on the northeast corner of Clarkson and San Mateo Avenues is not in the Cantua Creek Rural Settlement Area.

Land in the proposed District service area can be classified as completely built-out consistent with the General Plan, and land around the District is designated for agricultural use. No significant increase in population is anticipated within the District using the Commission's 20 to 25-year planning horizon for SOIs. District management does not expect any further boundary growth to occur as it relates to including additional territory or population.

The U.S. Census designates a Cantua Creek Census Designated Place of 3.8 square miles with the following characteristics:

- 96 total households
- population of 476
- 126 housing units
- Median housing income of \$46,053⁸

DISADVANTAGED UNINCORPORATED COMMUNITIES

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") requires LAFCo to make determinations regarding "disadvantaged unincorporated communities" ("DUCs") when considering a change of organization, reorganization, SOI expansion, and when conducting municipal service reviews.

For any updates to a SOI of a local agency (city or special district) that provides public facilities or services related to sewer, municipal and industrial water, or structural fire protection, the Commission shall consider and prepare written determinations regarding the present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies for any disadvantaged unincorporated community within or contiguous to the SOI of a city or special district.

⁷GC sec. 25213.5 (a) "Services and Facilities."

⁸ <https://data.census.gov/cedsci/profile?g=1600000US0610816>, 2021.

GC sec. 56033.5 defines a DUC as: i) all or a portion of a “disadvantaged community” as defined by sec. 79505.5 of the Water Code (territory with an annual median household income (MHI) that is less than 80 percent of the statewide annual median household income and as defined in GC sec. 56046 and WC sec. 79505.5); and a status of ii) “inhabited territory” (12 or more registered voters), as defined by GC sec. 56046, or as determined by Commission policy. Fresno LAFCo policy further refines the definition of a DUC as having at least 15 dwelling units at a density not less than one unit per acre.

In 2015, the Fresno Local Agency Formation Commission (“LAFCo”) adopted a Disadvantaged Unincorporated Communities database management and implementation guidelines (“DUC database”) to fulfill its responsibility to periodically identify DUCs pursuant to Senate Bill 244 (Wolk). The DUC database established a system to identify, record, and track DUC locations within Fresno County using Geographic Information Systems (GIS).

Fresno LAFCo updated its DUC database in 2020. The District’s service area meets two key DUC indicators identified by Commission Policy 106: the MHI threshold and at least 15 dwelling units at a density not less than one unit per acre. The updated DUC for Cantua Creek presents the following DUC characteristics:

- Cantua Creek is a CDP located within Census Tract 82.00-Block Group 6. The five-year ACS estimates indicate that Census Tract 82.00-Block Group 6 had an MHI of \$33,813 between years 2012 through 2016. LAFCO estimates that there are 73 parcels within this DUC, and the DUC encompasses approximately 25 acres. The density is approximately two dwelling units per acre within this DUC.
- Register Voters: 67
- Service Providers:
 - County Service Area No. 32 provides water via contract with Westlands Water District, street lighting, solid waste, and wastewater services.
 - Fire protection: Fresno County Fire Protection District
 - Storm drainage via a ponding basin within APN 038-341-21 where street run off is collected.

DISTRICT INFRASTRUCTURE⁹

Water

The District has a surface water treatment facility (SWTF) located on parcel 03834101ST. Treated water is stored in a potable water storage facility located on this same parcel

The District treats and distributes surface water received from Westlands Water District via the State Water Project Canal. The outtake is located on parcel APN 045-061-05ST.

Research conducted during the planning and design phase of the consolidation project for CSAs 30 and 32 determined that constructing a new surface water treatment facility was not feasible due to high costs for operation and maintenance. Transitioning to groundwater is the most viable option. CSA 32 received grant funding for the planning, design, and construction of the

⁹ Sources: Report to the BOS, Resolution of application.

groundwater project.¹⁰

The County constructed two wells on the northwest corner of Tract 3456, within the same site of the ponding basin. Each well has a flow capacity of approximately 400 gpm. Each wellhead is approximately eight feet by eight feet built out of concrete. The wells will be connected to the water storage tank for distribution.

Water rate

	# of Accounts	Rate
Fixed Monthly Charge		
Residential	73	\$ 70.34
Out of District	3	\$ 110.13
School Building	1	\$ 356.00
School Homes	1	\$1,094.21
Mobile Home Park	1	\$1,248.60
Water Usage Charge – Commodity Fee		
Tier 1 Rate per 1000 gallons		\$2.03
Tier 2 Rate per 1000 gallons		\$4.66

Wastewater

The District operates a wastewater treatment facility (WWTF) located approximately 1/8 mile west of the intersection of San Mateo and W Elkhorn Avenue at APN 045-06-05ST.

Final disposal of effluent water is through evaporation and percolation.

Residential customers are charged \$74.34 per month for sewer. The school is charged \$434.06 per month and \$1,004.09 for the school homes.

Solid Waste Collection

Solid waste collection is performed through a contract with Mid Valley Disposal. The District charges each parcel \$26.91 per month for garbage collection. Waste is hauled to the American Avenue Landfill located at 18950 W. American Avenue, Kerman, CA 93630. It is estimated that the landfill will be able to continue operation until 2031.

Street Lighting

Street lighting in the residential area is delivered by 11 street light fixtures.

DISTRICT FINANCES

This section of the MSR includes financial information provided by the Resources Division on behalf of the District. The District provided financial data to determine if the District has

¹⁰ Ibid.

sufficient revenues and financial systems to continue to provide services to its customers. The following information and analysis section is based on annual budgets and supportive documents available through PW&P's Resources Division.

The District's primary source of financing is a monthly rate (a flat rate and a commodity fee for usage of water) charged to 79 metered connections in the District. In addition, the County Resources Division also pursues state and federal grant funds for qualifying District improvement projects.

The County Resources Division staff prepares an annual District budget which projects annual operational and maintenance costs of the District's facilities. The County Board of Supervisors adopts an annual budget for the District which projects operational and maintenance costs on an annual basis for services.

The District's adopted fiscal year 2021-22 budget amounts to \$10,067,541. Expenditures were identified but not limited to the purchase of raw water from Westlands Water District, solid waste collection services, liability, equipment maintenance, memberships, and professional and specialized services. These expenditure items are balanced by the District's anticipated revenues, and funds in its reserves account.

This budget estimated tax revenues

- Other Rental of Buildings & Land \$2,153
- State Revolving Fund Reimbursement \$9,818,829

SERVICE	# of Connections/Parcel	Yearly Charges per Connection/Parcel	Monthly Charges Per Connection/Parcel	Total Revenues Per Year
GARBAGE COLLECT	74	\$322.92	\$26.91	\$23,896.08
HEALTH DEPT SURVEIL FEE	119	\$4.08	\$0.34	\$485.52
MOBILE PARK WATER BASE	1	\$14,983.20	\$1,248.60	\$14,983.20
OUT OF DISTRICT WATER BASE	3	\$1,321.56	\$110.13	\$3,964.68
REG. WATER QUALITY FEE	88	\$73.56	\$6.13	\$6,473.28
RESIDENTIAL SEWER	69	\$818.52	\$68.21	\$56,477.88
RESIDENTIAL WATER BASE	69	\$844.08	\$70.34	\$58,241.52
SCHOOL BUILDING SEWER	1	\$4,779.12	\$398.26	\$4,779.12
SCHOOL BUILDING WATER BASE	1	\$4,272.00	\$356.00	\$4,272.00
SCHOOL HOMES SEWER	1	\$11,055.24	\$921.27	\$11,055.24
SCHOOL HOMES WATER BASE	1	\$13,130.52	\$1,094.21	\$13,130.52
SCHOOL RAW	1	\$10,404.00	\$867.00	\$10,404.00
STREET LIGHTS	74	\$7.44	\$0.62	\$550.56
WATER COMMODITY FEE	75	\$504.60	\$42.05	\$37,845.00
TOTAL REVENUES FROM		OTHER CHARGES FOR CURR SERV		\$246,558.60
				TOTAL: \$246,559

The District has no funds in its reserve account. The District pursues opportunities to secure State Revolving Fund revenue and generates funds from landowners to finance operational costs.

PUBLIC FACILITIES, OPPORTUNITIES FOR SHARED FACILITIES

Opportunities for shared facilities with other local agencies are limited in this area of the County. There are no other similar Districts near CSA No. 32 that could present an opportunity for shared facilities.

The County Resources staff provides district administration support to 22 CSAs in Fresno County. During the preparation of this MSR no obvious opportunities for shared facilities were identified by Fresno LAFCo.

The District overlaps with the following special districts:

- Fresno County Fire Protection District
- Fresno Westside Mosquito Abatement District
- West Fresno County Red Scale Pest Control District
- Westside Resource Conservation District
- Westlands Water District

GOVERNMENT ACCOUNTABILITY

This section of the MSR considers various topics, such as compliance with state disclosure laws, the Brown Act, public participation, i.e. open meetings, accessible staff, election processes, and the agency's governing structure. Additionally, this considers the agency's level of participation with the Commission MSR program.

CSA 32 operates under GC section 25210-25217 which enables the formation of the District to provide water services within its limited boundaries. The California Government Code offers limited district restructuring options for CSAs.

County Resources Division staff administers all functions of CSAs within Fresno County. CSA 32 is a dependent special district, which means that its legislative body consists, in whole or part, of ex officio members who are officers of the County. The Fresno County Board of Supervisors ("BOS" or "Board") sits as the District's governing body.

Under GC section 25212.4, the BOS may appoint one or more advisory committees within the District to provide advice to the Resources Division regarding the District's service provisions. At the time this report was prepared the District did not have a citizens' advisory committee.

The BOS creates policies by adopting resolutions through duly noticed public hearings. The Board of Supervisors meets on every scheduled Tuesday, or dates which have been approved at regular scheduled board meetings except for holidays and or planned recesses. Meetings are held at the Fresno County Hall of Records located at 2281 Tulare Street, Room 301 Fresno, CA 93721. The Board hosts morning sessions beginning at 9:00 a.m. and/or the afternoon sessions at 2:00 p.m. on Tuesdays. The Board meeting agendas are posted on the east entrance doors on the first floor in the Hall of Records building and on the Fresno County website at least 72 hours prior to the Board of Supervisors' meeting.

Board meetings are open to the public and the residents are invited to attend. Opportunity to address the Board on items not on the agenda is provided on each meeting agenda. If a public member desires to present to the Board, the person is encouraged to contact the Clerk to the Board in advance. The California Constitution provides that the constituents of public agencies have the right of access to information concerning those entities' conduct, and therefore the entities' meetings and writings must be open to public scrutiny. To ensure that the BOS meets this goal, the Ralph M. Brown Act ("Brown Act") requires them to hold open and public meetings unless a specific closed-session exception applies. Meetings are noticed consistent with Brown Act requirements, which include postings in public places.

The District's government structure is appropriate to ensure adequate services are provided and managed appropriately. At the time preparing this MSR, the District's government structure appears to be adequately structured, operates, and fulfills its role as a services provider within the Fresno area.

ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY

Sustainable Groundwater Management Act of 2014

The California's Sustainable Groundwater Management Act ("SGMA") was signed into law by Governor Edmund G. Brown Jr. on September 16, 2014. SGMA is comprised of three bills: Assembly Bill 1739 (Dickenson) and Senate Bills 1319 and 1168 (Pavley). This three-part legislation allows local agencies to develop groundwater sustainability plans that are compatible with their regional economic and environmental needs. SGMA creates a framework for sustainable local groundwater management for the first time in California's history.

SGMA requires local agencies to form Groundwater Sustainability Agencies ("GSAs") in local groundwater basins by June 2017; and, also requires the adoption of Groundwater Sustainability Plans ("GSPs") for groundwater basins deemed high priority by year 2020. The District service area resides in the Westside Sub-basin, which has been designated by the California Department of Water Resources ("DWR") as a high-priority sub-basin and subject to a condition of critical overdraft.

The District boundaries overlay the WWD's service area. The District is located within the Westside Sub-basin, which is likely to be represented by the Westside Sub-basin GSA. Local agencies likely to participate in the Westside GSA include: the City of Huron, Westlands Water District, County of Kings, and County of Fresno.

2. MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews and provides analysis in conformance with GC section 56425 and Fresno LAFCo policy. Pursuant to GC section 56430, the Commission has prepared the following written determinations.

1. GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

- The County of Fresno is the land use authority for territory in the District's service area and the Fresno County General Plan designates land within the District as a Rural Settlement.
- The District's service area encompasses 21 acres, and the SOI measures 64 acres. The proposed SOI amendment and annexation would result in a District of 110 acres.
- The District's contains 73 single-family residential units.
- Within the SOI there are four commercial operations, and Cantua Creek Elementary School and school-related dwellings,
- The District serves an estimated population of 476 residents.
- District management does not expect any boundary growth to occur as it relates to including additional territory or population.
- The District is fully built out and does not anticipate any additional growth.

2. THE LOCATION OF AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITY WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE

- The District is located within a US census geographic unit that meets LAFCo's DUC criteria.
- The District lies within Fresno County's census tract 82.00 block group six. The five-year ACS estimates indicate that Census Tract 82.00-Block Group 6 had an MHI of \$33,813 between years 2012 through 2016.
- The District provides water, wastewater, solid waste, and street lighting services to the community of Cantua Creek. Fire suppression, protection, and emergency response are provided by Fresno County Fire Protection District. Law enforcement services are provided by Fresno County Sheriff's Department.
- There are no additional DUCs near the District's proposed boundaries.

3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND INFRASTRUCTURE NEEDS OR DEFICIENCIES

- The District infrastructure consists of a surface water treatment plant, a potable water storage facility, distribution lines, storage facility and backup well and a wastewater collection system, treatment plant and disposal ponds; streetlights and a proposed groundwater production well.
- The District's primary source of water supply is raw surface water delivered through a San Luis Canal turnout managed by Westlands Water District (WDD).
- The District's actual annual water use during the past three years has not exceeded 30 million gallons of water per year.
- The District's water system has 79 total connections.
- The District is not expected to experience additional growth as it relates to expanding service area, or increasing housing density, or additional connections.
- The District's treated surface water regularly exceeds the Maximum Contaminant Levels (MCL) for disinfection by-laws products ("DBP"), a violation of the U.S. Environmental Protection Agency's Stage 1 Disinfectants/Disinfection By-Products Rule and the California Safe Drinking Water Act.
- A planning grant has been sought by the County to address various improvements to the District's surface water treatment facility needed to reduce the presence of DBP.
- Existing infrastructure appear to be sufficient in type and quality to meet the existing and foreseeable demands of District customers.

4. FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

- Most of the District's revenues come from monthly service fees collected from 79 metered connections within the District service area. The District charges customers a monthly flat rate per connection determined by type of land use.
- The County Resources staff administers all County Service Areas including operations, finances, and annual budgets.
- The BOS adopts an annual budget for the District which projects operational and maintenance costs on an annual basis for services. The District's management, subject to County BOS consideration, can use funds in the District's reserve account to cover unexpected District expenditures.
- The District pursues opportunities to secure State Revolving Fund revenues and generates a consistent stream of revenues from landowners to finance operational costs.

- Based on financial information provided to LAFCo, the District’s financial practices appear to be adequate to support the District’s ongoing operations.

5. STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

- The District is in a remote rural location in Fresno County. Opportunities for shared facilities with other local agencies are limited in this area of the County. There are no other similar Districts near CSA No. 32 that could present an opportunity for shared facilities.

6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENT STRUCTURE AND OPERATIONAL EFFICIENCIES

- County Service Area No. 32 Cantua Creek (“CSA 32” or “District”) was formed in 1981 pursuant to County Service Area Law GC section 25210-25217) to provide potable water, wastewater disposal, streets and street lighting, solid waste disposal, and park and recreation services and day care for the farm labor housing project constructed by the County of Fresno in the unincorporated community of Cantua Creek.
- The District no longer provides recreation or day care services.
- The County Resources Division staff administers all functions of CSAs within Fresno County.
- The District is a dependent special district, which means that its legislative body consists, in whole or part, of ex officio members who are officers of the County. The Fresno County BOS sits as the District’s governing body.
- The BOS may appoint one or more advisory committees within the District to provide advice to the Resources Division regarding the District’s service provisions. At the time this report was prepared the District did not have a citizens’ advisory committee.
- The BOS meets on scheduled Tuesdays, or dates which have been approved at regular scheduled board meetings except for holidays and or planned recesses. Board meeting agendas are posted on the east entrance doors on the first floor in the Hall of Records building and on the Fresno County website at least 72 hours prior to the Board of Supervisors meeting.
- Board meetings are noticed consistent with Brown Act requirements, which include postings in public places.
- At the time preparing this MSR, the District’s government structure appears to be adequately structured, operates, and fulfills its role as a services provider within the Fresno area.

7. ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY

- The District service area resides in the Westside Sub-basin, which has been designated by the California Department of Water Resources ("DWR") as a high-priority sub-basin, and subject to a condition of critical overdraft.
- The District boundaries overlay with the Westlands Water District's service area. The District is located within the Westside Sub-basin, which is likely to be represented by the Westside Sub-basin GSA. Local agencies likely to participate in the Westside GSA include: the City of Huron, Westlands Water District, County of Kings, and County of Fresno.

3. SPHERE OF INFLUENCE DETERMINATIONS

To carry out the Commission's purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to its jurisdiction, the Commission shall develop and determine the SOI of each city and each special district within the County and enact policies designed to promote the logical and orderly development of areas within the sphere. A SOI is defined as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission."

In determining a SOI, the Commission may assess the feasibility of governmental reorganization of agencies and recommend reorganization of those agencies when reorganization is found to be feasible and if reorganization will further the goals of orderly development and efficient and affordable service delivery. The Commission shall make all reasonable efforts to ensure wide public dissemination of the recommendations.

When adopting, amending, or updating a SOI for a special district, the Commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts. The Commission may require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.

Chapter one of this MSR provides the foundation for the Commission's SOI determinations. As previously indicated, LAFCo staff observed that the 2011 CSA 32 MSR depicts the District's service area encompassing approximately 81 acres. However, a review of the Commission's District formation record indicates that the District's service area measures 93 acres.¹¹

Land within the District includes various land uses associated with agricultural, commercial, education, and rural-residential uses. The County of Fresno is the land use authority for land located within the District's service area. The District reports its sphere and boundaries are correct at this time and no changes are requested.

In accordance with GC section 56066, Fresno is the principal county and Fresno LAFCO is responsible for preparing the following determinations for the SOI included in this Municipal Service Review.

When Fresno LAFCO updates or revises a SOI it must adopt specific determinations with respect to the following factors:

1. PRESENT AND PLANNED LAND USES, INCLUDING AGRICULTURAL AND OPEN-SPACE LANDS

- The County of Fresno is the land use authority for territory in the District's service area. The Fresno County 2000 General Plan Land Use Element designates land around the District for agricultural use.
- The General Plan community of Cantua Creek is designated as a Rural Settlement Area. The boundaries of the Cantua Creek Rural Settlement Area are similar but not identical

¹¹ Fresno LAFCo Resolution- FD-00-1, Exhibit A - CSA No 32 Legal Description, June 28, 2000.

to the proposed CSA 32 SOI, the exception being the proposed service area on the northeast corner of Clarkson and San Mateo Avenues is not in the Cantua Creek RSA.

- The District service area is approximately 21 acres and the CSA 32 SOI is 64 acres. As recommended, the District's SOI and service area will encompass 110 acres.
- Parcels within the District are considered fully built-out with no anticipated growth to occur.

2. PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA

- The District is not expected to experience additional growth as it relates to expanding service area or increasing housing density.
- The District's primary source of water supply is raw surface water delivered through a San Luis Canal turnout managed by Westlands Water District (WDD).
- The District proposes to use groundwater as a primary source of supply.
- The District can address and adjust its probable service needs for public facilities.

3. PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES THAT THE AGENCY PROVIDES OR IS AUTHORIZED TO PROVIDE

- Present capacity of District facilities and services appear adequate. District provides services consistent with its principal act and as authorized by the Fresno LAFCo. The District's financial practices appear to be adequate to support the District's ongoing operations.

4. 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 relevant to the District's service provisions.

5. THE PRESENT AND PROBABLE NEED FOR THOSE PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE

- The District is located within a US census geographic unit that meets LAFCo's DUC criteria.
- Service analysis performed by PW&P and funded by the SWRCB addresses present and probable needs for the authorized services.

4. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review and Sphere of Influence update, it is recommended the Commission take the following actions:

1. Accept public testimony regarding the proposed Municipal Service Review.
2. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
3. Revise the SOI as proposed.
4. Advise the County of Fresno to amend the Cantua Creek Rural Settlement Area boundaries to coincide with the revised CSA 32 SOI and service area.

5. ACKNOWLEDGEMENTS

This Municipal Service Review update was prepared by Fresno LAFCO. The County of Fresno Public Works and Planning, Resources Division provided substantial information included in this service review. Supporting documentation was made available through the effective partnership between the PW&P Resources Division and Fresno LAFCo. Fresno LAFCo staff extends its appreciation to the Fresno County Resources Division for their assistance in the development of this Municipal Service Review. Responsibility for any errors or omissions rests with those who provided information to support the report.

Available Documentation – documents used for the preparation of this report are available in the LAFCO office. A significant amount of effort has been invested in bringing the District’s Municipal Service Review and Sphere of Influence Update to this point. Documents 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 Draft Municipal Service Review is available on Fresno LAFCo’s website, <http://www.fresnolafco.org/default.asp>.