



Fresno Local Agency Formation Commission

June 3, 2021

Ara Azhderian, General Manager / Secretary
Panoche Resource Conservation District
52027 W. Althea Avenue
Firebaugh, CA 93622

Dear Mr. Azhderian:

Subject: MSR 21-5 / USOI-203 – Recommendations and Follow-up Actions

Fresno LAFCo would like to extend its appreciation to the Panoche Resource Conservation District (“Panoche RCD” or “District”) for its active participation with the Commission’s Municipal Service Review Program.

On May 12, 2021, Fresno LAFCo approved the Panoche RCD Municipal Service Review (“MSR”) and Sphere of Influence (“SOI”) update prepared for the District in compliance with Government Code §56430 and §56425. At this hearing the Commission made various recommendations that require timely action by the District.

Enclosed is a copy of the Commission’s resolution for its adoption of the District’s MSR and SOI update.

The Commission’s recommendations to the District are listed below:

- A. That the District continues to adopt and file its annual budgets for the upcoming fiscal years with the Fresno County Assessor Controller – Treasurer Tax Collector’s Office, Special Accounting Division. (Government Code section 53901)
- B. That the District prepares for its five-year audited financial statements in accordance with generally accepted accounting principles and prepares to file a copy of those statements within 12 months of the closed of fiscal year 2023 with the Fresno County Assessor Controller – Treasurer Tax Collector’s Office, Financial Reporting & Audits Division. (Government Code section 26909)
- C. That the District continues its commitment to reinstate services, build new partnerships, network and retain memberships with organizations that can assist the District track potential grant opportunities for RCDs.

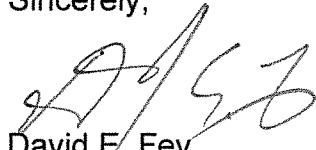
- D. That the District endeavors to investigate whether there is a service need that the District can identify that does not duplicate existing services with either Panoche Water District or Panoche Drainage District, and forward its findings to LAFCo in writing no later than May 12, 2022.

Please be advised that failure to perform these tasks or to provide Fresno LAFCo with a record of their timely completion may result in the Commission's reconsideration of the District's designated SOI.

The complete MSR and SOI Update reports can be viewed on Fresno LAFCo's website at: <http://www.fresnolafco.org/MSR%20Reports.asp>.

If you have any questions, please feel free to contact Senior LAFCo Analyst George W. Uc at (559) 600-0604.

Sincerely,



David E. Fey,
Executive Officer

CC:

John Bennett, President of Panoche RCD

John Paul Otollo, Panoche RCD Administration / District Treasurer

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RESOLUTION NO. MSR 21-5 / USOI-203

A RESOLUTION OF THE FRESNO LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND ADOPTING A MUNICIPAL SERVICE REVIEW; MAKING DETERMINATIONS AND UPDATING THE SPHERE OF INFLUENCE FOR THE PANOCHÉ RESOURCE CONSERVATION DISTRICT

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH"), the Fresno Local Agency Formation Commission is required to review and update, as necessary, spheres of influence ("SOI") of local agencies not less than once every five years; and

WHEREAS, on August 20, 2019, the Tranquillity Resource Conservation District ("District") submitted an application (File No. USOI-194) and supporting materials to this Commission pursuant to Government Code section 56428 requesting LAFCo an expansion of the District SOI that would facilitate the planned, orderly, and efficient growth of the District (Attachment A); and

WHEREAS, the District's SOI update application No. USOI-194 triggered a simultaneous review of LAFCo's 2007 consolidated 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; and

WHEREAS, the objective of the 2007 consolidated SOI for the RCDs was to facilitate the eventual consolidation of Fresno County's westside RCDs; and

WHEREAS, the LAFCo's review of the 2007 consolidated SOI for the RCDs notes that it has not served its original objective as proposed by LAFCo; and

WHEREAS, CKH directs the Commission to conduct a Municipal Service Review ("MSR") no later than the time it considers an action to either determine, amend, or update a SOI for a local agency; and

WHEREAS, the Executive Officer prepared MSRs for Tranquillity RCD, Firebaugh RCD, James RCD, Panoche RCD, and Westside RCD, in response to Tranquillity RCD's request for a SOI update, published the MSRs on the Commission's website, and provided a mailed 21-day public notice to all affected local agencies within the affected territory; and

WHEREAS, notice of the Commission hearing for the District SOI update and update of the 2007 consolidated SOI for the RCDs was duly given in a publication of general circulation as required by CKH, at the time, in the form, and manner provided by law; and

WHEREAS, the Executive Officer reviewed said application and prepared a staff report to the Commission, including a recommendation for approval, said report having been mailed to each affected local agency within the affected territory and interested individuals pursuant to Government Code section 56428(c); and

WHEREAS, at the duly noticed public meeting, held on May 12, 2021, the Commission heard, discussed, and considered all relevant evidence, including but not limited to the MSRs determinations and recommendations, environmental review documents, and all testimony, correspondence, and attachments received during the public hearing process.

NOW, THEREFORE, BE IT RESOLVED that the Fresno Local Agency Formation Commission does hereby **DETERMINE AND ORDER**, as follows:

ACTION 1: MUNICIPAL SERVICE REVIEWS

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (“CEQA”) Guidelines find that the MSRs prepared for: Tranquillity RCD, Firebaugh RCD, James RCD, Panoche RCD, and Westside RCD are Categorical Exempt from the provisions of CEQA under section 15306, “Information Collection.”

ADOPTED THIS 12th DAY OF MAY 2021 BY THE FOLLOWING VOTE:

- AYES: COMMISSIONERS MAGSIG, SANTOYO, PARRA, YEP, BRANDAU**
- NOES: NONE**
- ABSENT: NONE**
- ABSTAIN: NONE**

ACTION 2: PANOCHE RESOURCE CONSERVATION DISTRICT SOI UPDATE

- B. Acting as a Lead Agency, find that it can be seen with certainty that the proposed District SOI update for Panoche RCD does not have the potential to result in significant effect on the environment, and therefore the SOI update is not subject to CEQA pursuant to CEQA Guidelines section 15061 (b)(3).

ADOPTED THIS 12th DAY OF MAY 2021, BY THE FOLLOWING VOTE:

- AYES: COMMISSIONERS PARRA, MAGSIG, SANTOYO, YEP, BRANDAU**
- NOES: NONE**
- ABSENT: NONE**
- ABSTAIN: NONE**

ACTION 3: WRITTEN DETERMINATIONS AND RECCOMENDATIONS

- C. Receive this report and any public testimony regarding the proposed Municipal Service Review and proposed sphere of influence update.

- D. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
- E. Approve the recommended sphere of influence update determinations, together with any changes deemed appropriate.
- F. Remove the Panoche Resource Conservation District from the 2007 consolidated SOI and adopt a SOI for the District that is coterminous with the District's 146,860-acre service area, as depicted in **Attachment A**.

G. Recommendations to the Panoche Resource Conservation District:

- a. That the District continue to adopt and file its annual budgets for the upcoming fiscal years with the Fresno County Assessor Controller – Treasurer Tax Collector's Office, Special Accounting Division. (Government Code section 53901)
- b. That the District prepare for its five-year audited financial statements in accordance with generally accepted accounting principles and prepare to file a copy of those statements within 12 months of the closed of fiscal year 2023 with 24 the Fresno County Assessor Controller – Treasurer Tax Collector's Office, Financial Reporting & Audits Division. (Government Code section 26909)
- c. That the District continue its commitment to reinstate services, build new partnerships, network and retain memberships with organizations that can assist the District track potential grant opportunities for RCDs.
- d. That the District endeavor to investigate whether there is a service need that the District can identify that does not duplicate existing services with either Panoche Water District or Panoche Drainage District, and forward its findings to LAFCo in writing no later than May 12, 2022.

ADOPTED THIS 12th DAY OF MAY 2021 BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS MAGSIG, SANTOYO, PARRA, YEP, BRANDAU

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

STATE OF CALIFORNIA)
COUNTY OF FRESNO)

CERTIFICATION

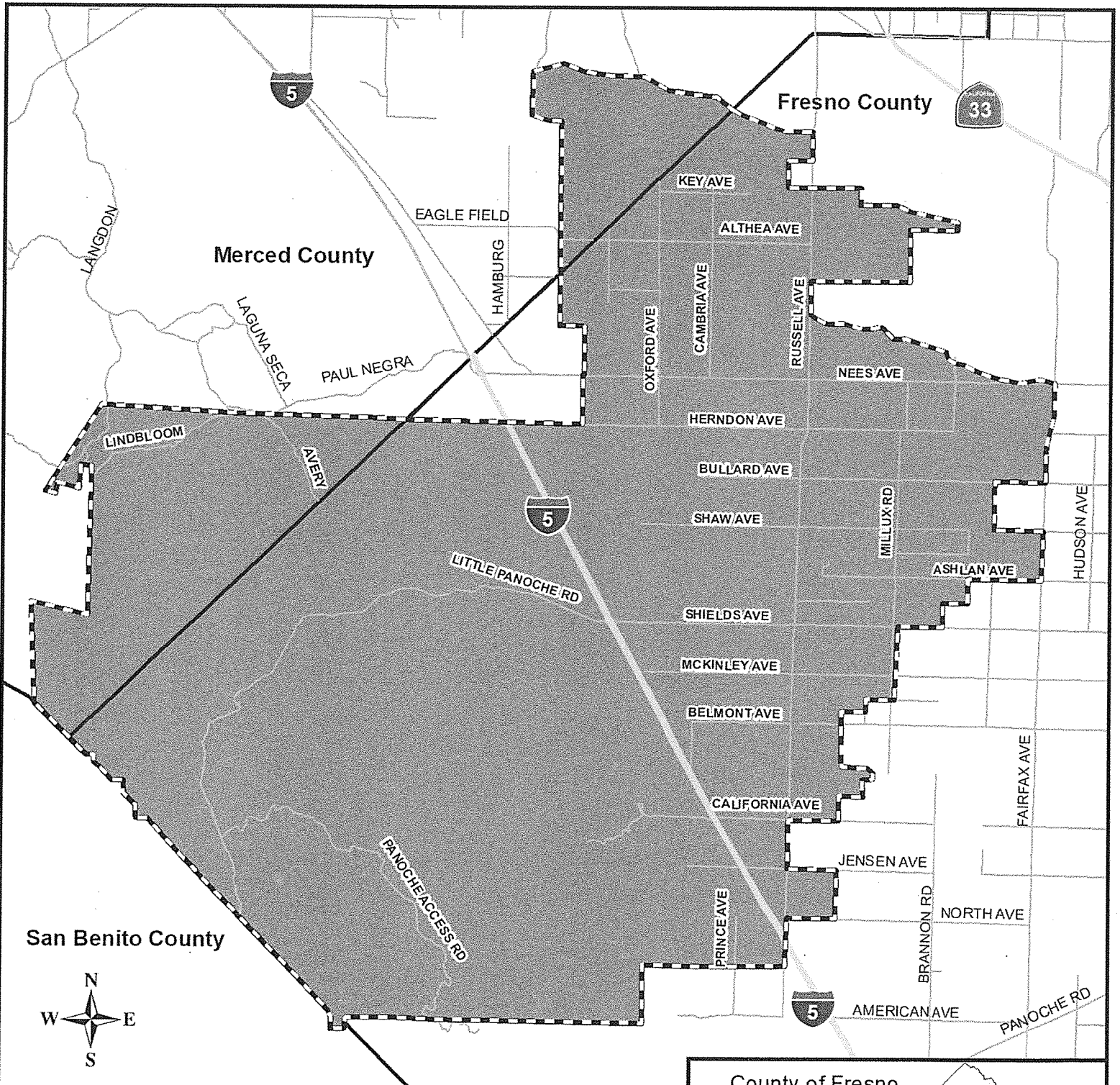
I, David E. Fey, Executive Officer, Fresno Local Agency Formation Commission, hereby certify that the foregoing resolution was adopted by the Commission on the 12th day of May 2021.





David E. Fey, Executive Officer
Fresno Local Agency Formation Commission

Panoche Resource Conservation District

Services: soil conservation



Fresno Local Agency Formation Commission

-  District service area
-  Proposed SOI

Formation: 1957
 District area: 146,860 acres
 Proposed sphere update: 146,860 acres

Map prepared: 02/24/2021

County of Fresno

