

DRAFT
JUNE 8, 2022

CITY OF KERMAN

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
Fresno Local Agency Formation Commission

MSR- 22-01 / USOI-205

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Profile: City of Kerman

Contact Information

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Office hours: 8:00 a.m. to 5:00 p.m. Monday – Friday
Website: <https://cityofkerman.net>

Management Information

Incorporation date: 1946
Enabling act: Government Code Title 4 (Government of Cities)
Organized as: General Law City

Governing body: Five City Council Members elected by district

Elections: Elections Code sec. 10100 *et seq.* (General Provisions)

Council members:	Name	Current terms expire in November of:
	Gary Yep, Mayor	2022
	Ismael Herrera, Mayor Pro Tem	2022
	Kevin Nehring	2022
	Jennifer Coleman	2024
	Bill Nijjer	2024

City Council meetings: The City Council meets on the second and fourth Wednesday of each month at 6:00 p.m. at the Kerman City Hall, 850 S. Madera Ave.

Staffing: 70 full-time employees; 15 part time employees

Service Information

Population: 16,118 (May 2021)
Incorporated limits: 2,147 acres
Sphere of influence: 3,110 acres
Proposal summary: The proposed SOI expansion totals 637.09 acres in two areas (West and East): the west side area is 229.22-acres, and the east side area is 407.87 acres.

Fiscal Information

FY 21-22 Budget: \$42,482,199

Administrative Policies

General Plan: 2040 Kerman General Plan, updated in 2020
Policies/Procedures: Last updated in 2018
Municipal Code: <https://www.codepublishing.com/CA/Kerman/>
Previous SOI update: 2020

1. EXECUTIVE SUMMARY

This Municipal Service Review (MSR) and Sphere of Influence (SOI) study has been prepared by the Fresno Local Agency Formation Commission (LAFCo) at the request of the City of Kerman. An MSR is a required comprehensive study of services provided by and to the city within the geographic area consisting of the City of Kerman and its proposed SOI expansion. The MSR requirement is codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56430 *et seq.*, “CKH”). After MSR determinations are adopted, the Commission will update Kerman’s SOI.

Growth and Growth Strategies

The City of Kerman has experienced steady growth over the past thirty years, and anticipates this will continue through the foreseeable future, though growth rates have declined over those seen during the “housing boom” in the mid 2000’s. Kerman’s population is 16,118 as of May 2021 a 1.2% increase from April 2020.¹

The City updated its General Plan in 2020 with the inclusion of the Eastside Community Park. The focus of the City’s General Plan is to balance growth and investment in existing neighborhoods as well as new growth areas. The General Plan calls for a balance of residential development between low, medium, and higher density projects. The General Plan presents strategies to prevent premature loss of prime agricultural lands that surround Kerman.

Disadvantaged Unincorporated Communities

Government Code §56430 requires LAFCo to identify the location and characteristics of any Disadvantaged Unincorporated Communities (DUC’s) within or contiguous to the SOI. Fresno LAFCo developed a policy to aid in defining how to go about identifying these communities. Fresno LAFCo Policy 106 mandates that LAFCo verify all information and make independent attempts to identify DUCs using a variety of information sources. LAFCo updated its DUC database in 2020; according to LAFCo’s database there are no DUCs within Kerman’s SOI nor within one mile of the adopted SOI boundaries.

Municipal Services

The City provides a variety of municipal services to its constituents. The services reviewed as part of this MSR are:

- City Management and Administration
- Police
- Animal Control
- Parks, Recreation, and Community Services
- Community Development
- Public Works
 - Water Service
 - Wastewater Collection and Treatment Service
 - Storm Drainage
 - Landscaping and Lighting District Maintenance

¹ Kerman 2021-22 Annual Budget.

- Streets Maintenance
- Capital Projects

Fire and emergency medical services are provided by the North Central Fire Protection District.

Present and Planned Capacity Service Adequacy

Based on LAFCo’s independent review of public data provided by the city and other public agencies, it appears that the City’s current and planned capacity to provide municipal service is adequate to serve to the land uses projected by the 2040 Kerman General Plan.

Financing

Based on LAFCo’s independent review of public data provided by the city and other public agencies, it appears that the City’s finances and budgeting is appropriately scaled to the needs and services projected by the 2040 Kerman General Plan.

Kerman Sphere of Influence: Current and Proposed

The City of Kerman’s Sphere of Influence (SOI) was last updated by Fresno LAFCo in 2020 to include the Eastside Community Park at California and Goldenrod Avenues. The current SOI is comprised of land within the City’s boundaries and land beyond the outer city limits. The SOI encompasses 4.83 square miles, of which 1.57 square miles is unincorporated land as presented in Figure 1-1.

The City assessed areas that are significant to the fulfillment of the 2040 Kerman General Plan (Figure 1-2). Based on this assessment, the proposed SOI expansion totals 638 acres in two areas (West and East) as shown in the SOI Expansion Areas map (Figure 1-3). The west side area is approximately 229 acres, and the east side area is approximately 408 acres. Approximately 576 acres of the proposed expansion area have a “Residential” land use designation, with others as seen in the listing below. Note that these are “gross acres” which do not account for public street right-of-way dedications that reduce the actual acreage available for development. Currently, the east and west areas are under predominantly agricultural uses with approximately 22 single-family residential units.

General Plan Land Use Designations for West and East Proposed SOI Expansion Areas

West Side	acres	East Side	acres
General Commercial	8.9	General Commercial	9.7
High Density Residential	4.3	High Density Residential	12.5
Medium Density Res.	215.8	Medium Density Res.	343.7
		Parks	27.4
		Ponding Basin	14.5
Total	229.2		408.9

The proposed SOI expansion includes two areas: approximately 244 acres on the west side of the existing city limits, and 205 acres on the east side, for a total of 449 acres. In both areas, portions of the existing SOI are coterminous with the existing city limit. These expanded SOI areas are designated for urban development in the current General Plan.

Figure 1-1 Kerman City Limits and Current Sphere of Influence

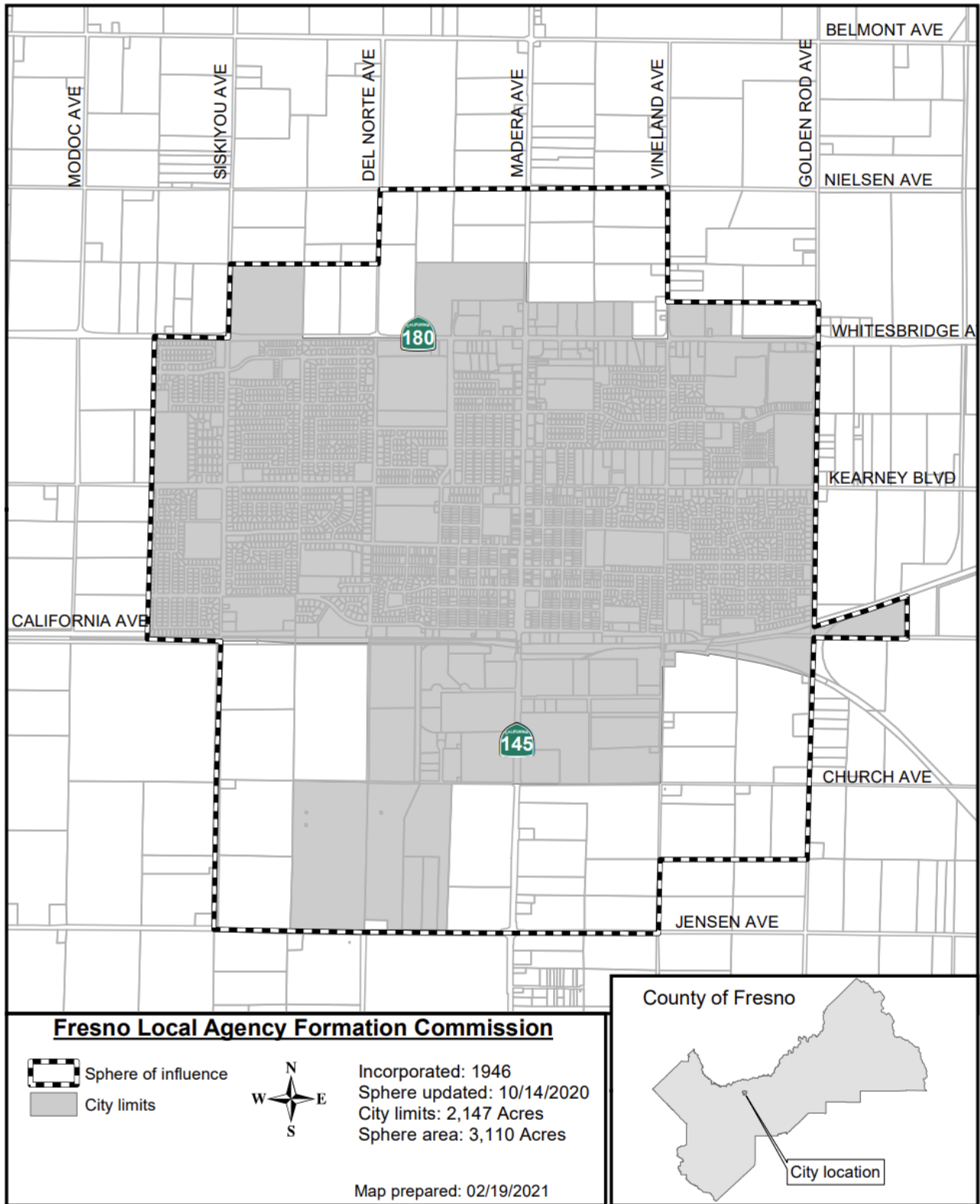


Figure 1-2 Kerman General Plan Figure 3-2 Significant Boundaries

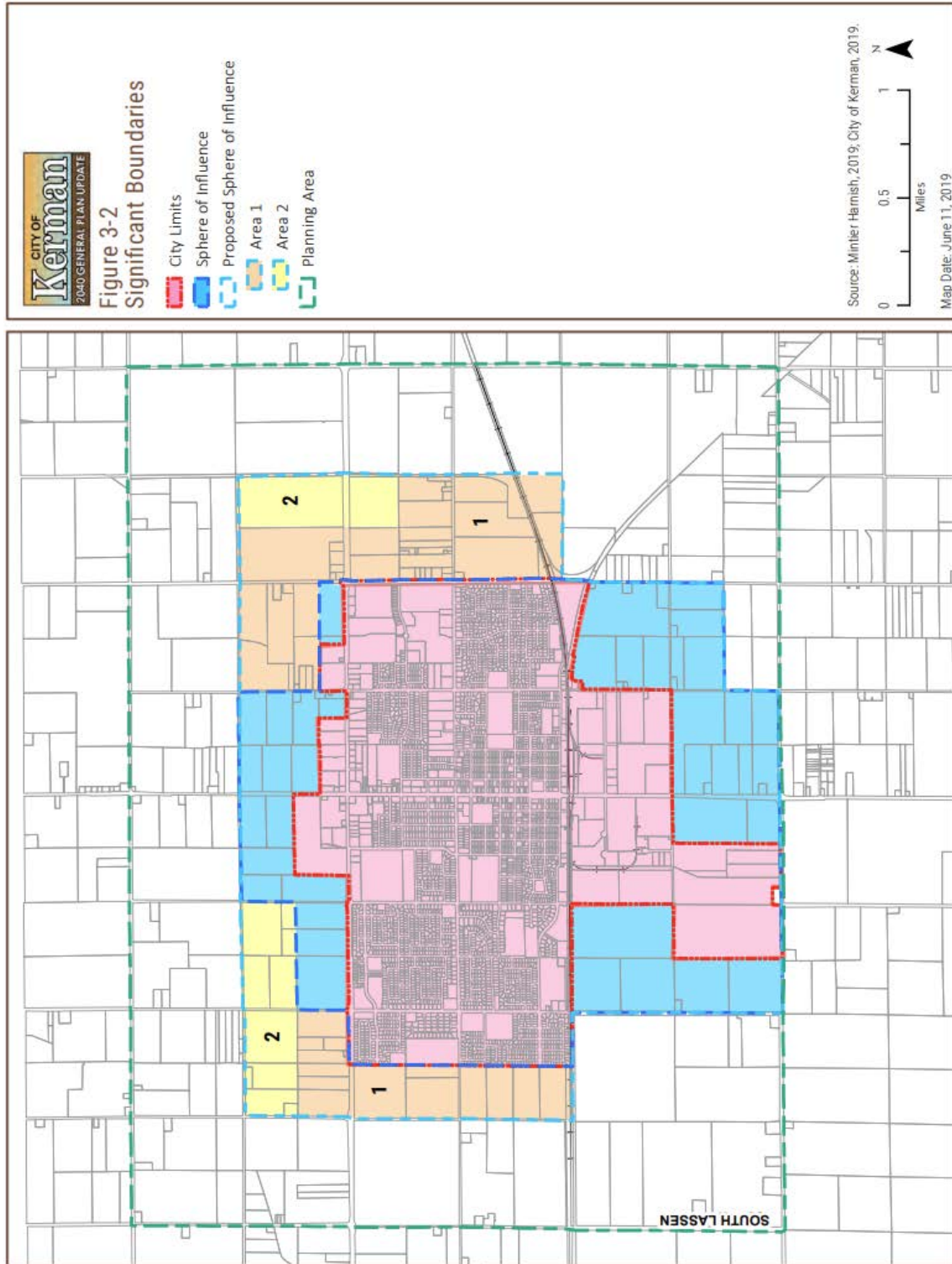
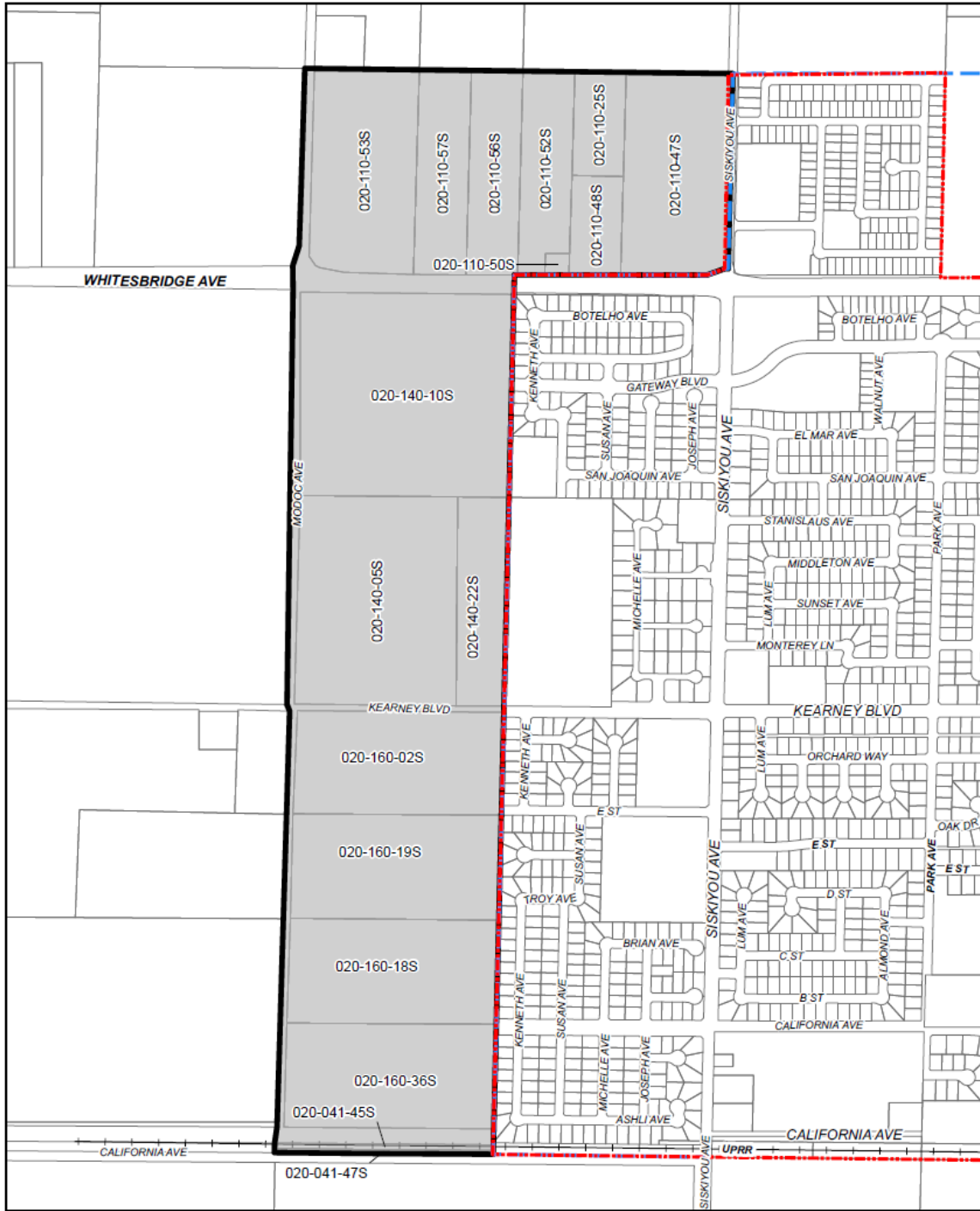
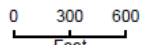


Figure 1-3.1 SOI Amendments



- Railroads
- Existing Sphere of Influence
- City Limits
- Parcels
- Proposed SOI Expansion



SOI Expansion



Figure 1-3.2 SOI Amendments

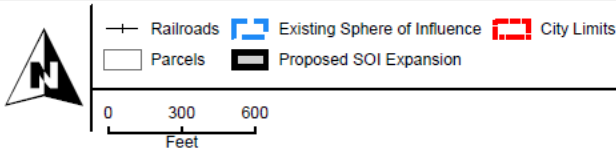
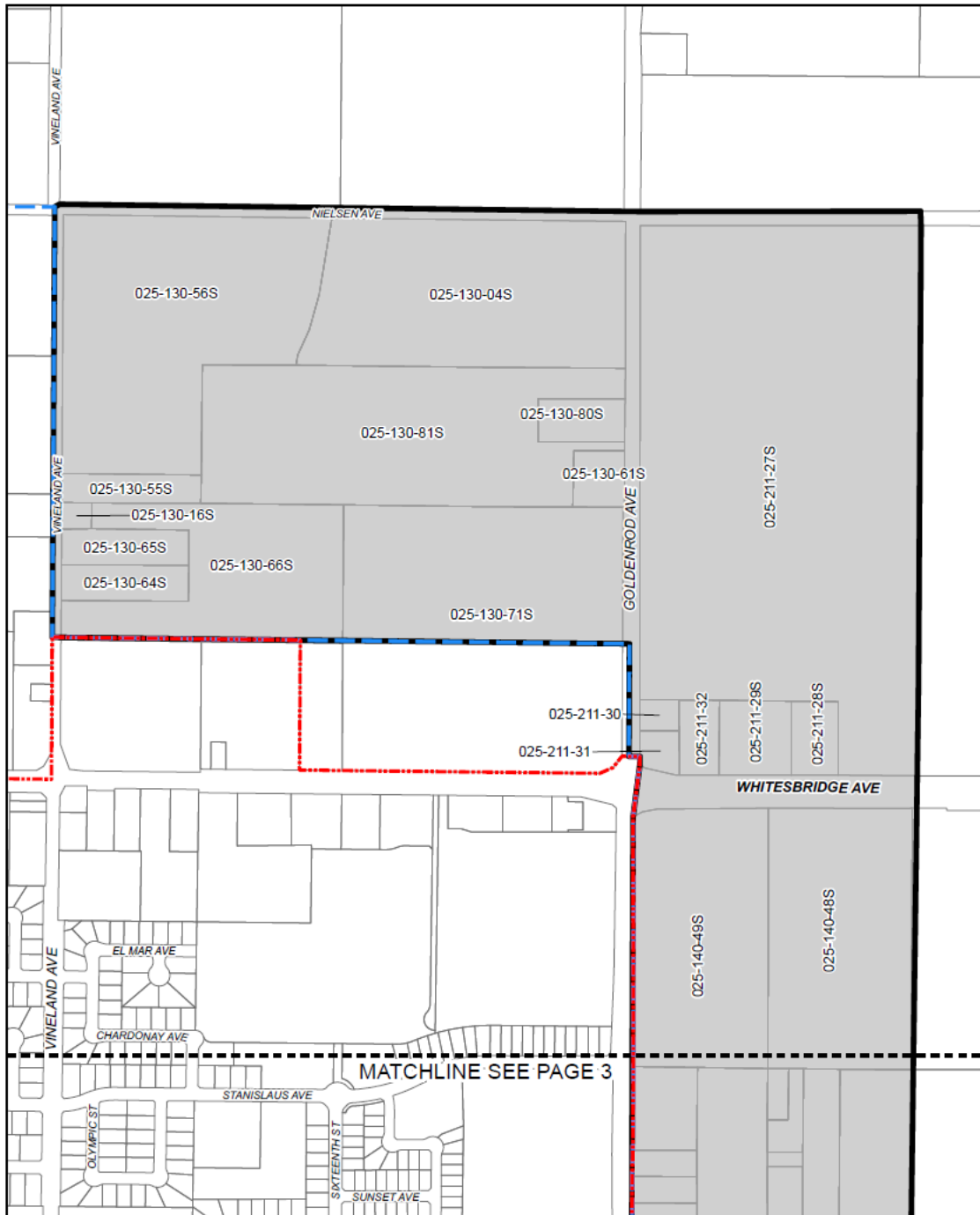
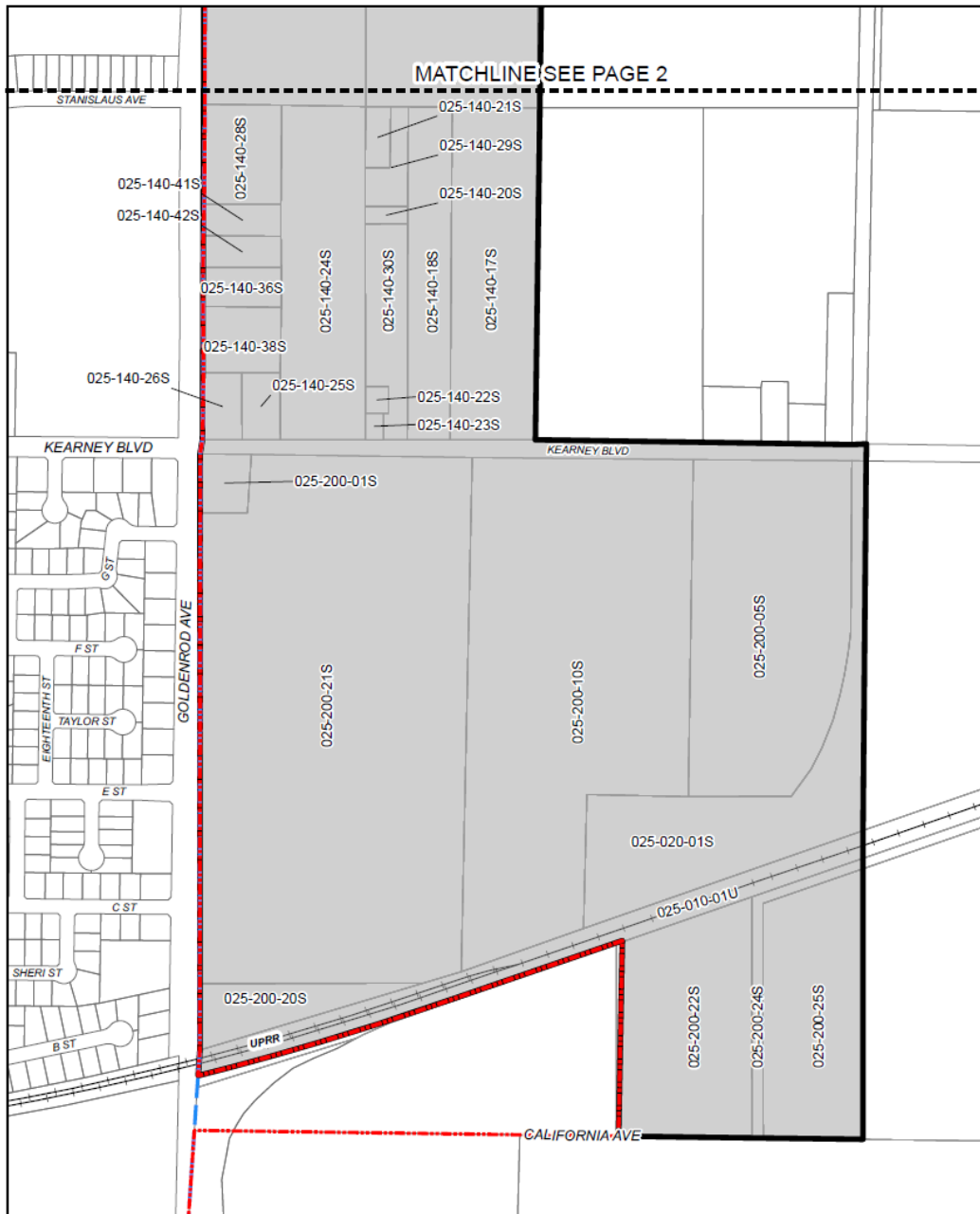
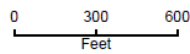


Figure 1-3.3 SOI Amendments



- +— Railroads
- Existing Sphere of Influence
- City Limits
- Parcels
- Proposed SOI Expansion



SOI Expansion



2. LAFCO AND MUNICIPAL SERVICES REVIEWS

This report is prepared pursuant to legislation enacted in 2000 that requires LAFCo to conduct a comprehensive review of municipal service delivery and update the spheres of influence (SOIs) of all agencies under LAFCo's jurisdiction. This chapter provides an overview of LAFCo's history, powers, and responsibilities. It discusses the origins and legal requirements for preparation of the Municipal Services Review (MSR). Finally, the chapter reviews the process for MSR review, MSR approval, and SOI updates.

LAFCo Overview

After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs, and public services. To accommodate this demand, many new local government agencies were formed, often with little forethought as to the ultimate governance structures in each region, and existing agencies often competed for expansion areas. The lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service boundaries, and the premature conversion of California's agricultural and open-space lands.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963, resulting in the creation of a Local Agency Formation Commission, or "LAFCo," operating in every county.

LAFCo was formed by the Legislature as a countywide agency to discourage urban sprawl and encourage the orderly formation and development of local government agencies. LAFCo is responsible for coordinating logical and timely changes in local governmental boundaries, including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers, and dissolutions of districts, as well as reviewing ways to reorganize, simplify, and streamline governmental structure. The Commission's efforts are focused on ensuring that services are provided efficiently and economically while agricultural and open-space lands are protected. To better inform itself and the community as it seeks to exercise its charge, LAFCo conducts service reviews to evaluate the provision of municipal services within the County.

LAFCo regulates, through approval, denial, conditions and modification, boundary changes proposed by public agencies or individuals. It also regulates the extension of public services by cities and special districts outside their jurisdictional boundaries. LAFCo is empowered to initiate updates to the SOIs and proposals involving the dissolution or consolidation of special districts, mergers, establishment of subsidiary districts, and any reorganization including such actions. Otherwise, LAFCo actions must originate as petitions or resolutions from affected voters, landowners, cities, or districts.

Fresno LAFCo consists of five regular members: two members from the Fresno County Board of Supervisors, two city council members, and one public member who is appointed by the other members of the Commission. There is an alternate member in each category. All Commissioners are appointed to four-year terms. Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1.

Current LAFCo commissioners are:

<u>Appointing Agency</u>	<u>Members</u>	<u>Alternate Member</u>
Fresno County Board of Supervisors	Steve Brandau Nathan Magsig	Sal Quintero
Cities in Fresno County	Gary Yep (Kerman) Daniel Parra (Fowler)	Scott Robertson (Selma)
Commission	Mario Santoyo	Michael Lopez

Municipal Services Review Origins

The MSR requirement was enacted by the Legislature months after the release of two studies recommending that LAFCos conduct reviews of local agencies. The “Little Hoover Commission” focused on the need for oversight and consolidation of special districts, whereas the “Commission on Local Governance for the 21st Century” focused on the need for regional planning to ensure adequate and efficient local governmental services as the California population continues to grow.

Little Hoover Commission

In May 2000, the Little Hoover Commission released a report entitled Special Districts: “Relics of the Past or Resources for the Future?”. This report focused on governance and financial challenges among special districts, and the barriers to LAFCo’s pursuit of district consolidation and dissolution. The report raised the concern that “the underlying patchwork of special district governments has become unnecessarily redundant, inefficient and unaccountable.”

In particular, the report raised concern about a lack of visibility and accountability among some independent special districts. The report indicated that many special districts hold excessive reserve funds and some receive questionable property tax revenue. The report expressed concern about the lack of financial oversight of the districts. It asserted that financial reporting by special districts is inadequate, that districts are not required to submit financial information to local elected officials and concluded that district financial information is “largely meaningless as a tool to evaluate the effectiveness and efficiency of services provided by districts, or to make comparisons with neighboring districts or services provided through a city or county.”

The report questioned the accountability and relevance of certain special districts with uncontested elections and without adequate notice of public meetings. In addition to concerns about the accountability and visibility of special districts, the report raised concerns about special districts with outdated boundaries and outdated missions. The report questioned the public benefit provided by healthcare districts that have sold, leased, or closed their hospitals, and asserted that LAFCos consistently fail to examine whether they should be eliminated. The report pointed to service improvements and cost reductions associated with special district consolidations but asserted that LAFCos have generally failed to pursue special district reorganizations.

The report called on the Legislature to increase the oversight of special districts by mandating that LAFCos identify service duplications and study reorganization alternatives when service duplications are

identified, when a district appears insolvent, when district reserves are excessive, when rate inequities surface, when a district's mission changes, when a new city incorporates and when service levels are unsatisfactory. To accomplish this, the report recommended that the State strengthen the independence and funding of LAFCoS, require districts to report to their respective LAFCoS, and require LAFCoS to study service duplications.

Commission on Local Governance for the 21st Century

The Legislature formed the Commission on Local Governance for the 21st Century ("21st Century Commission") in 1997 to review statutes on the policies, criteria, procedures and precedents for city, county, and special district boundary changes. After conducting extensive research and holding 25 days of public hearings throughout the State, at which it heard from over 160 organizations and individuals, the 21st Century Commission released its final report, *Growth Within Bounds: Planning California Governance for the 21st Century*, in January 2000. The report examines the way that government is organized and operates and establishes a vision of how the State will grow by "making better use of the often-invisible LAFCoS in each county."

The report points to the expectation that California's population will double over the first four decades of the 21st Century and raises concern that our government institutions were designed when our population was much smaller, and our society was less complex. The report warns that without a strategy, open spaces will be swallowed up, expensive freeway extensions will be needed, job centers will become farther removed from housing, and this will lead to longer commutes, increased pollution, and more stressful lives. *Growth Within Bounds* acknowledges that local governments face unprecedented challenges in their ability to finance service delivery since voters cut property tax revenues in 1978 and the Legislature shifted property tax revenues from local government to schools in 1993. The report asserts that these financial strains have created governmental entrepreneurship in which agencies compete for sales tax revenue and market share.

The 21st Century Commission recommended that effective, efficient, and easily understandable government be encouraged. In accomplishing this, the 21st Century Commission recommended consolidation of small, inefficient, or overlapping providers, transparency of municipal service delivery to the people, and accountability of municipal service providers. The sheer number of special districts, the report asserts, "has provoked controversy, including several legislative attempts to initiate district consolidations," but cautions LAFCoS that decisions to consolidate districts should focus on the adequacy of services, not on the number of districts.

Growth Within Bounds observed that LAFCoS cannot achieve their fundamental purposes without a comprehensive knowledge of the services available within each county, the current efficiency of providing service within various areas of the county, future needs for each service, and expansion capacity of each service provider. Further, the report asserted that many LAFCoS lack such knowledge and should be required to conduct such a review to ensure that municipal services are logically extended to meet California's future growth and development.

MSRs require LAFCoS to look broadly at all local agencies that provide one or more municipal services and to examine the order, logic, and efficiency of their services. The 21st Century Commission recommended that the review include water, wastewater, and other municipal services that LAFCo judges to be important to future growth. The Commission recommended that the service review be followed by consolidation studies and be performed in conjunction with updates of SOIs. The recommendation was

that service reviews be designed to make several important determinations, each of which was incorporated verbatim in the subsequently adopted legislation. The Legislature since consolidated the determinations into six categories, and most recently added another category totaling seven required findings as of the drafting of this report.

Municipal Services Review Legislation

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo review and update SOIs not less than every five years and to review municipal services before updating SOIs. The requirement for service reviews arises from the identified need for a more coordinated and efficient public service structure to support California’s anticipated growth. The service review provides LAFCo with a tool to study existing and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

Effective January 1, 2008, Government Code §56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region, or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations (in essence, conclusions based on evidence presented in the MSR) with respect to each of the following topics:

- Growth and population projections for the affected area;
- The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI;
- Present and planned capacity of public facilities and adequacy of public services, including 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);
- Financial ability of agencies to provide services;
- Status of, and opportunities for shared facilities;
- Accountability for community service needs, including governmental structure and operational efficiencies; and
- Any other matter related to effective or efficient service delivery, as required by commission policy.

Municipal Services Review Process

For the City of Kerman, the MSR process involved the following steps:

- Outreach: LAFCo outreach and explanation of the project
- Data Discovery: The City provides documents and responded to LAFCo questions
- Public Review Draft MSR: Review and comment on LAFCo draft MSR
- LAFCo Hearing: Attend and provide public comments on MSR

MSRs are exempt from California Environmental Quality Act (CEQA) pursuant to §15262 (feasibility or planning studies) or §15306 (information collection) of the CEQA Guidelines. LAFCo’s actions to adopt MSR determinations are not considered “projects” subject to CEQA.

This MSR will be available for use by LAFCo, the County, the City of Kerman, special districts, and the public to better understand how services are provided by and to the City of Kerman. Additionally, the review will be a resource to inform LAFCo decisions, including:

- updating the Kerman sphere of influence,
- initiating or considering jurisdictional boundary changes,
- considering other types of LAFCo applications, and
- providing a resource for further studies.

LAFCo will use this MSR as a basis to update the sphere of influence of the City of Kerman.

The MSR contains a discussion of alternative government structures for efficient service provision. LAFCo is not required to initiate any boundary changes based on service reviews. However, LAFCo, other local agencies (including cities, special districts, or the County) or the public may subsequently use this report together with additional research and analysis, where necessary, to pursue changes in jurisdictional boundaries. Government Code §56375(a) gives LAFCo the power to initiate certain types of boundary changes consistent with a service review and sphere of influence study. These boundary changes include:

- consolidation of districts (joining two or more districts into a single new successor district);
- dissolution (termination of the existence of a district and its corporate powers);
- merger (termination of the existence of a district by the merger of that district with a city);
- establishment of a subsidiary district (where the city council is designated as the board of directors of the district); or
- a reorganization that includes any of the above.

LAFCo may also use the information presented in the service reviews in reviewing future proposals for annexations or extensions of services beyond an agency's jurisdictional boundaries or for proposals seeking amendment of sphere of influence boundaries.

Other entities and the public may use this report as a foundation for further studies and analysis of issues relating to the services offered by the City of Kerman.

Sphere of Influence Updates

The Commission is charged with developing and updating the Sphere of Influence (SOI) for each city and special district within the county.

An SOI is defined in Government Code §56076 as “a plan for the probable physical boundaries and service area of a local agency, as determined by the commission.” In practice, SOI are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

Every determination made by a commission must be consistent with the SOIs of local agencies affected by that determination. For example, territory may not be annexed to a city or district unless it is within that agency's sphere. The SOI serves to define where and what changes of organization (e.g., annexation, detachment, dissolution, and consolidation) may be initiated. If a change of organization is initiated, there are several procedural steps that must be conducted for a reorganization to be approved. Such steps include more in-depth analysis, LAFCo consideration at a noticed public hearing, and processes by which affected agencies and/or residents may voice their approval or disapproval.

SOIs should discourage duplication of services by local governmental agencies, guide the Commission's consideration of individual proposals for changes of organization, and identify the need for specific

reorganization studies, and provide the basis for recommendations to agencies for changes of organization.

CKH requires LAFCo to develop and determine the SOI of each local governmental agency within the county and to review and update the SOI every five years, as necessary. LAFCOs are empowered to adopt, update, and amend the SOI. They may do so with or without an application and any interested person may apply proposing a SOI amendment.

LAFCo may recommend government reorganizations to agencies in the County, using the SOI as the basis for those recommendations. In determining the SOI, LAFCo is required to complete a service review and adopt the seven determinations previously discussed. In addition, in adopting or amending an SOI, LAFCo must make the following determinations:

- Present and planned land uses in the area, including agricultural and open space lands;
- Present and probable need for public facilities and services in the area;
- Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide;
- Existence of any social or economic communities of interest in the area if the Commission determines these are relevant to the agency;
- Present and probable need for water, wastewater, and structural fire protection facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence; and
- In the case of special districts, the nature, location, and extent of any functions or classes of services provided by existing districts.

3. CITY OF KERMAN OVERVIEW

Background

The community that would become the City of Kerman was established in 1891 by the Southern Pacific Railroad Company as a way station with a pump and watering tank. The site was originally named Collis in honor of the president of the railroad Collis P. Huntington. It was at this site in 1892 that the famous Sontag and Evans gang held up the San Francisco-Los Angeles passenger train, one of the last train robberies in the country and perhaps the most historical event to occur in Kerman.²

Settlement and cultivation of the Kerman area began and continued through the turn of the century as irrigation projects brought water to the area, primarily from the Kings River to the south. In 1900, William G. Kerckhoff and Jacob Mansar purchased some 3,027 acres of land from the Bank of California. These men formed the Fresno Irrigated Farms Company. In 1906, Collis was renamed Kerman from the men's names Kerckhoff and Mansar. At this time, the Company began promoting land sales near Kerman across the country. The Company also filed the original townsite subdivision map with Fresno County, establishing the street grid encompassed by California Avenue, "G" Street, First Street and Ninth Street.

By 1914 Kerman had an estimated population of 400 persons surrounded by 29,000 acres of producing crop land. The Kerman Creamery was producing about 1,600 pounds of butter daily. In 1921, Madera Avenue was paved from the Southern Pacific railroad tracks north to the San Joaquin River and streetlights were installed from the tracks to Whitesbridge Road. By 1936 development of Kerckhoff Park had begun.

Oil and gas exploration was being conducted several miles south of town and in 1941 culminated with (at the time) the development of the largest gas well in the state. In 1946, the residents of Kerman voted to incorporate, and the City of Kerman was established with a population of 1,050 residents.³ In the 1950's new subdivisions began to develop, expanding the urban area outward from the original townsite. New development and subdivision activity has continued to the present time.

Located in west-central Fresno County, Kerman does not border any nearby cities – it is surrounded entirely by unincorporated territory. The nearest cities are Fresno – about 10 miles to the east, Mendota, 16 miles to the west, and San Joaquin is about 10 miles to the southwest.

Two state highway intersect in the north central part of the City. State Highway 180 runs east/west across Fresno County, connecting Kerman to Fresno and the Sierra Nevada mountains to the east. To the west, Highway 180 runs to Mendota, where it intersects State Highway 33. State Highway 145 runs north and south through central Fresno County. This highway forms Madera Avenue, the major north/south street through Kerman. Highway 145 runs north to connect Kerman to Madera, north of the San Joaquin River. To the south Highway 145 veers southwest, providing connection (via other highways) to Interstate 5 and the City of Coalinga.

Kerman's city limits and SOI reflect the City Council's long-standing planning policy to grow uniformly in all directions, keeping the downtown centered within the urban growth pattern.

² Sources: city of Kerman website, 2021; www.eshomvalley.com/sontag_evans.html, 2021.

³ Effective July 1, 1946. Fresno LAFCo record dated January 1990.

There are no natural boundaries that constrain growth. On the other hand, two man-made transportation facilities have influenced the city's physical growth. The first is the Union Pacific Railroad. This has come to present a logical dividing line between industrial development to the south and residential and commercial development to the north. Highway 180 is the other facility that has, until recently, functioned to limit development on the city's north. This has occurred for several reasons, including the significant costs of extending infrastructure across the highway, and a desire to prevent children from having to cross the highway to attend schools.

Sphere Of Influence

The City of Kerman's Sphere of Influence (SOI) was established by Fresno LAFCo October 24, 1974.⁴ The most updated by Fresno LAFCo was on October 14, 2020, to add the Eastside Community Park.

The current SOI is comprised of land within and beyond the city limits and encompasses 3,110 acres, or 4.86 square miles. There are no unincorporated islands within the city limits. Approximately 1.51 square miles in the SOI are unincorporated. The City's corporate limits within the SOI 2,147 acres, or 3.36 square miles. In many areas the SOI and city limit lines are contiguous.

As permitted by California Planning and Zoning Law, the Kerman General Plan designates future growth areas beyond the existing city limit. These areas are primarily designated for residential development and encompass approximately 934 acres. In addition, the General Plan designated an additional 912 acres beyond that as "Urban Reserve" – primarily for future residential development.

Kerman has virtually exhausted the supply of residentially zoned land within the existing SOI and has made application to LAFCo to add additional territory to the east and west (Map 2). Currently the City desires to expand the SOI by about 638 acres on both the west and east sides of the City – areas contiguous to the city limit.

West, south of Highway 180: approximately 320 acres, primarily medium density residential with limited acreage for general commercial (5 acres) and high density residential (2.5 acres).

East south of Highway 180: approximately 220 acres primarily medium density residential with limited high density residential. This area includes a private cemetery operated as Golden Sunset Memorial Park.

North of Highway 180: 880 acres, primarily medium density residential, approximately 55 acres commercial, 25 acres school/institutional, 20 acres service commercial, 20 acres bonding basin and limited high density residential.

Services

The City of Kerman provides a variety of municipal services. Reviewed in this study are services provided by the City directly to its residents, as shown in Figure 3-1.

⁴ Fresno LAFCo record dated January 1990.

Figure 3-1: Municipal Service Providers

Municipal Service	Within City Limits	Sphere of Influence (unincorporated areas)
Utilities		
Water Retailer – Domestic	City of Kerman	Private on-site and irrigation districts
Water Retailer – Irrigation	Fresno Irrigation District	Fresno Irrigation District
Wastewater Collection and Disposal	City of Kerman	Private on-site septic systems
Storm Drain	City of Kerman	Private on systems
Solid Waste Collection Disposal	City of Kerman franchise with Mid Valley Waste	
Electricity	PG&E	PG&E
Natural Gas	PG&E	PG&E
Public Works		
Street Maintenance	City of Kerman	Fresno County Public Works, Caltrans
Street Lighting	City of Kerman	Fresno County, Caltrans
Transportation	Kerman Transit/Fresno County Rural Transit Agency	Fresno County Rural Transit Agency
Community Services		
Fire and EMS	North Central Fire Protection District	North Central Fire Protection District
Parks	City of Kerman	Fresno County
Recreation	City of Kerman	Fresno County
Library	Fresno County	Fresno County
Mosquito Abatement and Vector Control	Fresno Mosquito and Vector Control District	No Fresno Mosquito and Vector Control District
Vector Control	Fresno Mosquito and Vector Control District	Fresno Mosquito and Vector Control District
Cemetery	Private companies and religious organizations	Private companies and religious organizations
Economic Development	City of Kerman	County of Fresno though the Economic Development Corporation

4. GOVERNANCE AND ACCOUNTABILITY

Governance and Governmental Structure

The City of Kerman is a general law city and operates under the Council-Manager form of government. A five-member City Council governs and consists of a Mayor and four Councilmembers. The Mayor is elected at-large for a two-year term with a two-term limit. The Mayor serves as the presiding officer of the Council, chairs its meeting, and participates in its deliberations. Councilmembers are elected by districts to serve four-year terms with a two-term limit. The City Council sets policy and adopts the annual budget. The Council is also responsible for the appointments of the City Manager, City Attorney, Finance Director and City Clerk.⁵

The City Council meets on the second and fourth Wednesday of the month at 6:00 pm. Meetings are conducted at the Council Chambers, located in City Hall, 850 S. Madera Avenue, Kerman. Council members receive compensation of \$125.00 per meeting, with a maximum of \$300.00 per month.

The City Council meeting agendas and related staff reports are posted on the city website, as well as at the office of the City Clerk. City Council meeting agendas, minutes, and supplemental information are posted on the website, typically one week following the council meeting.

Service requests and complaints by residents and other interested individuals may be submitted online, through phone calls, email, letters, and in-person to the City Council, department heads or the City Manager. City departments' contact information is available on the city's website. In addition, the website contains email, complaint, and reporting forms.

The City Council may create a board, a commission, or a committee of the Council, or other body of the City by ordinance, resolution, or other formal action of the Council. There are currently two commissions created by the Council—Planning Commission and Recreation Commission—that make decisions and advise Council on issues related to city planning and development and parks and recreation programs. They provide a platform for public involvement in the governmental process. Legislative bodies created by the City Council report to the City Council and are subject to the Brown Act.

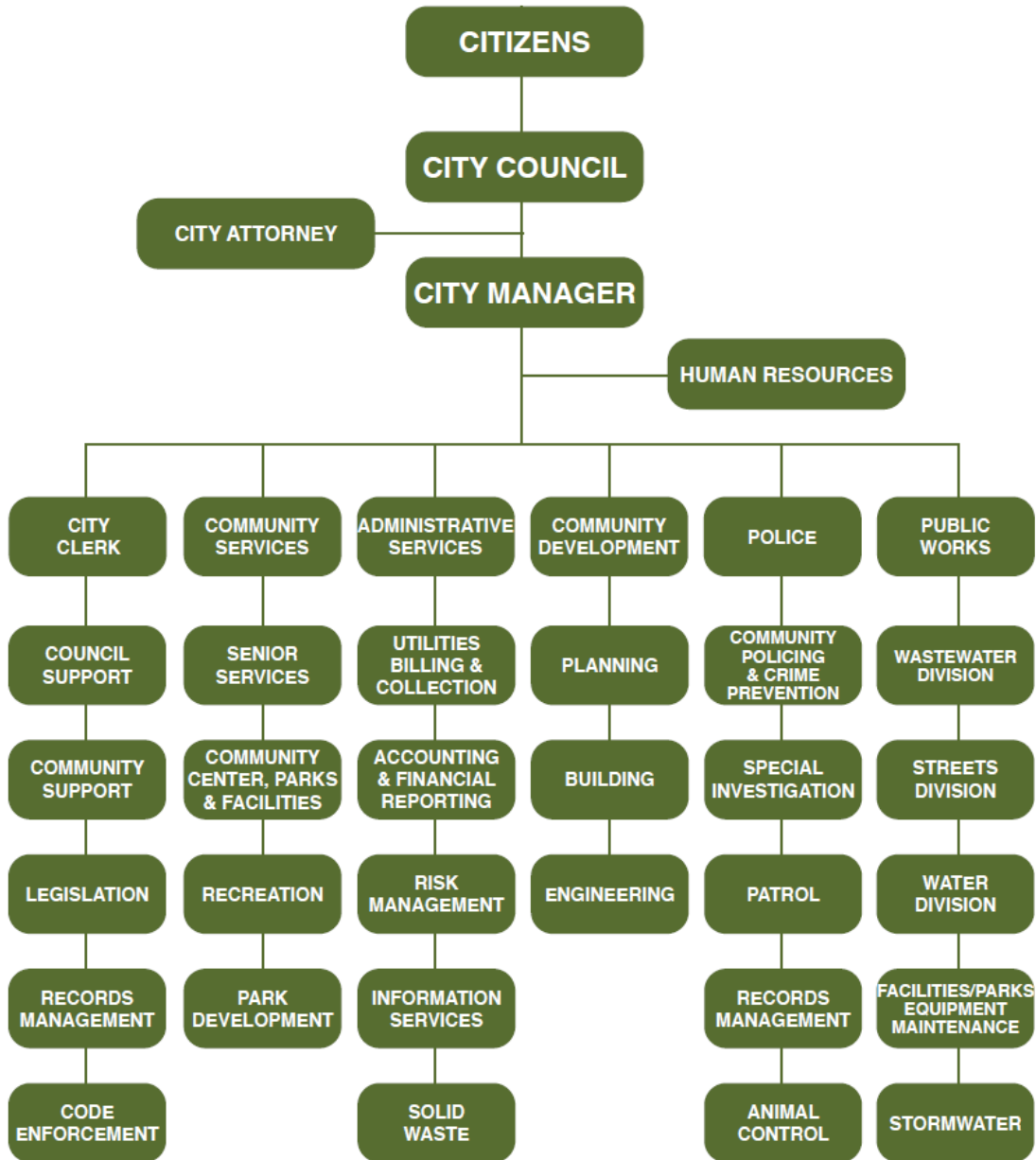
The Kerman Youth Commission is an Advisory Council for the City of Kerman Parks, Recreation & Community Services Department. All general information, financial records, and correspondence are located in the Recreation office at the Community/Teen Center (CTC) unless otherwise designated. The Kerman Youth Commission is budgeted for in the Youth and Teen Services division of the Parks, Recreation and Community Services Department budget.

An organizational chart of the city is shown in Figure 4-1.

⁵ City of Kerman Fiscal Year 2021/2022 adopted budget, 2021.

Figure 4-1 City of Kerman Organizational Chart (source: 2021-22 annual budget, 2021)

ORGANIZATIONAL CHART



Accountability

For this MSR, accountability means the degree that the city, through its elected leadership and senior management, explain and give an account of the business of the city, the status of its finances, and the capacity of the city to deliver municipal services and internal administrative expenses and controls. The

city's accountability for the service needs of the community is also considered. Accountability is also demonstrated by these parties' actions regarding operation service efficiencies.

The City of Kerman's FY 2021/2022 adopted operating and capital budgets (hereafter "budget") was consulted to assess accountability as defined.

The budget document is organized in a manner that facilitates review by an average citizen who may not otherwise be familiar with city finances. It contains a "Citizen's Guide" to assist citizens in reviewing and understanding this document. The budget contains a glossary and acronyms and abbreviations used in the document.

Information that sets forth the city's vision and mission is presented in the budget such as the city's motto ("A place where community comes first") as well as distinct mission statements for service, safety, and livability. The city's organizational vision statement ("Facilitating progress while preserving the community's character") is presented along with organizational core values for five elements: people, excellence, team, leadership, and innovation. The budget presents seven strategic goals, each with three to four objectives and two to four performance outcomes.

Revenue and expenditures are summarized, and a five-year financial forecast is presented. Each department summarizes its organization and responsibilities and is compared with performance indicators in the form of achievements from the last FY and goals, objectives, their status, and measures for the coming FY.

Operational efficiencies are discussed in the Capital Projects section of the budget. This section presents how various municipal services and facilities are funded as well as what projects are anticipated.

The budget presents supplemental information consisting of an explanation of the city's:

- financial plan purpose and organization;
- financial objectives, including, among other things, standards that support the city's balanced budget policy, reporting requirements;
- financial reporting and budget administration information;
- general revenue management information;
- enterprise fund fees and rates;
- appropriations limitation;
- fund balance and reserve information;
- capital improvement management;
- capital financing and debt management;
- debt management; and
- debt capacity statements.

5. PLANNING AND MANAGEMENT PRACTICES

Though public sector management standards vary depending on the size, scope, and type of the organization, the landowners and residents of a local agency desire at the least that minimum standards be followed. There are, in addition, state and federal reporting standards that must be met, though these standards may not meet local expectations for management and controls.

Well-managed organizations evaluate employees annually, track employee and agency productivity, periodically review agency performance, prepare a budget before the beginning of the fiscal year, conduct periodic financial audits to safeguard the public trust, maintain current financial records, conduct advanced planning for future service needs, and plan and budget for capital needs.

Staffing And Organizational Structure

City operations are organized as presented in the City of Kerman organizational chart presented in figure 4-1.

The City of Kerman relies on paid professional staff to conduct the daily business and operations of the City. The City currently employs 70 full time and 15 part time employees.⁶ In addition, the City relies on volunteers for a variety of activities. The City consults with various local professional firms for assistance with legal, engineering, planning, building and code enforcement services.”

The City Council appoints the City Manager who oversees each of the city departments. The City Manager is responsible for recommending legislation and presenting the annual budget to the City Council. The City Manager reports to the City Council serves at the will of the City Council. The City Manager is the head of the administrative branch of the city government and is responsible for appointing all other city department heads. This department currently has two employees

The City Attorney is a consultant who represents and advises the Mayor, City Council, certain city boards and commissions, and city officials and departments in legal matters pertaining to their office and city operations. The City Attorney reports to the City Council and serves at the will of the City Council

The City Clerk’s Office connects the public with city government by posting agendas, providing support during City Council meetings, and maintains records of City Council meetings. The City Clerk’s Office confirms ordinances and resolutions, posts them on the web and safeguards the original documents. It maintains and updates the City’s Municipal Code. The City Clerk’s Office is also responsible for the administration and fulfillment of legal requirements in compliance with state law and the Kerman City Charter. The office currently has one full time employee.

Management Practices

Employees in most of the classified full-time positions in the City are evaluated on an annual basis after the satisfactory completion of the probationary period. New classified employees are evaluated during the probationary period which is typically six months in length. The length of the probationary period may vary dependent upon the classification.

⁶ Kerman FY 2021/2022 budget.

Planning Practices

The City's central land use planning policy is its General Plan. It contains economic development, land use, circulation, housing, conservation and open space, public health, and safety (includes noise and air quality policies), public facilities and services elements, and an optional economic development element. The General Plan was updated in 2020 with a planning horizon of 2040.

The City is currently updating its utilities infrastructure master plans to ensure the City's new growth areas are adequately served and the infrastructure required to serve these areas is economically manageable to encourage new development. The City last updated its infrastructure Master Plan in 2007.

Strategic Planning

The city has established strategic planning process that guide the annual budget development as described in the FY 2021/2022 budget:

- January of each year with a mid-year analysis of the budget and planning process.
- February: budget guidelines and instructions are finalized and distributed to each Department Head for input.
- March: Departments submit their budget requests to the Finance Director for review and analysis. An analysis of Enterprise Funds expenditures and revenue projection is performed. Recommendations on utility rate increases, if necessary, are determined by the Finance and Public Works Directors. Proposed rates and preliminary enterprise budgets are presented to the City Manager.
- April: City departments meet with the City Manager and Finance Director to review the requests. Budget proposals are prioritized, refined, compiled and integrated into the recommended preliminary budget to be presented to the City Council. Proposed utility rate changes are presented to Council at the first meeting in April for review and direction, and a public hearing date, if needed, is set in June by the City Council.
- May: The preliminary budget is presented to the City Council and any recommended changes are incorporated into the final budget.
- June: A public hearing for utility rate changes, if any, is held at the first meeting in June and if adopted rates become effective July 1. The proposed final budget document is compiled and edited and then formally presented to the City Council. Final adoption typically occurs at the second City Council meeting in June. Any changes made are incorporated into the adopted budget document.

Performance Expectations And Measurement

The budget presents "key performance – Achievements goals, and measures" for the City manager, City clerk, administrative services, police, parks, recreation and community services, community development and public works departments. Key achievements are projects completed during the last budget year and may include tasks to be addressed in the coming fiscal year; goals for the next FY are presented along with objectives and the status of goals.

6. FINANCIAL ABILITY TO PROVIDE SERVICES

The purpose of this section is to evaluate the city's capability to finance needed improvements and services.

Annual Budget

The Kerman Finance Department prepares a comprehensive annual budget that sets forth the financial priorities of the City for the upcoming fiscal year within available funding constraints. The budget includes established assessment districts for the public maintenance and operation of various public facilities, for example, landscaping and lighting.

The City's budget provides a fund balance analysis which illustrates how each fund is performing, where additional revenue is needed, and funds that have excess revenues. The City's budget also provides a summary and a detailed description of the revenues and expenditures for each City fund. A summary of the budgeted revenues and expenditures for Fiscal Year 2021/2022 for each City fund is provided in Figures 6-1 and 6-2.

Key findings in the budget include:

- In Fiscal Year 2021/2022, total General Fund expenditures are projected to exceed revenues by \$2,853,622 of which \$4,423,679 are appropriated for Measure M Capital Projects and Operations and Maintenance; with \$8,823,383 in projected revenues and \$11,677,004 of projected expenditures. Total
- Total revenue represents an increase of \$1,638,198 or 22.80 percent from the Fiscal Year 2020/2021 adopted budget.
- General Fund expenditures for Fiscal Year 2021/2022 increased from \$10,800,428 in Fiscal Year 2020/2021 adopted budget to \$11,677,004 an increase of \$876,576 or 8.12 percent.

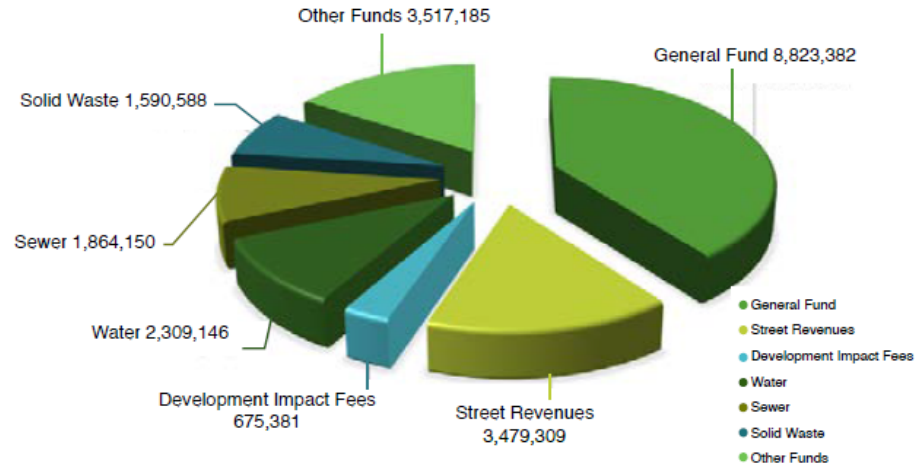
The General Fund's top two tax revenue sources (sales tax and property tax) account for \$7,111,665 or 80.60 percent of total projected revenue sources of funds in the Fiscal Year 2021/2022 adopted budget. A summary of General Fund revenues is:

- Sales Tax: \$4,807,499
- Building Permits: \$339,340
- Property Tax: \$2,304,166
- Franchise Taxes: \$192,840
- Admin & O/H Fees: \$310,771
- Rents: \$132,137
- All Other: \$736,630

Figure 6-1 Citywide Overview - Revenue

CITYWIDE OVERVIEW - REVENUE

CITY WIDE REVENUES



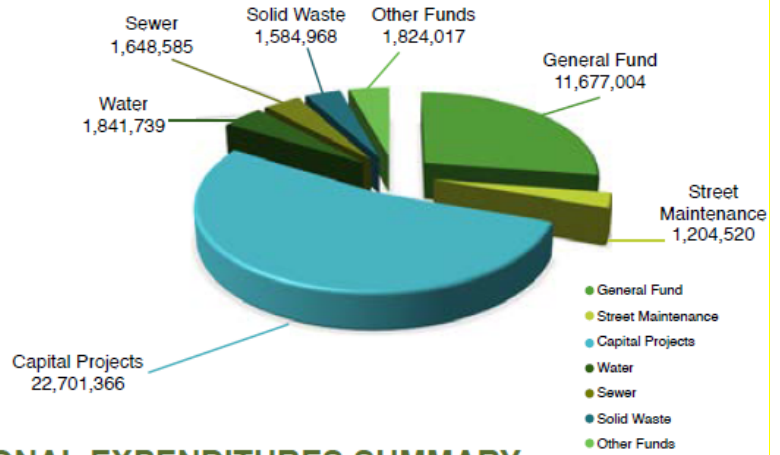
CITY WIDE REVENUES SUMMARY

Fund	Description	Audited 2018-2019	Audited 2019-2020	Adopted 2020-2021	Estimated Year- End	Budget 2021-2022
General Fund						
100	General Fund Revenues	\$6,493,207	\$8,429,543	\$7,185,184	\$9,155,488	\$8,823,382
	Sub-Total General Fund	6,493,207	8,429,543	7,185,184	9,155,488	8,823,382
Special Revenue Funds						
100	SLESF Grant/DOJ Bullet Proof Vest Grant	151,446	155,948	103,000	159,727	275,489
120	CDBG	46,578	49,952	650,000	864,610	61,000
730	Senior Nutrition Site Management	17,037	17,600	12,000	12,335	0
740	National Rec. & Park Assoc.(NRPA)	25,000	5,070	0	19,285	60,121
780	Grants - Double L Water proj./WWTP Planning Grant	1,200,622	481,404	1,804,078	266,950	1,893,963
780	Grants- National Rec. & Park/CA Natural Resources Agency	0	0	0	0	4,503,695
750	Lighting & Landscaping District 1	234,560	240,000	241,954	241,954	246,659
800-850, 870	Street Revenues	3,906,785	2,006,867	2,802,332	2,113,407	3,479,309
Various	Development Impact Fees	837,191	809,767	703,008	415,577	675,381
	Sub-Total Special Revenue Funds	6,419,220	3,786,627	6,316,372	4,093,846	11,195,616
Internal Service Funds						
500	Vehicle/Equipment Charges to Dept's	646,622	719,032	733,792	734,530	794,433
510	Technology Charges to Dept's	67,615	74,056	94,627	94,689	103,464
	Sub-Total Internal Service Funds	714,237	793,087	828,419	829,219	897,897
Enterprise Funds						
410	Water	1,745,691	2,073,265	2,134,126	2,235,064	2,309,146
420	Sewer	1,724,163	1,777,662	1,774,325	1,818,252	1,864,150
430	Solid Waste (Refuse)	1,401,978	1,525,902	1,558,209	1,546,496	1,590,588
470	Storm Drain Maintenance & Operations	80,543	81,693	80,021	82,279	82,056
	Sub-Total Enterprise Funds	4,952,375	5,458,541	5,546,681	5,662,091	5,845,941
	Grand Total All Funds	\$18,579,038	\$18,447,799	\$19,876,655	\$19,760,644	\$26,807,142

Figure 6-2 Citywide Overview - Expenditures Summary

CITYWIDE OVERVIEW - EXPENDITURES SUMMARY

CITY WIDE EXPENDITURES



CITY WIDE OPERATIONAL EXPENDITURES SUMMARY

Fund	Description	Audited 2018-2019	Audited 2019-2020	Adopted 2020-2021	Estimated Year-End	Budget 2021-2022
General Fund						
100	General Fund Expenditures	5,827,532	6,017,174	10,800,428	8,746,711	11,677,004
	Sub-Total General Fund	5,827,532	6,017,174	10,800,428	8,746,711	11,677,004
Special Revenue Funds						
100	SLESF Grant	84,069	139,891	100,000	156,727	100,000
100	Safety Grants, Contracts and Projects	43,982	16,078	5,000	5,000	175,489
110	CIP Administration	0	0	15,000	0	15,000
170	General Plan Updates	217,828	100,048	174,905	6,036	0
730	Senior Nutrition Site Management	24,151	17,600	17,386	0	0
740	National Rec & Park Assoc.(NRPA)	2,060	28,096	0	19,285	60,121
750	Lighting & Landscaping District 1	179,348	218,603	253,338	253,338	298,025
800-850, 870	Street Expenditures	598,948	577,233	729,566	868,288	1,204,520
	Sub-Total Special Revenue Funds	1,150,186	1,097,549	1,295,195	1,308,674	1,853,155
Internal Service Funds						
500	Vehicle/Equipment Expenditures	641,070	781,336	714,414	726,357	940,138
510	Technology Expenditures	68,546	91,453	106,236	106,236	99,988
	Sub-Total Internal Service Funds	709,616	872,790	820,650	832,593	1,040,126
Enterprise Funds						
410	Water	1,678,845	1,785,477	1,818,199	1,834,246	1,841,739
420	Sewer	1,399,376	1,509,470	1,606,365	1,520,222	1,648,585
430	Solid Waste (Refuse)	1,360,379	1,508,011	1,101,816	1,539,281	1,584,968
470	Storm Drain Maintenance & Operations	70,643	87,634	98,067	98,487	135,257
	Sub-Total Enterprise Funds	4,509,242	4,890,592	4,624,467	4,992,236	5,210,549
Capital Project Funds						
100	8000 Parks, Facilities & Equipment	226,501	113,136	207,300	204,925	260,700
120	8000 CDBG Construction	46,578	49,952	650,000	864,610	61,000
140	8000 Facilities Construction	89,498	158,051	10,307,893	165,569	10,310,764
410,520-540,780	8000 Water Construction	1,327,562	1,300,619	1,628,078	182,887	2,171,541
420,550-570,780	8000 Sewer Facilities Construction	233,539	465,048	610,450	640,120	1,234,022
480,490	8000 Storm Drain	6,892	0	6,000	0	228,000
580,590	8000 Parks Construction	88,068	164,473	5,368,078	1,028,105	141,687
780	8000 Parks Construction	0	0	0	0	4,503,695
800,830,880-920,950,960	8000 Street Construction	1,435,354	743,875	3,933,116	1,251,402	3,789,956
	Sub-Total Capital Project Funds	3,453,991	2,995,354	22,710,915	4,357,618	22,701,366
	Grand Total All Funds	\$15,450,567	\$15,873,459	\$40,251,654	\$20,237,833	\$42,482,199

The General Fund expenditure categories are personnel costs (44%), Capital (32%), and Operations and Maintenance (23%). General Fund operating expenditures

General Fund Operating Expenditures

	Expenditure Amount	Percentage
Legislative and General Government	\$ 5,417,944	46%
Community Development	674,833	5.8%
Recreation/Community Services	1,157,726	10%
Police Operations	4,254,927	36.4%
Public works	171,574	1.5%
Total	\$ 11,677,004	100%

General Fund Operating Expenditures by Department

For other cities, fire protection is another major expenditure. In Kerman, fire protection services are provided and funded through the North Central Fire Protection District.

Gas tax, Transportation Development Act (TDA) and Measure C revenues are used to fund transportation and transit projects.

Kerman has a community-wide landscape and lighting district this is applied to new subdivisions and generates funds to maintain landscaping and lighting within the district. As annexations and new subdivisions occur, they are normally added to the District.

Refuse funds are generated from solid waste collection fees which are used to reimburse the City’s contracted refuse provider (Mid Valley Disposal). The Sewer Fund is used to repay debt for the upgrading of the City’s wastewater treatment facility (WWTF) and for maintenance and operation of the sewer system. The Water Fund is used for the operation, maintenance, and upgrades of the domestic water system. The Capital Facilities Fund is derived from development impact fees charged for the improvement of storm drainage, parks and recreation, sewer collection and treatment and water facilities.

Comprehensive Annual Financial Report (CAFR)

At the end of each fiscal year, the City undergoes an independent audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The standards require that the audit be performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. The CAFR contains five major sections, including Basic Financial Statements, Required Supplementary Information, Other Supplementary Information, Other Independent Auditors’ Reports, and Findings and Questioned Costs.

Under the City’s cash management program, cash more than operating requirements from all funds is pooled with the purpose of maximizing interest through investment activities and is deposited in savings accounts or invested in bank certificates of deposit, bank money market accounts and the State of California Local Agency Investment Fund (LAIF).

All cash and investments of the proprietary fund types are pooled with the City's pooled cash and investments. The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA).

The investment policy of the City is consistent with guidelines set forth under State of California Government Code Section 53601 and serves to maximize investment income, consistent with safe and prudent investment practices. All surplus funds are managed by the City Administrator in compliance with the Statement of Investment Policy adopted by the City Council which delegates to the City Administrator the authority to invest City funds and to deposit securities. Under provision of the City's investment policy, and in accordance with Section 53601 of the California Government Code, the City may invest in the following types of investments:

- Securities of the U.S. Government, or its agencies
- Certificates of deposit (or time deposits) placed with commercial banks and/or savings and loan companies
- Negotiable certificates of deposit
- Bankers' acceptances
- Commercial paper
- Local agency investment fund deposits (state pool)
- Passbook savings account demand deposits
- Small business administration loans
- Repurchase agreements
- Reverse repurchase agreements

The City's investment activities are within state statutes and the City's investment policy. The fair market value as of the date of this report was approximately \$5.7 million.

Long Term Obligations

The City of Kerman FY 2020/2021 budget presents the following information:

Computation of Legal Debt Margin as of 6/30/2021

The City has a legal debt limitation not to exceed 3.75 percent of the total assessed valuation of taxable property within the City boundaries. By California Government Code Section 43605, only the City's general obligation bonds are subject to the legal debt limit. With no outstanding debt subject to the legal debt limit and a legal debt limit of \$31,283,381 the City is not at risk of exceeding its legal debt limit.

Assessed Value - \$834,223,500

Debt Limit is 3.75% of Assessed Value - \$31,283,381

Less Outstanding Bonded Debt - N/A

Legal Debt Margin - \$31,283,381

SOURCE: Fresno County Assessor's Office

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt. Following are the City's debt service funds.

The City's long-term obligations are presented in Figure 6-3.

Figure 6-3 Long-Term Obligations

Loan	Purpose	Start	End	Amount	FY 20/21 Payment	Outstanding Balance
Kerman Public Financing Authority Bonds	Acquire, construct, or improve and equip capital improvements	2007	2037	\$3,930,000	\$242,628	\$4,841,450
Sewer Revenue bond	Sewer facilities	1981	2021	\$1,200,000	\$60,000 (2019)	\$0
California Dept. of Water Resources	Water facilities	2003	2023	\$3,299,999	\$82,500	\$1,319,999
California Dept. of Water Resources Wastewater Upgrade Loan	Sewer system upgrades	2009	2031	\$4,995,720	\$276,743	\$3,114,757
California Energy Commission Note Payable	Street light retrofits	2012	2022	\$86,321	\$5,032	\$19,397

The California State Controller’s (SCO) office conducted an audit of the City’s Special Gas Tax Street Improvement Fund for the period July 1, 2015, through June 30, 2016. The SCO audit, published May 2017, found that the City accounted for and expended its Special Gas Tax Street Improvement Fund in compliance with requirements, and that no adjustment to the fund was required.

Government Finance Officers Association Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Kerman, California for its annual budget for the fiscal year beginning July 1, 2020.

To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

7. GROWTH AND POPULATION PROJECTIONS

This section evaluates growth and population projections of the City of Kerman's boundaries and Sphere of Influence (SOI), to anticipate the future service needs of the City. It considers demographic information prepared by California Department of Finance, U.S. Census, and land use policy documents adopted by City of Kerman to identify growth estimates within the City's incorporated limits and the sphere of influence. Additionally, the anticipated growth patterns of the City are evaluated to determine the impact and compatibility of such growth on land use plans and local government structure.

The sphere of influence ("SOI") is a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission. The Commission's determination of the SOI is based on its analysis of growth and population projections of the City of Kerman and corresponding municipal service needs.

Fresno Council of Government's 2016 Fresno Multi-Jurisdictional Housing Element

The Fresno Council of Government's 2016 Fresno Multi-Jurisdictional Housing Element ("MJHE") estimated the City's 2000 population as 8,548, growing by 2014 to 14,399 presenting an average annual growth rate of 3.8%, the highest growth rate of all cities in the County and higher than the County's average annual growth rate of 1.3%.

The California Department of Finance estimates Kerman's population on 1/1/2021 to be 16,118, up from 13,544 on 4/1/10.⁷

As noted in Appendix 2F of the MJHE,

The City of Kerman will provide for a variety of housing types and ensure that adequate sites are available to meet its total (2013-2023) Regional Housing Needs Allocation (RHNA) of 1,332 units. ...However, the City has a remaining need of 305 moderate-income units.

The City will pursue annexation and rezoning of land early in the planning period to facilitate development and accommodate its remaining need of 305 moderate-income units. (The MJHE depicted) sites that are outside the city limits but within the Sphere of Influence and designated for Medium Density Residential, which allows up to 12 units per acre. The Medium Density Residential designation typically includes a mix of single family, duplex, tri-plex, four-plex, and multifamily uses that are affordable for moderate-income households. These areas total 751 acres and have capacity for over 7,000 units. The City anticipates that as the City grows over the eight-year planning period of the Housing Element, enough of these sites will be annexed to cover the 305-unit deficit in the moderate-income category. The City will annually monitor capacity to meet its moderate-income housing needs.

Land Use

Kerman's 2040 General Plan outlines the permitted land use in coordination with the city zoning. The largest land use within city limits is "Single Family Residential" at 34.5 percent, as shown in Figure 7-1. The

⁷ State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2021, with 2010 Census Benchmark. Sacramento, California, May 2021.

City has established standards for Other significant land uses within the City are “Industrial” at 19.6 percent and “Public/Quasi-Public/Utility” at 16.1 percent. The General Plan establishes standards for residential and non-residential uses based off floor-area ratios (FARs). Within the current SOI (outside of the City limits), 75.7 percent of land use is agricultural, and 22.1 percent is industrial.

Figure 7-1 Existing Land Uses, November 2019⁸

Land Use	City Limits		SOI		Planning Area	
	Acres	% of Total	Acres	% of Total	Acres	% of Total
Rural Estate	43.9	2.6%	18.6	1.9%	369.8	5.2%
Single Family	585.7	34.5%	0.0	0.0%	585.7	8.3%
Multifamily	65.2	3.8%	0.0	0.0%	65.2	0.9%
General Commercial	115.0	6.8%	0.0	0.0%	115.0	1.6%
Office	5.1	0.3%	0.0	0.0%	5.1	0.1%
Mixed Use	9.4	0.6%	0.0	0.0%	9.4	0.1%
Industrial	331.7	19.6%	214.0	22.1%	593.8	8.4%
Public/Quasi-Public/Utility	272.9	16.1%	0.0	0.0%	272.9	3.9%
Parks and Open Space	47.0	2.8%	0.0	0.0%	49.7	0.7%
Vacant	155.1	9.1%	2.7	0.3%	160.4	2.3%
Agriculture	65.4	3.9%	734.7	75.7%	4,856.5	68.6%
Total	1,696.4	100.0%	969.9	100.0%	7,083.4	100.0%

Housing Element

According to the Regional Housing Needs Allocation for the Kerman 2015-2023 Housing Element, the City has been assigned 450.⁹dwelling units during the Housing Element’s time frame (2015-2023). An expansion of the SOI will be required to accommodate continuing growth. Kerman expands infrastructure and resources with each approved development and upon annexation. As part of this regional effort, the City of Kerman will provide for a variety of housing types and ensure that adequate sites are available to meet its total RHNA of 1,332 units. In the 2040 General Plan, the city establishes six criteria for housing to include affordable housing, neighborhoods conservation, special needs housing, fair & equal housing, energy conservative & sustainable housing, and implementation programs.

Key achievements noted in the FY 2021-2022 budget were,

- Adoption of Ordinances as required by Housing Element Program permitting second units in all residential zone districts by right; and
- Award of a SB2 Grant to expedite residential development in the City of Kerman, such as amending the Zoning Ordinance to facilitate tiny homes in single family residential districts.

⁸ City of Kerman 2040 General Plan update Draft Environmental Impact Report, November 2019.

⁹ Letter to Kerman City Manager John Kunkel from Housing and Community Development Department Assistant Deputy Director Glen Campora, July 25, 2016.

Agricultural Lands

In 2018, about three-quarters of the land in Kerman’s General Plan planning area was used for agricultural purposes.¹⁰ Much of that is located north of Highway 180. As mentioned elsewhere in this document, the highway forms a barrier to future residential development, particularly due to the expense of extending additional utilities across the highway to serve development.

Most of the land along the urban edge is actively cultivated agricultural land, although portions may have been purchased in anticipation of future urban expansion. In some instances, agricultural land uses were discontinued along the fringes of the City in anticipation of urban use. While the City of Kerman has adopted policies to discourage the premature conversion of agricultural land to urban uses, there is nothing to deter premature disinvestment in agricultural land (Figure 7-2).

Vacant Land Inventory

As of 2021, there were 195 acres of vacant land within the City’s SOI (comprising both land within city limits and outside (but within the SOI). Of these properties, 31 acres were zoned and designated for single family residential uses (Figure 7-2).

Figure 7-2 Vacant/Agricultural Land Inventory, 2018¹¹

Zoning Designation (inside city limits)	Acres Vacant	Acres Agricultural
UR (Urban Reserve)	0.0	0.0
O (Open Space, Recreation and Public Facilities)	7.2	2.4
RR (Rural Residential)	6.9	0.0
R-1-12 (Residential Estate)	1.6	0.0
R-1 (Single Family Residential)	22.1	41.7
R-2 (Two-Family Residential)	4.0	0.0
R-3 (Multiple Family Residential)	3.5	0.0
PA (Professional and Administrative Office)	0.2	0.0
CN (Neighborhood Commercial)	4.4	4.3
CG (General Commercial)	41.1	21.1
CS (Service Commercial)	28.4	0.0
M-1 (Light Manufacturing)	0.0	0.0
M-2 (Heavy Manufacturing)	26.3	127.7
	146 acres	197 acres
Figure 7-2 continued on next page		

¹⁰ The General Plan planning area exceeds the sphere of influence as permitted by GC sec. 65300, “Each planning agency shall prepare and the legislative body of each county and city shall adopt a comprehensive, long-term general plan for the physical development of the county or city, and of any land outside its boundaries which in the planning agency’s judgment bears relation to its planning.”

¹¹ Collins and Schoettler, 2020.

General Plan Land Use Designation (outside city limits within Sphere of Influence)	Acres Vacant	Acres Agricultural
Very Low Density Residential	0.0	0.0
Low Density Residential	0.0	0.0
Medium Density Residential	7.7	201.3
High Density Residential	0.0	0.0
General Commercial	3.3	84.9
Service Commercial	0.0	152.3
Regional Commercial	0.0	0.0
Neighborhood Commercial	0.0	0.0
Office	0.0	0.0
Mixed Use	0.0	0.0
Industrial	0.0	395.1
Public	0.0	0.0
Quasi-Public	0.0	0.0
Schools	0.0	3.4
Parks	0.0	0.0
Ponding Basins	0.0	9.7
	11 acres	846.7 acres

Current Population

As of January 2021, the California Department of Finance estimated the City of Kerman population at 16,118, which presents approximately 1.1 percent growth since the 2020 Census.¹²

The 2019 ACS 5-Year Estimates Data Profile As of 2010, the City's population consisted of approximately 32.6 percent under the age of 18 and approximately 10.2 percent over the age of 65. The median age in the City of Kerman is 27.7. By comparison, the median age in Fresno County is 32.7, and in California it is 37.0.¹³

Household size in the City is approximately 4.09 persons per household within the City, versus 3.69 persons per household in the County and 3.53 in the State.¹⁴

Income levels within the City are slightly higher than that of the County with median household incomes of \$46,449 and \$57,518, respectively. Approximately 20.0 percent of the City's population lives at or below the poverty level, almost equal to the Countywide poverty level (20.6 percent).¹⁵

Historic growth of the City is presented in Figure 7-3.

Disadvantaged Unincorporated Communities

The purpose of Senate Bill 244 (Wolk, 2011) is to begin to address the complex legal, financial, and political barriers that contribute to regional inequity and infrastructure deficits within disadvantaged

¹² <https://www.dof.ca.gov/forecasting/demographics/estimates/e-1/>, 2021.

¹³ <https://data.census.gov/cedsci/profile?g=1600000US0638226>, 2021.

¹⁴ <https://data.census.gov/cedsci/profile?g=0500000US06019>, 2021.

¹⁵ Ibid.

unincorporated communities (DUCs). Identifying and including these communities in the long-range planning of a city or special district is required by SB 244.

SB 244 requires cities to identify and plan for these communities on or before the next adoption of its housing element. GC sec. 65302.10(a) requires that each city review and update the land use element of its general plan, based on available data, including, but not limited to, the data and analysis developed pursuant to GC sec. 56430 (CKH Act, Service Reviews). Legislative requirements designated to cities per SB 244 are independent from requirements designated to LAFCos through its governing legislation (Cortese-Knox-Hertzberg Act of 2000).

The Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH) requires LAFCo to make determinations regarding DUCs when considering a change of organization, reorganization, sphere of influence expansion, and when conducting municipal service reviews. For any updates to an 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.

Government Code sec. 56033.5 defines a DUC as:

- 1) all or a portion of a “disadvantaged community” as defined by §79505.5 of the Water Code, and as
- 2) “inhabited territory” (12 or more registered voters), as defined by §56046, or as determined by commission policy.

On January 9, 2013, Fresno LAFCo exercised its powers and adopted policy which refined the DUC definition to include, “a DUC shall have at least 15 dwelling units at a density not less than one unit per acre”. Additionally, the Commission Policy defines legacy communities 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. When approving any new or updated SOI for a city or special district, the city or special district shall be required to identify any legacy community within one mile of the existing or proposed SOI.

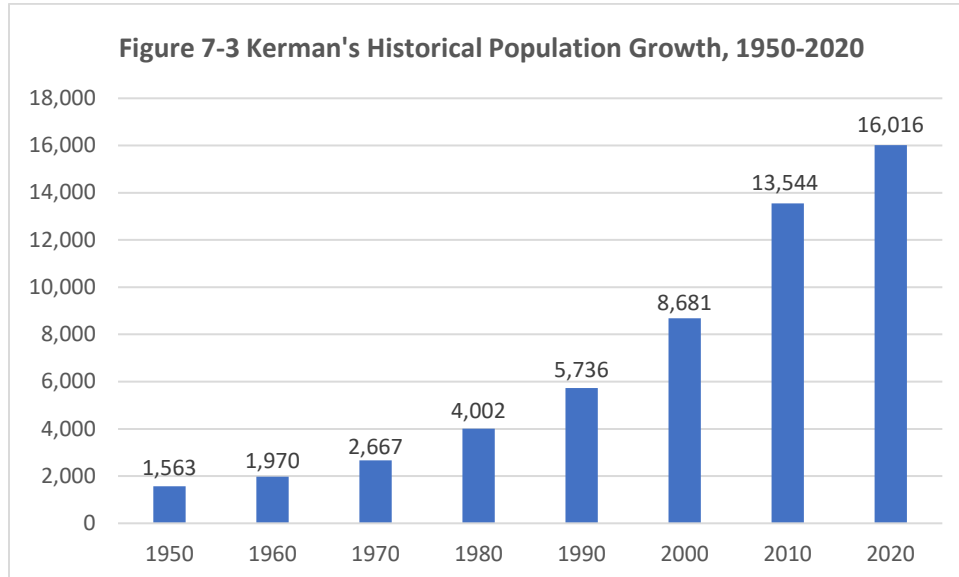
CKH prohibits LAFCo from approving an annexation to a city of any territory greater than 10 acres if a DUC is contiguous to the proposed annexation, unless an application to annex the DUC has been filed with Fresno LAFCo. An application to annex a contiguous DUC shall not be required if a prior application for annexation of the same DUC has been made in the preceding five years or if the commission finds, based upon written evidence, that most of the registered voters within the affected territory are opposed to annexation.

2019 ACS 1-year estimates place the statewide MHI for California at approximately \$80,440; meaning that pursuant to Water Code §79505.5, any location with a MHI less than \$64,352 meets the income threshold to be identified as a Disadvantaged Community.

At the present time, LAFCo staff has identified no Disadvantaged Unincorporated Communities within the existing or proposed Kerman SOI.

Recent Growth

According to the United States Census Bureau, the City’s population increased from 8,551 persons in 2000 to 11,455 in 2005, and 13,544 in 2010, and 16,118 in 2021. Over the period from 2000 to 2010, the City experienced 58 percent overall growth or 4.3 percent average annual growth.



Permits

Since 2014 the City has finalized 358 housing permits and issued 141.¹⁶ Kerman’s recent issuance of building permits for single and multi-family residential permits in recent years is presented in Figure 7-4.

Figure 7-4 Issued Residential Permits, 2010-2017 (units)

Year	Single Family Dwellings	Multi Family Dwellings
2010	54	18
2011	112	0
2012	3	69
2013	5	0
2014	12	0
2015	28	0
2016	95	0
2017	46	0
2018	96	0
2019	72	61
2020	24	0
2021	96	0
Totals	643 units	79 units
12-year average	53.5 units per year	12.3 units per year

¹⁶ Housing Report

Growth Projections

The 2007 General Plan identified theoretical buildout capacities for residential, commercial/office, industrial/service commercial, park, and school land uses for both high and low population estimates. The table demonstrates actual development exceeded the projected high estimates from the 2007 General Plan buildout scenario for residential, industrial, and school land use categories. The 2040 General Plan uses a 20-year planning horizon for development projections.

Figure 7-5 Development Projections

Land Use	2007 General Plan Estimated Buildout		Existing Built and Under Construction 2018	Additional Development Projected through 2040	Total Development Projected through 2040
	Low	High			
Residential (units)	2,978	3,719	4,215	1,500	5,715
Commercial / Office ¹ (acres)	113	225	129.5	30.9	160.9
Industrial / Service Commercial (acres)	91	181	331.7	9.18	340.9
Parks (acres)	65	121	41.9	N/A	N/A
Schools (acres)	80	80	204.7	N/A	N/A

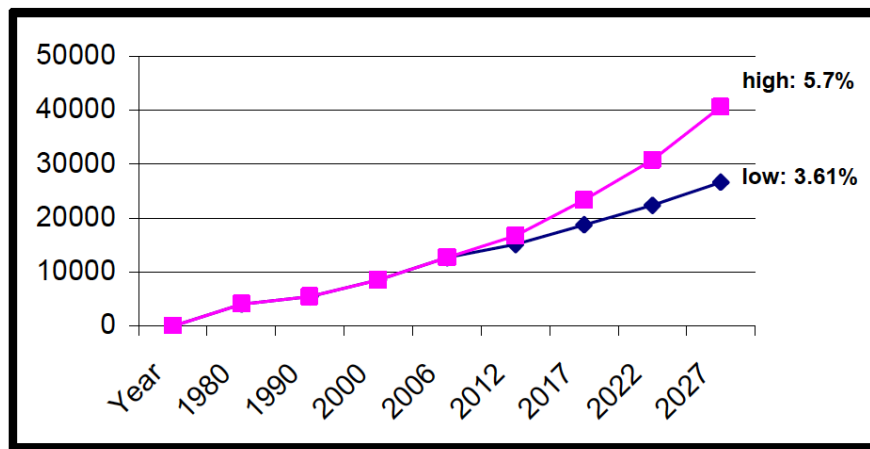
Source: Kerman 2020 General Plan

Figure 7-4 General Plan Population Projections

Year	1980	1990	2000	2006	2012	2017	2022	2027
low pop.	4,002	5,448	8,551	12,663	15,112	18,685	22,299	26,613
high pop.	4,002	5,448	8,551	12,663	16,708	23,300	30,742	40,561

Source: 2027 Kerman General Plan

Figure 7-2 General Plan Population Projections



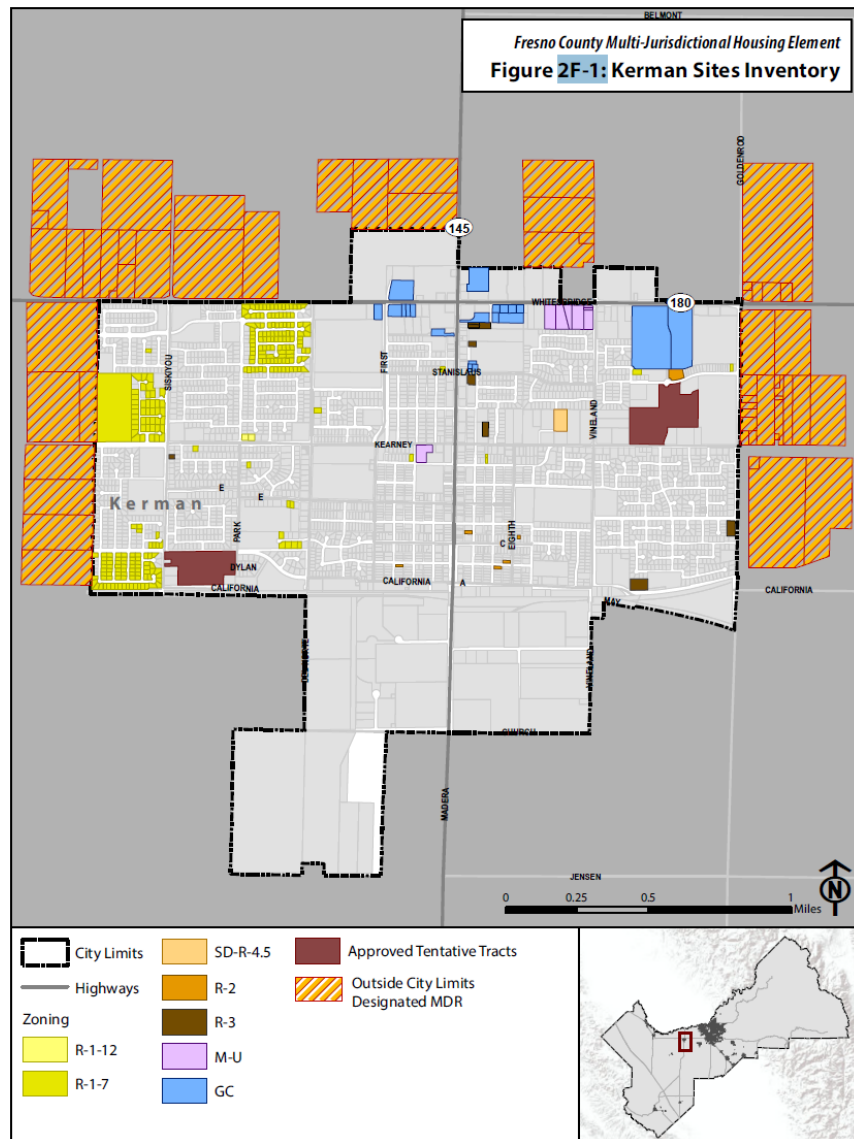
Source: 2027 Kerman General Plan

The General Plan also included projections of the amount of land that would be needed to accommodate the two growth scenarios. These projections considered land needed for single family residential dwellings as well as multifamily dwellings, commercial, industrial, public uses, and street rights-of-way.

By the year 2017 (the first ten years of the Plan) the General Plan estimated a need for 499 to 858 acres, based on the “low” and “high” population growth rates. For the following ten years (2017 to 2027) the Plan estimated an additional need for 1,167 to 2,273 acres.

To secure this territory, the City completed an expansion of the Sphere of Influence in 2008, adding approximately 786 acres to the SOI.

Figure 2F-1 from the Fresno County Multi-Jurisdictional Housing Element presents the potential residential site inventory.



General Plan Growth Strategies

The 2040 Kerman General Plan prescribes the following policies, goals and action plans pertaining to Growth Management.

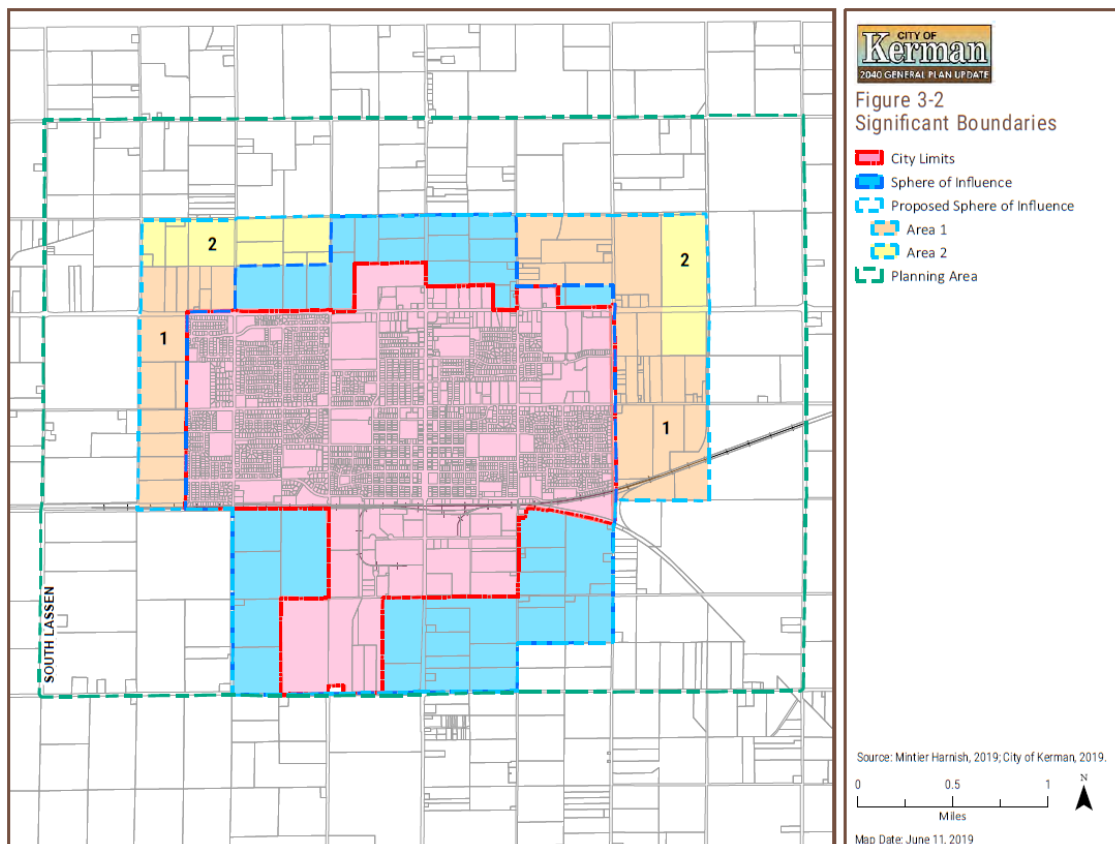
Goal LU-3 To create a land use pattern that protects agricultural and open space lands by promoting compact and centralized urban growth around the historical Kerman townsite.

Policy LU-3.1 Strong Community Edge

The City shall develop and maintain a strong community edge that clearly separates urban and agricultural uses, including through the use of man-made or natural barriers such as streets, railroads, and canals.

Policy LU-3.2 Urban Form

To maintain the City's compact form, the City shall maintain growth management controls by managing changes to the City's Sphere of Influence and incorporated City limits. Future changes to the City's Sphere of Influence will be managed by two growth lines, shown on Figure 3-2, below, from the 2040 Kerman General Plan.



- The City may consider requests to amend the current Sphere of Influence and City limits into Area 1 (shown on Figure 3-2) based on the ability of the City to provide services to the area.
- The City may consider requests to amend the current Sphere of Influence and City limits into Area 2 (shown on Figure 3-2) if Area 1 has reached the 80 percent infill criteria (for

residentially designated lands). The City Council may, at that time, consider allowing development beyond the Area 1 Growth Boundary Line.

- For any change in Sphere of Influence or City limits, the following considerations will be used:
 - 80 percent of Area 1's residentially designated land has been developed or has approved development plans.
 - Residential housing needs such as affordable housing or a desire for a wider and more diverse range of housing.
 - Community needs such as open space, recreational facilities, parks, schools, etc.
 - Obstacles to growth such as cost of infrastructure, Williamson Act properties, etc.
 - Economic development needs.

8. LAW ENFORCEMENT SERVICES

General Plan

The Kerman General Plan Public Health and Safety element presents the following law enforcement goals and policies:

Goal PH-1 To provide timely, adequate, and fair law enforcement services to ensure a safe community.

Policy PH-1.1 Police Officer Ratio: The City shall strive to achieve a ratio of one officer per 700 citizens to ensure adequate staffing to provide law enforcement services.

Policy PH-1.2 Police Department Response Times: The City shall continue to support the Police Department in maintaining prompt response times.

Policy PH-1.3 Community Crime Prevention and Public Safety: The City shall actively involve the community in crime prevention and public safety awareness by educating and involving the public in all the tenets of community-oriented public safety.

Policy PH-1.4 Video Policing Plan for New Projects: The City shall require large residential developments (50 or more units) and large commercial developments (more than 50,000 square feet) to include a video policing plan.

Annual Budget Key Achievements

- Installed new Chief of Police and administrative lieutenant, promoted sergeant.
- Hired Community Service Officer and began community outreach through enhanced crime prevention program.
- Developed and implemented contingency and operation plans to contend with COVID-19 pandemic.
- Partnered with community businesses, such as North Central Fire, faith-based organizations and civic groups to develop better communications and collaborative capabilities.
- Surplused older department equipment, including vehicles and firearms in order to purchase new replacement equipment for officers.

Service Overview

The Kerman Police Department (“Kerman PD” or “Department”) is responsible for enforcement of state and city laws, investigation of crimes, apprehension of criminals, responding to traffic collisions, maintenance of ongoing crime prevention programs, animal control, school resource services and building ties with the community and other local law enforcement agencies.

The Department contracts with Fresno County Sheriff’s Department for certain more complex services, including Crime Scene Investigation, SWAT, bomb disposal, as well as dispatch services. Prisoners that are booked in Kerman are transported immediately to the County jail.

The Department has mutual aid agreements with the Fresno County Sheriff’s Department, California Highway Patrol, and nearby cities. The Sheriff’s Department has a substation located in the City of San Joaquin. The Kerman PD also responds occasionally to calls outside of city limits, though this is rare – probably fewer than 20 times per year. The Police department dedicates two full-time police officers to the School Resource Officer Program (SRO) while the school is in session. This program is funded 81% by Kerman Unified School District and 19% by the City in Fiscal year 2021/2022; the SRO program is subject to annual renewals.¹⁷

The Adult Compliance Team (ACT) program is funded 100% by the County of Fresno Probation Department and will continue this FY 2021/2022 with one dedicated police officer. For FY 2021/2022, there are six new positions. Three new Police Officers, two new Public Works Maintenance I and one new park and facilities maintenance position. Additionally, there is a new Animal Shelter Attendant position funded only half of Fiscal Year 2021/2022 due to the completion of the Animal Shelter construction.

Service Demand

Figure 8-1 presents information on calls for service by type since 2010.

Figure 8-1 Calls for Service by Type since 2010.

	Year			
	2018	2019	2020	2021
Priority 1 calls	1,799	1,620	1,710	1,819
Priority 2 calls	10,247	9,704	8,211	8,267
Priority 3 calls	11,718	10,502	9,703	10,232
Totals	23,764	21,826	21,469	20,318

Information in the table indicates that Priority 1 calls have been increasing the past several years, while Priority 2 and 3 calls have been on a steady trend but increased over the past year.

The City reports that calls for service tend to be higher in certain areas – including along major roadways and some apartment complexes. In response, the City implemented a “Crime Free Multi-Family Housing” program in 2013 as part of its Community-Oriented Policing and Problem-Solving model. The Department also implements a DARE (Drug Abuse Resistance Education) through its School Resource program.

Staffing

The Department is staffed by 26 full-time sworn officers, including one chief, one lieutenant, four sergeants, and one detective. Additionally, the Department employs two records clerks, one administrative assistant, two community service officers, and one animal control officer.¹⁸

For Fiscal Year 2021/2022, there are three new Police Officers, two new Public Works Maintenance I and one new park and facilities maintenance position. Additionally, there is a new Animal Shelter Attendant

¹⁷ City of Kerman 2021-2022 annual budget.

¹⁸ City of Kerman 2040 General Plan Update Background Report, Public Review Draft, January, 2019.

position funded only half of Fiscal Year 2021/2022 due to the completion of the Animal Shelter construction.¹⁹

Facilities And Capacity

The Department operates out of headquarters within the City Hall complex at 850 S. Madera Avenue, in downtown Kerman. The building is separate from City Hall and contains approximately 9,100 square feet. Although the building contains two holding cells, these are no longer utilized; prisoners are now transported directly to the Fresno County jail in Fresno.

The Department owns and operates the following vehicles

- 23 marked patrol vehicles
- 3 undercover vehicles
- 1 animal control truck

Service Adequacy

Service adequacy can be gauged by a variety of factors, such as staffing ratios, response times, clearance rates (the portion of crimes solved), and awards and recognitions.

Staffing Ratios

The number of sworn officers per capita is a traditional indicator of service level though there are no established state or national standards for police staffing levels. According to a Department of Justice study, in 2008 municipal and township police departments nationally employed an average of 2.3 full-time sworn personnel per 1,000 residents.

As noted earlier, the General Plan established a standard of one officer for every 700 residents. With a 2020 population estimate of 14,290 residents the staffing of 26 sworn officers exceeds this standard.²⁰

Response Times

Although police response times for serious crimes in progress are an important indicator of service adequacy, there are no adopted standards as to what those response times should be. Nevertheless, police response times have traditionally been used as one of many measurements of effectiveness. However, more recent research indicates that response time does not have a significant effect on crime solving, because most crimes are “cold” crimes and victims do not tend to call police immediately after the crime is committed. The modern approach to response time—differential response—is to ensure quick response to serious crimes (Priority 1) in progress, when there are opportunities to save a victim and/or to apprehend the criminal, and to inform lower-priority callers (Priority 1 through 8 and telephonic calls for service) that response time may be longer.

¹⁹ City of Kerman 2021-2022 annual budget.

²⁰ “Fresno County 2019-2050 Growth Projections,” Fresno Council of Governments, October 29, 2020 (rev. 4/9/21).

Empirical information suggests that a differential law enforcement response based on a priority system leads to both citizen and officer satisfaction. Response times are dependent on the agency’s staffing level and size of the jurisdiction served.

In terms of response times by the Kerman Police Department, the Department has provided the following information:

Call Type	Queue Time	Response Time
Priority 1	1.2 minutes	4.7 minutes
Priority 2	3.2 minutes	9.9 minutes
Priority 3	6.8 minutes	13.9 minutes

These times are typical for a community of Kerman’s size. According to the Department, these response times have remained about the same over the past several years.

Clearance Rates

Cleared crimes refer to offenses for which at least one person was arrested, charged with the offense, and turned over to the district attorney for prosecution. A crime is also considered cleared by exceptional means if the offender dies, the victim refuses to cooperate, or extradition is denied.

There are no adopted standards on the proportion of crimes that should be cleared. In 2017, the Kerman Police Department had a clearance rate of 32% for violent crimes (homicide, forcible rape, robbery, and aggravated assault) and a clearance rate of 23% for burglary crimes, and 7% for motor vehicle theft during the same period.

The City believes that investigative efforts have improved clearance rates within the agency in recent years.

Budget

Department expenditures for FY 2021-22 are \$4,254,927, or 37% of the Kerman General Fund. This year’s budget includes a request to increase staffing in the Police Department to address vacancies resulting from injuries, retirements, and on-going recruitment challenges. The budget also reflects \$226,502 in transfers from Measure M.

The budget’s public safety goal presented the following objectives:

- Engage the public, particularly youth, in public safety strategies
- Provide proactive policing strategies using the latest technology
- Respond to calls for service in a timely manner, and
- Provide a high-level of customer service

Performance outcomes were identified as:

- Engage the community by expanding neighborhood watch, use of social media, and sponsorship of community-based events.
- Expand the Crime Free Multi Family Housing Program

- Utilize reserve police officers to enhance staffing, and
- Complete the installation of surveillance equipment.

The Department's key achievements were identified as:

- Installed new Chief of Police and administrative lieutenant, promoted sergeant.
- Hired Community Service Officer and began community outreach through enhanced crime prevention program.
- Developed and implemented contingency and operation plans to contend with COVID-19 pandemic.
- Partnered with community businesses, such as North Central Fire, faith-based organizations and civic groups to develop better communications and collaborative capabilities.
- Surplused older department equipment, including vehicles and firearms to purchase new replacement equipment for officers.

Department goals and related objectives were identified as:

- Renew Succession Plan with the objective to Continue to add depth and breadth of knowledge to department's hierarchy for stability and executive leadership;
- Expand the department's Community Outreach with the objective to Grow the positive relationships developed through the Citizen Advisory Group to reach vulnerable and underrepresented community members through the Community Service Officer program;
- Provide proactive policing through technology with the objective to expand the video policing through partnerships with businesses and Kerman Unified; and
- Develop New Animal Shelter with the objective to Work with staff and volunteer partners to develop template for new facility and enhanced animal control services.

The status of these was each listed as ongoing.

Most of the Department's funding comes from the General fund. The department receives other fees for services projected at \$389,018 for Fiscal Year 2021/2022, consisting of Police Department Special Services of \$4,009, Live Scan Fingerprinting Fees of \$3,319, Adult Compliance Team (ACT) Program of \$191,830, School Resource Officer (SRO) program of \$189,843, and other Fees for Services of \$17.

These service fees increase of 14.80% from the 2020/2021 adopted budget is primarily due to the Adult Compliance Team (ACT) program's success.

Challenges

INFRASTRUCTURE NEEDS

The Police Department indicates it needs a new headquarters building. A rough estimate for a new facility is around \$4-5 million. The existing building has some structural issues and is undersized for the Department's staff. The Department will also need to purchase new vehicles and replace existing vehicles over time. The Department currently replaces two cars per year, and this is provided for in the Department's budget.

The Department will need to continue to grow, as the City grows, to keep pace with demand. The City has a public safety impact fee that is used to expand capital facilities. This fee is charged to new

development projects. In addition to the desire for a new headquarters building, near-term needs are to build a new animal shelter, implement a new video policing program, replace handheld radios and replace taser guns.

STAFFING

The Department has had one officer position frozen in the budget for the past three years. The Department has no Community Service Officers in the field to offer crime prevention programs to the community.

9. STREET MAINTENANCE SERVICES

Circulation within the City of Kerman is provided by a network of arterial roads, collector roads, and various local roads, as well as bike lanes, trails, sidewalks and transit. This section evaluates the present inventory of the city's street and circulation system and what measures the city has taken to estimate the probable need for these facilities.

Kerman General Plan Circulation Element

The Kerman General Plan Circulation Element characterizes the city's streets and roadways as follows, Kerman's roadway network is characterized as suburban and surrounded by rural roads leading into the city. It has been developed along a traditional grid system with roads running north to south and east to west, consistent with the two State Routes (SR) in the city: SR-145 and SR-180. SR-145 is Madera Avenue, the main commercial corridor through Kerman, with SR-180 being Whitesbridge Avenue at the northern end of Kerman, one of the main East-West routes in Fresno County and the main route connecting Kerman to the city of Fresno. The road network facilitates inter-city and regional travel. Kerman defines its roadways by functional classification shown in Figure 4-1. As Kerman continues to grow into the future, it is important to consider traffic patterns.

General Plan goals are

- CIRC-1 To provide a safe and efficient roadway system that serves all users and enhances the community of Kerman.
- CIRC-2 To ensure the design, construction, and maintenance of a safe, efficient, and complete roadway system that is well designed, visually attractive, and provides access to all parts of Kerman.
- CIRC-3 To establish safe and efficient truck routes and truck facilities with minimal impacts on residents or business in Kerman.
- CIRC-4 To ensure adequate off-street parking that is safe.
- CIRC-5 To promote bicycling, walking, and using public transit, as functional alternatives to single-passenger automobile travel.

As of 2018 the Kerman Public Works Department maintains approximately 42.6 miles of city streets and about 0.6 miles of off-street bikeways. The Department provides specific services including road maintenance, traffic paint and signage, concrete maintenance, traffic signals and street lighting, median islands and buffers, street trees, and street sweeping. Road maintenance services include an overlay program to resurface roadways and crack sealing to extend the life of the roadways.

Traffic paint and signage services are provided by the City or contractors, and include painting of curbs, crosswalks, turn lanes, right turn pockets, most traffic related signage, and other essential traffic controlling. Crews make sure all roadway paint (crosswalks, turn lanes, painted curbs, and other painted signage) and all traffic signs (stop signs, no parking signs, street name signs, and other signs) are executed and visible to the public. Additionally, the crews re-stand or replace any traffic signs that might have fallen.

The only traffic signals in Kerman are along State highways (145 and 180). These are maintained by Caltrans; however, the City provides funding to maintain the portion of the signals that pertain to City-maintained cross streets. The Public Works Department (either directly or through contractors) handles all streetlight installations, removals, and maintenance. The Department normally relies on notification from the public on malfunctioning streetlights.

Median islands and buffers are kept free of weeds and trash by City crews or contractors. The Department performs weed abatement weekly during warmer months and twice a month during the rest of the year. Manual labor and pre-emergent and post-emergent herbicides are used to assist with keeping the weeds controlled throughout the year. Irrigation is provided by sprinklers and drip irrigation systems and is maintained by City crews. The Department also trims low limbs that could interfere with streetlights, and pedestrian and traffic safety. Mechanical street sweeping of the City's residential streets occurs weekly.

Demand for street services is affected by population and job concentrations, the availability and desirability of public transit, gas prices, and other factors such as the locations of childcare, schools, stores and other common stops. Pavement depreciation rates also affect service needs, and are primarily influenced by the volume of traffic, preventative maintenance, and weather.

Staffing

The Kerman Public Works Department provides street maintenance, water, sewer and storm drainage maintenance services for the community. The Department has 3.8 full time employees assigned to street maintenance; however, additional personnel can be assigned if demand warrants it. City staff are on duty 24 hours per day to respond to calls for service and emergency maintenance issues. The City provides on-site training from time to time, as needed.

The City is assisted in street maintenance duties by the consulting City Engineer, who is responsible for right-of-way acquisition, special district projects, GIS mapping, plan check and traffic engineering.

The Public Works Department owns several pieces equipment for street maintenance, including a street sweeper, crack-filling machine, tractor, vibra-plate (for compaction) and a striping machine. The City maintains a replacement fund for this equipment.

Infrastructure Needs

The Kerman Budget describes a capital project as “a project that helps maintain or improve the City’s asset, often called infrastructure. To be included in the Capital Budget, a project must meet one of the following requirements (criteria): It is a new construction, expansion, renovation, or replacement project for an existing facility or facilities.”

The Fiscal Year 2021/2022 budget Capital Projects Budget presents \$26,727,980 of expenditures including \$3,789,956 in Street projects. Streets Capital Projects are paid for from various funding sources, including Measure “C”, Article III and Article VIII revenues, Gas Tax, Traffic Congestion Relief (Prop 42), Road Maintenance and Rehabilitation funds, Development Impact Fees and certain State and Federal grants. The funding sources of the various Street projects are indicated in their respective sections of the Street Construction in the budget. The major Street projects in Fiscal Year 2021/2022 budget are \$818,400 for Vineland Ave. from California to Kearney Rehabilitation funded by Federal Funds and Local Street Funds;

\$750,000 for FY 21/22 Street Rehabilitation Project (Various Street) funded by the Gas Tax and Road Maintenance and Rehabilitation Funds (SB1); and \$570,000 for the Street Overlay Project FY21/22 funded by Local Street Funds. The street capital projects are summarized in the budget as follows:

Project	Funding Source	Estimated Cost
Street Sealing Project 21/22	Local Street Funds	\$570,000
High Visibility Crosswalk Striping	Local Street Funds	80,000
Median Landscaping Renovation	Local Street Funds	25,000
RSTP - Kearney Blvd Rehabilitation- Madera to Vineland	Federal Grant/Local Street Funds	518,511
RSTP Vineland Ave Widening (Del Norte/First South Side)	Local Street Funds/Federal Grant	391,144
CMAQ -Stanislaus/San Joaquin Alley Paving	Local Street Funds/Federal Grant	150,401
Annual Streets Lights Installation (2nd Phase)	SB1 (MOU from General Fund)	20,200
STBG - Vineland Ave. Rehab- CA to Kearney	Local Street Funds/Federal Grant	818,400
STBG - Kearney Blvd.Reh.Park-Del Norte	Local Street Funds/Federal Grant	541,500
Sidewalk Repair	Local Street Funds	10,000
FY21/22 Street Rehabilitation Project – Various Streets	Local Street Funds/SB1	750,000
	Total Street Capital Projects	3,875,156

Federal and state grant funds, special gas tax, bonds, and Measure C funds (a half-cent sales tax in Fresno County) finance roadway infrastructure improvements, streetlight and traffic signal maintenance and repair, and road repair in the City of Kerman.

Challenges

The ability of the Public Works Department to maintain streets is directly related to the funding for this purpose. The condition of street pavement is typically evaluated by local agencies using a Pavement Management System (PMS), which regularly evaluates pavement condition and establishes a cost-effective maintenance strategy. Each segment of pavement is rated for distress (i.e., cracks and potholes) and the extent and severity of distress. Having an up-to-date PMS allows the local agency to gauge road maintenance needs quickly and efficiently and allocate resources. In Kerman, this database is typically updated once a year. However, with current funding available, the City believes it will not be able to maintain the current overall Pavement Condition Index in the coming years. The City’s approach is to use available funding as effectively as possible, but this could still result in deferred maintenance.

The life cycle of pavement in good condition can be extended through preventative maintenance by applying a thin layer of asphalt mixture, better known as slurry sealing or seal-coating. When pavement is in fair condition—with moderate potholes and cracks—it can be treated with one- to two-inch thick overlays. Pavement with minor structural distress—with significant cracks—often requires rehabilitation, involving grinding of portions of the existing street and application of a thick overlay. Pavement with major structural distress—with extensive cracks—often requires reconstruction involving removal and replacement of the street segment.

Unfortunately, funding levels from state and federal resources have not kept up with the additional demands needed to maintain existing streets and roads, let alone additional infrastructure that will be needed to support new development. On the federal level, transportation funding, which is reliant on a

per gallon tax, has remained unchanged over several decades. During this time, vehicles have been increasingly efficient, resulting in less revenue being generated, while the number of miles travelled has increased. Funding at the state level has several the same challenges as the primary funding source of state transportation funds are derived from taxes on gasoline and diesel. The improvements in fuel economy, combined with a reluctance to increase federal and state fuel taxes, is negatively impacting the level of funding needed to maintain roads, streets, sidewalks, etc.

Pavement management studies have shown that it is more cost effective to maintain pavement in good condition over its useful life than to let it deteriorate to the point that it requires a major overlay or reconstruction. Deferring maintenance can increase long-term maintenance costs as much as four times greater than a consistent preventative maintenance strategy, according to the Transportation Research Board. Street reconstruction is typically needed once asphalt is 20-35 years old, with the asphalt lifespan depending on the use of preventative maintenance efforts.

10. WASTEWATER SERVICES

The City of Kerman provides collection, conveyance, treatment, and reclamation of wastewater generated by its residential, commercial and industrial sewer customers under Order No. R5-2007-0115 issued by the State Water Quality Control Board.

The City's existing service area encompasses the developed portions of Kerman. The City provides wastewater service to approximately 3,420 residential, commercial, industrial and institutional accounts, as well as connections to several parcels outside Kerman's city limits. The City adopted the Kerman Sewer System Master Plan in 2007. This document provides guidance for the maintenance, improvement and expansion of the system.

General Plan Policies

Kerman's 2040 General Plan includes the following policies regarding wastewater collection and treatment.

Goal LU-5: To ensure that land use decisions benefit Kerman residents, and do not create a disproportionate burden to a community based on location, income, race, color, national origin, or another demographic feature.

Policy LU-5.5: Placement of New Residential Uses. The City shall consider and mitigate potential adverse health and safety impacts associated with the establishment of new residential and other sensitive land uses near industrial land uses, agricultural operations using pesticides applied by spray techniques, the wastewater treatment plant, landfills and waste treatment facilities, and other existing land uses that would be incompatible with adjacent residential uses.

Goal HE-4: To provide a range of housing types and services to meet the needs of individuals and households with special needs.

Policy HE-1.7: Adequate Infrastructure to Serve New Housing: The City shall ensure the adequate provision of water, sewer, storm drainage, roads, public facilities, and other infrastructure necessary to serve new housing.

General Plan Implementation Program H implements Policy HE-1.7

Water and Wastewater Service: The development viability of the vacant sites in the inventory is directly linked to the availability and capacity of public facilities and services. The City continues to work to address water supply issues and infrastructure capacity limitations.

Additionally, California Government Code Section 65589.7 requires water and sewer providers to establish specific procedures and grant priority water and sewer service to developments with units affordable to lower-income households. The statute also requires local governments to immediately deliver the housing element to water and sewer providers. The City of Kerman is the water and wastewater provider in the city.

Goal PFS-2 To ensure a quality and reliable water supply to meet the needs of residents, businesses, and the agricultural industry.

PFS-1.7: The City shall collaborate with the County, neighboring cities, service districts, and regional agencies on solving issues of mutual interest and concern, including infrastructure deficiencies, water and sewer services, public safety, public roads, trail connections, and stormwater and water management.

PFS-2.1: The City shall continue to install and upgrade water, sewer, and storm drainage infrastructure to meet current and projected growth demand, as well as current water quality standards.

Policy PFS-2.3: Wastewater from New Industrial Development: The City shall discourage industrial uses that are high water users and that generate high strength wastewater, unless the industrial use can mitigate this adverse impact through ample fees, investment in public infrastructure, and/or pretreatment of its wastewater.

Policy PFS-2.4: Kerman Wastewater Treatment Plant: The City should preclude the intrusion of any land uses that are incompatible with operation of the Kerman Wastewater Treatment Plant.

Collection System

The wastewater collection system consists of a 30-mile network of 6-inch and 8-inch diameter "collection" lines that connect to larger "mains." Wastewater from the area south of Kearney, east of Madera Avenue, flows into an 18-inch trunk line in Madera Avenue from California Avenue to Church Avenue, and then in a 27-inch trunk line in Church Avenue from Madera Avenue to the Wastewater Treatment Plant (WWTP). The remainder of the city flows into an 18-inch trunk line in Del Norte Avenue from Whitesbridge Road to Church Avenue and then in Church Avenue from the Del Norte Avenue alignment to the WWTP. A parallel 24" sewer main has been installed on the Del Norte alignment from California Avenue to Church Avenue.

Kerman's collection system operates with one permanent lift station located at the intersection of Siskiyou Avenue and Kearney Boulevard. This facility currently receives flows from the area generally west and north of that location and discharges into the Del Norte Avenue trunk line. A second temporary lift station is located on Goldenrod Avenue north of the Union Pacific Railroad tracks. This station serves the area north and east of its location and discharges into the Madera Avenue trunk line. Once the sewer main is extended in Goldenrod Avenue to Church Avenue and then in Church Avenue to Madera Avenue, this station will be abandoned. This station has limited capacity due to the limitations of the downstream system. The Sewer System Master Plan identifies the need for additional lift stations as the community grows.

Treatment Plant

The City's wastewater treatment plant (WWTP), which provides a secondary level of treatment, is located south of Church Avenue on the Del Norte Avenue alignment at 15485 W. Church Avenue, about one mile southwest of the downtown area. The plant was designed with a hydraulic capacity of approximately 2.0 million gallons per day (mgd). Based on recent growth and growth rates projected in the 2040 General Plan using a conservative 3% growth rate show that the WWTP has sufficient capacity until at least 2040.²¹

²¹ Email communication from Jerry Jones, May 27, 2022.

Treated effluent from the plant is discharged into disposal ponds where it is allowed to evaporate and percolate. The City purchased 80 acres of property adjacent to the WWTP to provide additional space for disposal ponds. Two ponds were constructed with a total capacity of approximately 340 acre-feet. Biosolids are stored on site and can only be stored for a maximum of two years. After the time allotted the biosolids are hauled off for land application on permitted sites or to compost facilities.

The flows at the treatment plant typically exhibit little seasonal variation. This condition occurs because the flows are predominately from residential uses, since there are not significant industrial, agriculture-related or seasonally operated industries within the City.

The average daily dry weather flow in recent months is 946,000 gallons per day. This is a reduction from 1.1 mgd in the mid 2000's and results from water conservation efforts of the City.

Order No. R5-2007-0115, issued by the California Water Quality Control Board, presents rules and regulations regarding the existing facility, expansion projects, treatment and control practices, provisions, and the standards for monitoring the well installation and groundwater sampling analysis plan.

The City supplied a Sewer System Management Plan (SSMP) dated July 2012 and is currently working on an updated version. The goal of the SSMP is to manage and maintain the sewer system to avoid sanitary sewer overflows (SSOs). The SSMP addresses the following sections in detail:

1. Goals
2. Organization
3. Legal Authority
4. Operation and Maintenance Program
5. Design and Performance Provisions
6. Overflow Emergency Response Plan
7. Fats, Oils, and Grease (FOG) Control Program
8. System Evaluation and Capacity Assurance Plan
9. Monitoring, Measurement, and Program Modifications
10. SSMP Program Audits
11. Communication Program

Staffing

The Kerman Public Works Department provides water, sewer, storm drain and street maintenance services to the community. The Department has six full time employees assigned to the sewer, water, storm drain and streets systems. The Department operates the Wastewater Treatment Plant, as well as the system of collection lines and lift stations. City staff are on duty 24 hours per day to respond to calls for service and emergency maintenance issues. Training for staff is available through the American Water Works Association and California Rural Water Association. The City also provides training on site from time to time, as needed.

Challenges

According to staff of the Waterboards, the Kerman WWTP is well-operated and in good condition. Challenges going forward include ensuring that the system responds to the additional growth and development depicted in the General Plan. In general, improvements and additions to the system are the

responsibility of developers, to accommodate their projects. The City has a sewer system development impact fee that is charged against new development projects – funds accrued are used to make capital improvements to the system. The 2021/2022 budget discusses use of Community Development Block Grants (CDBG) that can be used to fund future water and sewer facility construction along with the Wastewater Improvements Planning Grant of \$500,000 from the State of California Department of Water Resources.

According to the City Engineer, the city has sufficient percolation ponds to dispose of treated effluent.

In terms of maintenance, the main concern has been the accumulation of grease in certain areas of the collection system that can cause the local sewer system to plug up and cause sanitary sewer overflow. The City maintains a list of areas that are checked for grease accumulation on a weekly basis. The system operates in compliance with standards of the State of California Regional Water Quality Control Board.

The City is currently examining its sewer rates at the present time, and an increase is being contemplated for the FY 2023-2024 budget.

Water Board Statewide PFAS Order

On July 9, 2020, the Water Board issued ORDER WQ 2020-0015-DWQ pursuant to Water Code sections 13267 and 13383 order for the determination of the presence of per- and polyfluoroalkyl (PFAS) substances at publicly owned treatment works. Publicly owned treatment works (POTWs) are potentially significant receivers of PFAS and have the potential to discharge these wastes to the environment. Potential discharges include, but are not limited to, wastewater effluent to surface waters and/or percolation basins, biosolids, and reverse osmosis concentrate/retentate from some treatment facilities.

The Water Board ordered over 100 communities that operated POTWs throughout the state to complete sampling and analysis and submit the results “no later than the submittal of the second quarter analytical results from the treatment system sampling.”

Notice of Violation July 17th, 2017

City of Kerman staff reported “an unauthorized discharge of an estimated 163,000 gallons of undisinfected secondary-treated effluent to the almond orchard west of the Wastewater Treatment Facility (WWTF).” The spill was discovered July 16th, 2017, around 9:00 a.m. and affected about one acre of a city-owned almond orchard. Valves to drain the Ponds 1 and 7 were not sufficiently opened and resulted in an operational error.

The Water Board along with the California Department of Public Health, Food and Drug Branch inspected the WWTF on July 18th, 2017, along with an assessment of compliance with Waste Discharge Requirements Order R5-2007-0115 (WDRs) and Cease and Desist Order R5-2007-0116 (CDO). The violations as a result of the spill include:

1. Discharge Prohibition A.2, for bypass or overflow of wastewater to land, and
2. Standard Provision A.7, for failing to maintain Pond 1 in good working order in compliance with the WDRs and operating Pond 1 without a staff gauge.
3. Standard Provisions B.2, for failing to have written spill prevention plan.

City staff submitted a detailed spill report July 27, 2017, and included plans to improve the existing ponds and equipment. Plans provided to LAFCo by city staff did not include a schedule for completion. WWTF was instructed to submit a written spill prevention plan by October 2nd, 2017, and work “under the

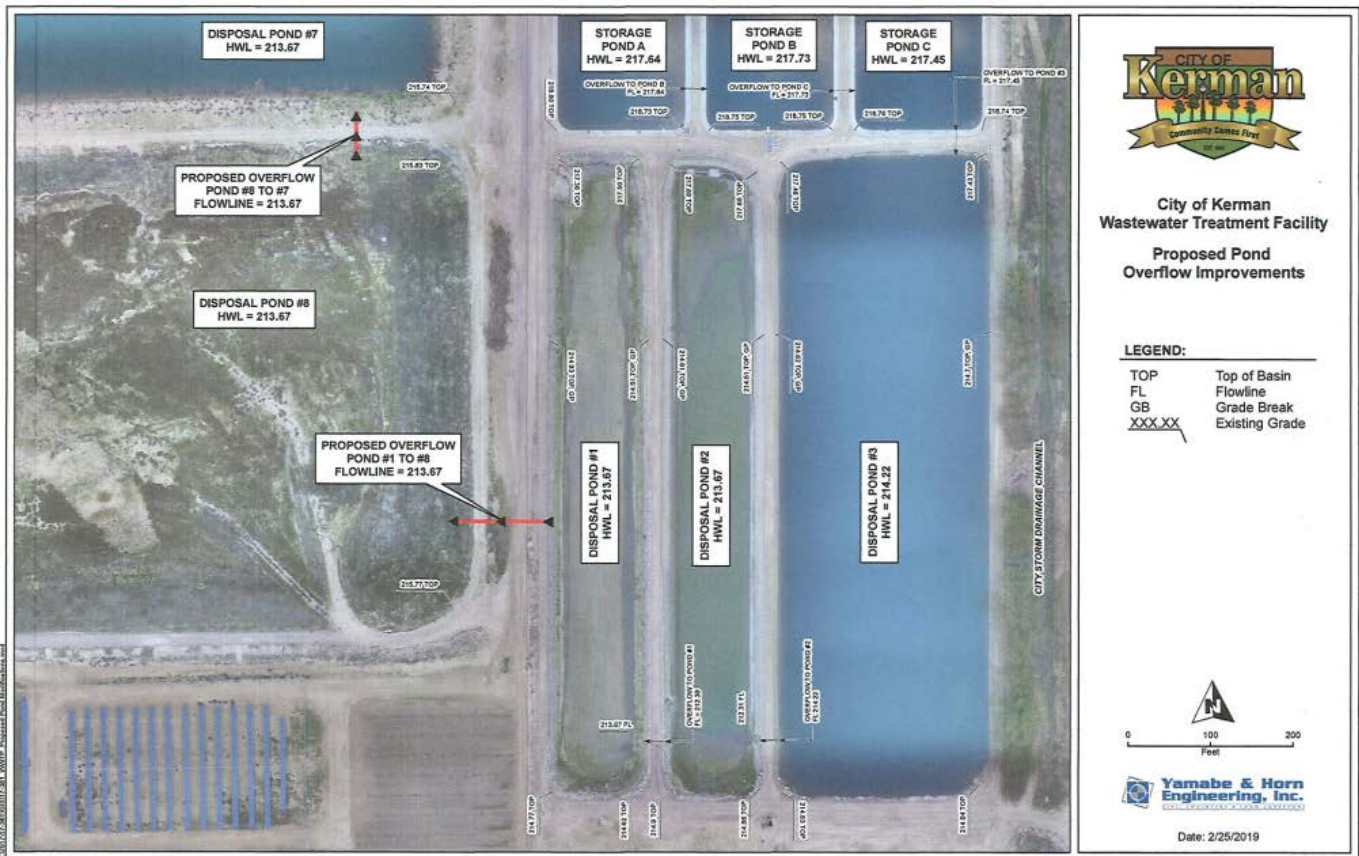
supervision of a California professional civil engineer” for any construction. Construction completed should have been followed with a post-construction report 60 days after complete date to Central Valley Water Board Office. LAFCo was not provided a post-construction report.

The City of Kerman currently has a written Spill Prevention Plan and submitted a Proposed Pond Overflow Improvements dated February 25, 2019 (Figure 10-1). The Spill Prevention Plan included check lists for the following categories:

1. General Inspection
2. Pond Levee Maintenance
3. Preparation for Seasonal Flow and Loading Variations
4. Emergency Response Plan Activation
5. Reporting Skills

The Spill Prevention Plan provided to LAFCo did not include a date when the spill prevention plan was put into place and no updates on the Proposed Pond Overflow Improvements.

Figure 10-1. Proposed Pond Overflow Improvements



11. WATER SERVICE

The City of Kerman’s Public Works Department provides water service to the City. The City currently withdraws groundwater from six deep wells. The wells penetrate underlying aquifers, located at depths from 300 to 900 feet.

General Plan Policies

The Kerman General Plan Public Facilities and Services element presents goals and policies for legislative decisions concerning public and private infrastructure, utilities, and services. The General Plan observes that “existing and planned development in the city depends on a complex network of public facilities and services.”²²

The water section of this element notes,

A quality water supply is integral for residents, businesses, and agricultural production. The City provides water service to the community, drawing groundwater from six deep wells. Although the City is not restricted to a specific volume of groundwater, the City is engaged in groundwater recharge projects and activities that reduce the consumptive use of groundwater and are intended to relieve and eliminate long-term overdraft of the Kings subbasin.

One concept which may help the city make better use of its resources is a dual water system. The primary system would provide potable water for domestic uses from deep wells. The secondary system would carry non-potable water for landscaping, industrial and fire protection from surface water and/or shallow groundwater. The secondary system would have its own mains, services, pumps, wells, and storage tanks. Preliminary planning and design of this dual system has commenced, and several purple pipe segments have already been installed in the northeast quadrant of the city.

The following goal addresses improvement and protection of the city’s long-term water supply.²³

Goal PFS-2 To ensure a quality and reliable water supply to meet the needs of residents, businesses, and the agricultural industry.

PFS-2.1 Water, Sewer, and Storm Drainage Infrastructure

The City shall continue to install and upgrade water, sewer, and storm drainage infrastructure to meet current and projected growth demand, as well as current water quality standards.

PFS-2.2 Secondary Water Supply System

The City shall pursue a secondary water supply system that is effective and cost-efficient to service urban-level development.

PFS-2.3 Wastewater from New Industrial Development

The City shall discourage industrial uses that are high water users and that generate high strength wastewater, unless the industrial use can mitigate this adverse impact through ample fees, investment in public infrastructure, and/or pretreatment of its wastewater.

²² Kerman General Plan, July, 2020.

²³ Ibid, section 8.2.

PFS-2.4 Kerman Wastewater Treatment Plant

The City should preclude the intrusion of any land uses that are incompatible with operation of the Kerman Wastewater Treatment Plant.

PFS-2.5 Pollutants from Water Run-off

During the development review process, the City shall require new development to provide facilities and/or measures to reduce pollutants in water run-off prior to entering the city's stormwater collection system. Options could include bioswales and other best management practices currently available at time of development.

PFS-2.6 Water Service to Disadvantaged Communities

The City shall explore opportunities to connect and provide water service to nearby and small disadvantaged communities that lack reliable access to safe and clean public water. The City shall seek financial assistance from the State Water Resources Control Board to fund these efforts.

PFS-2.7 North Kings Groundwater Sustainable Agency

The City shall continue to be a member of the North Kings Groundwater Sustainable Agency (NKGSA) and work closely with the NKGSA to develop the Sustainable Groundwater Management Plan for Kerman and the North Kings region.

PFS-2.8 Groundwater Recharge

The City shall support adequate groundwater recharge by developing storm ponding and retention basins where feasible. In some areas these ponds or basins can be incorporated into a recreational area or used as wildlife habitat area or may be required by new development to offset impacts associated with new nonpermeable surfaces.

City Water System

The City operates a Public Water Supply through Permit no. 1010018 issued by the California Water Resources Control Board.

The total production capacity of the City's six wells is approximately 6,700 gallons per minute (gpm). Use of booster pumps can increase pressure by an additional 4,000 gpm. The current static water level in the wells is 120 to 130 feet. According to city staff, the depth to groundwater in Kerman has remained stable over the past 10 to 15 years, though the groundwater level in Well 9 has dropped over the last several years.²⁴ Existing wells and production capacity is presented in Figure 11-1

A seventh well (Well No. 18) is currently being drilled and is expected to have a capacity of 1,200 gpm. Well No. 10 acts as a standby well, due to elevated levels of uranium that is found near the upper aquifer layer throughout the Kerman area. Well No. 10 also tests above State standards for 1,2,3-TCP.²⁵ Well No. 12 acts as a standby well, due to elevated levels of uranium that is found near the upper aquifer layer throughout the Kerman area. Well No.12 also tests above State standards for 1,2,3-TCP and the City has begun the process to mitigate this condition.

²⁴ Email from Kerman city staff, May 23, 2022.

²⁵ The maximum contaminant level (MCL), for 1,2,3-trichloropropane is 0.000005 mg/L (milligrams per liter) which is equivalent to 0.005 ug/L (micrograms per liter).

Figure 11-1

Well No.	Gallons Per Minute	Million Gallons per Day
9A	1,200	1.73
10 Out of service	0	0
12	1,200	1.73
14	900	1.3
15	900	1.3
17	1,000	1.44

All other wells meet State drinking water standards for primary and secondary constituents.

While Kerman’s supply has historically relied entirely upon groundwater, the City is entering into an agreement with the Fresno Irrigation District (“FID”) to acquire a surface water supply, but the agreement expressly prohibits treatment and use for potable water. The City will use FID surface water for groundwater recharge and possibly non-potable use for irrigation through a purple-pipe system. FID supplies irrigation water to surrounding agricultural users. As the City develops and the agricultural uses are replaced by urban development, the water that was once used to irrigate crops could be redirected and used to meet the municipal needs.

Water Rates

The City completed a water and sewer rate study in 2018; as a result of the study and the Prop 218 process on October 17, 2018, the increase in rates was approved and authorized by the City Council. These updated rates were designed to have incremental increases for five years, starting in January 2019 and ending in 2023. In addition, they were based on a reasonable service cost, proportionally recovering costs, providing funds to cover debt obligations, repairing and replacing infrastructure, and fund reserves for emergencies. The water rate consists of a fixed monthly base charge (based on the size of the water meter) plus usage; for example, nowadays, the rate for a ¾” meter is \$27.09 plus usage of \$1.22 per 1,000 gallons).

Water Distribution System

The City's water distribution system consists of a network of water lines located in City streets and alleys. There are approximately 3,751 connections to the City's water system currently; 3,470 (94%) of the connections are residential uses. The system also serves 19 customers outside City limits; out of these 19 customers, 11 of them experienced water supply and quality problems due to shallow wells; therefore, they entered into an agreement with the City to connect and receive water and sewer services from the City and to pay the Development Impact Fees on a monthly installment bases for a period of years(see the list attached of accounts that executed an agreement with the City)

LAFCo has authorized three extensions of water (and sewer) service:

- Resolution OS-15-04 to properties on South Goldenrod Avenue in the Kerman SOI;
- Resolution OS-16-01 to extend water service properties on West Date Avenue south of the Kerman SOI; and

- Resolution OS-16-04 to extend water service in the “Double L” Mobile Ranch Park east of the Kerman SOI.

Kerman's water lines range in size from four to 14 inches in diameter. The City's minimum standard for water lines is eight inches. The mains are usually placed in a grid pattern with 12-inch mains every half-mile and eight-inch mains at the quarter-mile locations. Depending on the number of units served, the intervening mains are either six or eight-inch diameters. The City maintains a total of 57.7 miles of water lines, including four-inch (3.5 miles), six-inch (12.2 miles), eight-inch (26.2 miles) 10-inch (2.3 miles) 12-inch (13.4 miles) and 14-inch (0.1 mile).

The system currently includes 476 fire hydrants and 1,151 water valves. Most pipes are newer PVC material; some pipes in older areas around the downtown are steel and will eventually be replaced but are functioning well at the present time.

The distribution system is adequate to satisfy current and projected demands and provide the required Uniform Fire Code fire flows. The City operates the system with a pressure that ranges from 50 to 60 pounds per square inch (psi). The distribution system also has two 750,000- gallon ground level storage tanks with booster pumps that can deliver up to 4,000 gpm.

Demand

The annual water demand for 2021 (the most recent year for which data are available) was 2,939 acre-feet (958 million gallons), compared with 3,683 acre-feet (1.2 billion gallons in 2007 when the earlier General Plan was adopted. This translates into 172 gallons per capita per day (versus 279 gallons per capita per day in 2007).

The City believes that this reduction in use is attributed to its water conservation program that includes promoting water efficient landscaping, restrictions on days and times of landscape irrigation, reporting of water wasting, and a leak detection and repair program. The City has also installed meters on all uses and requires meters on new development.

The City enforces its water conservation program through warnings and fines to ensure compliance with water conservation ordinances. The City's conservation programs (along with State requirements for low flow toilets, shower heads, etc.) are credited with reducing annual water use from a high of 1.2 billion gallons to just under 900 million gallons per year.

There are no industries in the city which have a high demand for water. The major water users in Kerman include schools operated by Kerman Unified School District, as well as City parks. The current production and distribution system is capable of meeting the water demands of the city. As new development occurs, additional wells and storage facilities will be needed.

According to Kerman's 2015 Urban Water Management Plan, the City's water supply is sufficient to meet both Single Dry Year and Multiple Dry Year scenarios. However the Management Plan emphasizes that it is essential that the City continue its current efforts towards conservation, groundwater recharge and groundwater management.

The City utilizes storm drainage basins that also provide groundwater recharge benefit. The City currently operates eleven storm drainage basins, totaling approximately 39 acres of land. In addition, treated

effluent at the City's Wastewater Treatment Plant is discharged to percolation ponds that function to recharge the groundwater table.

Master Plan

The City's existing Water Distribution System Master Plan (WDSMP) was initially adopted in 1980 and subsequently updated in 2015. The City expects to update the (WDSMP) in June of 2022 to coincide with the growth areas depicted in the 2040 General Plan update. The Master Plan identified the improvements to be funded through developer fees and grants. These improvements include development of Well No. 18, updated instrumentation/control program for other wells, and oversized water mains.

Staffing

The Kerman Public Works Department provides water, sewer, storm drain and street maintenance services for the community. The Department has six full time employees assigned to the water system and wastewater system. City staff are on duty 24 hours per day to respond to calls for service and emergency maintenance issues. Training for staff is available through the American Water Works Association and California Rural Water Association. The City also provides on-site training from time to time, as needed. When needed, staff can be supplemented with contractors.

Challenges

Kerman believes its water system is well-operated and in good condition; however, the City has taken account of its infrastructure's age and has taken steps through its Water Distribution System Master Plan to take appropriate action.

Key challenges in the future include making sure the system responds to additional growth and development that is anticipated in the Kerman General Plan. In general, construction and funding of improvements and additions to the system are the responsibility of developers to accommodate their projects. The City has a water system development impact fee that is charged against new development projects – funds accrued are used to make capital improvements to the system.

Capital improvements programmed soon include completion of Well No. 18. The "Double LL" mobile home park water line (providing service to a disadvantaged mobile home park located outside the Kerman SOI) has been completed.

The City is also participating in the Sustainable Groundwater Management Act as a member of the North Kings Groundwater Sustainability Agency. This effort resulted in the adoption of Groundwater Sustainability Plan in 2020 and may result in the imposition of additional requirements and measures to ensure the sustainable use and development of the Kings Water Basin, in which Kerman is located.

12. STORM DRAINAGE SERVICE

The city of Kerman is served by a system of municipal storm drains, maintained by the City's Public Works Department. The City has no other formal flood management system or ordinances related to flood prevention or control.²⁶

General Plan Policies

Kerman's 2040 General Plan includes the following policies regarding stormwater collection and disposal. As noted in the Kerman General Plan EIR Findings and Statement of Overriding Considerations,

Development of the 2040 General Plan would occur on currently or previously developed sites and undeveloped sites. Development on current or previously developed sites is unlikely to substantially change the hydrological conditions of the site that was graded and engineered to convey on-site flows to local storm drains or water ponding basins in accordance with the City standard requirements for drainage and flood control. Development on currently undeveloped sites would be required to connect to the City's stormwater drainage system. The City maintains stormwater facilities within existing rights-of-way consisting of drains and ponding basins located throughout the City. The 2040 General Plan includes policies that reduce the potential for substantial erosion or siltation as listed above. The General Plan ... shows that the City and surrounding SOI would be served by the City's storm drainage system.

Conservation, Open Space, Parks and Recreation element presents several goals and policies that govern the use and development of the City's storm drainage system.

Water Conservation Section Goal

COS-4 To effectively manage water resources by adequately planning for the development, conservation, and protection of water resources for present and future generations.

COS-4.2 Stormwater Retention Basins. The City shall incorporate stormwater retention basins into recreational areas or wildlife habitat areas for groundwater recharge.

COS-4.6 Water Use Efficiency for New Development. The City shall encourage new development and majority retrofits of existing development to incorporate water conservation techniques. Such techniques include requiring low-flow plumbing fixtures in new construction that meet or exceed the California Plumbing Code, use of graywater for landscaping, retention of stormwater runoff for groundwater recharge, use of reclaimed water for outdoor irrigation (where available), and landscape water efficiency standards that meet or exceed the standards in the California Model Water Efficiency Landscape Ordinance.

Conservation, Open Space, Parks and Recreation element notes, that there are no areas within the Kerman Planning Area that are subject to flooding identified by flood plain mapping prepared by the Federal Emergency Management Agency (FEMA) or the Department of Water Resources. Stormwater

²⁶ City of Kerman 2040 General Plan Update Background Report, January 2019.

runoff is managed through the city's storm drainage system. Water supply is addressed in Section 8.2 of the Public Facilities and Services Element.

Public Health and Safety Element

The General Plan Public Health and Safety Element presents the following goals and policies regarding flood hazards:

Goal PFS-1 To provide quality public facilities and services that enhance social opportunities and quality of life.

PFS-1.4 Storm Drainage. The City shall continue providing a safe and environmentally-sensitive storm drainage system that protects people and property.

PFS-1.5 Storm Drainage Master Plan. The City shall require new development to comply with the standards and plans contained in the Kerman Storm Drainage Master Plan, which directs the location of new stormwater drainage lines, mains, and ponding facilities.

PFS-1.7 Collaboration on Infrastructure Deficiencies. The City shall collaborate with the County, neighboring cities, service districts, and regional agencies on solving issues of mutual interest and concern, including infrastructure deficiencies, water and sewer services, public safety, public roads, trail connections, and stormwater and water management.

The Water Section of this element presents:

Goal PFS-2 To ensure a quality and reliable water supply to meet the needs of residents, businesses, and the agricultural industry.

PFS-2.1 Water, Sewer, and Storm Drainage Infrastructure. The City shall continue to install and upgrade water, sewer, and storm drainage infrastructure to meet current and projected growth demand, as well as current water quality standards.

PFS-2.5 Pollutants from Water Run-off. During the development review process, the City shall require new development to provide facilities and/or measures to reduce pollutants in water run-off prior to entering the city's stormwater collection system. Options could include bioswales and other best management practices currently available at time of development.

PFS-2.8 Groundwater Recharge. The City shall support adequate groundwater recharge by developing storm ponding and retention basins where feasible. In some areas these ponds or basins can be incorporated into a recreational area or used as wildlife habitat area or may be required by new development to offset impacts associated with new nonpermeable surfaces.

Storm Drain System

The City operates nearly 19 miles of storm drain lines, including 5.6 miles of 18-inch trunk lines and 4.3 miles of 30-inch trunk lines. Lines range in size from 12 inches up to 54 inches in diameter. There is one pump station in the system. The City has stormwater facilities within existing rights-of-way that consists of a system of drains and ponding basins located throughout the City. The stormwater ponding basins consist of 10 percolation basins totaling 39 acres that provide groundwater recharge. Some of these are

relatively small (the size of several residential lots) while others include a nine-acre park/ponding basin, where the basin serves the dual purpose of recreation and stormwater retention. All storm drainage in Kerman is channeled to basins – there is no discharge to waterways (canals or rivers). The percolated stormwater is subsequently pumped as groundwater for local crop irrigation.²⁷ Please refer to Figure 12-1.

The City's Storm Drainage Master Plan was updated in 2007 and divided the area within Kerman's Sphere of Influence into nine "drainage zones". The most prominent drainage zone encompasses much of the developed area between Whitesbridge Road and California Avenue. This zone is served by a 30-inch line in First Street that connects to a 42-inch line at California. The 42-inch line extends south to Church Avenue and discharges into an open channel that conveys stormwater to a basin south of the City's Wastewater Treatment Plant.

North of "G" Street, most of the runoff from this drainage zone surface-flows along gutters to a drop inlet at Madera and Sunset, which connects with a 24-inch line in Sunset. South of "G" Street, runoff surface flows along gutters to drop inlets in California Avenue, which connects to the line in California and the First Street line. A major project that was recently completed (recommended by the Storm Drain Master Plan) was the installation of parallel storm drain lines in these streets.

The other eight designated drainage zones generally serve more recent development and areas that will be developed in the future. Each of these drainage zones has existing or planned stormwater disposal basins. Two of the existing basins also serve as landscaped, recreational facilities, while the remainder of the existing basins are un-landscaped, single-use facilities.

Many of the deficiencies in the existing drainage system that were identified in the original Master Plan and subsequent updates have been corrected by the City. Master planned lines that were installed by the City include parallel lines in Middleton (west of First), First (between Middleton and Kearney), and Madera (north of Sunset). The capacity of the pump station at the "buffer" basin at First and Kearney was increased, and a pump station at First and California was abandoned.

Other master-planned facilities have been installed to serve new development, including a 24-inch line in Kearney between Siskiyou and Park and a 42-inch line in Park south of Kearney. These lines serve the residential uses that have developed south of Kearney and west of Del Norte. The 42-inch line discharges into an existing basin south of "E" Street and east of Park.

The City also installed a 24-inch line in Madera Avenue north of Church Avenue and a 54-inch line in Church, which connects with the Madera line and drains to the open channel near the City's treatment plant. These lines receive runoff from Madera Avenue and the industrial uses along Madera.

The main project in the near-term is for the City to regrade the B Street stormwater ponding basin. This has been budgeted at approximately \$75,000.

²⁷ City of Kerman 2040 General Plan Facts, Findings, and Statement of Overriding Considerations Regarding the Environmental Effects from the Environmental Impact Report, State Clearinghouse # 2019049018, 2020.

Staffing

The Kerman Public Works Department provides water, sewer, storm drain and street maintenance services in the community. The Department has five full time employees assigned to the sewer, water, storm drain and streets systems. One employee is normally assigned to the storm drain system, but during wet weather, staffing can be increased as needed. City staff are on duty 24 hours per day to respond to calls for service and emergency maintenance issues. Training for staff is available through the American Water Works Association and California Rural Water Association. The City also provides training on-site from time to time, as needed.

Capital Projects

The Kerman FY 2021/2022 describes a Capital Project as “a project that helps maintain or improve the City’s asset, often called infrastructure. To be included in the Capital Budget, a project must meet one of the following requirements (criteria): It is a new construction, expansion, renovation, or replacement project for an existing facility or facilities.

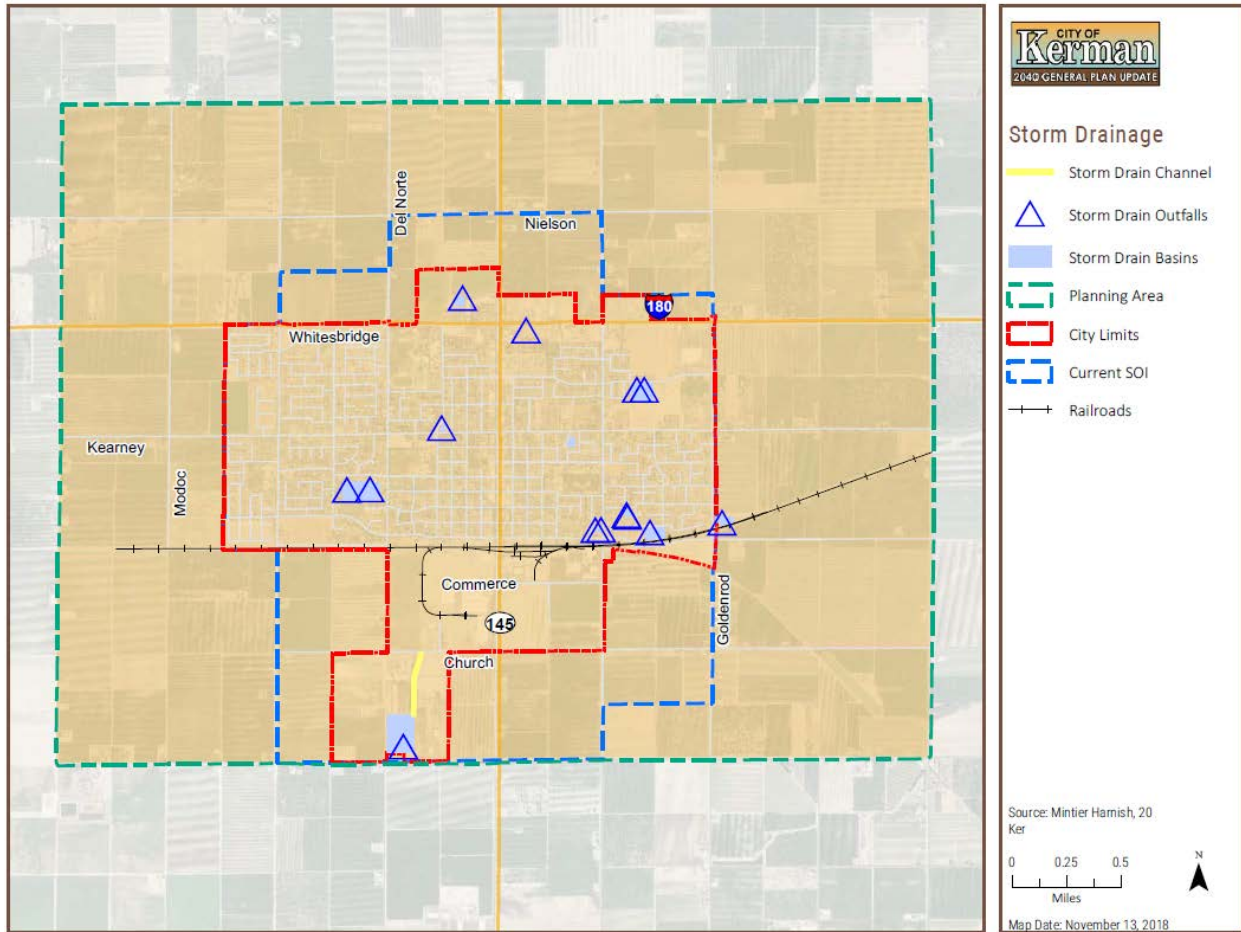
The City has a storm drain system development impact fee that is charged against new development projects – funds accrued are used to make capital improvements to the system. The City’s stormwater user fees were most recently set in 2014.

The Fiscal Year 2021/2022 Capital Projects Budget includes \$225,000 in Storm Drain project to regrade B Street basin funded by Developer Impact Fees. The budget also presents a project for storm drain basin acquisition.

Challenges

The primary challenge will be to make sure the system responds to additional growth and development that is expected to occur in the future. In general, improvements and additions to the system are the responsibility of developers, to accommodate their projects. The City has a series of stormwater basins planned in the Storm Drain Master Plan; typically, developers are required to install temporary on-site basins to serve their projects until the master-planned basin can be constructed.

Figure 12-1 City of Kerman Storm Drainage System



Source: City of Kerman 2040 General Plan Background Report, January 2019.

13. OTHER SERVICES: FIRE PROTECTION, SOLID WASTE/RECYCLING, AND TRANSIT

This chapter profiles additional services handled by other agencies.

Fire Protection

The Kerman General Plan presents the following goals and policies:

Goal PH-2: To minimize the risks to life and properties from fire hazards.

PH-2.1 Adequate Staffing and Equipment

The City shall coordinate with the North Central Fire District through the site plan review process and the State's environmental review process to ensure that future development does not outpace the expansion of the Central County Fire Department staffing, and the development of strategically located and fully equipped fire stations.

PH-2.2 Adequate Water Supply for Fire Suppression

The City shall require new projects to have adequate water supplies to meet the fire-suppression needs of the project without compromising existing fire suppression services to existing uses.

PH-2.3 North Central Fire District Capital Improvement Plan

The City shall encourage North Central Fire District to establish a 20-year Capital Improvement Plan that includes increased service capacity in Kerman, including a fire ladder truck and fire station.

PH-2.4 Fire Prevention Education

The City shall continue to coordinate with North Central Fire District in providing education on fire prevention training to City staff, residents, and business owners.

Goal PH-3: To provide the highest levels of public safety services as fiscally feasible to respond to natural and man-made disasters.

PH-3.1 Continuity of Essential Operations

The City shall continue to work with the Police Department, North Central Fire District, and among City Staff to regularly train and establish clear procedures to provide continuity of essential City operations and critical facilities in the event of a disaster.

Overview

Fire protection services are provided to Kerman and surrounding areas by the North Central Fire Protection District. The District was formed in 1945 and encompasses 137,846 acres (215 square miles), generally extending from the Fresno/Madera County line on the north, the City of Fresno's western city limits on the east, El Dorado Avenue along the west, and American Avenue to the south (Figure 14-1). In addition to serving the City of Kerman, the District serves the unincorporated community of Biola, parts of the City of Fresno, and many square miles of unincorporated county territory.

The District headquarters and main station are located on the west side of Kerman along the north side of Kearney Boulevard, west of Del Norte Avenue. The District owns and operates four other stations in various locations, closer to the City of Fresno. The District service area and SOI are presented in Figure 13-1; the location of the Kerman station and its response areas are shown in Figure 13-2.

The District informed LAFCo that it coordinates with the City of Kerman to ensure that City growth is adequately served by the District. The District receives 97 percent of its revenue from the annual property taxes collected within the District and City of Kerman. As residential and commercial growth occurs in the City of Kerman, revenue for the District also increases which will allow the District to increase service levels when necessary. The District informed LAFCo that, hypothetically, the City of Kerman would have to triple its population size before an increase in services levels would have to be considered by the District. At the present time, the District headquarters alone adequately attends territory within the City of Kerman.²⁸

According to the District's website,²⁹

The District's Operations Division is responsible for delivering emergency services to those citizens who live, work, and visit the District. The Operations Division responds to all calls for emergency services including incidents involving fires, emergency medical services, traffic accidents, technical rescue, and release of hazardous materials.

Mutual/Auto Aid responses are provided to surrounding fire departments via participation in the California master mutual aid plan and local aid agreements.

North Central Fire operates out of four strategically located fire stations; Station 55 in Kerman, Station 56 in Kearney Park, Station 57 in Biola, and Station 58 at Grantland/Shields.

In July 2022, Station 59 will be restaffed and is the District's 5th fire station located at Bullard and West. Station 54 will be the 6th fire station, also projected to reopen in July 2022 in the Hwy 180 and Marks Ave area.

The North Central Fire Protection District maintains a daily staffing of 17 professional firefighters (increasing to 23 July 2022) and 1 Battalion Chief. The District provides fire protection services to approximately 230 square miles and over 51,000 population.

The Kerman station has two engine companies, each with three persons. The Kerman station is equipped with the following equipment:

- Fire engine
- Fire engine truck with 105-foot ladder
- Fire engine tender with 3,000-gallon tank
- Reserve fire engine
- Pickup

The District is generally able to respond to emergency calls in Kerman within two to three minutes. Backup assistance is provided by the Kearney Park Station located on Kearney Boulevard, about eight miles east

²⁸ Fresno LAFCo, North Central Fire Protection District Municipal Service Review, December 2016.

²⁹ <https://www.northcentralfire.org>, March 2022.

of Kerman. The Biola Station (about nine miles to the northeast) may also respond to emergency events in Kerman. Call data for 2021 is presented in Figure 13-3.

Interviews with fire district personnel conducted by the City's planning consultant Collins and Schoettler, indicate that all developed areas of the City of Kerman are connected to the city's water system and water pressure is sufficient in all areas for firefighting purposes. Pressure in most areas is about 40-55 pounds per square inch. The Insurance Service Office (ISO) rating for Kerman is 4. Areas immediately outside of city limits have a rating of 4, ranging to 8 further out from the urban area.

The District has automatic aid agreements with the City of Fresno and Fresno County Fire District for support services, when requested.

According to the Municipal Service Review that was prepared by LAFCo in 2016, the District indicated that Kerman would hypothetically have to triple its population size before an increase in service levels would have to be considered.

Emergency medical services are provided in Kerman by American Ambulance by agreement through the County of Fresno EMS Division. The paramedic crew operates from a building at 288 S. Madera Avenue.

Budget

The Kerman Budget reports,

Development Impact Fees (DIF's) are collected from developers to help fund the impacts that their housing and commercial developments have on the infrastructure and service requirements of the City. These fees are collected to be used for the impact the developments are expected to have on specific services, such as parks, water, sewer, storm drain, streets and railroad crossings. The City of Kerman also collects Fire Impact Fees for the future addition of a fire station. However, since the City does not run its own fire department, those fees are collected on behalf of the North Central Fire District (NCFD) to be turned over to NCFD when a new fire facility is developed.

Figure 13-1

North Central Fire Protection District

Authorized Services: Fire prevention, suppression, investigation, search and rescue, and first responder services

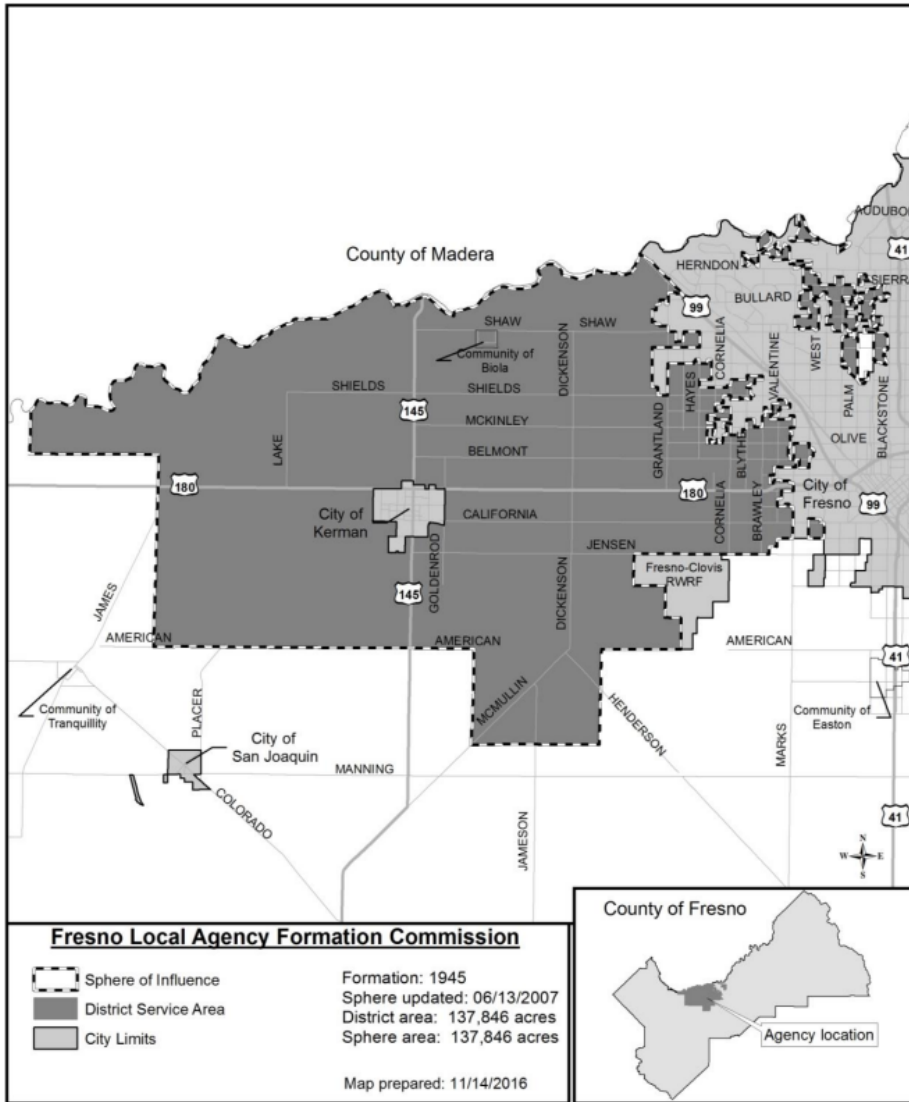


Figure 13-2
Kerman Station Response Area

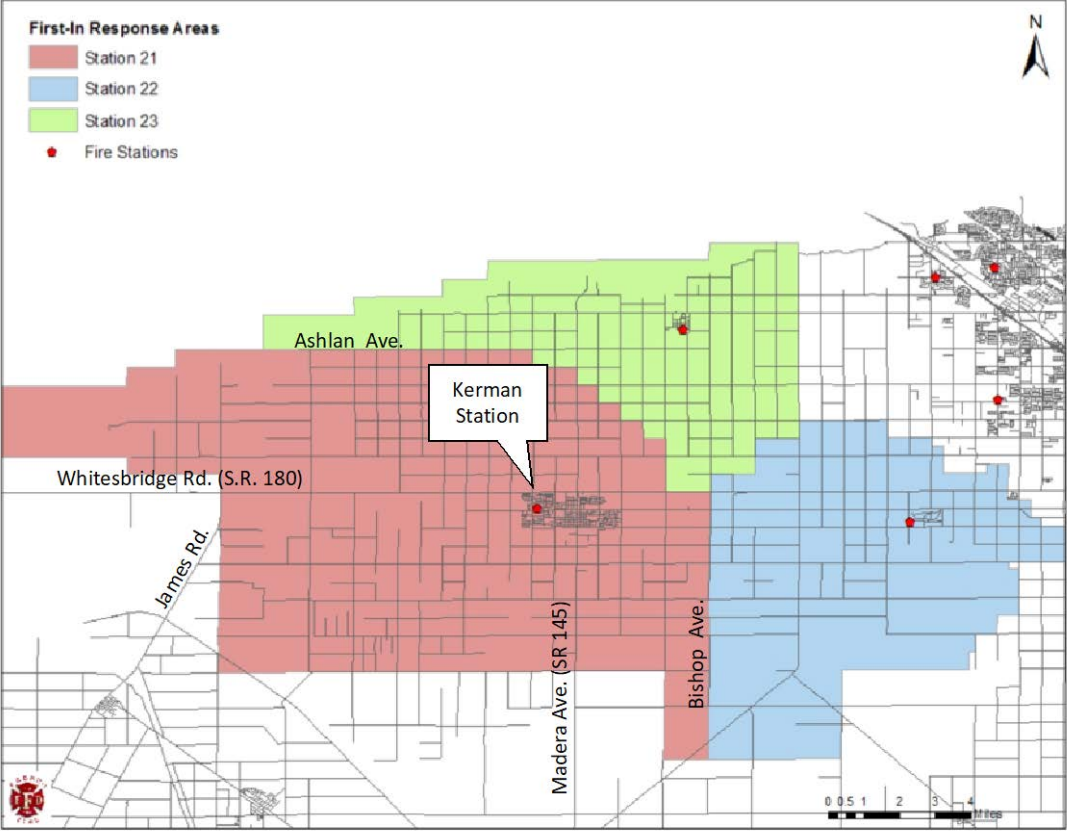
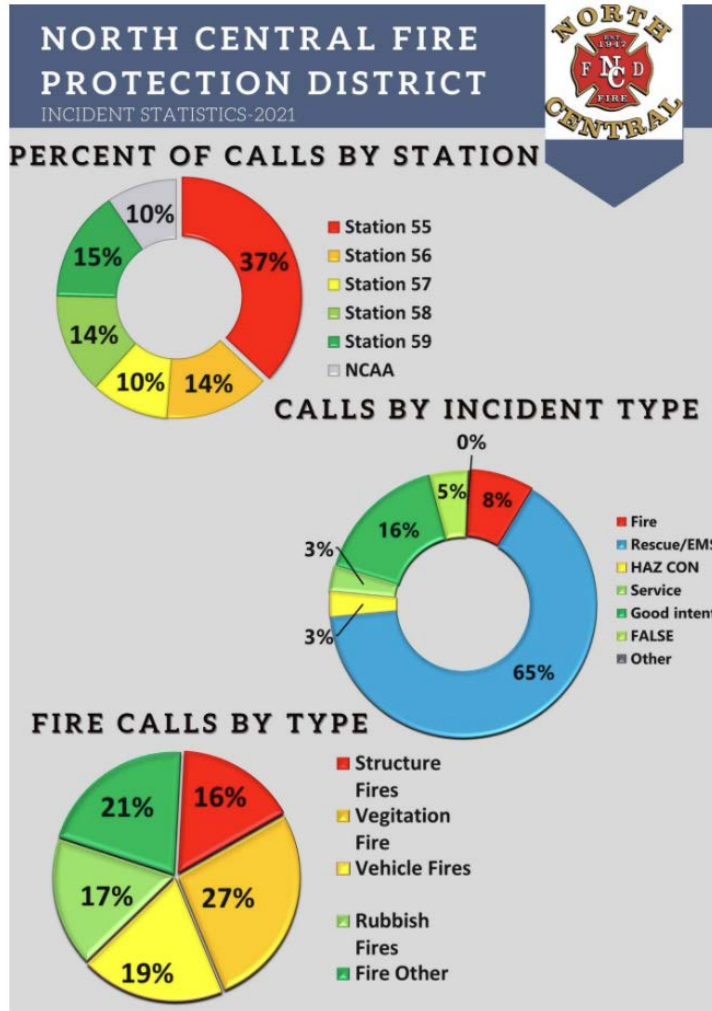


Figure 13-3
 North Central Fire Protection District Call Data for 2021



SOLID WASTE AND RECYCLING

The Kerman General Plan Public Facilities and Services Element presents the following goal and policy:

Goal PFS-4 To support and invest in efficient energy practices at City facilities and events.

PFS-4.4 Solid Waste Reduction The City shall support and promote solid waste reduction, recycling, and composting efforts, including food waste reduction, to meet solid waste disposal target rates for the City of Kerman of 3.7 pounds per resident per day and 12.1 pounds per employee per day consistent with Senate Bill 1016, or as amended.

Overview

Kerman contracts with Mid Valley Disposal for solid waste and recycling collection. The Administrative Services Department oversees the administration of the City's contract with Mid Valley Disposal. Public Works does not oversee direct operations of solid waste collection, however, as part of the solid waste program, PW manages the wastewater treatment plan and FOG Management & Control Program (Fats, Oils & Grease).

Mid Valley Disposal operates out of a 45-acre facility in Kerman's industrial park. Solid waste and recycling collection is provided twice a week to residential, commercial and industrial customers in Kerman. Mid Valley hauls the solid waste to the American Avenue Landfill, about six miles southwest of Kerman. Compostable green waste is taken to Mid Valley's Kerman facility for processing, sorting and shipment to end-users. Recyclables are shipped to Mid Valley's facility in Fresno for sorting and shipping to processors.

For residential users, Mid Valley employs a three-can system (solid waste, recyclables, and compostable materials). Commercial and industrial uses and larger apartment complexes typically use large bins for solid waste and recyclables. Fees for trash collection are set by Mid Valley Disposal and approved by the Kerman City Council.

According to reports filed by the City with the State of California, Department of Conservation, in 2017, Kerman generated a total of 10,309.3 tons of waste. Approximately 52% of this was recyclables and compostable materials, diverted from the waste stream. State law requires cities to divert at least 50% of the waste stream through recycling and composting programs, and therefore Kerman is meeting this requirement. The City (working with Mid Valley Disposal) continues to refine its recycling and composting programs, including increasing public information, to make the programs more effective. The City is currently focusing on increasing the diversion of organic waste.

Budget

The FY 2022-2023 Kerman Budget reports,

The Solid Waste Fund is projected to end fiscal year 2020/2021 with a surplus of \$7,215 based on revenues of \$1,546,496 and expenditures of \$1,539,281. In Fiscal Year 2021/2022, the Solid Waste Fund is projected to have a surplus of \$5,620 based on revenues of \$1,590,588 and expenditures of \$1,584,968. Solid Waste fee increases are based on the consumer price index (CPI) as stipulated in the contract with Mid Valley Disposal.

TRANSIT

Kerman's General Plan goals and policies are focused on the relationship of the built environment on the provision of transit services as a part of the overall street and roadway system:

Goal CIRC-1 To provide a safe and efficient roadway system that serves all users and enhances the community of Kerman.

Policies

CIRC-1.1 Consistency between Land Use and Transportation Planning

The City shall ensure land use and transportation planning are cohesive, consistent, mutually supportive, and strive to reduce vehicle miles traveled (VMT). This will include (among other things):

- Maintaining land use patterns that encourage people to walk, bicycle, or use public transit routinely for a significant number of their daily trips;...

CIRC-1.2 Complete Streets

The City shall plan a multimodal transportation system that provides safe, comfortable, and convenient access that accommodates various vehicle types and users, including automobiles, agricultural equipment, public transit, bicyclists, and pedestrians.

CIRC-1.3 Eliminate Gaps

The City shall create a more comprehensive multimodal transportation system by identifying and eliminating "gaps" in roadways, bikeways, and pedestrian networks; increasing public transit access; and removing natural and man-made barriers to accessibility and connectivity.

CIRC-1.6 Safe Routes to School

The City shall encourage the construction of facilities and provision of programs that ensure children, families, and caretakers can walk, bike, and take public transit to school safely.

Goal CIRC-2 To ensure the design, construction, and maintenance of a safe, efficient, and complete roadway system that is well designed, visually attractive, and provides access to all parts of Kerman.

CIRC-2.7 Mitigation of Vehicle Miles Traveled (VMT) Transportation Impacts

The City shall require projects having potentially significant VMT transportation impacts under CEQA to implement feasible mitigation measures necessary to reduce the VMT for or induced by the project to the applicable performance metrics. Such mitigation measures may include, but are not limited to (among other things):

- Provide infrastructure and facilities for walking and bicycling, particularly those that connect with and ensure access to existing active transportation infrastructure and transit;

The Circulation Element also presents goals and policies about alternative transportation:

CIRC-5 To promote bicycling, walking, and using public transit, as functional alternatives to single-passenger automobile travel.

CIRC-5.1 Alternative Modes of Transportation

The City shall encourage project site designs and subdivision street and lot designs that support alternative modes of transportation, including public transit, bicycling, and walking.

CIRC-5.2 Active Transportation

The City shall encourage bicycling, walking, taking public transit, and carpooling as alternatives to driving single-passenger vehicles to reduce VMT, traffic congestion, and associated emissions from additional automobile use.

CIRC-5.6 Pedestrian-Friendly Streets

The City shall design and improve streets to be “pedestrian-friendly” by incorporating features including wide and unobstructed sidewalks, bulb outs at intersections, narrow traffic lanes at key locations to slow traffic speed, adequate street lighting, and trees for natural shade cover.

CIRC-5.7 Transit Amenities

The City shall encourage the development of facilities and services (e.g., streetlights, transit stop benches and shelters, mobile trip planning applications, and electronic transit fare payment systems) that promote transit use and contribute to community character.

The General Plan Housing Element presents the following goal and policy:

Goal HE-1 To facilitate and encourage the provision of a range of housing types to meet the diverse needs of residents.

HE-1.6 Higher-Density, Mixed-Use, and Transit-Oriented Development

The City shall promote development of higher-density housing, mixed-use, and transit-oriented development in areas located along major transportation corridors and transit routes and served by the necessary infrastructure.

Overview

Since November 2019, MV Transportation operates the Kerman Transit bus, known as Dial-A-Ride, for residents within the city limits of Kerman and the FCRTA operates the Westside Transit with services to all of the westside cities.³⁰

The Fresno County Rural Transit Agency (FCRTA) is a Joint Powers Authority comprised of thirteen rural cities and the County to provide a coordinated transit system for rural Fresno County. The Westside Transit (also known as the San Joaquin Transit) is provided to residents of the Fresno-Clovis Metropolitan Area Monday through Saturday. It connects with the Fresno Area Express and KART in Downtown Fresno and runs between Fresno and Firebaugh, including the City of Kerman. It does not provide connection to any transit system north of Fresno County.³¹

The City has provided the following information on ridership in Kerman for the past three years.

³⁰ <https://cityofkerman.net/transportation/>, 2022.

³¹ Ibid.

Table 14-2: Transit Ridership Rates (2014-2017)

Year	Kerman Transit	Westside Transit
FY 2016-2017	8,518	13,856
FY 2015-2016	8341	12,796
FY 2014-2015	9,079	14,792

The figures indicate a downward trend in ridership over the past three years. Possible causes include lower gas prices and the area continuing to pull out of the recession of the mid-2000's.

14. Shared Facilities, Opportunities for Shared Facilities

Future City growth may present additional opportunities for sharing of public facilities to offset costs, promote greater efficiencies, and improved economies of scale in provisions of municipal services.

LAFCo notes that the geographic distance between Kerman and other neighboring agencies is large enough that identifying opportunities beyond than the existing shared facilities are limited. Nonetheless, if future shared facilities were to be sought after then the following local agencies listed below may provide potential opportunities to create additional share public facilities.

- Kings River Conservation District
- Fresno Irrigation District (the city is currently working on an agreement with FID for delivery of non-potable water)
- Fresno Mosquito Abatement District
- West Fresno County Red Scale Pest Control District

15. Municipal Service Review Determinations

The LAFCo has prepared this MSR for the City of Kerman in accordance with Government Code section 56430. State law requires LAFCOs to identify and evaluate public services provided by the City and possible changes to the City SOI. The following provides LAFCo's written statement of its determinations with respect to each of the following seven topics:

1) Growth and population projections for the affected area.

- The City of Kerman has experienced steady growth over the past thirty years, and anticipates this will continue through the foreseeable future, though growth rates have declined over those seen during the "housing boom" in the mid 2000's. Kerman's population is 16,118 as of May 2021 a 1.2% increase from April 2020
- The 2040 Kerman General Plan update was adopted by the City Council in July 2020. The General Plan accounts for the City's growth using a 20-year planning horizon, through year 2040. The General Plan establishes its land use foundation through a vision that was created through cooperative efforts involving the City Council, Planning Commission, City staff, and the community.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

- According to LAFCo's database there are no DUCs within Kerman's SOI nor within one mile of the adopted SOI boundaries.

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 2040 Kerman General Plan provides the vision and guidance for capital improvements and the development of city infrastructure, is used to create development impact fees, and provides the basis for environmental analysis of the growth of the City.
- Based on evidence analyzed by LAFCo staff, City services and services provided to the city by other agencies appear adequate to support planned growth and development.

4) Financial ability of agencies to provide services.

- The Kerman Municipal Code directs the City Manager to prepare a balanced budget and proposed salary plan, outlining anticipated revenues and expenditures for the upcoming fiscal year and submit these to the City Council.
- The City's Fiscal Year 2021/22 Budget sets forth total revenues of \$ 26,807,142, (General Fund, Special Funds and Measure M); unrestricted General Fund Revenues of \$8,823,382, and a total proposed operating budget for Fiscal Year 2021/22 is \$42,482,199.

- The Kerman General Plan establishes the foundation for most of the Council's budgeting decisions in terms of capital facilities, staffing, programs, utility infrastructure, and levels of service. Kerman's budget and financial statements are prepared in accordance with generally accepted accounting principles.
- The City maintains individual fund accounts that fund City services and activities. The City's budget provides funding for six major departments: City Attorney, City Manager, Human Resources, City Clerk, Community Services Administrative Services, Community Development, Police, and Public Works.
- The City has established fiscal policies that governs its financial administration. The City's financial policies are designated to protect the City's assets, provide stability in its funding base, and ensure that adequate funding resources are secured for upcoming year.

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

- LAFCo notes that the geographic distance between Kerman and other neighboring agencies is large enough that identifying opportunities beyond than the existing shared facilities are limited.
- The City is a member agency the Fresno County Rural Transit Agency. Through its membership, the Fresno County Rural Transit Agency provides funding for the Kerman Transit Program.
- The Kerman Police Department maintains automatic and mutual aid agreements for policing services with the Fresno County Sheriff's Office and the California Highway Patrol.

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

- Kerman is a general law city with a "council-manager" form of government. The City is governed by a five-member council, elected by district and accountable to the residents of the City.
- The City Council appoints a city manager who is responsible to oversee the daily operations of the City. The Council works closely with the City Manager, various citizen advisory commissions and committees, and solicits public comments from its residents to make decisions and recommendations to City Council on behalf of its citizens.
- The Kerman City Council carries out its responsibilities through the implementation of the Kerman General Plan, Kerman Municipal Code, and other state and federal laws.
- The City Council meets on the second and fourth Wednesday of each month at 6:00 p.m. at the Kerman City Hall, 850 S. Madera Ave. Meetings are noticed consistent with Brown Act requirements, which include posting meeting information in public places 72 hours prior to each scheduled meeting.

- Copies of the Council meeting agendas and related staff reports are posted on the City's website (<https://cityofkerman.net/>). The City's website provides City Council and Planning Commission meeting agendas, and minutes.
- The City delivers municipal services with a combination of staff, contracts with other agencies, and contracts with consultants and/or private contractors. The City currently employs a total of 70 full-time equivalent personnel assigned to the various City departments.
- Under City Policy, each full-time employee is required to participate in ongoing training and education at a minimum of one training course every four months to stay current with industry trends. Mandatory training topics for certain employees include anti-harassment and anti-discrimination, ethics, and sexual harassment.

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.

16. Sphere of Influence Update Determinations

LAFCo has prepared this MSR consistent with GC sec. 56430 in order to update the Kerman SOI in accordance with GC sec. 56425. The purpose of the service review is to get a “big picture” of the public services provided by a local agency, determine service needs, and make recommendations in order to promote the orderly development of local agencies.

The MSR was prepared in conjunction with the City’s application (LAFCo file No. USOI-205) to LAFCo requesting the Commission to expand the Kerman SOI and add approximately 637 acres of territory west and east of the city to the Kerman SOI. Majority of the land in the affected territory will continue to operate as agricultural related uses and/or rural residential within the updated Kerman SOI until such time as development is proposed. The SOI update would add new territory that is planned for urban uses by the 2040 Kerman General Plan.

In summary, the service review found that the City is efficiently providing its various municipal services within its corporate boundaries, and has adequate capacity, phased infrastructure improvement programs, and adequate planning efforts by type of service to promote planned growth and development within the proposed Kerman SOI update.

LAFCo staff reviewed the proposed Kerman SOI update in light of the data collected during the MSR process, communicated with City representatives, reviewed the 2040 Kerman General Plan, the Kerman General Plan certified Final Environmental Impact Report, the Kerman SOI amendment application, the 2021-22 Kerman Annual Budget, and the approved 2021 County-City Memorandum of Understanding regarding standards for annexation and development in order to provide the Commission a thorough SOI update recommendation for its consideration.

Based on the information and analysis in the MSR, this section of the report fulfills the requirements of Government Code section 56425 and allows LAFCo to update the Kerman SOI consistent with the written determinations for the City of Kerman. In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following pursuant to Government Code Section 56425 (e):

- 1) The present and planned land uses in the area, including agricultural and open-space lands.**
 - The City of Kerman adopts and maintains a General Plan. The 2040 Kerman General Plan establishes its land use foundation through a vision statement and supportive goals and policies. The General Plan creates policies and provides for the general distribution, location, and extent of present and future land uses that guide land use decisions that shape development of the City through year 2040.
 - Land uses surrounding the Kerman city limits in both the existing SOI, the proposed SOI, and the General Plan planning area are predominantly in active agricultural operations.
 - The focus of the 2040 Kerman General Plan is to balance growth and investment in existing neighborhoods as well as new growth areas. The General Plan calls for a balance of residential development between low, medium, and higher density projects. The General Plan presents strategies to prevent premature loss of prime agricultural lands that surround Kerman.

2) The present and probable need for public facilities and services in the area.

- The City of Kerman provides a wide array of municipal services within its corporate limits. Extension of infrastructure and municipal resources would be necessary to accommodate future urban development within the Kerman SOI update. The City implements its General Plan, as identified in the MSR, and regularly identifies community service needs in its annual budget.
- The City of Kerman has established development impact fees, and developer-required mitigation in the form of infrastructure improvements required from new projects and similar programs to monitor existing and future public service needs. Development within the Kerman SOI is required to extend physical infrastructure to individual sites and pay pro-rata fees for other City services as a condition of project approval to annex into the City. The physical infrastructure is generally available adjoining the City limits.

3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- The City demonstrates that it has adequate capacity to provide the necessary municipal services, as identified in the MSR, to its constituency within its existing incorporated boundaries. The City of Kerman regularly review its service levels, and updates its regulatory service permits, and City officials monitor each department performance within the City.

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.

- Not applicable.

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.

- LAFCo determines that no territories in the existing and proposed SOI update meet the DUC criteria as defined by Fresno LAFCo's Policy 106 and CKH.

17. Recommendations

In consideration of information gathered and evaluated in this Municipal Service Review, it is recommended that 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 as a Responsible Agency, Fresno LAFCo considered the certified 2040 Kerman General Update EIR (SCH No. 2019049018) for its review and update of the Kerman SOI update, and LAFCo anticipates that future urban development within the affected area would be developed as contemplated in the City's certified General Plan Update EIR.
6. Determine that the proposed Firebaugh SOI update is consistent with the 2040 Kerman General Plan EIR has been adequately considered for the proposed Firebaugh SOI expansion.
7. Revise the Kerman SOI to include approximately 637 acres in two areas (West and East): the west side area is 230 acres, and the east side area is 408 acres.

18. Acknowledgements

This Municipal Service Review and sphere of influence update was prepared by Fresno LAFCo. Supporting documentation was made available through the effective partnership with the City of Kerman and support from the City's planning consultant Collins and Schoettler for providing information, supporting documents, and their valuable assistance in the development of this MSR update for the City of Kerman.

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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