

SUTTER COUNTY

LOCAL AGENCY FORMATION COMMISSION

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December 9, 2008

To: Local Agency Formation Commission

Re: **LAFCO #08-01: Sutter Cemetery Municipal Service Review and Sphere of Influence Update**

Recommendation

Adopt attached Resolution 2008-06 making determinations and approving the Municipal Service Review for Sutter Cemetery District and updating the District's Sphere of Influence.

Background

Statutory Requirement

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCO to review and update, as necessary, special district Spheres of Influence (SOIs) before January 1, 2008, and every five years thereafter. Prior to, or in conjunction with an agency's SOI Update, LAFCO is required to conduct a Municipal Service Review (MSR) for each agency.

On May 22, 2008, via Resolution 2008-03, the Commission authorized staff to begin updating the initial MSR/SOI reports for all cemetery districts in Sutter County; which were originally adopted in 2003-2004. The attached MSR/SOI Update has been prepared for the Sutter Cemetery District.

MSRs provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not modifications to a city or district's SOI are necessary. MSRs can be used as informational tools by LAFCO and local agencies in evaluating the efficiencies of current district operations and may suggest changes in order to better serve the public.

SOI Updates may involve an affirmation of the existing SOI boundaries or recommending modifications to the SOI boundaries. LAFCO is not required to initiate changes to an SOI based on findings and recommendations of the service review, although it does have the power to do so.

State law requires that the Commission adopt written MSR determinations for each of the following nine criteria:

- A) Infrastructure needs or deficiencies**
- B) Growth and population projections for the affected area**
- C) Financing constraints and opportunities**
- D) Cost avoidance opportunities**
- E) Opportunities for rate restructuring**
- F) Opportunities for shared facilities**
- G) Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
- H) Evaluation of management efficiencies**
- I) Local accountability and governance**

As part of an SOI Update, or adopting an SOI, the Commission is required to consider the following four criteria and make appropriate determinations in relationship to each of the following:

- A) The present and planned land uses in the area, including agricultural and open-space lands.**
- B) The present and probable need for public facilities and services in the area.**
- C) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**
- D) The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.**

The original MSR/SOI Update completed for the Sutter Cemetery District was adopted by the Commission (Resolution 2003-15) on November 24, 2003.

Municipal Service Review Process

On May 22, 2008, LAFCO initiated MSR/SOI Updates (Resolution 2008-03) for all cemetery districts. Staff then prepared and distributed the previously adopted MSR/SOI Updates for review and modification by district staff. Staff received these modifications and updated the MSR/SOI Updates and submitted the revised document to the District for review. No District changes were received by LAFCO staff.

Environmental Determination

LAFCO is the lead agency for this proposal under the California Environmental Quality Act (CEQA). After reviewing this document, staff has determined that the Municipal Service Review and Sphere of Influence Update for Sutter Cemetery District is exempt from the provisions of CEQA. Staff has determined two possibilities in which this Municipal Service Review and Sphere of Influence Update qualify for exemptions.

First, staff believes the proposal is covered by the general rule of CEQA, Section 15061b(3) of the CEQA Guidelines that states that CEQA only applies to projects that have the potential for causing

a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The Cemetery District's Municipal Service Review evaluates the district's current operations and does not propose any changes of organization or reorganization. In addition, the district's Sphere of Influence is proposed to remain unchanged. As a result, the MSR/SOI Update will not have any impact upon the environment and is, therefore, not subject to CEQA.

Second, this proposal is considered Categorical Exempt from CEQA pursuant to Section 15306 of the CEQA guidelines which exempt basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. This type of exemption may be used strictly for information gathering purposes, or as part of a study leading to an action which a public agency (LAFCO) has not yet approved, adopted or funded. The information gathered for the Municipal Service Review will not have an effect upon an environmental resource. The Sphere of Influence Update will validate the boundaries of an existing Sphere and no changes to that Sphere of Influence are proposed. Therefore, no environmental impacts will result.

Staff is recommending your Commission consider the proposal and direct staff to file a Notice of Exemption consistent with Section 15306 of the CEQA Guidelines. The proposed resolution, included with this report, includes language providing staff with this direction.

District Information

The Sutter Cemetery District was formed in 1925 to maintain continuous care of cemetery grounds and perform the necessary services. The District's Board consists of five trustees, who are appointed by the Sutter County Board of Supervisors. The District's mission is to "make every effort possible to care, maintain, and secure for the people of the District, now and for generations to come, a beautiful place of final rest."

The District includes the majority of the population in Sutter County including the city of Yuba City and its urban area, as well as the rural communities of Sutter and Meridian.

On June 24, 1999, Sutter Cemetery District merged with Meridian Cemetery District (LAFCO Resolution 99-05). The combination of these two entities resulted in the Sutter Cemetery District encompassing territory from North Butte Road in northern Sutter County southerly to a point south of Pelger Road and proximate to the point where State Highway 99 crosses the Feather River. The District boundaries are shown in **Attachment A** of this staff report; and the District SOI is shown in **Attachment B**.

The District operates and maintains four cemeteries:

Sutter Cemetery	7200 Butte Avenue, Sutter California
Yuba City Cemetery	401 Bridge Street, Yuba City
Meridian Cemetery	553 Meridian Road, Meridian
Noyesburg Cemetery	Assessor's Parcel 8-170-005; located on West Butte Road

Municipal Service Review Determinations

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made based on analysis of information provided by district staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

- A) Infrastructure needs or deficiencies determination-** Existing long term and short term infrastructure needs at this time are minimal and accounted for within the annual budgeting process. Recent infrastructure investments include: purchase of a 2008 F-350 truck, an irrigation system, and a new water tank system and cycle valve. Sutter Cemetery District's existing infrastructure is adequate to provide needed services.
- B) Growth and population projections for the affected area determination-** Sutter Cemetery District service needs are forecast based upon census data, past burial rates and the sale of pre-need grave sites. Portions of District territory are the fastest growing urban areas in Sutter County. The district has estimated that it has capacity in its existing cemetery lands to serve the area for 150± years.
- C) Financing constraints and opportunities determinations-** The Sutter Cemetery District is funded through a combination of property taxes, interest income, pre-need service sales, burial fees, and interest received from its endowment fund. District revenues routinely exceed expenditures, allowing for the long term planning for infrastructure needs. No financial constraints have been identified by District staff.
- D) Cost avoidance opportunities determination-** The Sutter Cemetery District provides services with a minimal number of staff and does not currently utilize contract services. The district appears to operate efficiently under its existing structure. There are no cost avoidance opportunities identified.
- E) Opportunities for rate restructuring determination-** The Sutter Cemetery District is funded a combination of property taxes, interest income, pre-need service sales, burial fees, and interest received from its endowment fund. Out-of-service-area fees are charged to non-District residents. The costs of providing services are covered under the existing rate structure; therefore, no opportunities for rate restructuring are available.
- F) Opportunities for shared facilities determination-** Sutter Cemetery District, like all cemetery districts in Sutter County, owns and maintains its own cemeteries and either has its own equipment or contracts with private parties for use of equipment. All districts are encouraged to share equipment, when possible, as a mechanism to facilitate reducing costs. However; there were no specific opportunities identified for shared facilities with regard to Sutter Cemetery District.
- G) Government structure options determination-** The Sutter Cemetery District serves its residents efficiently within logical service boundaries and would not benefit from operating under a different government structure. The structure of Sutter Cemetery District's Board appears to function properly for the district. The County Board of Supervisors appoints the Cemetery District Board of Trustees. No overlapping special district cemetery services operate within the District boundary and Sphere of Influence.

- H) **Evaluation of management efficiencies determination-** The Sutter Cemetery District appears to operate efficiently and effectively in its provision of services.
- I) **Local accountability and governance determination-** The Sutter Cemetery District is overseen by the District's Board of Trustees; who are appointed by the County Board of Supervisors, members of which are elected by County voters. The District Board holds monthly public meetings that are noticed according to Brown Act procedures. District finances are audited on a yearly basis and bidding procedures have been established for contract services.

Sphere of Influence Update

A Sphere of Influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCO to prepare written statements with regard to the following four areas of attention:

- A) **The present and planned land uses in the area, including agricultural and open space lands.**

Within the boundaries of Sutter Cemetery District one will find urbanized areas such as the communities of Sutter and Meridian as well as the incorporated city of Yuba City. The majority of the District is comprised of a rural landscape used for growing orchard crops, row crops and rice. The Sutter Buttes are located in the District and are the area's most prominent geographic feature. Scattered residential uses are also located throughout the area. The planned land uses in the district can be determined by reviewing both the County and City's General Plans; however, the planned land uses closely match what exists in the area today.

- B) **The present and probable need for public facilities and services in the area.**

Burial services and cemetery operation and maintenance services will be required as long as the human population continues to exist.

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

The Yuba City and Noyesburg Cemeteries are at capacity. The District estimates that the Meridian Cemetery has the capacity to accommodate 100 more graves and Sutter Cemetery estimates additional capacity for 144± years.

- D) **The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.**

A private mausoleum and cemetery are located adjacent to the Yuba City Cemetery. There are no other known social and economic communities of interest (pertaining to cemetery districts) located within the boundaries of the Sutter Cemetery District.

Respectfully submitted,

LARRY T. COMBS
EXECUTIVE OFFICER

Sydney Vergis
Senior Planner

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Attachments:

- A – District Boundaries Map
- B – Sphere of Influence Map
- C – District Organizational Chart
- D – Proposed Municipal Service Review and Sphere of Influence Update
- E – Proposed Resolution Approving the Municipal Service Review and Updating the District's Sphere of Influence

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ATTACHMENT A
District Boundaries Map

ATTACHMENT B
Sphere of Influence Map

ATTACHMENT C
District Organizational Chart

ATTACHMENT D
Proposed Municipal Service Review
and Sphere of Influence Update

ATTACHMENT E

Proposed Resolution Approving the Municipal
Service Review and Updating the
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