LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

Hybrid In-Person/Video-Conference Regular Meeting
To be held at Kern Council of Governments (Kern COG)
1401 19th Street Suite #300
Bakersfield, CA 93301
Regular Meeting of **September 16, 2026** – 5:15 p.m.

COMMISSIONERS	ALTERNATE COMMISSIONERS
David Couch - Kern County BOS	
Jeff Flores- Kern County BOS	**Vacant** - Kern County BOS
Andrae Gonzales - City of Bakersfield	**Eric Arias** - City of Bakersfield
Gustavo Olvera - City of Shafter	**Kyle Blades** - City of Ridgecrest
Travis Endicott - City of Ridgecrest	**Martin Hernandez** - Special District
Gary McKibbin** - Special District Member	**Vacant** - Public Member
Les Clark III - Special District Member	**Vacant** - Public Member
Vince Zaragoza*- Public Member	
Ginger Mello – Restricted Public Member	

***Chair** ****Vice Chair**

AGENDA

SPECIAL NOTICE REGARDING REMOTE PUBLIC PARTICIPATION

This meeting will be held both at a physical location and as a video conference to assist any health and safety concerns of the panelist and/or participants. The LAFCo Commission, staff and public may choose to participate in-person, or by video conference using the following:

Please use the link below to join the webinar:

https://us06web.zoom.us/j/84122937600?pwd=T7QSTrnmIv7buoYvThze690Glc78FM.1

Passcode: **7161076** Webinar ID: **841 2293 7600**

Members of the public who wish to make written comments during the meeting please email the Clerk at: clerk@kernlafco.org. Every effort will be made to read your comment into the record. If a comment is received after the comment portion of the meeting but before the meeting is adjourned, the comment will still be included as a part of the record of the meeting but will not be read into the record.

1. **ROLL CALL**

2. **INVOCATION**

3. **PLEDGE OF ALLEGIANCE**

4. **VIDEO CONFERENCE EMERGENCY REQUEST (if required)** .... *Vote Required*
   Possible requests from commissioners to attend remotely pursuant to Government Code Section 54953(f)(1)

5. **APPROVAL OF THE MINUTES**

a. August 19, 2026, Meeting Minutes .... *Vote Required*

6. **PUBLIC COMMENTS**
   This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on this agenda and over which the Commission has jurisdiction. Speakers are limited to two minutes. Please state your name and address for the record before making your presentation.

7. **DETERMINATION PROCEEDING**

a. 1879 Weldon Regional Water District .... *Vote Required*

Consider Resolution Initiating Dissolution

Consideration of a resolution initiating dissolution of the Weldon Regional Water District, with Kern LAFCo serving as the applicant and lead agency. The Weldon Regional Water District has remained inactive for six years, with no opportunity to activate the district and begin providing services. (Resolution)

8. **NOTICED PUBLIC HEARINGS**

None

9. **GENERAL BUSINESS**

a. Approval of Monthly Expense List No. 26-08 .... *Vote Required*

b. State Legislator: End of Session Report .... *Informational*

c. City Assessment .... *Informational*

d. Executive Officer Miscellaneous Items .... Informational

10. **COMMISSION ITEMS**

a. Commissioner comments, questions, referrals or announcements

b. Public Member Alternate Appointment 7th Seat .... *Vote Required*

Commission to interview applicants for alternate regular public member per the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. All notices were filed, and all requirements have been met per Sec. 56158. Term is for 4 years and ends May 2030. Gov. Code § 56325 (d). Appointment of the alternate public member shall be subject to the affirmative vote of at least one of the members appointed by each of the other appointing authorities. Applications for the regular Alternate Public Member seat (seat 7) will be presented to the Commission. Upon review the Commission will fill the seat by appointment, subject to the affirmative vote of at least one of the members appointed by each of the other appointing authorities. (Appointing Authorities: Special District Members, Board of Supervisor Members and City Members)

11. **ADJOURNMENT**

Next scheduled meeting **Wednesday, October 21, 2026**

NOTE TO THE PUBLIC

CAMPAIGN CONTRIBUTION - If you are an applicant for, or a participant in (actively supporting or opposing) any proceeding on the agenda and have made a campaign contribution of $250 or more to or for any of the Commission members, state law provides for disqualification of Commissioner voting, or even prohibition of such gifts. These restrictions also apply to agents of applicants or participants. Please consult with LAFCo staff as to the requirements of the Political Reform Act (Gov. Code § 84308). This statement is not a comprehensive summary of the section.

DISABILITY ACCOMODATIONS - A request for disability-related accommodations should be made to the Executive Officer no later than 8 days before the need for the accommodation.

For additional information on the above items please contact the Kern Local Agency Formation Commission at 5300 Lennox Ave Suite 303, Bakersfield CA 93309, or phone us at 661-716-1076

KERN LOCAL AGENCY FORMATION COMMISSION
STATE OF CALIFORNIA
MINUTES

Kern Council of Governments (Kern COG) Conference Room
1401 19th Street Suite 300
Bakersfield, CA 93301
In-Person and Videoconference
Meeting of August 19, 2026

Pursuant to the Government Code § 54963. et seq., meetings were held both at a physical location and by video/teleconference to attend to any health and safety concerns of the panelist and/or participants.

Regular scheduled meeting was called to order at 5:18 p.m., with. Chair Zaragoza presiding.

ROLL CALL

Present:	Clark, Couch, Endicott, Flores, Arias (Alternate for Gonzales), McKibbin, Mello, Olvera, Zaragoza
Absent:	None
Staff:	Knox, Menchaca, Munoz
Counsel:	Schroeter

Item 08/19/26-1: ***No Determination Required***

INVOCATION: (Agenda Item 2) Led *by Les Clark*

Item 08/19/26-2: ***No Determination Required***

VIDEO CONFERENCE EMERGENCY REQUEST (if necessary): (Agenda Item 4)

Chair Zaragoza announced that Commissioner Endicott was present via teleconference. Attorney Tom Schroeter announced that Commissioner Endicott was under standard provision therefore no vote conducted or necessary.

Item 08/19/26-3: ***Approved as Presented***

APPROVAL OF MINUTES: (Agenda Item 5) June 17, 2026, Meeting

Chair Zaragoza presented the June minutes; Upon motion of Commissioner ***Endicott*** *seconded by Commissioner* ***Clark,*** *IT IS ORDERED: June 17, 2026, Minutes are approved as presented by the following votes:*

AYES:	Clark, Couch, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	None

Item 08/19/26-4: ***No Public Comments***

PUBLIC COMMENTS: (Agenda Item 6)

None

* *Chair Zaragoza announced we will now skip down to item 10f. – Sustainable Groundwater Management Act (SGMA0 Overview.*

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GENERAL BUSINESS:

Item 08/19/26-5: ***Informational*** (Agenda Item 10f.)

Sustainable Groundwater Management Act (SGMA) Overview

Jenny Holtermann from Kern Non-Districted Land Authority (KNDLA) presented an overview of Sustainable Groundwater Management Act (SGMA). Commissioners provided feedback, asked questions, and shared comments.

DETERMINATION PROCEEDING: (Agenda Item 7)

Item 08/19/26-6: ***Approved as Motioned Resolution 26-16***

1877 City of Bakersfield Annexation 710 (S. Real Road No. 1) (Agenda Item 7a)

Executive Officer Knox recommended the Commission consider the environmental document adopted by the applicant and approve the proposal as presented, subject to conditions recommended by the Executive Officer, waiving notice, hearing, and protest hearing and subject to the conditions recommended by the Executive Officer, including approval of the Master Tax Agreement by the Board of Supervisors prior to recordation. Upon motion of Commissioner ***Couch,*** *seconded by Commissioner* ***Flores****, IT IS ORDERED: 1 8 7 7 City of Bakersfield Annexation No.710 (S. Real Road No. 1): Annexation is approved as motioned by the following votes:*

AYES:	Clark, Couch, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	None

NOTICE OF PUBLIC HEARING: (Agenda Item 8)

Item 08/19/26-7: ***Approved as Motioned Resolution 26-17***

1869 County Service Area 87 Sphere of Influence (Agenda Item 8a)

Executive Officer Knox recommended that the Commission consider the Mitigated Negative Declaration prepared by the lead agency and approve the Sphere of Influence amendment to County Service Area 87, with the conditions recommended by Executive Officer Knox, including the condition that the amendment not be effective unless and until Annexation No. 8 is approved and recorded. Upon motion of Commissioner ***Couch,*** *seconded by Commissioner* ***Clark****, IT IS ORDERED: 1869 County Service Area 87 Sphere of Influence is approved as motioned by the following votes:*

AYES:	Clark, Couch, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	None

Item 08/19/26-8: ***Approved as Motioned Resolution 26-17***

1872 County Service Area 87 Municipal Service Review (Agenda Item 8b)

Executive Officer Knox recommended that the Commission approve and adopt the County Service Area 87 Municipal Service Review, including the written determinations contained, and direct staff to file the document. Upon motion of Commissioner ***Couch,*** *seconded by Commissioner* ***Clark****, IT IS ORDERED: 1872 County Service Area 87 Municipal Service Review is approved as motioned by the following votes:*

AYES:	Clark, Couch, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza

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NAYS:	None
ABSTAIN:	None
ABSENT:	None

Item 08/19/26-9: ***Approved as Presented Resolution 26-18***

1873 County Service Area 87 Annexation No. 8 (Agenda Item 8c.)

*Executive Officer Knox recommended that the Commission consider the Mitigated Negative Declaration prepared by the lead agency. It is further recommended that the Commission approve Annexation No. 8 to County Service Area 87, establishing zones of benefit for drainage maintenance, street sweeping, landscape maintenance, block wall maintenance, and street lighting, waiving notice, hearing and protest hearing, and subject to the conditions recommended by the Executive Officer. Upon motion of Commissioner **Couch,** seconded by Commissioner **Clark**, IT IS ORDERED: The 1873 County Service Area 87 Annexation 8 is approved as presented by the following votes:*

AYES:	Clark, Couch, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	None

* *6:14pm Commissioner Couch left meeting*

Item 08/19/26-10: ***Approved as Presented Resolution 26-19***

1875 Mojave Public Utility District Municipal Service Review (Agenda Item 8d.)

*Executive Officer Knox recommended that the Commission approve and adopt the Mojave Public Utility District Municipal Service Review, including the written determinations contained therein, find that action exempt under CEQA Guidelines section 15061(b)(3) and 15362, and direct staff to file the document. Upon motion of Commissioner **Clark,** seconded by Commissioner **Arias**, IT IS ORDERED: The 1875 Mojave Public Utility District Municipal Service Review is approved as presented by the following votes:*

AYES:	Clark, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	Couch

Item 08/19/26-11: ***Approved as Presented Resolution 26-20***

1874 Mojave Public Utility District Annexation No. 29 (Agenda Item 8e.)

*Executive Officer Knox recommended that the Commission consider the Environmental Impact Report and Statement of Overriding Considerations adopted by the lead agency. It is further recommended that the Commission approve Annexation No. 29 to the Mojave Public Utility District for the extension of water service, waiving notice, hearing and protest hearing, and subject to the conditions recommended by the Executive Officer, including compliance with the EIR mitigation measures and execution of the indemnification agreement. Upon motion of Commissioner **Olvera,** seconded by Commissioner **Flores**, IT IS ORDERED: The 1874 Mojave Public Utility District Annexation No. 29 is approved as presented by the following votes:*

AYES:	Clark, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	Couch

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COMMISSION ITEMS: (Agenda Item 9)

Item 08/19/26-12: ***Informational***

Commissioner comments, questions, referrals or announcements (Agenda Item 9a)

* *Chair Zaragoza recommends for future agendas that Agenda Item No. 9 to be heard after General Business Agenda Item No. 10. Commissioner Arias agreed with the recommendation. No vote required.*

GENERAL BUSINESS: (Agenda Item 10)

Item 08/19/26-13: ***Approved as Presented***

EXPENSE LIST 26-06 (Agenda Item 10a)

*Chair Zaragoza presented Expense List 26-06. Upon motion of Commissioner **Flores**, seconded by Commissioner **Olvera**, IT IS ORDERED: The general claim set forth in Expense List No. 26-06 is approved for payment, and the Chairman is authorized to certify said list by the following votes:*

AYES:	Clark, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	Couch

Item 08/19/26-14: ***Approved as Presented***

EXPENSE LIST 26-07 (Agenda Item 10b)

*Chair Zaragoza presented Expense List 26-07. Upon motion of Commissioner **Clark**, seconded by Commissioner **Flores**, IT IS ORDERED: The general claim set forth in Expense List No. 26-07 is approved for payment, and the Chairman is authorized to certify said list by the following votes:*

AYES:	Clark, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	Couch

Item 08/19/26-15: ***Approved as Presented Resolution No. 26-21***

Disposal of Documents for Consideration (Round 3) (Agenda Item 10c)

*Executive Knox advised the Commission that included in their packet was a list of documents put together by Rebecca Moore for destruction. Mr. Knox recommended the Commission approve the documents as presented. Upon motion of Commissioner **Arias,** seconded by Commissioner **Olvera**, IT IS ORDERED: The Disposal of Documents for Consideration is approved as presented by the following votes:*

AYES:	Clark, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	Couch

Item 08/19/26-16: ***Approved as Presented Resolution 26-22***

SDRMA Health Benefits MOU (Agenda Item 10d.)

Executive Officer Knox explains to Commission the changes are primarily administrative, clarifying participation, premium payments, and withdrawal procedures. There is no change to the level

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of benefits provided to our employees. Executive Officer Knox recommends the Commission approve as presented. Upon motion of Commissioner ***Mello,*** *seconded by Commissioner* ***McKibbin****, IT IS ORDERED: SDRMA Health Benefits MOU is approved as presented by the following votes:*

AYES:	Clark, Endicott, Flores, Arias, McKibbin, Mello, Olvera, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	Couch

Item 08/19/26-17: ***Informational***

Senate Bill (SB) 827 Fiscal and Financial Training (Agenda Item 10e.)

Executive Officer Knox presented the Commission with a PowerPoint presentation regarding the Fiscal and Financial Training requirements pursuant to Senate Bill 827 (SB 827). The presentation covered various fiscal and financial topics applicable to the Commission. The Commissioners were provided with an opportunity to ask questions and discuss the information presented.

Item 08/19/26-18*:* ***Informational***

Public Member Alternate Noticing and Possible Appointment (Agenda Item 10g.)

Executive Officer Knox discussed with the Commission the options available for filling in the vacant Public Member Alternate Seat. Executive Officer requested direction from the appointing members as to whether they wish to proceed with an appointment under the existing notice or direct staff to conduct new recruitment. Commissioner Endicott shares his thoughts, and his recommendation is to move forward with option A and move forward with the candidate that has applied. Commissioner Arias also expresses his support for option A.

Item 08/19/26-19: ***Informational***

Executive Officer Miscellaneous Items: (Agenda Item 10h.)

- CSDA Conference next week, in Palm Springs
- CALAFCO Conference in Sacramento conflicts with our Commission meeting
- Resolution for Weldon Regional Water District dissolution next meeting
- City Assessment next meeting
- May have an annexation. Yet to be determined.

Item 08/19/26-20: ***Informational***

COMMISSION ITEMS: (Agenda Item 11)

Commissioner comments, questions, referrals or announcements (Agenda Item 11a.)

- Chair Zaragoza shares information he received from ADA (Americans with Disabilities Act) Conference he attended pertaining to ADA Compliance and LAFCO's website. Executive Officer Knox confirms that LAFCO's website is ADA compliant.
- CALAFCO Conference in Sacramento conflicts with our Commission meeting

Item 08/19/26-21: ***Adjournment***

ADJOURNMENT: (Agenda Item 12)

Chair Zaragoza announced the next meeting being September 16, 2026. There being no further

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business to come before the Commission. IT IS ORDERED: The meeting is adjourned at 6:53 p.m.

______________________________ Clerk

______________________________ Executive Officer

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Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.kernlafco.org

DATE: September 16, 2026

TO: Members of the Commission

FROM: Blair Knox, Executive Officer

RE: Initiation of Proceedings to Dissolve the Weldon Regional Water District as an Inactive District (Government Code Section 56879)

RECOMMENDATION

Adopt a resolution of application finding, based upon the information presently available, that the Weldon Regional Water District meets the definition of an inactive district under Government Code Section 56042; determining that the Commission is the lead agency for the proposed dissolution under the California Environmental Quality Act; initiating dissolution proceedings by resolution of application pursuant to Government Code Sections 56654, 56375(a)(2)(G), and 56879; and directing staff to provide notice and set a public hearing to be held within 90 days at which the Commission will consider the environmental determination for, and receive additional evidence and consider ordering, the dissolution of the District. The action requested today initiates the proceeding only; whether the District should be dissolved remains for the Commission to decide at the noticed hearing.

BACKGROUND

This Commission approved the formation of the Weldon Regional Water District to provide domestic water service to the Weldon area near Lake Isabella. The Commission's action authorized the District's formation; bringing the District into operation as a functioning public agency required action by the District's governing board. The District came into legal existence through the standard Cortese-Knox-Hertzberg process, with a Certificate of Completion filed, but never became operational, because its board never organized. The formation was undertaken with the expectation that the District would develop and operate a community water system funded in significant part through State grant assistance, and Self-Help Enterprises served as the project manager guiding the District through formation and toward construction and operation.

An initial governing board was elected concurrently with the formation election, but the board was never able to organize. One successful candidate died before the election and therefore never took office, and other elected members subsequently resigned. As a result, the District never seated the quorum necessary to hold a valid organizational meeting or to conduct any District business. Despite a well-intentioned effort at formation, the District has never become an operational public agency. It has never completed the Proposition 218 process required to establish rates or assessments, has never levied a tax or assessment, and has never collected revenue of any kind. It has never delivered water service to a single connection.

THE ANTICIPATED PROPOSITION 218 TIMEFRAME

The Commission's approval of the formation anticipated that the District would complete the Proposition 218 process to establish rates within approximately one year. That step assumed a functioning governing board capable of setting rates. Because the District was never able to seat such a board, the Proposition 218 process could not be undertaken through any action within the District's control. Staff allowed the formation effort a reasonable opportunity to succeed and monitored the District's status, consistent with the community's interest in obtaining water service. The subsequent termination of State funding and the withdrawal of the project manager, together with the absence of any applicants to fill the board vacancies, establish that the District cannot organize or become operational. Staff is bringing the question of initiation before the Commission at this point because it is now that a genuine decision exists for the Commission to make, and that decision rests with the Commission.

ABSENCE OF A FUNCTIONING GOVERNING BOARD

The central obstacle to the District ever becoming functional was that it never seated a governing board capable of acting. Because the board never achieved a quorum, it could not lawfully convene or take action. It did not adopt a budget, did not conduct Proposition 218 proceedings, did not enter or administer the anticipated grant agreement, and did not take any of the steps necessary to commence service. The District has never had a functioning board, and there is at present no seated member to contact and no mechanism internal to the District by which it could organize itself or wind up its own affairs.

The Kern County Board of Supervisors issued public notice of the board vacancies, but no applicants came forward. There is accordingly no available means, internal or external, by which the District's board could be constituted, and no prospect that the District could organize itself to conduct business or to wind up its own affairs.

TERMINATION OF STATE FUNDING AND WITHDRAWAL OF THE PROJECT MANAGER

The District's viability was contingent on outside funding and outside project management, and both have now ended. The State Water Resources Control Board has terminated the funding that had been committed to the project. Because the proposed water system was expected to rely substantially upon that funding, its termination removed the identified funding source for project implementation. Self-Help Enterprises, which had managed the project on the District's behalf, has ceased its involvement. The District currently has no functioning governing board, project manager, operating revenue, or committed project funding.

Staff has confirmed that the District holds no assets and has no liabilities. It has no outstanding debts, judgments, litigation, contracts, liens, or claims. There is no property tax base, assessment, or charge on the tax roll associated with the District that would require unwinding. Staff has also confirmed with the Office of the State Controller that the District never registered with, and never filed any financial report to, the Controller, and does not appear in the Controller's records. Based on staff's review to date, the District has no assets, liabilities, outstanding obligations, operating revenues, or existing service responsibilities. These circumstances provide the basis for staff's recommendation that the Commission initiate proceedings under Government Code Sections 56375 and 56879. The Commission will receive any additional evidence and consider the dissolution at the subsequently noticed public hearing.

METHOD OF INITIATION — RESOLUTION OF APPLICATION RATHER THAN PETITION

Government Code Section 56650 provides that proceedings for a change of organization or reorganization, including a district dissolution, may be initiated in one of two ways: by petition or by resolution of application. The petition procedure is designed to allow registered voters or landowners within the affected territory to bring a proposal forward, and it presumes an organized constituency capable of circulating and verifying a petition. That procedure is neither available nor practical here. The District has no functioning governing board to act, and there is no organized body of District voters or landowners positioned to carry a petition. Initiation by resolution of application is therefore the appropriate method.

Because the Commission is itself the moving party, and because the matter concerns an inactive district, the Commission initiates the proceeding on its own resolution of application. Government Code Section 56654 establishes the resolution of application as an initiating instrument, and Government Code Section 56375(a)(2)(G) confirms the Commission's authority to initiate the dissolution of an inactive district by that means. Section 56879 supplies the streamlined procedure that follows once the proceeding is initiated. Initiation by resolution does not commit the Commission to any outcome; it places the matter before the Commission for decision at the noticed public hearing.

STATUTORY FRAMEWORK — INACTIVE DISTRICT DISSOLUTION

Government Code Section 56042 defines an "inactive district" as a special district that meets all four of the following criteria: (a) it is a special district as defined in Section 56036; (b) it has had no financial transactions in the previous fiscal year; (c) it has no assets and no liabilities; and (d) it has no outstanding debts, judgments, litigation, contracts, liens, or claims. Based on the information presently available, staff's review indicates that the Weldon Regional Water District meets each of these four criteria.

For districts that meet this definition, Government Code Section 56879 establishes a streamlined dissolution process, and Government Code Section 56375(a)(2)(G) confirms the Commission's authority to initiate the dissolution of an inactive district by resolution of application. Because the District never filed financial reports and does not appear in the State Controller's records, it was not identified on the Controller's annual list of inactive districts; the Commission's authority to initiate this proceeding therefore rests on Section 56375(a)(2)(G) rather than on a notification from the Controller. As provided in Section 56879, the dissolution of an inactive district is not subject to the conducting-authority and protest proceedings of Sections 57000 through 57176, is not subject to the determinations otherwise required under subdivision (b) of Section 56881, is not subject to the study-consistency requirement that applies to other Commission-initiated reorganizations, and is not subject to the property tax exchange negotiation under Revenue and Taxation Code Sections 99 and 99.01. Because the District provides no service and holds no assets, staff has not identified any existing service responsibility or property requiring transfer to a successor agency.

FOUR CRITERIA FOR STREAMLINED DISSOLUTION

Applying the four criteria of Government Code Section 56042 to the Weldon Regional Water District, staff's review indicates that each is satisfied. First, the District is a special district as defined in Government Code Section 56036, the formation of which was approved by this

Commission under the CKH Act to provide water service, and which came into legal existence but never became operational. Second, the District has had no financial transactions in the previous fiscal year; with no board quorum, no funding, and no operations, it has neither received nor expended any funds, and it has never registered with or reported to the State Controller. Third, the District has no assets and no liabilities; it never acquired facilities, holds no accounts of its own, and, following the State Water Resources Control Board's termination of funding, retains no committed grant balance. Fourth, the District has no outstanding debts, judgments, litigation, contracts, liens, or claims; the project manager, Self-Help Enterprises, has concluded its involvement, and staff has identified no obligation of any kind against the District. Because the information presently available indicates that all four criteria are met, staff recommends that the Commission make the threshold finding necessary to initiate the inactive-district dissolution process. That finding does not preclude the Commission from considering contrary or additional evidence at the noticed dissolution hearing.

LAFCO AS LEAD AGENCY AND ENVIRONMENTAL REVIEW

Because there is no functioning District board and no successor or applicant agency to carry the proposal forward, and because the Commission is initiating the proceeding on its own resolution of application, the Commission has the principal responsibility for the proposed dissolution. The Commission is therefore the lead agency for the proposed dissolution under the California Environmental Quality Act (CEQA), as that term is defined in Public Resources Code Section 21067. The Cortese-Knox-Hertzberg Act likewise contemplates the Commission acting as lead agency where the Commission is the moving party.

Consistent with the Commission's practice, CEQA compliance attaches to the Commission's action on the dissolution itself, not to the initiation of the proceeding. Initiation commits the Commission to no project and authorizes no physical change; the environmental determination will therefore be made in connection with the dissolution action at the noticed public hearing. The Commission's role at this meeting with respect to CEQA is limited to confirming that it is the lead agency for the proposed dissolution.

Staff anticipates that the dissolution will qualify for the common-sense exemption set forth in Section 15061(b)(3) of the CEQA Guidelines, which provides that where it can be seen with certainty that there is no possibility the activity may have a significant effect on the environment, the activity is not subject to CEQA. The District never became operational, holds no assets, owns and operates no facilities, and provides no service. Dissolving the District would effect no physical change and involve no change in land use. Staff will present the environmental determination for the Commission's consideration at the dissolution hearing, and, upon the Commission's approval of the dissolution, will file a Notice of Exemption. This approach is consistent with the manner in which other Commissions have processed the dissolution of inactive districts.

INITIATION AND SUBSEQUENT HEARING

At this meeting, the Commission is being asked to determine whether the information presently available establishes the statutory basis to initiate dissolution proceedings under Government Code Sections 56375(a)(2)(G) and 56879, and to confirm the Commission's role as lead agency under CEQA. The environmental determination itself will be made in connection with the dissolution action at the noticed hearing, consistent with the Commission's practice of addressing CEQA when it acts on the project rather than at initiation. Today's action initiates a review process; it does not predetermine the outcome of that review. If the Commission adopts the resolution of application, staff will provide the required notice and schedule the dissolution hearing to be held no more than 90 days following adoption of the initiating resolution. At that hearing, the Commission will consider the environmental determination and receive the staff report, public testimony, and any additional evidence relevant to the District's status before taking final action.

STEPS IN THE STREAMLINED DISSOLUTION PROCESS

If the Commission concurs that the information presently available establishes that the District is inactive, the process to complete the dissolution under Government Code Section 56879 proceeds as follows:

- **Finding of inactivity.** The Commission determines, on the record and based upon the information presently available, that the Weldon Regional Water District meets all four criteria of an inactive district under Government Code Section 56042.
- **Lead agency confirmation.** The Commission confirms that it is the lead agency for the proposed dissolution under CEQA. The environmental determination is not made at this stage; it is reserved for the Commission's action on the dissolution.
- **Resolution initiating dissolution.** The Commission adopts a resolution of application initiating the dissolution pursuant to Government Code Sections 56654, 56375(a)(2)(G), and 56879.
- **Notice and single public hearing.** Staff provides public notice and the Commission holds one public hearing on the dissolution, to be held no more than 90 days following adoption of the initiating resolution.
- **Environmental determination and action on the dissolution.** At the public hearing, the Commission considers and makes the environmental determination for the dissolution, and receives additional evidence before considering whether to order the dissolution. Upon approval of the dissolution, staff files a Notice of Exemption.

KERN LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

RESOLUTION NO. ____

A RESOLUTION OF APPLICATION OF THE KERN LOCAL AGENCY FORMATION COMMISSION INITIATING PROCEEDINGS FOR THE DISSOLUTION OF THE WELDON REGIONAL WATER DISTRICT AS AN INACTIVE DISTRICT PURSUANT TO GOVERNMENT CODE SECTIONS 56654, 56375(a)(2)(G), AND 56879

WHEREAS, the Kern Local Agency Formation Commission ("Commission") approved the formation of the Weldon Regional Water District ("District") to provide domestic water service to the Weldon area near Lake Isabella, and the District came into legal existence through the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), with a Certificate of Completion filed; and

WHEREAS, the District never became operational because its governing board never organized; an initial board was elected concurrently with the formation election, but one successful candidate died before taking office and other elected members subsequently resigned, and the District never seated the quorum necessary to hold a valid organizational meeting or to conduct any District business; and

WHEREAS, the Kern County Board of Supervisors issued public notice of the board vacancies and no applicants came forward, and there is accordingly no available means, internal or external, by which the District's board could be constituted; and

WHEREAS, the State Water Resources Control Board terminated the funding that had been committed to the proposed water system, and Self-Help Enterprises, which had served as project manager, has concluded its involvement, so that the District has no functioning governing board, project manager, operating revenue, or committed project funding; and

WHEREAS, the District has never completed the Proposition 218 process, has never levied a tax or assessment, has never collected revenue of any kind, and has never delivered water service to a single connection; and

WHEREAS, staff has confirmed that the District holds no assets and has no liabilities, has no outstanding debts, judgments, litigation, contracts, liens, or claims, and has no property tax base, assessment, or charge on the tax roll requiring unwinding, and has further confirmed with the Office of the State Controller that the District never registered with, and never filed any financial report to, the Controller, and does not appear in the Controller's records; and

WHEREAS, Government Code Section 56042 defines an "inactive district" as a special district that (a) is a special district as defined in Section 56036; (b) has had no financial transactions in the previous fiscal year; (c) has no assets and no liabilities; and (d) has no outstanding debts, judgments, litigation, contracts, liens, or claims, and, based upon the information presently available, the District appears to meet each of these four criteria; and

DRAFT

WHEREAS, Government Code Section 56650 provides that proceedings for a change of organization or reorganization may be initiated by petition or by resolution of application, and, because the District has no functioning governing board and no organized body of voters or landowners positioned to carry a petition, initiation by resolution of application is the appropriate method; and

WHEREAS, Government Code Section 56654 authorizes initiation by resolution of application, Government Code Section 56375(a)(2)(G) confirms the Commission's authority to initiate the dissolution of an inactive district by that means, and Government Code Section 56879 supplies the streamlined procedure that follows once the proceeding is initiated; and

WHEREAS, because the District never filed financial reports and does not appear in the State Controller's records, it was not identified on the Controller's annual list of inactive districts, and the Commission's authority to initiate this proceeding therefore rests on Government Code Section 56375(a)(2)(G) rather than on a notification from the Controller; and

WHEREAS, because the Commission is initiating this proceeding on its own resolution of application and there is no functioning District board or successor agency to carry the proposal forward, the Commission is the lead agency for the proposed dissolution under the California Environmental Quality Act ("CEQA"), as that term is defined in Public Resources Code Section 21067; and

WHEREAS, consistent with the Commission's practice, the environmental determination for the proposed dissolution will be made in connection with the Commission's action on the dissolution at the noticed public hearing, and not upon initiation, which commits the Commission to no project and authorizes no physical change; and

WHEREAS, the adoption of this resolution initiates proceedings only, and the question of whether the District should be dissolved is reserved for the Commission's determination at the noticed public hearing, at which the Commission will consider the environmental determination and receive the staff report, public testimony, and any additional evidence before taking final action;

NOW, THEREFORE, BE IT RESOLVED by the Kern Local Agency Formation Commission as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. Based upon the information presently available, the Commission finds that the Weldon Regional Water District appears to meet each of the four criteria of an inactive district set forth in Government Code Section 56042. This finding is made for the purpose of initiating proceedings and does not preclude the Commission from considering contrary or additional evidence at the noticed public hearing.
3. The Commission determines that it is the lead agency for the proposed dissolution under the California Environmental Quality Act. No environmental determination is made by this resolution; the environmental determination will be made in connection with the Commission's action on the dissolution at the noticed public hearing.
4. The Commission hereby initiates proceedings for the dissolution of the Weldon Regional Water District as an inactive district, by this resolution of application, pursuant to Government Code Sections 56654, 56375(a)(2)(G), and 56879. As provided in Section

DRAFT

56879, the dissolution of an inactive district is not subject to the conducting-authority and protest proceedings of Government Code Sections 57000 through 57176, is not subject to the determinations otherwise required under subdivision (b) of Section 56881, is not subject to the study-consistency requirement applicable to other Commission-initiated reorganizations, and is not subject to the property tax exchange negotiation under Revenue and Taxation Code Sections 99 and 99.01.

5. The Executive Officer is directed to provide the notice required by law and to set the matter for a public hearing to be held not more than 90 days following the adoption of this resolution, at which hearing the Commission will consider the environmental determination for the proposed dissolution, receive additional evidence, and determine whether to order the dissolution of the District.

6. The adoption of this resolution initiates the proceeding only and does not order the dissolution of the District. The determination whether the District should be dissolved is reserved to the Commission at the noticed public hearing.

PASSED AND ADOPTED by the Kern Local Agency Formation Commission at a regular meeting held on the ____ day of ____________, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____

Chair, Kern Local Agency Formation Commission

ATTEST:

____

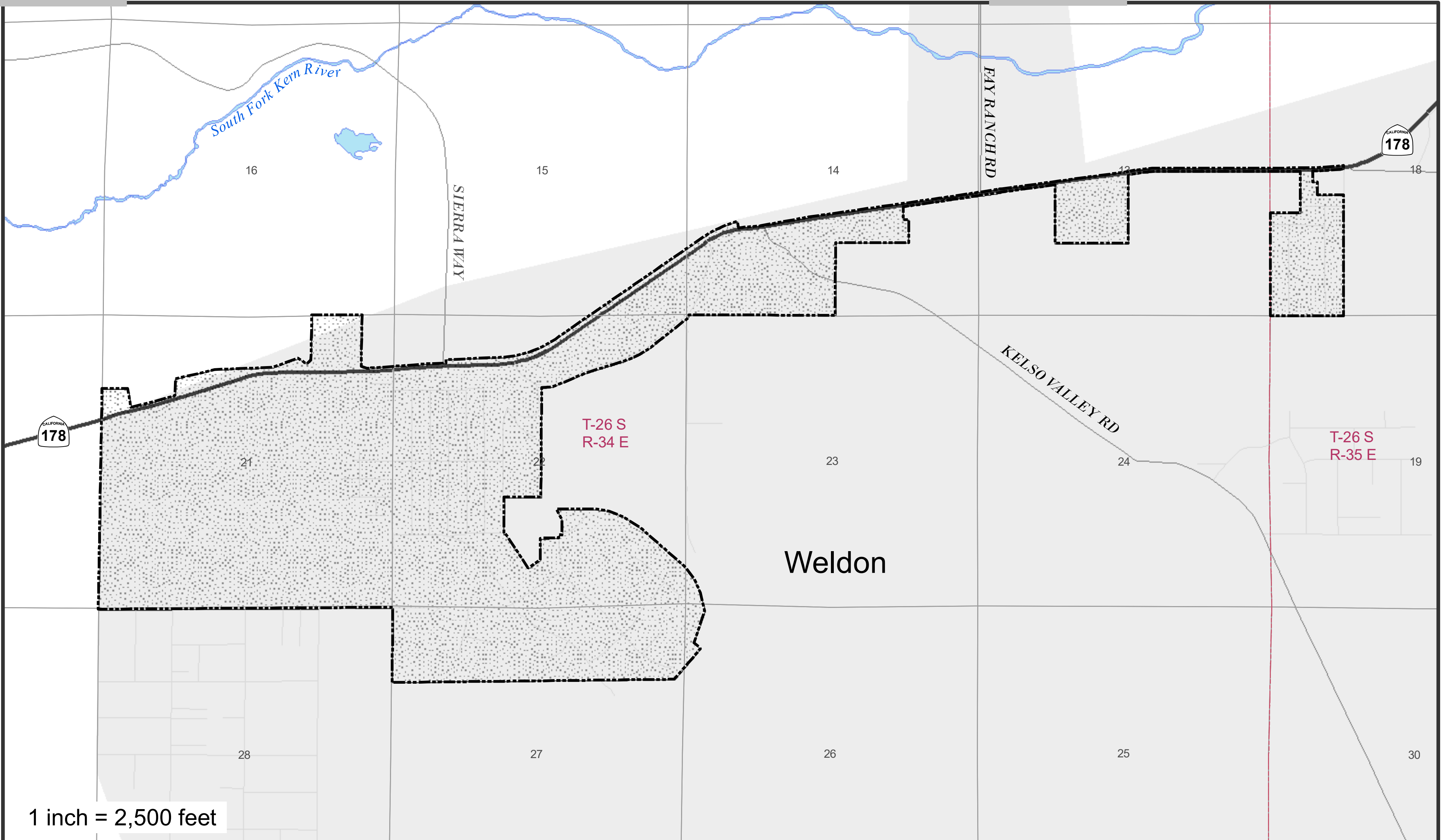
Blair Knox, Executive Officer

APPROVED AS TO FORM:

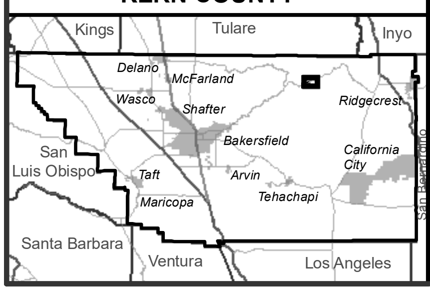
____

Commission Counsel

DRAFT



KERN COUNTY



Sphere of Influence

Service Area

SPHERE OF INFLUENCE AND SERVICE AREA BOUNDARY IS CONTIGUOUS

WELDON REGIONAL WATER DISTRICT

SERVICE AREA
&
SPHERE OF INFLUENCE MAP

FORMED: JUNE 9, 2022

KERN LAFCo
Local Agency Formation Commission
www.kernlafco.org

Document Path: T:\Assignments\SOI_Weldon_Regional_Water_District_2024.mxd Date Saved: 2024-08-28

AP

AGENDA

Kern County Local Agency Formation Commission
Monthly Expenses
Month: August Year: 2026
Submitted to Accounts Payable: September 12, 2026

26-08

Date Invoiced	Date Submitted to AP	Invoice #	Name	Address	Description/ Purpose	Amount Owed	Expense Code
8/20/2026	9/12/2026	LAFCo	Crown Point Investments, Inc. c/o M.D. Atkinson Company, Inc.	1401 19th. St., Suite 400 Bakersfield, CA 93301	Lease Payment/Operating Expense	$ 3,799.53	7650
8/17/2026	9/12/2026	840	1-Twenty One Security	3004 Boulder Lane, Bakersfield, CA 93309	Security Servies	$137.50	7500
8/1/2026	9/12/2026	8484	Rival Technology, Inc.	1508 18th St., Ste. 222, Bakersfield, CA 93301	IT Services	$ 978.43	7500
8/1/2026	9/22/2026	H50224	SDRMA	PO Box 15677 Sacramento CA 95852	Insurance Premium-Medical & Ancillary	$ 3,324.55	6510
8/5/2026	9/12/2026	6334867	Shinault Baker & Company	P. O. Box 580 Bakersfield CA 93302	Payroll/Accounts Payable Svcs & Audit Support Svcs	$ 3,345.33	7500
8/1/2026	9/12/2026	August	Thomas Schroeter	254 H St. Bakersfield, CA 93304	Legal Services	$ 711.00	7500
8/28/2026	9/12/2026	100000018415714	CalPERS	PO Box 720720 Sacramento, CA 94229	SSA 218 Fee 25/26 Fiscal	$40.00	6430
8/30/2026	9/10/2026	385888	Streamline/CivicPlus	PO Box 207561 Dallas, TX 75320-7561	Website Subscription	$ 3,000.00	7500
August			Kern County		Journal Vouchers	$314.78	
8/24/2026			Credit Card Statement			2,427.50	
August			August Payroll			30,614.12	
8/17/2026			Commission Meeting Stipends			981.20	
August			Travel Reimbursement			$0.00	
					MONTHLY TOTAL	**$ 49,673.94**	

AP

AGENDA

Account Number: [redacted]
Unique ID: XXXX X
LOCAL AGNCY FORMATION CO
Statement Date: 08-24-2026

000003021 03021 0001-0001 DUSB05DD082526272544 00 L 00003294 STNDSCME

Corporate Account Summary

Previous Balance	$6,155.73
Purchases and Other Charges	$2,427.50
Cash Advances	$0.00
Cash Advance Fees	$0.00
Late Payment Charges	$0.00
Credits	$0.00 CR
Payments	$6,155.73 PY
New Balance	**$2,427.50**
Disputed Amount	$0.00

Payment Information

Amount Due $2,427.50

Payment due in accordance with your agreement with U.S. Bank.

QUESTIONS OR TO REPORT A LOST OR STOLEN CARD, CALL CUSTOMER SERVICE: **1-800-344-5696**

To overnight or courier a payment, please send to:
Corporate Payment Systems
3180 Rider Trail S, Department 790428
Earth City, MO 63045-1518

Corporate Account Activity

LOCAL AGNCY FORMATION CO
Account Number: [redacted]
Unique ID: XXXX XXXX XXXX 8088

Total Corporate Activity
$6,155.73 CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-29	07-29	74798266210000000000442	PAYMENT - [redacted] A	6,155.73PY

New Activity

PATTY MENCHACA	Purchases	$890.00	**Total Activity**	**$890.00**
Account Number: [redacted]	Cash Advances	$0.00		
Unique ID: XXXX XXXX XXXX 2198	Cash Advances Fees	$0.00		
	Credits	$0.00 CR		

00

Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-23	07-21	24071056203627129181831	CALIFORNIA SPECIAL DIS 916-4427887 CA	890.00

(transactions continued on next page)

Payment may be made electronically or by check made payable to Corporate Payment Systems.

CORPORATE PAYMENT SYSTEMS
P.O. BOX 6343
FARGO, ND 58125-6343

[redacted]

Account Number: [redacted]
Unique ID: XXXX XXXX XXXX 8088
Amount Due: $2,427.50

Amount Enclosed $

If paying by check, include coupon with payment to address below.

CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

000003021 TUSB05DD082526272539 01 01000000 003294 001

LOCAL AGNCY FORMATION CO
BLAIR KNOX
LOCAL AGENCY FORMATION COMM
5300 LENNOX AVENUE SUITE 303
BAKERSFIELD CA 93309-1662

AP

AGENDA

LOCAL AGNCY FORMATION CO
Account Number: [redacted]
Unique ID: XXXX XXXX XXXX 8088
Statement Date: 08-24-2026

New Activity cont

Department:	00000	Total:	$890.00
Division:	00000	Total:	$890.00

BLAIR KNOX
Account Number: [redacted]
Unique ID: XXXX XXXX XXXX 2937

Purchases	$1,537.50	**Total Activity**	**$1,537.50**
Cash Advances	$0.00		
Cash Advances Fees	$0.00		
Credits	$0.00 CR		

Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-27	07-25	24692166206402110728781	MARRIOTT DESERT SPRING PALM DESERT CA 566500 ARRIVAL: 08-24-26	182.41
07-29	07-28	24692166209404569725315	PRIMO BRANDS/WATERSERV 800-274-5282 CA	90.97
07-29	07-29	24692166210405346522344	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
07-31	07-31	24692166212407136437970	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
08-03	07-31	24692166212407544029435	SPECTRUM 855-707-7328 MO	323.54
08-04	08-04	24011346216100035395468	MICROSOFT#G174792614 MICROSOFT.COM WA	100.80
08-06	08-06	24204296218000702280088	MICROSOFT-G175260844 800-6427676 WA	75.60
08-10	08-08	24692166220405422579554	VZWRLSS*APOCC VISW 800-922-0204 FL	114.83
08-13	08-12	24692166224301345426138	INTUIT *QBOOKS ONLINE CL.INTUIT.COM CA	177.00
08-17	08-15	24692166227304569827608	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
08-20	08-20	24011346232100040808257	MICROSOFT#G179006259 MICROSOFT.COM WA	4.80

Department:	00000	Total:	$1,537.50
Division:	09402	Total:	$1,537.50

00003021 03021 0001-0001 DJSB05DD08252627254 00 L 00003294 STNDSOME

Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.kernlafco.org

MEMORANDUM

TO: Members of the Commission
FROM: Blair Knox, Executive Officer
DATE: September 16, 2026
RE: 2026 State Legislation Affecting LAFCo — End-of-Session Report (bills drawn from the CSDA Legislative Committee packet dated July 31, 2026)

Purpose and Session Status

This memo flags the bills from the July 31, 2026 CSDA Legislative Committee packet that affect LAFCo — either directly, because they change the laws LAFCo operates under, or indirectly, because they govern the cities and special districts LAFCo regulates. The Legislature adjourned the 2025–2026 session on September 1, 2026. The Governor now has until September 30, 2026 to sign or veto the measures that reached his desk; a bill left unsigned by that deadline becomes law without signature.

The status shown for each bill is current as of the date of this memo and reflects action taken after the July 31 packet was distributed. Where a measure has been signed, it is identified as chaptered law; the remaining bills await the Governor's action by September 30, and two measures did not survive the session.

1. Bills That Directly Affect LAFCo Operations

SB 1159 (Cabaldon) — Artificial Intelligence: Transparency and Governance

What it does: Clarifies that, for the Public Records Act, the Brown Act, the Bagley-Keene Act, the Legislative Open Records Act, the Administrative Procedure Act, CEQA, and the Coastal Act, the terms "person," "interested person," "participant," and "member of the public" do not include artificial intelligence systems, autonomous agents, or robots. It preserves a real person's ability to use AI to help prepare their own comment or request.

Relevance to LAFCo: LAFCo is expressly within scope as a public agency. The measure provides grounds to reject AI-generated records requests, public comment, or CEQA participation submitted at machine scale, while preserving the ability of residents who use AI to assist their own genuine participation.

CSDA position: Support (CSDA Support 3).

Current status: On the Governor's desk. Enrolled and presented to the Governor on August 28, 2026; awaiting action by September 30.

AB 1821 (Pacheco) — California Public Records Act: Agency Response Time

What it does: Changes the initial CPRA determination window from 10 calendar days to 10 business days, and the extension for unusual circumstances from 14 calendar days to 14 business days. It also authorizes agencies to charge reasonable fees for requests that exceed defined search-time thresholds, with exemptions for journalists and educational or noncommercial scientific institutions.

Relevance to LAFCo: A direct, favorable operational change. It gives LAFCo staff realistic time to respond to records requests around weekends and holidays without altering the public's underlying right of access.

CSDA position: Support (CSDA Support 3).

Current status: On the Governor's desk. Enrolled and presented to the Governor on August 31, 2026; awaiting action by September 30.

SB 1187 (Durazo) — Open Meetings (Brown Act)

What it does: Serves as the follow-up vehicle to SB 707 (2025). It deletes the agenda-translation and electronic agenda/document-request obligations that SB 707 imposed on "eligible legislative bodies," and carries an urgency clause so it takes effect immediately on signing.

Relevance to LAFCo: Removes a potential unfunded translation mandate on LAFCo meetings. If enacted, it simplifies Brown Act compliance obligations going forward.

CSDA position: Watch (CSDA Watch).

Current status: On the Governor's desk. Enrolled and presented to the Governor on August 28, 2026. Carries an urgency clause, so it would take effect immediately upon signing.

2. Bills Affecting the Cities and Special Districts LAFCo Regulates

These measures do not name LAFCo, but they shape the governance and finances of the agencies LAFCo reviews in its municipal service reviews, sphere updates, and reorganization proceedings. They are worth tracking because they affect the data LAFCo relies on and the governance questions it evaluates.

SB 992 (Niello) — County Auditors: Special Districts: Annual Audit Exceptions

What it does: Extends, to January 1, 2037, the authority for qualifying small special districts to substitute a financial review or agreed-upon-procedures engagement for a full annual audit, and raises the revenue ceiling for that option from $150,000 to $250,000.

Relevance to LAFCo: Relevant to LAFCo's MSR and dissolution work. More of the very small districts under review will provide financial reviews rather than full audits, which affects the depth of financial documentation available when LAFCo evaluates district capacity and solvency.

CSDA position: Co-Sponsor (CSDA Co-Sponsor).

Current status: Signed. Approved by the Governor on August 27, 2026 and chaptered as Chapter 150, Statutes of 2026.

SB 1312 (Richardson) — Cemeteries

What it does: Carries forward recommendations from the Cemetery and Funeral Bureau's SB 777 (2025) workgroup. Among other provisions, it authorizes a city or county to declare an abandoned private endowment-care cemetery abandoned and transfer ownership and attendant responsibilities to entities including public cemetery districts, and authorizes a Bureau advisory committee.

Relevance to LAFCo: Potentially relevant where a service or facility responsibility could shift onto a public cemetery district within Kern County. Any such transfer raises the capacity and financing questions LAFCo evaluates.

CSDA position: Oppose Unless Amended (CSDA Oppose Unless Amended 3).

Current status: On the Governor's desk. Enrolled on August 30, 2026 following concurrence in Assembly amendments; awaiting action by September 30.

SB 1115 (Grove) — Public Cemetery Districts: Board of Trustees: County of Tulare

What it does: Authorizes a Tulare County public cemetery district board, and the Tulare County Board of Supervisors, to remove a trustee for cause (substantial neglect of duty, gross misconduct, or inability of the board to function), with notice and an opportunity to respond.

Relevance to LAFCo: Tulare-specific, so it does not bind Kern. It is a useful governance precedent: the recurring question of how to remove a non-performing special-district trustee is one LAFCo encounters in dissolution and reorganization proceedings.

CSDA position: Oppose Unless Amended (CSDA Oppose Unless Amended 2).

Current status: On the Governor's desk. Enrolled and presented to the Governor on August 24, 2026; awaiting action by September 30.

AB 2083 (Jackson) — Moreno Valley-Perris Childcare Special District

What it does: Would have established, by special act, a childcare special district covering Moreno Valley, Perris, and their spheres of influence in Riverside County, with a plan of services submitted to the Riverside County LAFCo and voter approval required for funding.

Relevance to LAFCo: A reminder that the Legislature occasionally creates special districts by special act, outside the standard LAFCo formation process. Not a Kern matter.

CSDA position: Watch (CSDA Watch).

Current status: Dead for 2026. Held under submission in Assembly Appropriations on May 14, 2026 and did not advance.

AB 912 (Wilson) — Vallejo Flood and Wastewater District: Trustees

What it does: Revises the membership and size of a Solano County district's governing board and changes trustee compensation by special act.

Relevance to LAFCo: Another special-act governance change to a district that would ordinarily fall within a LAFCo sphere of interest. Tracked as a governance precedent; not a Kern matter.

CSDA position: Watch (CSDA Consent: Watch).

Current status: On the Governor's desk. Passed both houses and ordered to enrolling on August 28, 2026; awaiting action by September 30.

3. Measures to Note — Watch List and Bills That Did Not Advance

SB 1164 (Cervantes) — Elections (California Voting Rights Act of 2026)

What it does: Repeals and replaces the California Voting Rights Act, broadening liability for "voter suppression" and vote dilution against political subdivisions and adding an Attorney General preapproval regime for certain covered practices, including annexations and deannexations.

Relevance to LAFCo: LAFCo commissioners are appointed rather than elected at large, so direct exposure is limited. It still warrants monitoring, because the cities and districts LAFCo works with would face expanded election-law liability and compliance burdens.

CSDA position: Oppose Unless Amended (CSDA Oppose Unless Amended 3).

Current status: On the Governor's desk. Enrolled on August 30, 2026 following concurrence in Assembly amendments; awaiting action by September 30.

AB 1337 (Ward) — Information Practices Act of 1977

What it does: Would have removed the long-standing exemption for local agencies, subjecting them to the Information Practices Act's data-collection, retention, and notice requirements beginning January 1, 2028, and would have expanded the definition of "personal information."

Relevance to LAFCo: Had it passed, LAFCo would have taken on new personal-information handling obligations. Worth flagging because it is likely to return in a future session.

CSDA position: Oppose (CSDA Oppose 2).

Current status: Dead for 2026. The author canceled the final policy-committee hearing on June 25, 2026 and the bill missed its deadline. Monitor for reintroduction.

4. November 3, 2026 Statewide Ballot Measures

Proposition 45 — Changes to the Environmental Review Process for Certain "Essential Projects"

What it does: Establishes compressed CEQA and Permit Streamlining Act timelines for a defined list of essential projects — housing, water systems, clean energy, medical facilities, public-safety infrastructure, broadband, education, and transportation — with a 30-day application-completeness rule and business-day review clocks.

Relevance to LAFCo: The measure expressly defines "public agency" to include a local agency formation commission, and its 30-day completeness rule applies to responsible agencies. LAFCo would typically act as a responsible agency and could be bound by the shortened timelines when an essential-project applicant proceeds under the measure.

CSDA position: CSDA staff recommended no position.

Current status: On the November 3, 2026 general-election ballot. Certified by the Secretary of State on June 25, 2026.

Proposition 43 (ACA 22, Wicks) — Two-Thirds Vote for Voter-Initiated Local Special Taxes

What it does: Amends the Constitution to require a two-thirds vote, rather than a simple majority, to approve voter-initiated local special taxes, closing the “Upland” citizens’-initiative pathway prospectively.

Relevance to LAFCo: No direct effect on LAFCo process, but relevant to special-district finance: it would eliminate a majority-vote revenue option some districts have used, which bears on the fiscal viability LAFCo assesses in MSRs.

CSDA position: CSDA staff recommended an Oppose position.

Current status: On the November 3, 2026 general-election ballot. Certified by the Secretary of State on June 25, 2026.

At-a-Glance Summary

Bill	Subject	CSDA Position	Current Status
SB 1159 (Cabaldon)	AI not a “person” under CPRA/Brown Act/CEQA	Support	On Governor’s desk
AB 1821 (Pacheco)	CPRA response time → business days	Support	On Governor’s desk
SB 1187 (Durazo)	Brown Act; repeals SB 707 translation mandate	Watch	On Governor’s desk (urgency)
SB 992 (Niello)	Small special-district audit alternatives	Co-Sponsor	Signed — Ch. 150, Statutes of 2026
SB 1312 (Richardson)	Transfer of abandoned cemeteries to districts	Oppose Unless Amended	On Governor’s desk
SB 1115 (Grove)	Tulare cemetery-district trustee removal	Oppose Unless Amended	On Governor’s desk
AB 2083 (Jackson)	Legislative creation of childcare district	Watch	Dead for 2026
AB 912 (Wilson)	Vallejo district board restructuring	Watch	On Governor’s desk
SB 1164 (Cervantes)	California Voting Rights Act overhaul	Oppose Unless Amended	On Governor’s desk
AB 1337 (Ward)	Info Practices Act coverage of local agencies	Oppose	Dead for 2026
Prop 45	CEQA streamlining; names LAFCo	No position	Nov. 3, 2026 ballot
Prop 43	2/3 vote for local special taxes	Oppose	Nov. 3, 2026 ballot

Recommendation

Informational. No Commission action is requested.

Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.kernlafco.org

DATE: September 16, 2026
TO: Members of the Commission
FROM: Blair Knox, Executive Officer
RE: Transmittal of the Kern County Services Assessment: Cities

RECOMMENDATION

Receive the completed Kern County Services Assessment: Cities and accept it as a screening document to inform the scope and sequencing of future Municipal Service Reviews. No action regarding any individual city is requested at this time. The assessment identifies conditions that may warrant further study; it does not reach conclusions about any agency.

PURPOSE

This memorandum transmits the completed Kern County Services Assessment: Cities for the Commission's review. The full report accompanies this memorandum. The purpose of these few pages is to explain what the assessment is, what it is not, and why it merits the Commission's time, while leaving the substance to the document itself.

A DIFFERENT STARTING POINT

The assessment begins with services rather than institutions. Cities, special districts, and counties are not ends in themselves; they are tools created to deliver services that residents depend upon and rarely notice until they fail. The report is organized around a single question, stated on its first page: *Are we producing reliable services for the people who depend on them?* That question, rather than an organizational chart or a boundary line, frames everything that follows. As the assessment puts it, government sees jurisdictions; residents see results.

WHAT THE ASSESSMENT IS NOT

The assessment is a screening tool, not a verdict. It does not assign grades, rank communities, predict agency failure, or advocate for any predetermined outcome. It rests entirely on publicly available records; staff did not interview any city or ask any agency to explain the conditions described. That is a deliberate choice, and it carries an important consequence: each profile reflects only what the public record reveals, and no observation should be read as a finding against an agency that has not yet had a chance to respond. The Municipal Service Review is where each agency tells its own story. The assessment raises the questions; the review is where the agencies help answer them.

WHAT IT FOUND

The eleven incorporated cities differ enormously in size, economy, and circumstance, yet several threads run through all of them. Organizational capacity often shapes outcomes as much as money does; two communities with similar resources can produce very different results. Infrastructure built in earlier decades is aging, and the challenge is shifting from building systems to sustaining them. Workforce depth, succession, and institutional knowledge recur as quiet determinants of resilience. Growth arrives carrying opportunity and obligation in the same package. And a set of external forces, water and the Sustainable Groundwater Management Act foremost among them, increasingly shape local service delivery regardless of city boundaries. Resilience appeared in many forms, but the communities best positioned for the future share one trait: the ability to recognize change and adapt before it becomes a crisis.

A FEW OF THE QUESTIONS IT RAISES

The detail is in the document, but a handful of its questions suggest why it is worth the time:

- Why a city's recorded population can badly overstate, or understate, the community it actually serves, and why that distinction matters to funding and planning.
- Why several small cities have chosen to stand up their own police departments, and what that says about local control, cost, and concentrated risk.
- How the export of groundwater from a critically over-drafted basin can place economic development and water stewardship in direct tension.
- Why the order in which the cities appear is itself a signal, and deliberately not a ranking.

HOW IT FITS

The assessment is the first analytical step in a longer sequence. It identifies the conditions worth examining. The Municipal Service Review then determines what is actually happening and whether findings or recommendations are warranted. The Commission ultimately decides what, if anything, to do. Holding that line is deliberate: an assessment that began drawing conclusions would cease to be a screening tool, and a review that skipped the screening step would have no disciplined way of deciding where to look first.

NEXT STEPS

Staff recommends that the Commission receive the assessment and accept it as a screening document to guide the sequencing of future Municipal Service Reviews. Staff will return with a proposed review sequence and is prepared to answer questions at the meeting. The invitation, for now, is a simple one: read the report with the county's residents in mind and consider where its questions point next.

Kern County Service Assessment: Cities

Service Delivery Capacity, Governance, and Long-Term Sustainability

Prepared for:

Kern Local Agency Formation Commission (LAFCo)

Prepared by:

Blair Knox, Executive Officer

August 2026

A Countywide Assessment of Municipal Service Delivery Conditions and Trends

This assessment examines the eleven incorporated cities within Kern County through the lens of service delivery capacity, governance, infrastructure, fiscal sustainability, growth, and long-term resilience. The findings are intended to support future Municipal Service Reviews and provide a countywide perspective on factors that may influence the reliability of local services.

Table of Contents

Kern County Services Assessment: Cities

Government sees jurisdictions. Residents see results.

Executive Summary

Are we producing reliable services for the people who depend on them?

That question sits at the heart of LAFCo's responsibility.

Across Kern County, local governments provide services that residents often take for granted until they are no longer available. Water reaches the faucet. Wastewater is collected and treated. Roads remain passable. Parks are maintained. Emergency services respond when needed. Businesses operate, homes are built, and communities function because a complex network of public agencies works every day to deliver services that most people rarely think about when everything is working properly.

This assessment begins with services rather than institutions because services are the reason institutions exist.

Cities, special districts, counties, and other public agencies are not objectives in themselves. They are tools created to provide reliable services, solve community problems, and improve quality of life. The effectiveness of any organization is ultimately measured not by its organizational chart, budget, or boundaries, but by its ability to consistently deliver the services people depend upon.

The Kern County Services Assessment: Cities was developed to provide a countywide perspective on conditions that may influence the ability of cities to provide those services over time. The assessment is not intended to predict agency failure, assign grades, rank communities, or advocate for predetermined outcomes. Rather, it serves as a screening tool designed to identify conditions that may warrant additional review through future Municipal Service Reviews (MSRs) and other studies.

The cities included in this report differ substantially in size, geography, economic activity, demographics, and organizational complexity. Bakersfield serves as the county's primary metropolitan center and regional service hub. Delano, Tehachapi, Taft, Wasco, and Shafter fulfill important regional roles within their respective areas. Arvin, McFarland, California City, and Maricopa each operate under unique conditions that shape their opportunities and challenges.

Despite these differences, several recurring themes emerged.

One of the most consistent observations is that organizational capacity frequently influences outcomes as much as financial resources. Financial condition remains an important indicator of organizational health, but revenues alone do not determine an agency's ability to provide reliable services. Leadership, workforce development, institutional knowledge, infrastructure management, governance, and long-range planning often play equally important roles. Communities with similar financial resources can experience very different outcomes depending on their ability to convert resources into results.

Infrastructure stewardship emerged as another countywide theme. Throughout California, many public infrastructure systems that were built during earlier periods of growth are aging and will require increasing levels of maintenance, rehabilitation, and replacement. For many communities, the challenge is no longer simply building infrastructure. The challenge is sustaining the infrastructure that already exists while preparing for the systems that will eventually replace it.

Workforce capacity also appears likely to become increasingly important. Recruitment, succession planning, organizational depth, and institutional knowledge emerged repeatedly across communities of varying size and circumstance. In an environment of increasing technical specialization and regulatory complexity, people remain among the most important assets available to local government.

Growth continues to create both opportunities and obligations. Housing development, economic investment, and population growth can strengthen communities and expand opportunities for public investment. At the same time, growth creates long-term service demands and infrastructure obligations that must be supported over time. The communities best positioned to benefit from growth will likely be those capable of aligning growth with infrastructure capacity, organizational capacity, and long-term financial sustainability.

The assessment also identified several external forces likely to shape future service delivery throughout Kern County. Water availability, implementation of the Sustainable Groundwater Management Act (SGMA), workforce development, housing policy including the Regional Housing Needs Assessment (RHNA), demographic change, economic diversification, and regional growth patterns increasingly influence local governments regardless of jurisdictional boundaries. Many of the conditions most likely to affect future service delivery extend beyond the authority or responsibility of any single city.

At the same time, resilience appeared in many different forms. Some communities demonstrated resilience through financial strength and administrative stability. Others demonstrated resilience through adaptability, economic diversification, regional partnerships, or effective long-range planning. No single model guarantees success, and no single indicator determines vulnerability. Communities that appear best positioned for the future generally share a common characteristic: the ability to recognize changing conditions and adapt before those changes become crises.

The purpose of this assessment is not to predict the future.

It is to identify the conditions most likely to shape it.

The observations presented in this report should be viewed as starting points for future inquiry rather than final conclusions. Many of the topics identified throughout this review warrant additional analysis through future Municipal Service Reviews and related studies. Future phases of the Agency Services Assessment Initiative will examine both cities and special districts within a region in order to develop a more comprehensive understanding of Kern County's overall service delivery system.

Ultimately, the assessment returns to the question posed at the beginning of this summary.

Are we producing reliable services for the people who depend on them?

The answers will vary from community to community and from service to service. The purpose of this report is not to provide every answer.

It is to help identify where the most important questions may exist.

Reliable service to the public is the objective. Agencies are the tools. The communities most likely to succeed will be those that remain focused on the first without becoming overly attached to the second.

Methodology

This assessment was prepared to provide a countywide overview of conditions that may influence municipal service delivery within Kern County's incorporated cities. The report is intended to identify issues, trends, and conditions that may warrant additional examination through future Municipal Service Reviews (MSRs) and related studies.

The assessment evaluates each incorporated city through a review of publicly available information concerning governance, finances, infrastructure, population trends, economic conditions, planning activities, and service delivery considerations. The objective is not to conduct a comprehensive audit of any individual agency. Rather, the assessment seeks to identify conditions that may influence long-term service delivery and organizational effectiveness.

Information used in preparing this report was obtained from a variety of publicly available sources, including:

- Annual budgets and financial reports
- Annual Comprehensive Financial Reports (ACFRs) and audits
- Capital Improvement Programs and infrastructure planning documents
- Urban Water Management Plans and related water planning documents
- Local planning and economic development documents
- California Department of Finance demographic information
- United States Census Bureau data
- Local Agency Formation Commission records
- Public meeting materials and adopted policies
- Civil Grand Jury reports and other publicly available governmental reports, where applicable

The information available for individual cities varied considerably. Some communities maintain extensive reporting systems and planning documents, while others operate with more limited publicly available information. As a result, the depth of analysis differs among communities depending upon the availability and quality of relevant information.

To provide a consistent baseline, this report includes a brief Economic Snapshot near the beginning of each city chapter. The snapshot is not itself an area of assessment. It establishes the economic environment in which a city operates before the service-delivery analysis that follows. Household income, poverty, median home value, and median rent are drawn from the U.S. Census Bureau's 2020–2024 American Community Survey five-year estimates. Unemployment is reported separately using the California Employment Development Department's city estimate for July 2026, so that this most time-sensitive indicator reflects current conditions rather than a five-year average. The corresponding Kern County figure is shown in parentheses for comparison.

Two limitations of the unemployment figures deserve note. They are not seasonally adjusted, and July falls at the peak of the agricultural season, so the rates for farmworker communities such as Arvin, Wasco, and Delano run higher in summer than they would on an annual average. In addition, EDD derives city rates by applying each community's 2020–2024 population shares to current countywide totals rather than by measuring each city directly, so figures for the smallest cities should be read as directional. Readers seeking a deeper, more distinctly local view of each community's economic and fiscal health are directed to Appendix A, which draws on the Kern Economic Development Corporation, the Employment Development Department, and other county sources to describe the economic engines behind these numbers.

A significant portion of the information reviewed during this assessment covers a five-year period that includes the COVID-19 pandemic and its aftermath. This period was characterized by substantial economic, operational, demographic, and governmental disruption at the local, state, and national levels.

While beginning an assessment during such an unusual period is not ideal from an analytical standpoint, it reflects the most current information available for review. The conditions observed during this period may not represent long-term trends in every case. At the same time, the pandemic and its associated impacts tested the resilience of local governments, public service systems, and community institutions in ways that may provide valuable insight into organizational capacity, adaptability, and service sustainability under conditions of significant uncertainty.

As a result, observations contained in this report should be considered within the context of both the extraordinary circumstances of the review period and the longer-term trends that preceded and followed it.

This report was not designed to function as a financial audit, operational review, management study, engineering assessment, or Municipal Service Review. Many topics identified in this assessment would require additional investigation before definitive conclusions could be reached.

The order of city profiles reflects the relative prominence of issues and considerations identified during this assessment and is intended to assist in prioritizing future study. It should not be interpreted as a formal ranking of municipal performance, effectiveness, or service quality.

The assessment should therefore be viewed as a screening document rather than a final determination regarding organizational performance or service adequacy. Its purpose is to identify conditions that may warrant closer examination and to provide context for future LAFCo studies.

It is worth stating plainly, at the outset, how this document fits within the broader sequence of work that leads to a Commission decision, because the value of the assessment depends on readers understanding what it is and what it is not. This assessment answers a single question: what conditions do we observe that may affect the reliable delivery of local services? It identifies where questions exist. It does not attempt to answer them. The Municipal Service Review is the next document in the sequence, and it answers a different question: what is actually happening, and what, if anything, should be done about it? The MSR is where observations are validated, where service adequacy is examined against evidence, and where findings and recommendations are formally reached. In short, this assessment identifies conditions; the Municipal Service Review renders conclusions. Holding that line is deliberate. An assessment that began drawing conclusions would cease to be a screening tool, and a Municipal Service Review that skipped the screening step would have no disciplined way of deciding where to look first.

Relationship to Future Municipal Service Reviews

This assessment is intended to serve as a screening document rather than a final determination regarding organizational performance or service adequacy. Its purpose is to identify conditions, trends, and questions that may warrant additional examination.

The Municipal Service Review then serves as the next stage of analysis by providing a formal mechanism to obtain additional information, validate observations, and examine emerging issues in greater detail. While this assessment seeks to identify where questions may exist, the Municipal Service Review process is designed to determine what is actually occurring and whether specific findings or recommendations are warranted.

Viewed collectively, these efforts form part of a broader service delivery assessment framework:

Countywide Service Delivery System
↓
Financial Training
(What should Commissioners look for?)
↓
Kern Servies Assessments
(What conditions do we observe?)
↓
Emerging Questions for Future Study
(Where should we look closer?)
↓
Municipal Service Reviews
(What is actually happening?)
↓
Findings & Recommendations
(What actions should be considered?)
↓
Commission Decisions

The report represents the first phase of a broader effort to evaluate local service delivery systems within Kern County. Future studies may examine special districts and other service providers by region in order to develop a more comprehensive understanding of the county's overall service delivery framework.

Agencies do not exist because problems were solved. They exist because problems persist. If the problem changes but the institution does not, that's where the real concern begins.

City of Maricopa

Community Overview

Population: Approximately 1,000

Location: Southwestern Kern County

Primary Economic Drivers: Petroleum production, related services, limited local commercial activity

Role in Countywide Service Delivery: Small independent city serving a geographically isolated community through a combination of local services, partnerships, and contracted service providers.

Maricopa is the smallest incorporated city in Kern County and operates under circumstances unlike any other municipality in the region. Located in southwestern Kern County, the city developed around the petroleum industry and continues to maintain strong economic and cultural ties to the surrounding oil fields.

Unlike Bakersfield, Delano, or Ridgecrest, Maricopa is not a regional employment center, major commercial hub, or population growth center. Its importance within the countywide service delivery system stems from a different role. Maricopa represents a small, independent community seeking to maintain local control over municipal services despite limited resources and significant reliance on outside partnerships.

The question is not whether Maricopa can become a larger city. The question is whether it can continue to function effectively as a small one.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $38,676 (Kern County: $70,210)

Poverty Rate: 16.7% (Kern County: 19.1%)

Unemployment Rate (July 2026): 12.9% (Kern County: 8.6%)

Median Home Value: $121,800 (Kern County: $338,300)

Median Gross Rent: $943/month (Kern County: $1,300/month)

Because Maricopa's civilian labor force is only about 400 people, both its Census and EDD estimates carry unusually wide margins of error and should be read as directional rather than precise.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Maricopa's strengths and vulnerabilities arise from the same conditions.

The city's small size provides flexibility, close relationships between local officials and residents, and the ability to focus resources on a limited number of priorities. Local government remains highly visible and accessible, creating a strong sense of community ownership and identity. The city has also demonstrated a consistent ability to pursue grant funding and leverage outside resources far beyond what might be expected given its population and assessed valuation.

However, the same characteristics that create flexibility also limit organizational capacity. Small organizations possess fewer layers of management, fewer specialized employees, and less redundancy when staff turnover occurs. Responsibilities that would be distributed across multiple departments in larger cities are often concentrated among a small number of individuals. As a result, changes in personnel, funding, or external partnerships can have disproportionately large impacts on operations.

Maricopa's operating model has proven effective in allowing the city to continue providing services despite significant constraints. At the same time, that model depends heavily upon maintaining key personnel, preserving institutional knowledge, and successfully pursuing outside resources. The conditions that support efficiency may also reduce organizational flexibility if staffing, funding, or key external partnerships change over time

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Fiscal Capacity

Contrary to what might be assumed from its size, Maricopa does not currently exhibit indicators of immediate fiscal distress. Financial records indicate cash and investment balances exceeding $2 million, providing a meaningful measure of financial flexibility and allowing the city to absorb routine fluctuations in revenues and expenditures.

The city's fiscal challenge is not the amount of cash currently available. Rather, it is the limited capacity of locally generated revenues to independently support long-term municipal operations and infrastructure obligations. Maricopa relies heavily on grants, transportation funds, state programs, and other external revenue sources to complete projects that would be difficult or impossible to fund through local revenues alone.

This dependency creates both opportunity and risk. Grant funding has allowed the city to make infrastructure investments that far exceed what a community of its size could normally undertake. However, those revenue sources remain largely outside local control. Future changes in state priorities, federal funding programs, or grant availability could significantly affect the city's ability to pursue projects and maintain infrastructure at historical levels.

The fiscal question for Maricopa is therefore not whether reserves are adequate today. The more important question is whether the city's financial model remains sustainable if access to external funding becomes more limited in the future.

Governance and Organizational Capacity

Staffing depth, organizational scale, and reliance on a small number of key positions suggest that organizational capacity warrants particular attention when evaluating Maricopa's long-term sustainability

The city operates with an exceptionally small workforce responsible for administering municipal operations, grant programs, regulatory compliance requirements, financial management, infrastructure projects, and contract oversight. This structure has enabled the city to control costs while remaining operationally effective. It has also concentrated substantial responsibility and institutional knowledge within a small number of positions. Small organizations often accomplish remarkable things. They are also more dependent on the continued availability of the people who know how the remarkable things are accomplished.

The 2026 departure of City Administrator Eric Ziegler illustrates this challenge. Leadership transitions occur in all organizations, but their impact varies greatly depending upon organizational depth. In a city the size of Maricopa, the departure of a key employee can affect grant administration, consultant relationships, project management, budgeting, regulatory compliance, and institutional continuity simultaneously.

The central issue is not whether a replacement can be hired. The more important question is whether critical knowledge and operational systems have been institutionalized sufficiently to ensure continuity through future transitions.

This distinction is important because organizational resilience depends not only on people, but also on the systems that allow an organization to continue functioning when people change.

Infrastructure and Service Delivery

Like many small communities, Maricopa relies heavily on partnerships and contractual relationships to provide municipal services. Fire protection, engineering, legal services, transit coordination, specialized consulting, and numerous community programs involve cooperation with outside agencies and service providers.

This approach is practical and economically appropriate given the city's size. Maintaining a full-service municipal structure would likely be financially impossible. External partnerships therefore expand the city's service capacity and provide access to expertise that could not otherwise be maintained internally.

The city's ongoing sewer improvement program illustrates both the benefits and challenges associated with this model. Securing approximately $7.4 million in State Water Resources Control Board financing demonstrates a strong ability to obtain external assistance. At the same time, projects of this scale create significant administrative demands involving compliance, reporting, project management, and stakeholder coordination.

The question is not whether Maricopa can complete major infrastructure projects. The city has demonstrated that it can. The question is whether the administrative capacity necessary to sustain those efforts can be maintained over time.

Maricopa's Role in the Countywide Service Delivery System

Maricopa occupies a unique position within that system. Unlike regional service centers such as Bakersfield, Delano, Ridgecrest, or Tehachapi, Maricopa functions as a highly localized municipal government serving a small and geographically isolated community. The city relies more heavily on partnerships and external service relationships than larger municipalities, but it also provides local representation and decision-making that would not otherwise exist.

From a countywide perspective, Maricopa highlights an important policy question:

What level of organizational capacity is necessary for a small community to remain independently responsible for municipal service delivery?

That question extends beyond Maricopa and may have implications for future evaluations of other small agencies throughout Kern County.

A Record of Adaptation

It is easy to focus on the challenges facing a community the size of Maricopa. Small staffing levels, limited local revenues, geographic isolation, and dependence on external funding all create legitimate capacity concerns. Yet concentrating exclusively on these vulnerabilities risks overlooking an equally important reality.

Maricopa continues to function as an independent city despite conditions that would challenge many larger organizations. The city has repeatedly demonstrated an ability to secure external funding, complete infrastructure projects, maintain essential services, and adapt to changing circumstances with limited resources. These accomplishments reflect a level of organizational creativity and resilience that should not be overlooked.

The question is not simply whether Maricopa faces challenges. All communities do. The more relevant observation may be that Maricopa has spent much of its history finding ways to overcome them.

Long-Term Outlook

Maricopa's future is likely to be determined less by population growth or economic expansion and more by organizational resilience.

The city has demonstrated an ability to adapt, secure funding, and maintain services despite significant structural constraints. Those accomplishments should not be overlooked. In many respects, Maricopa has successfully operated under conditions that would be challenging for much larger organizations.

However, the demands placed on local government continue to increase. Regulatory requirements, compliance obligations, infrastructure management responsibilities, grant administration requirements, and reporting expectations continue to grow regardless of agency size.

The central question for the future is whether organizational capacity can continue to grow at the same pace as organizational responsibilities.

Emerging Questions for Future Study

This assessment does not seek to answer every question regarding Maricopa's future. Rather, it identifies areas where additional study may be warranted.

Potential questions for a future Municipal Service Review include:

- How dependent are critical municipal functions on specific individuals?
- What succession planning mechanisms currently exist?
- Has institutional knowledge been adequately documented and transferred?
- Are additional opportunities available for shared services or regional collaboration?
- How sustainable is the city's current grant-dependent infrastructure model?
- What administrative resources are required to manage existing and future capital projects?
- What level of organizational capacity is necessary to sustain long-term service delivery?

These questions focus less on financial condition and more on organizational resilience.

Preliminary Capacity Assessment

Fiscal Capacity: Moderate Concern

Governance and Organizational Capacity: High Concern

Infrastructure Management Capacity: Moderate to High Concern

Economic Capacity: Moderate Concern

Service Delivery Capacity: Moderate to High Concern

Overall Assessment: Elevated Capacity Risk

Maricopa does not currently appear to be experiencing fiscal failure, service collapse, or organizational dysfunction. One of the city's principal long-term challenges may be maintaining sufficient capacity to continue providing municipal services within an environment of increasing complexity

The city's future will likely depend less on financial resources alone and more on its ability to preserve institutional knowledge, maintain effective partnerships, adapt to leadership transitions, and sustain the organizational systems necessary to support long-term service delivery.

City of California City

Community Overview

Population (Community): Approximately 15,000 residents

Institutional Population (Not City-Served): Roughly 2,400 to 2,600 incarcerated individuals housed at the California City Correctional Facility. This population is reported separately because the City does not provide day-to-day municipal services to incarcerated individuals in the manner experienced by residents.

Location: Eastern Kern County, Mojave Desert

Primary Economic Drivers: Correctional employment, aerospace-related activity, local commercial services, development potential

Role in Countywide Service Delivery: Regional high-desert community providing municipal services across the largest incorporated geographic area in Kern County.

California City occupies a unique place within Kern County's service delivery system. Home to approximately 15,000 residents and encompassing the largest geographic area of any incorporated city in Kern County, California City was originally envisioned as a master-planned community intended to support a much larger population.

Unlike Maricopa, California City's principal challenge is not scale. The city possesses a larger tax base, greater financial resources, significant development potential, and important regional assets. Organizational stability may play a significant role in the City's long-term capacity to address emerging challenges.

Over the last several years, the city has experienced repeated leadership transitions, governance conflicts, management turnover, and administrative disruptions. While California City remains financially viable and continues to provide services, the central question is whether the organization possesses sufficient institutional continuity to effectively address long-term challenges before they become crises.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $60,113 (Kern County: $70,210)

Poverty Rate: 24.3% (Kern County: 19.1%)

Unemployment Rate (July 2026): 18.7% (Kern County: 8.6%)

Median Home Value: $278,000 (Kern County: $338,300)

Median Gross Rent: $1,300/month (Kern County: $1,300/month)

These estimates cover the full census place, so the income and labor figures are influenced by the correctional population described above.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

California City's greatest asset and greatest burden may be the same thing: expectations. For decades the community has been measured against what it was intended to become rather than what it has actually become. California City has spent much of its existence being evaluated against somebody else's plan.

The city possesses considerable long-term potential. It maintains a substantial land base, important transportation access, correctional employment, growing property tax revenues, and financial resources that compare favorably with many communities of similar size. Government-wide net position and General Fund balances have increased significantly over recent years, indicating that the city is not experiencing immediate fiscal distress.

At the same time, the city's scale creates management demands that require organizational consistency. Extensive undeveloped lands, infrastructure obligations, economic development initiatives, and long-term planning efforts all require stable leadership and sustained execution. When management turnover becomes frequent, strategic plans become difficult to implement and institutional knowledge becomes vulnerable to disruption.

California City's greatest strength may be that it possesses the resources necessary to address many of its challenges.

Its greatest vulnerability may be determining whether the organization can maintain the continuity necessary to effectively use those resources.

Fiscal Capacity

California City's financial condition is stronger than public perception often suggests.

Audited financial statements show substantial growth in both government-wide net position and General Fund balances over the review period. Property tax revenues have generally increased, cash reserves remain healthy, and the city does not currently exhibit the indicators typically associated with imminent fiscal failure.

These trends are important because they distinguish California City's challenges from those facing communities experiencing structural fiscal distress. The evidence does not suggest that the city is currently unable to meet its financial obligations. Rather, the concern involves the organization's ability to plan, prioritize, and manage resources effectively over time.

Several factors nonetheless warrant continued attention. Sales tax revenues have experienced periods of stagnation following post-pandemic highs, and anticipated revenues from economic development initiatives have not always materialized at projected levels. The city has benefited from significant one-time revenues and other external funding sources that should not be viewed as permanent components of its financial structure.

The fiscal question facing California City is therefore not whether sufficient resources exist today. The more important question is whether long-term financial planning and resource allocation can remain effective in an environment characterized by recurring leadership turnover.

Governance and Organizational Capacity

Available information suggests governance continuity and organizational capacity warrant particular attention when evaluating California City's long-term service delivery capacity

During recent years, the city experienced extraordinary turnover in senior management, including multiple city managers within a relatively short period. Leadership transitions have continued even after the completion of Kern County Grand Jury investigations that identified instability in executive management as a significant operational concern.

The issue extends beyond a single position. Frequent turnover can disrupt strategic planning, delay project implementation, weaken institutional memory, complicate recruitment efforts, and reduce accountability for long-term objectives. Projects initiated under one administration may be modified, reprioritized, or abandoned before completion under another. Organizational energy becomes focused on transition rather than execution. Strategic planning becomes difficult when the people responsible for carrying out the plan change faster than the plan itself.

Audit findings and Grand Jury observations indicate recurring concerns involving financial management systems, budget oversight practices, and organizational controls during periods characterized by significant leadership turnover. The absence of consistent Management Discussion and Analysis sections within several audited financial statements is particularly noteworthy because it limits external insight into management's evaluation of emerging risks and future challenges.

The central capacity question is straightforward:

Can California City establish sufficient leadership continuity to consistently identify, prioritize, and address long-term challenges?

Infrastructure and Service Delivery

California City faces infrastructure responsibilities that are unusually large relative to its population.

The city's extensive geographic footprint creates ongoing obligations associated with roads, public facilities, utilities, and long-term maintenance. While the city maintains substantial restricted assets dedicated to subdivision improvements and infrastructure programs, those funds are not generally available to support daily operations or unrelated service needs.

Recent changes in service delivery further illustrate evolving organizational capacity challenges. From a LAFCo standpoint, California City has provided, continues to provide, and will continue to provide fire protection to its residents. What changed is not whether the service exists, but how the city has chosen to deliver it. By entering into a long-term contract with the Kern County Fire Department, the city may ultimately strengthen regional service delivery and improve access to specialized resources. At the same time, that arrangement trades direct operational control for a fixed, long-term commitment, reducing the city’s flexibility to adjust how fire protection is provided should local conditions change. The service is not at risk. The city’s range of options for managing it has narrowed.

This observation should not be interpreted as either positive or negative. Contracting for fire protection is a legitimate and often prudent choice. The point worth flagging is that this reduction in flexibility followed a period of organizational instability rather than emerging from a position of strength. Whether that narrowed range of options ultimately serves residents well is precisely the kind of question a future Municipal Service Review is designed to examine, not a conclusion this assessment attempts to reach.

Economic and Community Conditions

California City's economic future remains closely tied to its ability to attract and support new investment.

The city has repeatedly pursued economic development opportunities aimed at broadening the local tax base and reducing dependence on existing revenue sources. However, several highly anticipated initiatives have produced more modest results than originally expected. The experience with cannabis-related revenues provides one example of the uncertainty associated with relying on emerging industries as primary fiscal solutions.

At the same time, California City benefits from assets that continue to create opportunity. The California City Correctional Facility, transportation access, available land, aerospace-related activity in the broader region, and relatively affordable development opportunities provide advantages not available to many communities.

Unlike communities whose challenges stem from a declining economic base, California City's challenge is often converting opportunity into consistent long-term results.

Success may depend less on identifying the next economic strategy and more on maintaining the organizational stability necessary to implement economic strategies over extended periods of time.

Strengths Often Overlooked

Public discussion of California City frequently focuses on governance challenges, leadership turnover, and unrealized development expectations. While these issues deserve attention, they do not fully define the community.

California City possesses assets that many communities would readily welcome, including substantial financial resources, significant development capacity, access to major transportation corridors, proximity to aerospace and defense industries, and a strategic location within the eastern portion of Kern County.

Perhaps most importantly, the city continues to attract residents, investment, and public attention despite decades of scrutiny regarding its future. Communities do not remain viable for generations through potential alone. They survive because they retain strengths capable of supporting future opportunity.

The challenge facing California City is not whether strengths exist. The challenge is converting those strengths into consistent long-term outcomes.

Long-Term Outlook

California City's future is likely to be determined more by governance capacity than by financial capacity.

The city possesses resources, opportunities, and assets that many communities would welcome. Current financial information does not suggest immediate fiscal instability. The challenge is ensuring that the organization can consistently translate those assets into measurable outcomes.

Over time, leadership instability can become a vulnerability multiplier. Financial issues become more difficult to address. Economic development initiatives become harder to sustain. Infrastructure planning becomes more fragmented. Recruitment becomes more challenging. Public confidence may erode.

Conversely, even a few years of organizational stability could significantly improve the city's ability to capitalize on its strengths.

California City's future may depend less on what resources it possesses and more on whether it can establish the institutional continuity necessary to fully utilize them.

Emerging Questions for Future Study

Several areas identified may warrant additional examination through a future Municipal Service Review:

- Has executive leadership turnover begun to stabilize?
- What succession planning mechanisms exist for key administrative positions?
- How has management turnover affected long-term project implementation?
- Do current financial management systems provide sufficient continuity during leadership transitions?
- What factors have limited the success of past economic development initiatives?
- How sustainable is the city's evolving service delivery model?
- Are current infrastructure obligations aligned with available organizational capacity?

These questions focus primarily on organizational resilience rather than immediate financial condition.

Preliminary Capacity Assessment

Fiscal Capacity: Low to Moderate Concern

Governance and Organizational Capacity: High Concern

Infrastructure Management Capacity: Moderate Concern

Economic Capacity: Moderate Concern

Service Delivery Capacity: Moderate Concern

Overall Assessment: Elevated Capacity Risk Driven Primarily by Organizational Instability

California City does not appear to be facing immediate fiscal failure. Vulnerability stems from the interaction between leadership turnover, governance instability, long-term infrastructure obligations, and the need for consistent organizational execution. The city's resources provide a strong foundation for future success. The critical question is whether sufficient institutional continuity can be established to convert those resources into lasting resilience.

City of Arvin

Community Overview

Population: Approximately 20,000

Location: Southeastern Kern County

Primary Economic Drivers: Agriculture, agricultural services, logistics, food processing

Role in Countywide Service Delivery: Agricultural community serving a growing population with significant municipal service, infrastructure, and public safety demands.

Arvin is a city of approximately 20,000 residents located in southeastern Kern County and surrounded by some of the most productive agricultural land in California. The community is younger than many other Kern County cities and serves a population with significant service needs and relatively limited household financial resources.

Unlike communities whose primary challenge is population decline, Arvin's challenge is managing growing service demands in an environment with limited fiscal flexibility. The city must simultaneously address public safety expectations, infrastructure obligations, housing requirements, and regulatory compliance while operating within a constrained revenue structure.

From a countywide service delivery perspective, Arvin illustrates the challenges facing communities where municipal service demands may increase more rapidly than the local resources available to support them.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $49,183 (Kern County: $70,210)

Poverty Rate: 34.6% (Kern County: 19.1%)

Unemployment Rate (July 2026): 14.0% (Kern County: 8.6%)

Median Home Value: $262,700 (Kern County: $338,300)

Median Gross Rent: $1,089/month (Kern County: $1,300/month)

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Arvin's greatest strengths are closely connected to its vulnerabilities.

The city benefits from a stable population base, a young workforce, regional agricultural activity, and a demonstrated willingness to address difficult public issues openly. Public access to budgets, audits, and financial information reflects a commitment to transparency and provides decision-makers with the information necessary to identify emerging challenges. The community also benefits from a dedicated local sales tax through Measure L, which has allowed the city to preserve important services that might otherwise be difficult to sustain.

At the same time, many of these conditions create pressure on municipal operations. A younger population often translates into greater demand for parks, recreation, public safety, community facilities, and other municipal services. Relatively low household incomes and elevated poverty rates limit the city's ability to solve fiscal challenges through taxes, fees, or rate increases. Dependence on local sales tax revenue strengthens the city's finances but also highlights how important those revenues have become to maintaining core operations.

Arvin's challenge is not a lack of community. It is ensuring that municipal capacity grows quickly enough to keep pace with the needs of the community it serves.

Fiscal Capacity

The city's fiscal condition deserves careful attention.

Recent budget documents indicate recurring General Fund deficits following a period in which revenues and expenditures were more closely aligned. Budget projections and recent operating results suggest that expenditures have consistently exceeded recurring revenues, requiring the city to rely upon reserves to maintain current service levels.

The existence of reserves is not itself a concern. In fact, reserves are intended to help organizations manage uncertainty and absorb unexpected events. The more important question is how those reserves are being used. If reserves are funding one-time expenditures or temporary disruptions, the practice may be entirely appropriate. If reserves are increasingly being used to support recurring operating costs, long-term financial flexibility may gradually decline.

The city's dependence on Measure L revenue further highlights this issue. Local sales tax revenues provide critical support for public safety, fire protection, streets, parks, and other basic services. This revenue source represents a significant strength because it provides funding unavailable to many similarly situated communities. At the same time, the city's reliance on these revenues demonstrates how little excess capacity may exist within the General Fund.

The fiscal concern is therefore not immediate insolvency. Rather, it is the possibility that financial flexibility may gradually narrow if expenditure growth continues to outpace recurring revenues.

Governance and Organizational Capacity

Unlike California City, Arvin's primary challenge does not appear to be governance instability.

The city maintains publicly accessible financial information, continues to prepare budgets and audits, and appears willing to address difficult fiscal discussions in open session. These are positive indicators of organizational transparency and administrative accountability.

The more significant question is organizational capacity.

Recent discussions regarding budget reductions, staffing vacancies, and service-level pressures suggest a municipal organization operating with limited margin for error. In smaller organizations, staffing reductions often create impacts extending beyond a single position. Reduced staffing can affect project delivery, grant administration, infrastructure management, code enforcement, financial oversight, and long-range planning simultaneously.

The issue is not whether city leadership recognizes the challenges. The available evidence suggests that they do. The question is whether sufficient organizational capacity exists to address those challenges while continuing to provide day-to-day services.

Infrastructure and Service Delivery

Available information suggests infrastructure capacity, particularly wastewater infrastructure, may warrant elevated attention during future evaluations.

Water service is provided by the Arvin Community Services District, which has invested substantially in improving drinking water quality and reliability. The existence of a dedicated water provider creates operational advantages and allows specialized attention to be focused on potable water services.

Wastewater service, however, presents a more complicated picture.

State Water Board enforcement actions and related regulatory concerns regarding treatment capacity, storage, disposal, and compliance have raised important questions regarding the city's long-term wastewater infrastructure. Although planning and improvement efforts are underway, wastewater capacity remains closely tied to future development opportunities, housing production, regulatory compliance, and public health obligations.

Unlike some municipal issues that may be addressed incrementally, wastewater capacity limitations can directly affect future development opportunities and regulatory compliance

If treatment capacity becomes limited or regulatory compliance cannot be maintained, future development opportunities may be affected regardless of housing demand, land availability, or economic conditions.

For that reason, infrastructure capacity deserves particular attention in any future evaluation of the city's long-term sustainability.

Economic and Community Conditions

Arvin's economy remains closely tied to agriculture, agricultural services, logistics, and related industries.

These sectors have historically provided employment opportunities and continue to support the local economy. However, they also expose the community to factors such as commodity prices, labor market shifts, water availability concerns, regulatory changes, and broader agricultural trends.

Community demographics present both strengths and challenges. The city's young population creates future workforce potential while simultaneously generating increased demand for public services and community investment. Poverty and income indicators suggest that many households possess limited financial reserves of their own, increasing reliance on public services during periods of economic stress.

Arvin's long-term success may depend less on population growth and more on expanding economic opportunity, increasing workforce readiness, and strengthening the fiscal foundation that supports municipal services.

A Community That Continues to Move Forward

Arvin's challenges are often visible because they involve infrastructure, public services, and fiscal constraints. Less visible are the indicators of community strength that have allowed the city to continue growing despite those pressures.

The city benefits from a young population, a strong community identity, a dedicated local revenue source through Measure L, and leadership willing to address difficult issues publicly. These characteristics provide an important foundation for future progress.

Communities facing significant infrastructure and fiscal challenges sometimes delay difficult decisions. Arvin has generally demonstrated a willingness to acknowledge emerging issues and pursue solutions even when those solutions require difficult conversations.

That willingness may prove to be one of the city's greatest assets as it navigates future service and infrastructure demands.

Long-Term Outlook

Arvin's future appears closely tied to the relationship between service demands, infrastructure capacity, and financial flexibility.

The city possesses many advantages, including a stable population, strong community identity, a dedicated sales tax revenue source, and leadership that appears willing to publicly address emerging challenges. These strengths provide a foundation for future success.

At the same time, recurring fiscal pressure, public safety costs, staffing limitations, and wastewater infrastructure obligations create a series of interconnected challenges. None of these issues individually suggests imminent crisis. Together, however, they have the potential to reduce organizational flexibility and limit the city's ability to respond to future demands.

The central question is whether municipal capacity can expand as quickly as infrastructure requirements, regulatory obligations, and community expectations.

Emerging Questions for Future Study

Several areas identified may warrant additional examination through a future Municipal Service Review:

- Are current General Fund deficits temporary or structural in nature?

- How dependent are core city services on Measure L revenue?
- What is the long-term trend in unrestricted reserves?
- What investments remain necessary to address wastewater compliance and capacity concerns?
- How much future development can be supported by existing infrastructure?
- Are staffing levels sufficient to meet current operational and regulatory demands?
- How might future economic and agricultural changes affect municipal revenues and service demands?

These questions focus on understanding whether current pressures represent temporary conditions or indicators of longer-term capacity constraints.

Preliminary Capacity Assessment

Fiscal Capacity: Moderate to High Concern

Governance and Organizational Capacity: Moderate Concern

Infrastructure Capacity: High Concern

Economic Capacity: Moderate Concern

Service Delivery Capacity: Moderate to High Concern

Overall Assessment: Elevated Capacity Risk Driven by Fiscal and Infrastructure Pressures

Arvin does not appear to be facing an immediate governance crisis or organizational collapse. Its principal challenges arise from the interaction between recurring fiscal pressure, infrastructure obligations, public service demands, and limited financial flexibility. The city's future will likely depend on its ability to maintain infrastructure capacity, strengthen long-term fiscal sustainability, and ensure that organizational resources keep pace with the needs of a growing and service-dependent community.

City of McFarland

Community Overview

Population (Community): Approximately 14,200 residents (2020 Census: 14,161; state and federal estimates place the 2024–2025 figure near 14,400 to 14,700)

Institutional Population (Detention, Not City-Served): Up to approximately 1,400 immigration detention beds across two GEO Group-operated U.S. Immigration and Customs Enforcement (ICE) facilities, the Golden State Annex and the Central Valley Annex. The Golden State Annex reported an average daily population in the range of roughly 500 to 600 in early 2026. This population is reported separately because the City does not provide municipal services to detained individuals in the manner experienced by residents.

Location: Northern Kern County along the Highway 99 corridor

Primary Economic Drivers: Agriculture, agricultural services, logistics, construction, public services, correctional and detention employment, and regional commuting

Role in Countywide Service Delivery: Growing residential and agricultural community positioned between Delano and Bakersfield, with direct responsibility for water, wastewater, streets, a municipal police department, and other municipal services.

McFarland is a growing agricultural community located along the Highway 99 corridor in northern Kern County. Its location between Delano and Bakersfield provides access to regional employment, transportation, and commercial markets while allowing the city to retain a distinct community identity.

The city's long-term challenge is not simply whether growth will continue. It is whether municipal revenues, utility systems, infrastructure, and organizational capacity can keep pace with the obligations that growth creates.

From a countywide service delivery perspective, McFarland illustrates a recurring issue in California: residential growth can strengthen a community while simultaneously increasing service demands faster than the local economic base develops.

McFarland also hosts a significant detention population that requires careful treatment in any capacity analysis. The two GEO Group facilities located in the city, the Golden State Annex and the Central Valley Annex, are counted as institutionalized group-quarters population in raw census and estimate totals, yet the City does not provide day-to-day municipal services to detained individuals in the way it serves residents. For that reason, the community population and the detention population are presented separately throughout this profile. The distinction matters because population figures influence certain funding formulas even when the underlying population places little direct demand on city services. A future review should confirm the precise institutional count and its treatment in any per-capita revenue estimate.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $54,608 (Kern County: $70,210)

Poverty Rate: 24.1% (Kern County: 19.1%)

Unemployment Rate (July 2026): 7.9% (Kern County: 8.6%)

Median Home Value: $272,700 (Kern County: $338,300)

Median Gross Rent: $1,131/month (Kern County: $1,300/month)

These estimates cover the full census place and may be influenced by the detention population described above.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

McFarland's strategic location, available land, relatively young population, and continuing housing activity provide a foundation for future development. The city has also demonstrated an ability to secure outside funding and undertake capital projects that would be difficult to finance solely through locally generated revenues.

The same conditions create pressure. New residents require water, wastewater, streets, drainage, parks, public safety, and administrative support. The U.S. Census Bureau's July 1, 2024 estimate placed McFarland's population at approximately 14,365, and its 2020-2024 community estimates show that 35.7 percent of residents were under age 18. Those demographics create future workforce potential, but they also generate substantial demand for family-oriented services and public infrastructure.

McFarland's strength is that people continue choosing to live and invest in the community. Its vulnerability is that population growth alone does not guarantee the commercial activity, employment base, or recurring revenues required to support the resulting service obligations.

Fiscal Capacity

McFarland's audited financial statements do not indicate immediate fiscal failure. The City's financial statements for the year ended June 30, 2024 reported approximately $22.9 million in government-wide cash and investments and total net position of approximately $75.0 million. Governmental fund balances totaled approximately $13.0 million, including a General Fund balance of approximately $5.5 million.

Those figures demonstrate meaningful resources, but they require context. A substantial portion of the City's assets and fund balances is restricted, committed to capital programs, or associated with water, wastewater, and other enterprise activities. Government-wide net position and cash therefore should not be interpreted as fully available General Fund operating capacity.

The City's fiscal year 2025-26 budget identified a projected unassigned General Fund balance below the City's 35 percent reserve target. During the February 2026 midyear review, staff reported improvement to approximately 24 percent of operating expenditures, but the projected balance remained below policy. Recent local revenues, including Measures M and O, helped stabilize operations, while grant funding continued to support major capital needs.

This presents a more balanced picture than either simple strength or distress. McFarland possesses assets, local revenue measures, and access to grants, but its unrestricted operating margin remains limited. The central fiscal question is whether recurring revenues can support recurring services, including a growing public safety commitment, while the City also absorbs infrastructure emergencies and funds long-term capital obligations.

Governance and Organizational Capacity

McFarland appears to be strengthening administrative systems after earlier periods of turnover and recurring audit findings involving reconciliations, financial reporting, and internal controls. The City's June 30, 2025 audit issued an unmodified opinion, indicating that the financial statements were presented fairly in all material respects.

The audit also reported correction-of-error adjustments and noted that management's discussion and analysis had been omitted. Those matters do not establish current fiscal distress, but they reinforce the importance of complete reporting, consistent controls, and institutional continuity.

The City's public availability of annual budgets, capital improvement programs, audited financial statements, water quality reports, and utility rate information is a positive indicator.

Transparency allows decision-makers and residents to distinguish between a temporary operating pressure, a restricted resource, and a structural capacity issue.

The relevant governance question is whether recent improvements are becoming institutionalized. An organization becomes resilient when sound practices continue through staff transitions rather than depending upon the individuals currently carrying them out.

Public Safety and the Municipal Police Department

One of the most consequential governance decisions in McFarland's recent history is its commitment to operating a municipal police department. The city re-established its own police force in 2009 after decades of relying on the Kern County Sheriff for law enforcement. That decision carries both financial and cultural significance and deserves specific attention in any assessment of the city's long-term capacity.

Financially, a municipal police department is typically the single largest ongoing commitment in a small city's General Fund. Operating an independent force gives McFarland direct control over staffing levels, response priorities, and community policing, but it also concentrates cost and risk locally. Salaries, benefits, training, equipment, dispatch, and facilities must be sustained from recurring revenues that, as noted in the fiscal discussion, currently provide limited margin. The city's reliance on Measures M and O and on grant funding is closely connected to its ability to maintain public safety service levels. Recruitment and retention have been persistent challenges, and city officials have linked those difficulties in part to an aging and undersized station.

The clearest illustration is the new police facility. In December 2025, the City Council awarded a construction contract of approximately $9.54 million to build a new police department building of roughly 11,500 square feet, with a total project estimate near $9.95 million once testing and contingency are included. The project is supported by a $5 million state public safety grant secured in 2023, with the local match drawn from reserves and impact fees. The city acquired the roughly seven-acre site from the GEO Group for a nominal cost. For decades the department had operated from cramped quarters of only a few hundred square feet within City Hall, a condition officials described as affecting operations, evidence handling, victim services, and staff retention. Construction was expected to continue into 2027.

The financial lesson is one of alignment. A largely grant-funded capital project still requires a local match, ongoing operating costs, and long-term maintenance obligations that fall on the same General Fund already operating below its reserve target. The new facility should strengthen recruitment, retention, and service delivery, but it also commits the city to sustaining a modern public safety operation over time.

Culturally, the police department reflects McFarland's investment in local identity and self-determination. For a community widely known through the story of McFarland, USA, local control of public safety carries meaning beyond budgets. A locally accountable department can strengthen trust, responsiveness, and community relationships in ways a contracted arrangement may not. At the same time, a small department must build the supervisory depth, investigative capacity, and institutional continuity necessary to meet community expectations. The recent addition of a corporal position to improve supervisory coverage and support investigations reflects an effort to build that depth. The department has also acknowledged a backlog of unsolved cases, underscoring both the community's expectations and the capacity required to meet them.

For LAFCo purposes, the police department is a useful lens on the broader theme of this assessment. It demonstrates how a small city can assert local control and community identity while simultaneously taking on concentrated financial and organizational responsibility. Whether that responsibility remains aligned with the city's recurring fiscal and organizational capacity is a question worth continued attention.

Infrastructure and Service Delivery

Water and wastewater warrant close attention because McFarland owns and operates both systems, making their financial and operational condition central to municipal capacity.

The City's water system depends on groundwater wells. The 2024 Consumer Confidence Report identified three active sources and explained that the Garzoli well uses arsenic treatment and blending, while the Browning Road well uses an emergency reverse-osmosis system to control nitrate levels. The report also identified a new source well anticipated to be operational by June 2027.

These actions demonstrate active problem-solving, but they also reveal reduced redundancy and the cost of responding when a source becomes impaired. Temporary treatment, well replacement, and regulatory compliance can place immediate demands on an enterprise fund even when long-term grant assistance is expected.

Wastewater presents a related concern. The City's water and wastewater information describes a 1.55-million-gallon-per-day treatment plant with average monthly flow of approximately 1.1 million gallons per day. That provides remaining capacity on paper, but capacity must be evaluated together with lagoon condition, storage, disposal, regulatory requirements, and the timing of future development. A recent emergency lagoon repair reportedly required roughly $500,000 from sewer reserves, illustrating how a single infrastructure event can materially reduce financial flexibility.

McFarland has adopted phased water and sewer rate adjustments through 2028. Rate increases can strengthen enterprise sustainability, but affordability must remain part of the analysis in a community with limited household income. The future MSR should evaluate whether adopted rates, grants, reserves, and planned capital improvements collectively provide a sustainable path for both systems.

Economic and Community Conditions

Agriculture remains central to McFarland's economy and identity, but many residents rely on employment, healthcare, shopping, education, and professional services located elsewhere. Highway 99 provides access to regional opportunity while also allowing consumer spending and employment activity to leave the community.

This economic leakage is not necessarily an organizational failure. It reflects McFarland's position within a larger regional economy. The service-delivery concern arises when the city houses a growing workforce but captures an insufficient share of the commercial and employment activity needed to support municipal services.

The correctional and detention sector illustrates how external decisions shape the local economy. Until 2020, the GEO Group operated a cluster of private prisons in McFarland under contract with the California Department of Corrections and Rehabilitation. As the state's incarcerated population declined, those contracts ended, removing a long-standing source of local employment. The same facilities were subsequently repurposed for federal immigration detention. The Golden State Annex now operates as an ICE facility, and in April 2026 the adjacent Central Valley Annex, a facility of roughly 700 beds, was activated for ICE detention as well. These transitions demonstrate that a meaningful component of local employment and activity depends on state and federal policy decisions over which the city has little control. They also carry community and political sensitivities that extend beyond economics. For the purpose of this assessment, the central point is that this sector represents an employment base subject to forces entirely outside municipal authority, and one whose associated population the city does not serve as it serves residents.

Community demographics present both strengths and challenges. The Census Bureau's 2020-2024 estimates report relatively low educational attainment and significant household constraints. These conditions affect more than economic development. They influence rate affordability, demand for public services, workforce readiness, and the City's ability to increase locally generated revenues without creating additional hardship.

Highway-oriented commercial and industrial development remains an important opportunity. The question is whether future projects will produce durable employment and recurring municipal revenue rather than simply new infrastructure obligations.

McFarland's Role in the Countywide Service Delivery System

McFarland occupies a transitional position between a locally focused small city and a participant in the larger Highway 99 regional economy. It does not function as a regional service center on the scale of Delano or Bakersfield, but it provides essential urban services to a growing population and contributes housing and workforce capacity to the broader region.

That role raises a countywide question: Can communities that absorb regional housing demand build the economic and organizational capacity necessary to support the resulting services over time?

The answer will depend partly on local decisions and partly on regional patterns involving employment, transportation, water, agriculture, and investment. McFarland cannot control all of those forces, but it can evaluate whether new growth strengthens or weakens the alignment between responsibilities and capacity.

Growth Reflects Confidence

McFarland's growth should not be described only as a liability. Residents continue choosing the community, developers continue investing, and the City continues pursuing infrastructure funding and economic opportunities. Those patterns reflect confidence in McFarland's future.

The concern is not growth itself. The concern is whether growth expands future options or narrows them. Development that broadens the tax base, strengthens utility systems, and supports local employment can increase resilience. Growth that adds service obligations without corresponding capacity can gradually reduce it.

In that sense, McFarland's challenge is born from opportunity rather than decline.

Long-Term Outlook

McFarland appears to be moving forward, though with limited financial margin. The City has meaningful assets, improving administrative practices, locally approved revenue measures, active capital programs, and continued development potential. It also faces below-policy General Fund reserves, water-source challenges, utility infrastructure costs, a growing public safety commitment, and an economic base that has not yet fully caught up with residential service demands.

None of these conditions independently indicates crisis. Together, they suggest that McFarland's principal vulnerability is alignment. Growth, infrastructure, rates, reserves, staffing, public safety, and economic development must advance together.

The City's long-term success will likely depend on converting location and population growth into economic capacity while protecting the reliability and affordability of essential services. The next MSR should focus less on whether McFarland is growing and more on whether the systems supporting that growth are becoming stronger at the same time.

Emerging Questions for Future Study

- Is the projected General Fund reserve returning to the City's adopted 35 percent target, and on what timeline?
- To what extent do Measures M and O support recurring operations, including public safety, rather than one-time needs?
- What are the ongoing operating and maintenance costs of the new police facility, and how will they affect the General Fund over time?
- How is the municipal police department addressing recruitment, retention, supervisory depth, and case backlogs?
- Are water and sewer rates, reserves, grants, and capital plans sufficient to address identified system needs without creating unacceptable affordability impacts?
- What is the operational and financial status of the Browning Road well response and the new source well planned for 2027?
- How much reliable wastewater capacity remains after accounting for lagoon condition, storage, disposal, permit requirements, and anticipated growth?
- Have recent improvements in financial controls and reporting become institutionalized?
- Has commercial and industrial development kept pace with residential growth?
- How might changes in state and federal correctional and detention policy affect local employment and economic activity?
- How might SGMA and changes in the surrounding agricultural economy affect employment, land use, water costs, and municipal revenues?

Preliminary Capacity Assessment

Fiscal Capacity: Moderate Concern

Governance and Organizational Capacity: Moderate Concern, with evidence of improvement

Infrastructure Capacity: Moderate to High Concern

Economic Capacity: Moderate to High Concern

Service Delivery Capacity: Moderate Concern

Overall Assessment: Moderate Capacity Risk Driven by the Need to Align Growth, Utility Infrastructure, Public Safety, and Recurring Financial Capacity

McFarland does not currently exhibit signs of impending fiscal failure or organizational collapse. Its risk arises from the interaction of below-policy operating reserves, essential utility investments, a growing municipal police commitment, infrastructure shocks, residential growth, and a still-developing economic base. The City has tools available to address those conditions. The future question is whether those tools can be coordinated quickly enough to ensure that municipal capacity grows alongside municipal responsibility.

City of Ridgecrest

Community Overview

Population: Approximately 29,000
Location: Northeastern Kern County, Indian Wells Valley
Primary Economic Drivers: Defense-related employment, aerospace and engineering services, technology, healthcare, retail, and regional services
Role in Countywide Service Delivery: Regional service, employment, healthcare, commercial, and governmental center serving the Indian Wells Valley and surrounding desert communities.

Ridgecrest occupies a unique position within Kern County's service delivery system. Located in the Indian Wells Valley and separated geographically from the county's primary population centers, the city functions as the principal service hub for a large portion of northeastern Kern County.

Unlike many communities whose growth was driven by agriculture, petroleum production, or transportation corridors, Ridgecrest developed largely in response to the establishment and expansion of Naval Air Weapons Station China Lake. The installation remains one of the nation's premier military research, development, testing, and evaluation facilities and continues to exert a significant influence on the local economy and community identity.

The city's relationship with China Lake has produced many advantages. Defense-related employment has helped create a highly skilled workforce, above-average educational attainment, and economic stability that differs substantially from many surrounding communities. At the same time, the concentration of economic activity associated with a single dominant institution creates a different type of long-term consideration.

The question facing Ridgecrest is not whether the community possesses assets. The city possesses many of the strongest assets found anywhere in Kern County.

The more important question is whether those strengths remain sufficiently diverse and adaptable to sustain long-term resilience as external conditions evolve.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $89,250 (Kern County: $70,210)

Poverty Rate: 12.5% (Kern County: 19.1%)

Unemployment Rate (July 2026): 6.2% (Kern County: 8.6%)

Median Home Value: $253,900 (Kern County: $338,300)

Median Gross Rent: $1,186/month (Kern County: $1,300/month)

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Ridgecrest's greatest strengths originate from the same conditions that create its principal long-term considerations.

The city benefits from a highly educated workforce, relatively stable professional employment, strong technical and engineering expertise, and a long history of federal investment associated with China Lake. These characteristics contribute to household stability, economic activity, community engagement, and organizational capacity. They also support a local culture that values innovation, technical competency, and long-range thinking.

Ridgecrest also benefits from its role as the primary service center for the Indian Wells Valley. Residents from surrounding communities rely upon the city for healthcare, commerce, education, recreation, professional services, and governmental functions. This regional role provides a level of economic activity and community importance that extends beyond the city's population alone.

At the same time, the local economy remains closely connected to decisions largely made outside the community. Federal budgets, defense priorities, workforce policies, military investments, and national security initiatives all influence local economic conditions. None of these factors are controlled by the city itself.

The issue is not whether China Lake represents a strength.

It unquestionably does.

The question is how much of Ridgecrest's long-term capacity remains tied to conditions beyond local influence.

Fiscal Capacity

Available information suggests Ridgecrest generally maintains a stable fiscal position.

Unlike some communities facing recurring operating deficits, governance instability, or declining reserves, Ridgecrest appears to benefit from a relatively stable tax base supported by defense-related employment, commercial activity, and regional service functions. The city's role as the primary population center within the Indian Wells Valley also contributes to revenue stability.

The principal fiscal question is not whether adequate resources exist today.

Rather, it is whether the community's economic foundation remains sufficiently diversified to sustain long-term financial resilience if external conditions affecting federal employment or defense spending change over time.

This distinction is important because concentration risk differs from fiscal distress.

Communities experiencing fiscal distress often struggle because resources are inadequate. Communities experiencing concentration risk may possess significant resources but remain more exposed to changes affecting a limited number of major economic drivers.

Ridgecrest's fiscal outlook appears more closely aligned with the latter circumstance.

Governance and Organizational Capacity

Governance and organizational capacity appear to be among the city's stronger attributes.

Ridgecrest benefits from a workforce and professional environment accustomed to managing technical complexity, long-range planning, regulatory requirements, and interagency coordination. These conditions tend to support the development of institutional capacity and organizational competence.

The city also appears to possess advantages associated with scale. Unlike very small communities where responsibilities may be concentrated among a handful of employees, Ridgecrest maintains sufficient organizational depth to distribute responsibilities among multiple departments and professional staff.

Leadership transitions, staffing changes, and evolving regulatory requirements will continue to present challenges, as they do for all local governments. Current conditions, however, suggest the city possesses the organizational capacity necessary to address those challenges effectively.

Like Tehachapi and Wasco, Ridgecrest appears to demonstrate the benefits of institutional continuity, professional management, and long-term planning.

Infrastructure and Service Delivery

Infrastructure and service delivery considerations are influenced heavily by geography and water.

The city's relative isolation requires a greater degree of local self-sufficiency than might be expected in communities located closer to larger metropolitan areas. Residents depend on local infrastructure, local facilities, and local service providers because alternative service options are often located substantial distances away.

As a result, infrastructure reliability assumes particular importance.

Water management presents one of the most significant long-term considerations. The future of the Indian Wells Valley is closely linked to groundwater sustainability, basin management, and the long-term balance between water demand and available supplies.

Unlike infrastructure challenges that can be addressed through a single project or facility improvement, water sustainability represents an ongoing regional issue that may influence future development, economic activity, housing, and service delivery throughout the valley.

The issue is not necessarily the availability of water today.

The issue is ensuring that future water management strategies support the community's long-term economic and service delivery needs.

Economic and Community Conditions

Ridgecrest benefits from one of the more specialized economies within Kern County.

Defense research, engineering, aerospace-related activities, technical services, and professional occupations support a local economy that differs significantly from the agricultural and petroleum-based economies found elsewhere in the county.

This specialization has contributed to higher educational attainment, technical expertise, and workforce capacity. These characteristics provide substantial advantages and have helped position the community as an important center of innovation and specialized employment.

At the same time, specialization creates concentration.

The city's economic fortunes remain closely connected to the continued success of China Lake and the broader defense sector. While defense-related employment has historically provided stability, the community remains exposed to decisions regarding military priorities, facility investment, federal appropriations, and workforce practices.

Communities often become vulnerable when they depend too heavily on a single industry.

Ridgecrest's challenge is that its dominant industry happens to be one of its greatest strengths.

Long-term resilience may therefore depend less on replacing existing economic activity and more on broadening the range of activities that complement it.

Ridgecrest's Role in the Countywide Service Delivery System

Ridgecrest serves as the principal service center for northeastern Kern County and the Indian Wells Valley.

Residents throughout the region rely upon the city for healthcare, commerce, government services, professional services, education, recreation, and employment. In many respects, Ridgecrest fulfills a role similar to that of Tehachapi, serving a geographically distinct region whose residents often depend upon local institutions rather than those located elsewhere in the county.

This regional role extends Ridgecrest's importance beyond its incorporated population.

The city's long-term success affects not only city residents but also many surrounding communities that depend upon the services, employment opportunities, and economic activity concentrated within the city.

A Community Built on Expertise

One of Ridgecrest's most important assets is not found in a budget document or financial statement.

It is found in people.

The presence of engineers, scientists, technical professionals, educators, healthcare providers, and skilled workers has created a community with substantial intellectual capital and professional expertise. These assets contribute to economic opportunity, public service capacity, innovation, and community resilience.

The city has repeatedly demonstrated an ability to adapt following economic fluctuations, defense-related reorganizations, and even significant events such as the 2019 earthquake sequence that affected much of the region.

Resilience in Ridgecrest has often appeared in the form of expertise, problem-solving, and a willingness to adapt to changing circumstances.

Those strengths should not be underestimated.

Long-Term Outlook

Ridgecrest appears positioned from a place of strength rather than weakness.

The city benefits from stable governance, organizational capacity, a skilled workforce, and an economic foundation that distinguishes it from many communities within Kern County. Current conditions do not suggest significant fiscal distress, governance instability, or institutional dysfunction.

The most significant long-term questions involve concentration and sustainability rather than immediate capacity.

Water management, economic diversification, workforce retention, housing availability, and the long-term trajectory of federal investment will likely play important roles in shaping future outcomes.

Unlike communities struggling to build capacity, Ridgecrest's challenge is preserving and expanding the capacity it already possesses.

Its future may depend less on overcoming existing weaknesses and more on ensuring that today's strengths remain resilient under tomorrow's conditions.

Emerging Questions for Future Study

Potential questions for a future Municipal Service Review include:

- How dependent is the local economy on a limited number of federal employers and defense-related activities?
- What opportunities exist to further diversify economic activity while building upon existing technical strengths?
- How might long-term groundwater sustainability efforts influence future growth and development?
- Are existing water resources aligned with anticipated long-term community needs?
- How effectively is the city positioned to retain skilled workers and attract future professional talent?
- What infrastructure investments will be necessary to sustain long-term service reliability?
- How might changing federal workforce practices affect local housing, employment, and economic activity?
- What opportunities exist to strengthen regional partnerships throughout the Indian Wells Valley?

Preliminary Capacity Assessment

Fiscal Capacity: Low Concern

Governance and Organizational Capacity: Low Concern

Infrastructure Capacity: Moderate Concern

Economic Capacity: Moderate Concern

Service Delivery Capacity: Low Concern

Overall Assessment: Moderate Capacity Risk Driven Primarily by Economic Concentration and Long-Term Water Sustainability Considerations

Ridgecrest exhibits many of the characteristics associated with long-term organizational resilience, including stable governance, professional management, a skilled workforce, and a diversified municipal service structure. The city's principal vulnerabilities do not appear to originate from internal organizational weakness. Rather, they arise from the interaction between economic concentration, groundwater sustainability, geographic isolation, and external decisions that influence the community's primary economic engine. Ridgecrest's future will likely depend on its ability to preserve existing strengths while continuing to broaden the foundation upon which those strengths rest.

City of Taft

Community Overview

Population (Community): Approximately 7,000 residents (2020 Census: 8,546; U.S. Census Bureau July 2025 estimate: 6,995)

Institutional Population (Now Largely Removed): The federal Taft Correctional Institution, vacated in 2020 and permanently closed in 2026, previously housed up to roughly 2,000 individuals who were counted in the city's recorded population. The City also operates a smaller local community correctional facility. These populations are noted separately because they do not place the same day-to-day demand on municipal services as residents.

Additional Service Population: Several thousand residents in South Taft, Taft Heights, Ford City, Valley Acres, and surrounding West Kern communities who rely on the city for commerce, healthcare, education, recreation, and public services.

Location: Western Kern County

Primary Economic Drivers: Petroleum production, related energy services, education, local commerce, and government services

Role in Countywide Service Delivery: Regional service and commercial center for western Kern County communities.

Taft is one of Kern County's most historically significant communities. Located in western Kern County, the city developed alongside the petroleum industry and remains closely tied to the oil fields that helped shape both the local economy and much of Kern County's history. While the city is smaller than many of Kern County's regional centers, it serves as an important commercial, educational, and civic hub for surrounding communities.

Taft's principal challenge is not organizational instability, infrastructure failure, or immediate fiscal collapse. Instead, its long-term vulnerability is tied to economic transition. The question is not whether the city can provide services today. The question is whether the community can successfully adapt to changes affecting the industry that created it.

From a service delivery perspective, Taft illustrates the challenges facing mature communities whose infrastructure, public amenities, and service expectations were built during periods of greater economic prosperity and larger population.

A Note on Population

Taft's recorded population requires careful interpretation. According to the U.S. Census Bureau, the city declined from 9,327 residents in the 2010 Census to 8,546 in 2020, and to an estimated 6,995 as of July 2025. On its face, that is a decline of roughly 25 percent in fifteen years.

A substantial portion of that decline reflects the emptying of the federal Taft Correctional Institution rather than a collapse of the resident community. At its height, the facility housed roughly 2,000 individuals who were counted in the city's population. The Bureau of Prisons vacated the institution in 2020, and those individuals were removed from the count. The resident community that the City actually serves is therefore more stable than the headline figures suggest, numbering roughly 7,000.

This distinction matters for the same reason it matters elsewhere in the county. Population figures influence certain funding formulas and comparisons, yet an incarcerated population places little direct demand on most municipal services. Separating the community population from the institutional population produces a more accurate picture of both the city's service obligations and its fiscal base. A future review should confirm the precise institutional counts, including the smaller correctional facility the City continues to operate locally.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $72,772 (Kern County: $70,210)

Poverty Rate: 16.9% (Kern County: 19.1%)

Unemployment Rate (July 2026): 6.0% (Kern County: 8.6%)

Median Home Value: $252,600 (Kern County: $338,300)

Median Gross Rent: $1,069/month (Kern County: $1,300/month)

These estimates reflect the resident community following the emptying of the federal correctional institution described above.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Taft's strengths are directly connected to its primary vulnerability.

The petroleum industry created the economic foundation upon which much of the community was built. Oil revenues supported employment, local businesses, public investment, community identity, and many of the civic assets residents enjoy today. The industry continues to provide significant economic benefits throughout the region.

At the same time, dependence upon a dominant industry creates long-term exposure to market conditions, regulatory changes, technological developments, and broader shifts in energy policy.

Oil is both Taft's greatest economic strength and its greatest economic concentration risk.

The city also benefits from strong community identity, local pride, institutional continuity, an established community college, and a quality of life that remains attractive to residents. These factors contribute significantly to community resilience and should not be overlooked when evaluating long-term sustainability.

Fiscal Capacity

Taft's financial condition is best described as stable but constrained, and dependent on a local sales tax measure to remain balanced.

According to the City's adopted budget, Taft's FY 2025-26 final budget and proposed FY 2026-27 budget each project approximately $9.4 million in General Fund revenues and expenditures, supporting fifteen departments including police, fire, public works, and administration. City officials, including City Manager Craig Jones, have emphasized that the plan depends heavily on transfers, notably roughly $2 million tied to the local Measure A sales tax, to balance operations. In other words, the General Fund does not fully balance on its base revenues alone.

This dependence is not new, and the City has been candid about it. Taft declared a fiscal emergency in 2021 through Resolution No. 4096-21, a formal acknowledgment of the structural pressure created when a mature community with significant fixed costs experiences declining population and a narrowing revenue base. In presenting the budget, City finance staff have projected a modest operating surplus across funds before capital transfers, while cautioning that personnel and insurance costs, including workers' compensation, liability insurance, and CalPERS unfunded pension liabilities, continue to rise. Staff have also cited ongoing operational costs associated with the local correctional facility.

The fiscal question for Taft is therefore not immediate insolvency. The City continues to adopt balanced budgets and maintain services. The more important question is whether recurring base revenues can grow, or costs can be contained, so that the community becomes less dependent on Measure A transfers to fund day-to-day operations. As infrastructure ages and service expectations remain constant, that alignment becomes increasingly important.

Governance and Organizational Capacity

One of Taft's significant strengths is organizational stability.

The city has benefited from relatively consistent professional management and an administrative structure capable of addressing both short-term operational demands and longer-term planning issues. This continuity has provided an important measure of resilience during periods of economic uncertainty.

Taft's leadership structure appears to support continuity of operations, preservation of institutional knowledge, and strategic planning. The City's willingness to declare a fiscal emergency, adopt a local revenue measure, and maintain a Measure A citizens oversight committee reflects a governance culture prepared to confront difficult realities rather than defer them.

This does not eliminate future concerns. All organizations must eventually address leadership succession and workforce recruitment, and a small city has limited administrative depth. However, current evidence suggests that organizational capacity remains one of the city's stronger attributes.

Infrastructure and Service Delivery

Perhaps the primary challenge facing Taft involves sustaining infrastructure built during periods of greater economic activity and larger population.

The city benefits from parks, public facilities, recreational amenities, streets, utilities, and civic assets that contribute substantially to community quality of life. These assets represent decades of investment and remain important strengths. Wastewater service for the broader area is provided through the affiliated Ford City-Taft Heights Sanitation District, and the City has used Measure A and restricted funds to support street maintenance and capital needs.

Infrastructure, however, creates ongoing obligations.

Unlike rapidly growing communities that focus primarily on expansion, mature communities often face a different challenge: maintaining what already exists, sometimes for a smaller population and revenue base than the infrastructure was originally designed to support.

The issue is not whether the investments were worthwhile. The issue is whether future economic activity will generate sufficient resources to maintain them.

Growth creates infrastructure. Stewardship preserves it. Taft increasingly finds itself in the stewardship phase of that cycle.

Economic and Community Conditions

Economic transition appears likely to be the defining factor influencing Taft's long-term outlook.

The community remains strongly connected to the petroleum industry, which continues to support employment, local businesses, and regional economic activity. However, the long-term future of the industry remains subject to forces largely beyond local control, including commodity price fluctuations, regulatory changes, technological developments, energy market transitions, and workforce shifts.

Taft College, part of the West Kern Community College District, provides an important stabilizing institution. As an anchor employer and educational resource, the college supports workforce development, brings students and activity to the community, and offers a measure of economic diversification that many small communities lack. Its presence is a genuine long-term asset.

The federal correctional facility tells the opposite story, and it deserves specific attention because it illustrates the risk of dependence on a single major employer. The Taft Correctional Institution opened in 1997 as the federal government's test case for contractor-operated prisons and, at its height, held roughly 2,000 men. According to the Bureau of Prisons and contemporaneous reporting, the facility was emptied in April 2020 and then sat vacant for six years amid ground-subsidence problems at the site and a repair estimate reported in the range of $200 million. On July 1, 2026, the Bureau of Prisons announced the facility's permanent closure, one of six institutions closed nationwide. Because the prison was already empty, the 2026 announcement affected minimal staff; the meaningful economic loss to Taft occurred in 2020, when a major source of local employment disappeared.

The lesson is not that the closure created a new crisis, but that it removed any expectation of the facility ever returning as an employer. A community that had counted on the prison as a major economic contributor must now plan without it. This is precisely the vulnerability that concentration on a limited number of major employers creates, and it reinforces the value of institutions such as Taft College and the diversification the City continues to pursue.

Taft's Role in the Countywide Service Delivery System

Within the broader countywide service delivery system, Taft serves as an important western Kern County service center.

Residents from surrounding unincorporated areas rely upon the city for commerce, education, healthcare access, recreation, government services, and community facilities. The city's role extends beyond its municipal boundaries and contributes to the stability of the western portion of the county.

This role raises an important question for future study: How will long-term changes in the western Kern economy affect one of the region's primary service centers? The answer has implications that extend beyond the city itself.

Long-Term Outlook

Taft's future will likely be shaped less by short-term economic conditions and more by its ability to adapt to long-term change.

The city enters that challenge from a position of relative strength. Stable professional management, strong community identity, established civic institutions, a community college, and a long history of overcoming adversity have contributed to a level of resilience that is difficult to quantify but impossible to ignore. The community has repeatedly demonstrated an ability to endure economic downturns that would have severely challenged many other cities.

That history matters.

Booms and busts are not new to Taft. For more than a century, the city has experienced cycles associated with petroleum production. Periods of expansion have been followed by periods of contraction, only to be followed once again by renewed investment and economic recovery. Residents, businesses, and public agencies have adapted to those fluctuations repeatedly. In many respects, resilience has become part of the community's identity.

The current environment, however, appears different from many previous downturns.

Historically, periods of economic weakness were often driven by commodity prices, market conditions, or temporary reductions in production activity. There was generally an expectation that the cycle would eventually reverse and that another period of growth would follow. Today, much of the uncertainty facing the petroleum industry stems not only from market forces but also from regulatory and public policy decisions intended to reduce long-term petroleum production and consumption.

As a result, the central question is no longer whether the industry is experiencing another cyclical downturn. The more important question is whether western Kern County is facing a longer-term structural transition.

For Taft, this distinction is significant. The city has repeatedly proven its ability to survive downturns. The challenge now may be determining how to adapt if future growth in petroleum production is more limited than it has been historically.

The people of Taft are resilient. The institutions that serve the community have demonstrated resilience as well. That history provides reason for optimism. At the same time, optimism should not be confused with certainty.

If there is a light at the end of the tunnel for petroleum production, it is becoming increasingly difficult to determine where that tunnel leads.

The city's long-term success will likely depend not on whether it can survive another bust, but on whether it can continue adapting if the next boom never arrives.

Emerging Questions for Future Study

- How dependent are municipal revenues on petroleum-related economic activity?
- To what degree does the General Fund rely on Measure A transfers to balance recurring operations, and is that dependence increasing or decreasing?
- What diversification efforts, including those supported by Taft College, have proven most successful?
- How vulnerable are local employers to long-term changes within the energy sector?
- Are existing infrastructure obligations sustainable under a smaller population and slower economic growth scenarios?
- What is the operational and fiscal role of the local correctional facility, and how should its population be treated in planning and funding analyses?
- What workforce transitions may emerge as industry needs evolve?
- How does the city plan to maintain major community assets over the long term?
- What future use, if any, is contemplated for the closed federal correctional site?

Preliminary Capacity Assessment

Fiscal Capacity: Moderate Concern

Governance and Organizational Capacity: Low Concern

Infrastructure Capacity: Moderate Concern

Economic Capacity: Moderate to High Concern

Service Delivery Capacity: Moderate Concern

Overall Assessment: Moderate Capacity Risk Driven Primarily by Long-Term Economic Transition and Revenue Dependence

Taft does not currently exhibit signs of organizational instability or service delivery failure, and it continues to adopt balanced budgets. Its principal challenges are adapting to gradual economic change, reducing the General Fund's dependence on Measure A transfers, and maintaining the public infrastructure, community assets, and quality of life created during decades of petroleum-driven prosperity and a larger population. The city's future resilience will depend less on addressing an immediate crisis and more on preparing for long-term change before it becomes one.

City of Wasco

Community Overview

Population (Community): Approximately 23,000 residents. The 2020 Census reported a total city population of 27,047, but that figure includes the incarcerated population at Wasco State Prison. Removing the institutional population produces a resident community of roughly 23,000 to 23,500. The California Department of Finance reported the city's population at 22,850 in its May 2025 estimate.

Institutional Population (Not City-Served): Wasco State Prison, a state reception center with a design capacity of roughly 2,400 that has consistently operated well above capacity. Recent counts placed the incarcerated population between approximately 3,300 and 3,700. This population is reported separately because the City does not provide day-to-day municipal services to incarcerated individuals in the manner experienced by residents.

Location: Northwestern Kern County

Primary Economic Drivers: Agriculture, agricultural processing, correctional employment, transportation, and local commerce

Role in Countywide Service Delivery: Agricultural and employment center serving northwestern Kern County and surrounding rural communities.

Wasco occupies an important position within northwestern Kern County. While the community is widely recognized for its agricultural economy and status as the "Rose Capital of the World," it also serves as a regional employment and service center supported by agricultural production, food processing, transportation activity, and correctional employment. The presence of Wasco State Prison further expands the city's economic influence and service footprint beyond what the resident population alone might suggest.

Wasco does not presently exhibit signs of fiscal distress, governance instability, or weakening organizational capacity. In fact, many indicators suggest the opposite. The more significant question is whether the community can successfully adapt to long-term economic and regional changes that originate largely outside of City Hall, while sustaining the ambitious service commitments it has recently taken on.

From a service delivery perspective, Wasco illustrates an important distinction: a community may face substantial external challenges while the municipal organization itself remains strong.

A Note on Population

Wasco's population figures require the same careful interpretation applied elsewhere in this assessment. The 2020 Census reported 27,047 residents, and the U.S. Census Bureau's population estimates program placed the July 2025 figure at approximately 26,525. However, both totals include the incarcerated population at Wasco State Prison, which is counted as institutionalized group-quarters population at the facility's location.

Wasco State Prison operates well above its design capacity of roughly 2,400, with recent counts placing the incarcerated population between approximately 3,300 and 3,700. Removing that institutional population produces a resident community of roughly 23,000. The California Department of Finance, using a different methodology, reported the city's population at 22,850 in May 2025, a figure much closer to the resident community the City actually serves.

This distinction matters because the incarcerated population places little direct demand on most municipal services, yet it influences certain funding formulas and population-based comparisons. Presenting the community and institutional populations separately produces a more accurate picture of the city's service obligations and fiscal base. A future review should confirm the precise institutional count and its treatment in any per-capita analysis.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $51,727 (Kern County: $70,210)

Poverty Rate: 18.4% (Kern County: 19.1%)

Unemployment Rate (July 2026): 13.0% (Kern County: 8.6%)

Median Home Value: $273,600 (Kern County: $338,300)

Median Gross Rent: $991/month (Kern County: $1,300/month)

The July unemployment figure reflects the peak of the agricultural season; as a farmworker community, Wasco’s rate varies considerably by month. These estimates otherwise cover the full census place and are influenced by the incarcerated population at Wasco State Prison described above.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Wasco's strengths are closely connected to its vulnerabilities.

Agriculture remains the foundation of the local economy. The city benefits from some of the most productive farmland in California, substantial agricultural employment, food processing activity, transportation-related businesses, and a long-established agricultural identity. Wasco State Prison provides an additional employment base and contributes economic stability that many agricultural communities do not possess.

These factors have supported population stability, municipal revenues, and continued investment within the community.

At the same time, economic concentration creates exposure. Agriculture remains heavily dependent upon water availability, labor conditions, commodity prices, transportation costs, and regulatory influences that are largely beyond local control. Likewise, correctional employment remains dependent upon state policy decisions that the city has little ability to influence.

Agriculture is one of Wasco's greatest strengths. It is also the source of many of the community's most significant long-term uncertainties.

Fiscal Capacity

Wasco demonstrates some of the strongest fiscal indicators observed anywhere in this assessment, and it has earned external recognition for its financial management.

For the fiscal year ended June 30, 2024, the City received an unmodified, or “clean,” audit opinion from its independent auditors, Badawi and Associates, with no material weaknesses or instances of noncompliance identified. The City has also been recognized by the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) for its financial reporting and budgeting.

The City's reserves are exceptionally strong. At the time of the FY 2024 audit, Wasco held roughly 17 months of operating reserves, far beyond the two months commonly recommended by the GFOA. The adopted FY 2025-26 budget, presented by Finance Director Isarel Perez-Hernandez and City Manager M. Scott Hurlbert, is a balanced $17.2 million General Fund plan that preserves reserves at approximately 161 percent of operating costs, well above the city's 35 percent policy minimum, and adds no new General Fund debt. The budget projects roughly $10.5 million in tax revenues, with approximately 43 percent of expenditures dedicated to public safety.

Notably, the city built this position after emerging from prior structural deficits. Staff have described completing Proposition 218 rate studies, right-sizing operations, and building resilient funds capable of absorbing shocks. All three major enterprise funds, water, wastewater, and sanitation, are projected to finish the year with reserves well above the 35 percent target, with the Water Fund alone near 219 percent of operating expenditures.

The city has budgeted conservatively in light of external uncertainty. Staff cited a consultant projection that revenues would remain essentially flat and noted that the California Department of Finance reported a population decline of roughly 2.55 percent. A shrinking or flat population places pressure on discretionary revenues such as sales tax. The fiscal question for Wasco is therefore not whether resources are adequate today. They plainly are. The more relevant question is whether the city can sustain its strong position, and its recent service commitments, if regional economic and population conditions soften over time.

Governance and Organizational Capacity

Governance and organizational capacity appear to be among Wasco's strongest attributes.

The city has benefited from management continuity, stable administration, and consistent financial oversight. Budgeting practices, reserve policies, capital planning efforts, and financial reporting indicate an organization that understands both its current responsibilities and future obligations. The strategic decision to fund certain vacant positions, and to freeze others temporarily to build salary savings and develop internal candidates, reflects deliberate workforce planning rather than reactive budgeting.

This continuity provides an important form of resilience. Organizations inevitably encounter challenges. The difference often lies in whether those challenges are identified early and addressed before they become larger problems. Wasco's financial and administrative record suggests a city that has generally demonstrated that capability.

Future leadership transitions always deserve attention, but current evidence suggests the organization possesses sufficient institutional capacity to manage change effectively.

Public Safety and the New Police Department

The most significant recent development in Wasco's service delivery is the creation of its own municipal police department, an undertaking that carries major financial, organizational, and cultural weight and deserves specific attention.

For 43 years, from 1981 until 2024, Wasco contracted with the Kern County Sheriff's Office for law enforcement. In October 2022, the City Council voted to reestablish a municipal police department, and on April 18, 2024, the Wasco Police Department formally assumed responsibility for law enforcement, taking over 911 dispatch and patrol operations from the

Sheriff's Office. At launch, the department included roughly 33 members, including 23 sworn officers, under Police Chief Charlie Fivecoat.

Financially, standing up a police department is one of the largest commitments a city of Wasco's size can undertake. The city's 2023-24 adopted budget anticipated spending roughly $6.4 million on the department. Because public safety now represents approximately 43 percent of General Fund expenditures, the decision fundamentally reshapes the city's cost structure. The transition also required building a 911 dispatch center, hiring and training officers and dispatchers, and acquiring equipment and infrastructure, much of it supported through careful use of reserves, grants, and the Measure X sales tax.

Measure X, a one percent sales tax approved by voters in 2016 for public safety, road maintenance, and recreation, has been central to this effort. In FY 2024, Measure X generated approximately $3.35 million in revenue against expenditures of roughly $5.5 million, which included about $3 million for continued sheriff services during the transition, $1.56 million in police startup costs, and $650,000 for fire services. That combination drew the Measure X fund balance down by approximately $2.15 million to $4.2 million. This illustrates the real cost of transition: for a period, the city was effectively funding both the departing contract provider and the new department it was building.

Wasco's exceptionally strong reserves are what made this transition feasible without destabilizing the General Fund. A city with thinner margins could not have absorbed the overlapping costs of a startup department. In this respect, years of disciplined financial stewardship directly enabled a major expansion of local service responsibility.

Culturally, the police department reflects a deliberate choice for local control and community identity. City leaders, including Mayor Valentin Medina, framed the decision around building community trust and responsiveness, and reported reductions in violent crime following the transition. The department has also revived the Police Activities League, reinvesting in youth programming as a community-building tool. As Chief Fivecoat expressed it, the view was that a community able to afford its own law enforcement agency should have one, describing the choice as both an economic and a local-control issue.

For LAFCo purposes, Wasco offers an instructive contrast with other communities in this assessment. Where a startup police department elsewhere might raise immediate capacity concerns, Wasco undertook the transition from a position of financial strength. The relevant long-term question is not whether the city could launch the department, but whether it can sustain the ongoing operating, staffing, and equipment-replacement costs of an independent force as population and revenue conditions evolve.

Infrastructure and Service Delivery

Wasco continues to invest in infrastructure and public services from a position of relative strength.

Water, wastewater, transportation, and community facilities all require ongoing investment, yet current financial resources appear capable of supporting many of those obligations. The city has completed Proposition 218 rate studies for its enterprise funds and maintained enterprise reserves well above policy targets, positioning those systems to absorb future costs. The city is also pursuing a citywide fiber-optic network to improve internet access for residents and businesses.

The California High-Speed Rail project has created infrastructure opportunities that may provide long-term benefits extending beyond the immediate construction period.

Not all infrastructure signals are positive, and the city has been candid about emerging pressures. Much of the sanitation fleet is more than 15 years old and approaching replacement at a cost of roughly $400,000 per truck. Transit operations, while sustainable for now, remain heavily reliant on state funding and face cost pressures associated with the transition to electric and compressed-natural-gas vehicles. These are manageable challenges for a city with Wasco's reserves, but they illustrate that even strong organizations face continual reinvestment obligations.

Unlike communities struggling to preserve existing services, Wasco's challenge is ensuring that current investments continue contributing to long-term resilience. Infrastructure planning is therefore less about crisis management and more about strategic positioning.

Economic and Community Conditions

Significant vulnerabilities identified within Wasco are largely external to municipal government.

The community continues to experience many of the socioeconomic challenges commonly found throughout agricultural regions, including lower incomes, elevated poverty levels, workforce limitations, and economic dependence on a relatively narrow group of industries. These conditions affect residents, businesses, and the broader community.

However, they have not translated into corresponding weakness within the municipal organization itself. This distinction is important. Wasco may be considered a disadvantaged community under many state measurements, but it is not currently a disadvantaged government.

One of the greatest long-term uncertainties facing Wasco involves implementation of the Sustainable Groundwater Management Act (SGMA). Although often viewed primarily as an agricultural issue, groundwater sustainability has implications for nearly every aspect of future community development. Water availability may influence housing production, commercial and industrial growth, employment opportunities, land values, infrastructure investment, and the fiscal capacity of local agencies. As a result, SGMA should be viewed not simply as a water management issue, but as a factor that may influence the long-term sustainability of the region's entire service delivery system.

The city cannot control these broader regional forces. It can only position itself to adapt to them.

Wasco's Role in the Countywide Service Delivery System

Wasco serves as an important agricultural and employment center within northwestern Kern County.

The city provides services, employment opportunities, commerce, public facilities, and regional economic activity that support communities well beyond its municipal boundaries. The presence of Wasco State Prison further reinforces that regional role.

As a result, Wasco's future importance is tied not only to municipal performance but also to the health of the broader agricultural economy that surrounds it. This role raises an important question: Can a financially strong city remain resilient if the regional economy upon which it depends undergoes significant structural change? That question extends beyond Wasco and may apply to several agricultural communities throughout Kern County.

Long-Term Outlook

Wasco's outlook appears more favorable than many of the cities examined in this assessment.

The city benefits from strong finances, organizational stability, capable management, exceptional reserves, and a demonstrated ability to invest in future needs. Those strengths recently enabled one of the most ambitious undertakings available to a small city: the creation of its own police department. That the city could absorb such a transition while maintaining reserves far above policy is itself powerful evidence of its underlying capacity.

The more significant challenges originate outside the organization. Agricultural adaptation, groundwater sustainability, workforce development, educational attainment, and changes in regional employment patterns may ultimately exert more influence on Wasco's future than municipal finances or governance.

The city appears to be building capacity. The question is whether the broader regional economy can do the same. Unlike Taft, where uncertainty centers on energy transition, Wasco's future may be shaped by how successfully agriculture adapts to changing water realities, market conditions, and regulatory environments, and by whether the city can sustain its expanded service commitments if population and revenue growth remain flat.

Emerging Questions for Future Study

- How might SGMA affect the agricultural economy supporting the city?
- To what extent is the local economy dependent upon a small number of major employers?
- Can the ongoing operating, staffing, and equipment costs of the new police department be sustained if population and sales tax revenues remain flat?
- How is Measure X performing relative to the public safety commitments it now supports?
- Can current levels of fiscal resilience be maintained under changing economic conditions?
- How effectively is the High-Speed Rail investment contributing to long-term economic opportunity?
- What workforce development opportunities exist to diversify the local economy?
- Are current infrastructure investments, including sanitation fleet and transit fleet replacement, aligned with anticipated future needs?
- How might future changes in state correctional policy affect local employment and economic activity?

Preliminary Capacity Assessment

Fiscal Capacity: Low Concern

Governance and Organizational Capacity: Low Concern

Infrastructure Capacity: Low to Moderate Concern

Economic Capacity: Moderate Concern

Service Delivery Capacity: Low to Moderate Concern, reflecting the recent expansion into municipal policing

Overall Assessment: Low to Moderate Capacity Risk Driven Primarily by External Economic Factors and the Long-Term Cost of Expanded Service Commitments

Wasco is one of the stronger municipal organizations evaluated in this assessment. The city exhibits strong financial capacity, stable governance, exceptional reserves, and a demonstrated willingness to expand local service responsibility, most notably through the creation of its own police department. Its principal vulnerabilities originate not from deficiencies within the municipal organization, but from broader economic, agricultural, and groundwater conditions that may influence the community over time, and from the ongoing obligation to sustain expanded services through changing conditions. The challenge facing Wasco is not rebuilding capacity. It is preserving and adapting the capacity it has already built.

City of Delano

Community Overview

Population (Community): Approximately 45,000 residents. The 2020 Census reported a total city population of 51,428, but that figure includes the incarcerated population at two state prisons. The City's FY 2025-26 Community Development Block Grant Action Plan reports a combined institutional population of roughly 6,300, leaving a resident community of approximately 45,000.

Institutional Population (Not City-Served): Two California state prisons located in Delano, North Kern State Prison and Kern Valley State Prison. Near the end of 2024, the City reported an inmate population in the range of roughly 3,000 at North Kern and roughly 3,300 at Kern Valley, a combined institutional population of approximately 6,000 to 6,300, or about 12 percent of the recorded city population. This population is declining under statewide decarceration and is reported separately because the City does not provide day-to-day municipal services to incarcerated individuals in the manner experienced by residents.

Location: Northern Kern County

Primary Economic Drivers: Agriculture, food processing, beverage manufacturing, logistics, healthcare, corrections, and retail and commercial services

Role in Countywide Service Delivery: Regional employment, commercial, healthcare, and governmental center serving northern Kern County communities.

Delano has undergone one of the most significant transformations of any city in Kern County over the past several decades. Once known primarily as an agricultural community and the birthplace of the United Farm Workers movement, Delano has evolved into a regional center that provides employment, healthcare, commerce, education, government services, and housing opportunities for a broad portion of northern Kern County.

The city's growth has been supported by a diverse combination of agricultural production, food and beverage processing, correctional facilities, healthcare services, and commercial development. Unlike many smaller communities, Delano possesses multiple economic drivers and a population base sufficient to support a growing range of public and private services.

From a service delivery perspective, Delano's principal challenge is not generating economic activity. The challenge is ensuring that economic growth translates into lasting community capacity. As the city continues to grow in both population and regional importance, questions increasingly focus on workforce development, educational attainment, infrastructure capacity, water sustainability, and the ability of residents to participate in the economic opportunities being created around them.

A Note on Population

Delano's population figures require the same careful interpretation applied to other communities in this assessment that host correctional facilities. The 2020 Census reported a total city population of 51,428, and the U.S. Census Bureau's population estimates program placed the July 2025 figure at approximately 52,334. Both totals include the incarcerated population at North Kern State Prison and Kern Valley State Prison, which is counted as institutionalized group-quarters population at the facilities' location.

According to the City's FY 2025-26 Community Development Block Grant Action Plan, the two prisons held a combined inmate population in the range of roughly 6,000 to 6,300 near the end of 2024, representing approximately 12 percent of the recorded city population. Removing that institutional population produces a resident community of approximately 45,000, which is the population to which the City actually delivers municipal services.

The institutional population is also declining. North Kern State Prison, which operated well above 4,000 inmates earlier in the decade, reported roughly 2,700 to 3,000 in recent counts, while Kern Valley State Prison has trended downward toward its design capacity. This decline reflects statewide decarceration and directly affects a source of local employment, a point addressed further in the economic discussion. Because population figures influence certain funding formulas and comparisons, separating the community and institutional populations produces a more accurate picture of both the city's service obligations and its fiscal base.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $67,010 (Kern County: $70,210)

Poverty Rate: 16.0% (Kern County: 19.1%)

Unemployment Rate (July 2026): 17.0% (Kern County: 8.6%)

Median Home Value: $301,900 (Kern County: $338,300)

Median Gross Rent: $1,199/month (Kern County: $1,300/month)

The July unemployment figure reflects the peak of the agricultural season and varies considerably by month. These estimates otherwise cover the full census place and are influenced by the incarcerated population at the two state prisons described above.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Delano's strengths and vulnerabilities arise from the same conditions.

The city benefits from a diverse economic base compared to many other rural communities. Agriculture remains important, but Delano also benefits from correctional employment, healthcare services, retail activity, food and beverage processing, transportation access, and regional commerce. This diversification provides a degree of resilience that communities dependent upon a single industry often lack.

The city's growth is another important strength. Population growth has attracted investment, expanded commercial opportunities, and increased Delano's role as a regional center. New housing, expanded services, and private-sector investment all reflect confidence in the community's future.

At the same time, growth creates new expectations and responsibilities. Larger populations require additional infrastructure, public safety resources, parks, transportation improvements, housing, and administrative capacity. Growth alone does not guarantee improved quality of life unless residents possess the education, workforce skills, and economic opportunities necessary to participate in that growth.

Delano's greatest strength may be its ability to generate economic opportunities. Its greatest long-term challenge may be ensuring that those opportunities translate into expanded community capacity, and that they do not come at the expense of the region's most constrained resource, groundwater.

Fiscal Capacity

Available information suggests that Delano's fiscal condition is generally stable, and the City maintains a strong record of financial reporting.

The City prepares an Annual Comprehensive Financial Report, most recently for the fiscal year ended June 30, 2025, under the direction of Finance Director Rosa I. Lara-Rios, and has earned the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. The City budgets on a biennial basis and publishes its budget and actual results through an online transparency platform, practices that support accountability and long-range planning.

Delano benefits from a broader economic base than many similarly sized communities, providing revenue sources that are not solely dependent upon any single sector. Growth in commercial activity, beverage manufacturing, property values, and regional service functions has supported municipal revenues and contributed to the city's ability to maintain services and invest in infrastructure. Like many California cities, Delano also benefited from grant funding, state programs, and post-pandemic conditions that strengthened balances during the review period.

The central fiscal question for Delano is not whether revenues are sufficient today. Rather, it is whether future revenue growth will keep pace with the demands associated with a growing regional center, particularly as correctional employment declines and the city works to replace it with private-sector activity. As communities grow, financial challenges often shift from obtaining resources to allocating them effectively. Delano increasingly appears to be entering that stage of development.

Governance and Organizational Capacity

Delano benefits from the organizational advantages associated with scale.

Unlike very small communities where responsibilities may be concentrated among a handful of individuals, Delano possesses greater administrative depth, larger staffing levels, and increased institutional capacity to manage complex projects and service demands. The city operates its own police department, fire services, water and wastewater utilities, transit system, and airport, reflecting a full-service municipal organization.

This additional capacity provides resilience. Leadership transitions, staffing changes, and new regulatory requirements can often be absorbed more effectively when organizational knowledge is distributed across multiple departments and professional staff.

That does not eliminate future concerns. As Delano continues to grow, expectations regarding planning, economic development, housing, infrastructure management, and public services will continue to increase. As discussed below, the process surrounding at least one recent economic development decision has also raised questions about transparency and interagency coordination. Maintaining organizational capacity, and public confidence in how major decisions are made, will remain an ongoing responsibility. Current conditions suggest the city is generally positioned to manage its service responsibilities effectively.

Infrastructure and Service Delivery

Delano's infrastructure challenges are primarily associated with growth and expansion rather than decline or deterioration.

The city must continue investing in transportation improvements, water systems, wastewater facilities, public safety infrastructure, parks, and other community assets needed to serve a growing population. As a regional center, these responsibilities extend beyond serving city residents alone and frequently support activity occurring throughout northern Kern County. The presence of two large state correctional facilities further influences infrastructure planning and service demands in ways not always reflected by resident population figures alone.

Water supply is the central long-term consideration, and it carries unusual weight in Delano's case. The city relies entirely on groundwater for its municipal supply and sits within the Kern County Subbasin, which the state has designated as critically overdrafted and for which the regional groundwater plan has been found inadequate. The city continues to invest in its system, including a new municipal well, Water Well 43, advanced in 2026 to a depth of roughly 1,020 feet. Ongoing well development reflects the city's commitment to reliable supply, but it also underscores Delano's complete dependence on an aquifer that is already in deficit. Future groundwater management decisions may affect not only agriculture but also housing production, commercial development, industrial investment, and long-term growth throughout the region.

For a city that continues to expand while relying entirely on a stressed aquifer, water may ultimately become the single most important determinant of future capacity. That reality gives particular significance to decisions about how the city's finite groundwater is allocated, a point examined in the economic discussion that follows.

Economic and Community Conditions

Economic conditions represent both a major strength and a significant long-term challenge.

Delano benefits from a diverse employment base and has successfully attracted industries and institutions that provide stability beyond traditional agriculture. In many respects, the city is better positioned than several neighboring communities to withstand economic disruption because it is not dependent upon a single employer or industry. At the same time, the correctional sector illustrates the risk of dependence on employment governed by external policy. Delano's two state prisons have long been significant local employers, but their combined population has declined under statewide decarceration, from well over 8,000 earlier in the decade toward roughly 6,300. A reduced inmate population can, over time, translate into reduced staffing and economic activity. This is a slow-moving trend rather than an immediate shock, but it reinforces why continued diversification matters to the city's long-term stability.

The Niagara Bottling plant, which established operations in Delano in early 2024, illustrates both sides of that diversification effort and deserves candid, balanced treatment. Viewed strictly as economic development, the project is a genuine success. The company reported a capital investment of up to $160 million, employment growing toward roughly 120 full-time positions at full build-out, and an estimated $343,000 in annual tax revenue to the City. Investments of this kind demonstrate Delano's ability to attract advanced manufacturing and to broaden its economic base beyond agriculture and corrections.

The same project, however, sits squarely at the intersection of two legitimate but competing public objectives: economic development and groundwater sustainability. A water bottling operation, by design, extracts groundwater, packages it, and exports it out of the subbasin, water that does not return to the aquifer. According to the will-serve letter the City issued in August 2022, the plant is permitted to draw up to 1.6 million gallons per day, which at full operation approaches roughly 1,790 acre-feet per year. In a subbasin the state has already deemed critically overdrafted, and in a city that depends entirely on that same groundwater for its residents, whether a facility whose core function is exporting native groundwater belongs in this location is a fair and serious question. It is not one the current record fully resolves.

The manner in which the project advanced compounds the concern. The Southern San Joaquin Municipal Utility District, which also serves as the area's Groundwater Sustainability Agency and which manages the very deficit to which Delano is a principal contributor, has stated that it learned of the project not through formal notification but through a newspaper article, despite having earlier warned both the City and the company that it would oppose exporting groundwater from the basin. In April 2024, the District sued the City, alleging that Delano approved the plant without conducting the environmental review required under the California Environmental Quality Act and without holding a public hearing. The City has responded that no separate approval was required because the plant connects to Delano's existing water system rather than a new well, and that municipalities retain authority over groundwater for domestic supply. The District counters that bottling and exporting native groundwater is not a domestic use. The underlying legal question, who holds authority over new groundwater uses under the Sustainable Groundwater Management Act, is genuinely unsettled.

For the purposes of this assessment, the point is neither to resolve the litigation nor to discount the real jobs and investment the project brings. The point is that a decision with implications for the region's most constrained resource appears to have advanced with limited public visibility and without the coordination the 2017 memorandum of understanding between the City and the District contemplated. A significant, long-term water commitment made through administrative approval rather than transparent public process is precisely the kind of governance question a Municipal Service Review is designed to examine. Economic development and groundwater stewardship are not inherently incompatible, but reconciling them requires exactly the kind of open, coordinated decision-making that this episode calls into question.

Economic growth and community advancement also do not always occur at the same pace. One of the less-discussed changes affecting Delano and many agricultural communities involves the evolving structure of the agricultural economy itself. Historically, family farms played a central role in community development, and economic success and community success were often closely linked because many of the people making investment decisions also lived within the communities affected by those decisions.

Over time, agricultural operations have become larger, more capital-intensive, and increasingly dependent upon regional, national, and global markets. These changes have improved efficiency and productivity, but they have also altered the relationship between agricultural production and local community development. As a result, substantial economic activity can occur within a region without producing proportional increases in local employment, small business ownership, or household wealth. This is not simply an agricultural issue. It reflects a broader societal and economic transformation affecting many rural communities throughout California.

For Delano, long-term success may depend less on continuing to generate economic activity and more on ensuring that residents possess the education, training, skills, and opportunities necessary to benefit from that activity, and on ensuring that growth is pursued in a manner consistent with the long-term sustainability of the community's water supply.

A Regional Success Story Still Evolving

Delano has already accomplished something many communities spend decades attempting to achieve. It has evolved from a traditional agricultural community into a regional center for employment, healthcare, commerce, education, and public services.

This transition did not occur by accident. It reflects decades of public and private investment, strategic location advantages, economic diversification, and community growth. The city's increasing regional role demonstrates an ability to attract opportunity and expand beyond its historical economic foundations.

As a result, the questions facing Delano today are fundamentally different from those facing many smaller communities. The challenge is no longer creating opportunity. It is ensuring that the benefits of that opportunity are broadly shared, translated into lasting community capacity, and balanced against the finite resources the community depends upon.

Long-Term Outlook

Delano's future appears promising, but its most important challenges may differ from those historically faced by agricultural communities.

The city has demonstrated an ability to attract investment, support growth, and establish itself as a regional center. The next stage of development may be less about expansion and more about capacity building and stewardship. Workforce readiness, educational attainment, economic mobility, housing availability, infrastructure investment, water sustainability, and transparent decision-making will likely play increasingly important roles in shaping long-term outcomes.

Delano does not appear to face the organizational capacity constraints seen in some smaller communities, nor does it face the economic uncertainty associated with a single dominant declining industry. Its challenge is different. The question is not whether economic opportunity will exist. The question is how effectively the community can convert economic opportunity into long-term resilience, how well it can offset the gradual decline of correctional employment with sustainable private-sector investment, and whether it can reconcile continued growth with the limits of a critically overdrafted aquifer.

If successful, Delano may become one of the strongest examples of how a historically agricultural community can evolve into a diversified regional center while maintaining its economic and cultural identity, and its long-term water security.

Emerging Questions for Future Study

- How effectively are local workforce development programs aligned with emerging employment opportunities, including advanced manufacturing?
- Are educational and training resources sufficient to support long-term economic mobility?
- How dependent is the regional economy on a limited number of major employers or industries?
- How will the continued decline in the state prison population affect local employment, economic activity, and municipal revenues?
- Can the City reconcile economic development with groundwater sustainability, particularly regarding operations that export native groundwater out of a critically overdrafted subbasin?

- What public process and environmental review accompanied the Niagara Bottling approval, and how will the resulting litigation with the Southern San Joaquin Municipal Utility District be resolved?
- How will the City and the Groundwater Sustainability Agency coordinate future water-related land use decisions consistent with their memorandum of understanding?
- What impacts might future groundwater management decisions and continued well development have on economic growth and development?
- Are infrastructure investments keeping pace with population and service demands?
- What strategies exist to strengthen wealth creation and economic opportunity for local residents?

Preliminary Capacity Assessment

Fiscal Capacity: Low Concern

Governance and Organizational Capacity: Moderate Concern, reflecting questions about transparency and interagency coordination in recent water-related decisions

Infrastructure Capacity: Moderate to High Concern, driven by complete dependence on a critically overdrafted aquifer

Economic Capacity: Low to Moderate Concern

Service Delivery Capacity: Low Concern

Overall Assessment: Moderate Capacity Risk Driven Primarily by Water Sustainability, Workforce, and Governance Transparency Challenges

Delano appears to be one of Kern County's stronger and more resilient communities. The city benefits from economic diversification, increasing regional importance, stable governance, a full-service municipal organization, and a growing population. Its principal challenges are not rooted in organizational weakness or fiscal distress, but in managing growth, developing workforce capacity, sustaining a groundwater supply drawn from a critically overdrafted subbasin, offsetting a declining correctional employment base, and ensuring that major decisions, particularly those affecting the region's finite water resources, are made through transparent and coordinated public processes. In many respects, Delano's future will be determined not by its ability to create opportunity, but by its ability to help residents participate in it while safeguarding the resources on which the entire community depends.

City of Shafter

Community Overview

Population: Approximately 21,000

Location: Northwestern Kern County, adjacent to the Bakersfield metropolitan area

Primary Economic Drivers: Agriculture, logistics, manufacturing, distribution, energy, and regional commerce

Role in Countywide Service Delivery: Growing employment and industrial center supporting both local residents and the broader Bakersfield metropolitan region.

Shafter has evolved from a traditional agricultural community into one of Kern County's most successful examples of economic diversification and strategic growth. While agriculture remains an important part of the local economy, the city has successfully leveraged its location, transportation access, and available land to attract significant industrial, logistics, and manufacturing investment. The Wonderful Logistics Center, formerly the Wonderful Industrial Park, anchors that transformation. According to the developer, the master-planned campus now encompasses roughly 1,700 acres with more than 17 million square feet completed and in operation, hosting tenants including Amazon, Target, FedEx, Walmart, Ross, and GAF. As City Manager Lance Lippincott has observed, Shafter is one of the few Central Valley cities where more workers commute in each day than commute out, an unusual distinction that reflects the scale of local employment relative to the resident population.

Unlike many communities examined, Shafter's principal challenges do not stem from instability, declining economic activity, or limited organizational capacity. Rather, the challenge is maintaining the conditions that produced its success while continuing to adapt to future economic, environmental, and service delivery demands.

From a service delivery perspective, Shafter represents a community that has largely moved beyond questions of survival and is increasingly focused on stewardship.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $71,215 (Kern County: $70,210)

Poverty Rate: 20.7% (Kern County: 19.1%)

Unemployment Rate (July 2026): 5.8% (Kern County: 8.6%)

Median Home Value: $335,800 (Kern County: $338,300)

Median Gross Rent: $1,253/month (Kern County: $1,300/month)

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Shafter's strengths are the result of deliberate choices made over decades.

The city has successfully diversified its economic base, expanded industrial development, attracted employers, and positioned itself as a strategic location within Kern County's logistics and transportation network. These efforts have strengthened municipal revenues, expanded employment opportunities, and reduced dependence on any single industry.

The city's proximity to Bakersfield also provides important advantages. Businesses can access regional markets, transportation infrastructure, and workforce resources while operating in a community that has historically been more affordable and development-friendly.

At the same time, success creates its own challenges.

Economic growth increases demands on infrastructure, transportation systems, housing, public safety, and municipal administration. Communities that grow successfully must eventually shift attention from attracting investment to maintaining the infrastructure and public services that support that investment.

There is also a quieter concentration to consider. Much of Shafter's fiscal strength now rests on a single sector, logistics and distribution, and on a single master developer, The Wonderful Company, whose industrial park generates the bulk of the city's sales and property tax activity. Diversification away from agriculture has unquestionably strengthened the city, but the resulting reliance on warehousing and on one dominant private partner introduces a form of concentration risk that resembles, in a different industry, the patterns observed in Taft and Ridgecrest.

In many respects, Shafter's greatest vulnerability may be managing the consequences of its success.

Fiscal Capacity

Shafter appears to possess one of the strongest fiscal positions among Kern County cities, supported by a revenue base that industrial and logistics development has substantially expanded.

The city's adopted operating budgets reflect that strength. In presenting the fiscal year 2025-26 budget, Finance Director Roger Sanchez reported projected operating revenue of approximately $37.4 million and a projected operating surplus of roughly $2.7 million, with sales tax alone accounting for about $11.6 million of revenue. The proposed fiscal year 2026-27 budget, presented in June 2026, again projected a balanced plan with total operating expenditures of approximately $37 million. The Police Department represents the single largest operating cost at a little over $11 million, followed by Public Works at approximately $7 million.

Two features of this picture deserve emphasis. First, sales tax has become the fiscal engine of the city. A revenue stream generated largely by warehousing, distribution, and goods movement provides resources unavailable to most communities of Shafter's size, but it also ties the General Fund closely to the health of the logistics sector and to consumer and freight activity that the city does not control. When Councilmember Prout asked what would happen if sales tax revenue continued to decline, Finance Director Sanchez noted that the operating surplus could absorb a modest decrease, an honest acknowledgment that the margin, while real, is finite.

Second, the city is actively working to broaden and stabilize its revenue base. The City Council has placed a proposed one percent local transactions and use (sales) tax measure on the November 3, 2026 ballot to fund municipal services. On the enterprise side, Finance Director Sanchez reported in June 2026 that voter- and Council-approved water rate increases were expected to move the water fund into surplus for the first time in several years, ending a period in which the General Fund had subsidized water operations. Electricity to pump groundwater remains the largest single cost in the water enterprise.

The primary fiscal question for Shafter is therefore not whether resources are adequate today. They plainly are. The more relevant question is how heavily the city's prosperity depends on a single, cyclical revenue stream, and whether that base can be diversified and sustained to support the long-term service demands and infrastructure obligations that continued industrial growth creates.

Governance and Organizational Capacity

Governance and organizational capacity appear to be significant strengths.

Under City Manager Lance Lippincott, Shafter has demonstrated a sustained ability to plan, execute, and manage complex economic development initiatives over many years. Large industrial projects, infrastructure investments, and regional partnerships require organizational systems capable of coordinating multiple stakeholders and maintaining continuity through changing economic conditions. The city's Planning Division, led by Planning Director Steve Esselman, is currently administering environmental review for projects of a scale that would challenge much larger jurisdictions, including the proposed Wonderful Logistics Center West expansion.

The city's performance suggests the presence of substantial institutional capacity.

One governance feature warrants neutral but explicit attention: the unusually close relationship between the city and its dominant private partner. The Wonderful Company's industrial park is central to Shafter's economy, and the two organizations have worked in close coordination for years. That relationship is illustrated by the career of John Guinn, a former Shafter City Manager who now serves as Executive Vice President and Chief Operating Officer of Wonderful Real Estate. A productive public-private partnership of this kind has clearly benefited the community, but the concentration of economic influence in a single developer, and the movement of senior personnel between the city and that developer, is the type of arrangement a future Municipal Service Review should examine to confirm that public decision-making remains independent, transparent, and aligned with the broader public interest.

That capacity is important because growth places increasing demands on administration. Success attracts projects. Projects require planning. Planning requires staff, expertise, and long-term institutional knowledge.

Current evidence suggests Shafter has generally developed the organizational foundation necessary to manage these responsibilities effectively.

Infrastructure and Service Delivery

Infrastructure represents both a competitive advantage and a continuing responsibility.

The city's ability to attract industrial and logistics development has been closely tied to investments in transportation infrastructure, utility systems, and development-ready land.

These assets have contributed significantly to economic growth and regional competitiveness.

As growth continues, maintaining those advantages will become increasingly important.

Roads, utilities, drainage systems, public facilities, and public safety infrastructure all require ongoing investment. While these challenges are not unique to Shafter, the scale of recent development activity means future maintenance and replacement obligations will continue to expand.

Public safety facilities illustrate how the city is reinvesting to keep pace. In 2025 the City Council authorized a design-build procurement to convert the former Modified Community Correctional Facility into a new Police Department headquarters, repurposing an existing municipal asset to house what has become the city’s single largest operating department. The water system is likewise receiving attention, including a meter retrofit program and cross-connection control improvements adopted in 2025, alongside the rate adjustments that are moving the water enterprise out of a multi-year deficit.

Much of the most consequential infrastructure, however, is being built by and around the logistics sector. The Wonderful Logistics Center is developing on-site container handling, with ConGlobal named as operator of the park’s container depot, and planning an inland rail terminal intended to provide intermodal service between the campus and the ports of Los Angeles and Long Beach. A proposed Central Valley Green Pass is intended to route freight traffic away from homes and schools while adding capacity to Highway 99. These investments strengthen Shafter’s competitive position, but they also concentrate the city’s infrastructure future around goods movement and place a premium on coordination among the city, the developer, BNSF, and state transportation agencies.

Growth solves many problems. Unfortunately, many of the problems it creates return years later wearing different name tags.

For Shafter, long-term success will depend on ensuring that infrastructure stewardship keeps pace with economic development.

Economic and Community Conditions

Economic diversification is one of Shafter's greatest strengths.

Unlike many communities that remain heavily dependent on a single sector, Shafter has developed a more balanced economic structure incorporating agriculture, logistics, manufacturing, warehousing, energy-related activities, and commercial services. This diversity increases resilience and reduces exposure to fluctuations within any individual industry, even as the logistics sector has become the dominant driver.

The scale of that logistics base is considerable. The Wonderful Logistics Center reports more than 17 million square feet in operation across roughly 1,700 acres, and the campus has paired warehousing with an investment in workforce development that distinguishes it from many industrial parks. An on-site training and amenities complex of more than 100,000 square feet includes a vocational center where Bakersfield College has launched a paid Maintenance Technician Apprenticeship and related programs, building a local pipeline of skilled technicians. The developer has proposed a further expansion, the Wonderful Logistics Center West project, which the City of Shafter began reviewing under a Notice of Preparation of a Draft Environmental Impact Report in April 2025. As described in that filing, the project contemplates up to roughly 21 million square feet of industrial building space on approximately 1,308 acres of land currently in almond orchard and agriculture, with an estimated 12,290 jobs at full build-out.

That expansion sits at the intersection of two legitimate but competing public objectives, and it deserves the same balanced treatment applied elsewhere in this assessment. On one side, the economic case is strong. The project would convert lower-value activity into a major employment center, extend a workforce-training model already producing local careers, and further establish Shafter as a logistics hub serving the western states. On the other side, Shafter lies within the Kern County Subbasin, which the state has designated as critically overdrafted and for which the regional groundwater plan has been found inadequate and placed under heightened state scrutiny. The Shafter-Wasco Irrigation District serves as one of the Groundwater Sustainability Agencies responsible for that basin.

Reconciling those objectives is not straightforward, and the water question cuts in more than one direction. Converting irrigated almond orchard to warehousing may actually reduce net groundwater demand on a given parcel, since large distribution buildings consume far less water than permanent crops. At the same time, industrial growth of this magnitude induces population growth, housing demand, and truck traffic, each of which carries its own water, infrastructure, and air-quality implications for a region already managing overdraft and San Joaquin Valley air-quality obligations. The point for LAFCo purposes is not to resolve these tradeoffs, but to ensure they are evaluated openly. A decision of this scale, made in a critically overdrafted basin, is precisely the kind of question a future Municipal Service Review and the CEQA process are designed to examine.

Beyond jobs and infrastructure, Shafter has directed a portion of its prosperity toward community services, and here again the results reflect a layered network of providers rather than the city acting alone. Shafter has invested in children's education both directly and through partnerships. The city operates the Shafter Library and Learning Center through its Community Services department, pairing traditional library service with after-school enrichment, tutoring, ESL instruction, and co-located Bakersfield College adult-education offerings, a model that has drawn state and regional recognition. It has also helped build the surrounding network of youth and family services provided by others, including early childhood education delivered largely by the Kern County Superintendent of Schools and Community Action Partnership of Kern, and the Shafter Youth Center, which the city helped establish in 2003 and which CAPK now operates.

The division of responsibility for parks and recreation illustrates the same framework, and it is beginning to shift. The City of Shafter has traditionally maintained the community's parks, while the independent Shafter Recreation and Park District has focused on recreation programming. That long-standing arrangement is changing with the development of a new park funded by The Wonderful Company, which the district, rather than the city, plans to maintain. Residents experience these services as a single community offering, even though responsibility is distributed across the city, the county, an independent special district, and nonprofit partners. This quiet reallocation of who maintains what is a small but concrete example of the service-responsibility questions that recur throughout this assessment.

Shafter's challenge, then, is not a lack of opportunity.

The challenge lies in balancing competing opportunities in a manner that preserves long-term sustainability. Economic development, housing growth, agricultural activity, and groundwater management may all compete for the same finite resources.

Shafter's Role in the Countywide Service Delivery System

Shafter occupies a unique position within Kern County.

Historically an agricultural community, the city now functions as an important employment and industrial center within the broader Bakersfield metropolitan area. Its influence extends beyond municipal boundaries through jobs, commerce, transportation infrastructure, and economic activity that support residents throughout the region.

Because of this role, Shafter's long-term success has implications extending far beyond its city limits.

The city provides an example of how strategic planning, economic diversification, and organizational capacity can strengthen municipal resilience over time.

Long-Term Outlook

Shafter appears well positioned for continued success.

The city benefits from strong finances, diverse economic activity, capable administration, and a demonstrated ability to execute long-term strategies. These strengths distinguish it from many communities facing more immediate fiscal, governance, or infrastructure concerns.

Future challenges are likely to center on stewardship rather than recovery.

Maintaining infrastructure, managing growth, protecting groundwater resources, preserving quality of life, and balancing competing development priorities will become increasingly important as the community evolves.

Two conditions in particular will bear watching. The first is concentration: the degree to which the city's revenues, employment, and infrastructure future are tied to a single sector and a single dominant developer. The second is water: whether continued industrial and residential growth can be reconciled with a critically overdrafted groundwater basin. Neither is a present crisis, and both are the natural byproducts of genuine success. But both are the kind of slow-moving conditions that are far easier to manage early than late.

Unlike cities focused on overcoming existing vulnerabilities, Shafter's primary challenge may be preserving the conditions that allowed it to become successful in the first place.

That is a different type of challenge, but an important one nonetheless.

Emerging Questions for Future Study

Potential questions for a future Municipal Service Review include:

- Can infrastructure investment continue to keep pace with economic growth?
- How might groundwater sustainability requirements influence future development patterns?
- Are existing revenue sources sufficient to support long-term maintenance obligations?
- How dependent is the city's economic success on regional transportation and logistics trends?
- What share of General Fund revenue derives from sales tax, and how would a downturn in the logistics sector affect operations?

- How concentrated is the city's economic and fiscal base in a single master developer, and what does that mean for long-term resilience and independent public decision-making?
- How will the Wonderful Logistics Center West expansion be reconciled with groundwater sustainability in a critically overdrafted subbasin, and what will the environmental review conclude?
- What are the operating and maintenance costs of the new Police Department headquarters, and how will they affect the General Fund over time?
- What strategies exist to preserve organizational capacity during continued growth?
- How can future development be balanced with agricultural preservation and water sustainability objectives?
- What role should Shafter play within the broader Bakersfield metropolitan area?

Preliminary Capacity Assessment

Fiscal Capacity: Low Concern

Governance and Organizational Capacity: Low Concern

Infrastructure Capacity: Low to Moderate Concern

Economic Capacity: Low to Moderate Concern, reflecting economic concentration and groundwater exposure

Service Delivery Capacity: Low Concern

Overall Assessment: Low Capacity Risk, with Attention to Economic Concentration and Groundwater Sustainability

Shafter demonstrates many of the characteristics commonly associated with organizational resilience, including economic diversification away from agriculture, fiscal stability, and long-term planning capacity. The city benefits from stable governance, strong fiscal capacity, and effective service delivery systems, and it has translated strategic planning into one of the county's most successful economic transformations. Its principal challenges are not associated with weakness, but with the consequences of success: a growing dependence on a single sector and a single dominant developer, a fiscal base heavily reliant on sales tax, and continued industrial growth in a critically overdrafted groundwater basin. None of these conditions signals present distress. Together they define the stewardship agenda that will determine whether Shafter can preserve the conditions that made it successful in the first place.

City of Tehachapi

Community Overview

Population (Community): Approximately 15,000 residents

Institutional Population (Not City-Served): Approximately 2,500 to 2,600 incarcerated individuals housed at the California Correctional Institution (CCI). This population is reported separately because the City does not provide day-to-day municipal services to incarcerated individuals in the manner experienced by residents.

Additional Service Population: Approximately 5,000 to 10,000 residents in the greater Tehachapi area who rely on the city for healthcare, commerce, education, recreation, and government services.

Location: Southeastern Kern County, within the Tehachapi Mountains

Primary Economic Drivers: Renewable energy, transportation, healthcare, tourism, correctional facilities, aviation-related activities, retail, and regional services

Role in Countywide Service Delivery: Mountain regional center providing essential services, employment, commerce, and community facilities for the greater Tehachapi area.

Tehachapi occupies a unique position within Kern County. Physically separated from much of the county by geography, the city has developed as a regional center serving mountain communities and surrounding rural areas. Unlike many Kern County cities whose development was tied primarily to agriculture or petroleum production, Tehachapi's economy has evolved around a combination of transportation, renewable energy, public services, tourism, and quality-of-life advantages.

The community's mountain setting, distinct identity, and relative geographic isolation have fostered a level of local self-reliance uncommon among many similarly sized cities. Residents often look to Tehachapi—not Bakersfield—for many daily services, creating a service area that extends well beyond the city's incorporated boundaries.

From a service delivery perspective, Tehachapi demonstrates how a community can leverage location, identity, and organizational capacity to build resilience despite constraints that might limit growth elsewhere.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California

Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $72,957 (Kern County: $70,210)

Poverty Rate: 13.9% (Kern County: 19.1%)

Unemployment Rate (July 2026): 6.4% (Kern County: 8.6%)

Median Home Value: $355,500 (Kern County: $338,300)

Median Gross Rent: $1,295/month (Kern County: $1,300/month)

These estimates cover the full census place and are influenced by the incarcerated population at the California Correctional Institution described above.

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Tehachapi's strengths stem from conditions that also create long-term challenges.

The city’s location, climate, and quality of life continue to attract residents seeking an alternative to larger urban areas. These advantages have supported residential growth, private investment, and a strong sense of community identity. Tehachapi is also widely recognized as a center for wind energy development. The Tehachapi Pass Wind Resource Area, one of the earliest and largest concentrations of wind generation in the world with several thousand turbines, has made the community synonymous with renewable energy, and newer battery storage projects such as Terra-Gen’s Sagebrush facilities have extended that identity into energy storage.

That renewable-energy identity is a genuine asset, but its fiscal benefit to the city itself is easily overstated. The great majority of the wind turbines and storage facilities sit on unincorporated land outside Tehachapi’s boundaries, meaning the associated property tax accrues largely to Kern County rather than to the city. Tehachapi gains reputation, tourism, and a distinct sense of place from the turbines on the surrounding ridgelines, but comparatively little direct municipal revenue. The identity is real; the balance-sheet benefit is more modest than the skyline suggests.

At the same time, geography creates constraints.

Mountain communities often face higher infrastructure costs, transportation limitations, wildfire risks, weather-related disruptions, and dependence on transportation corridors linking them to larger regional economies. These challenges require thoughtful planning and long-term investment.

Tehachapi's location is one of its greatest assets.

It is also one of its greatest constraints.

The city's success has largely come from embracing that reality rather than attempting to overcome it.

Fiscal Capacity

Available information suggests that Tehachapi maintains a generally sound fiscal position, and its budgeting practices have earned external recognition.

On June 2, 2025, the City Council adopted a balanced budget of approximately $36.9 million for fiscal year 2025-26, prepared under the direction of City Manager Greg Garrett and the finance department. Notably, the city budgets on a five-year basis and adopted balanced years through 2029-30, a longer planning horizon than most Kern County cities attempt. The budget encompasses the General Fund along with water, sewer, airport, transit, and refuse enterprise funds, and the General Fund carries strong reserves for emergencies, unforeseen needs, and capital projects. The city's financial work has been recognized by the California Society of Municipal Finance Officers, which awarded Tehachapi its Certificate of Award for Operating Budget Excellence for the fiscal year 2025-26 budget.

The city benefits from a diverse collection of revenue sources and economic activities rather than dependence on a single dominant industry. Commercial activity, tourism, healthcare services, property tax growth, and regional commerce all contribute to municipal stability.

One distinction is worth emphasizing. Tehachapi maintains its sound position without a dedicated local add-on sales tax. Its combined sales tax rate of 8.25 percent is the base Kern County rate, meaning the city funds operations without the kind of voter-approved municipal sales tax measure that Ridgecrest and McFarland rely upon to sustain services. In an assessment where several communities depend heavily on such measures to balance their General Funds, Tehachapi's ability to operate on its base revenues is itself an indicator of fiscal discipline. The city does draw on a voter-approved Measure S to support a multi-year street repaving and reconstruction program, dedicating that funding to a specific capital purpose rather than to closing an operating gap.

The principal fiscal question is therefore not whether resources exist today. Rather, it is whether future investments in infrastructure, public safety, and community amenities can be maintained as expectations continue to evolve, and whether a growing community can continue to fund its ambitions without eventually turning to the kind of local revenue measure it has so far avoided.

Governance and Organizational Capacity

Governance and organizational capacity appear to be among Tehachapi's greatest strengths.

The city has benefited from stable leadership under City Manager Greg Garrett, professional administration, and a demonstrated ability to address growth, economic development, and infrastructure challenges in a deliberate manner. While population growth has increased demands on municipal services, the organization appears to have generally expanded its capacity alongside those demands, and to have done so incrementally rather than reactively. The fiscal year 2025-26 budget, for example, added targeted positions where workload warranted, including two utility maintenance technicians for the wastewater treatment plant and a part-time police records clerk, rather than expanding staffing across the board.

Like Shafter, Tehachapi provides an example of a community that has successfully translated leadership into institutional capacity.

This distinction is important.

The strongest organizations are not those that depend exclusively on a single individual. They are organizations that develop systems, professional staff, organizational knowledge, and leadership depth capable of sustaining success over time.

Current conditions suggest Tehachapi has developed organizational systems that support leadership continuity and long-term planning.

Infrastructure and Service Delivery

Infrastructure remains one of Tehachapi's most important long-term responsibilities.

The city has continued to grow while maintaining the qualities that make it attractive to residents and businesses. That success has required continued investments in roads, water systems, wastewater facilities, public safety services, parks, and community amenities.

Growth creates opportunity, but opportunity rarely arrives alone.

It tends to bring infrastructure responsibilities with it.

Tehachapi has generally managed this balancing act effectively. The city continues to reinvest in its street network through a multi-year repaving and reconstruction program funded by Measure S, and it maintains its own water, sewer, airport, transit, and refuse enterprises. It is also planning for the future of its transit service; a Transit Development Plan presented in 2026 recommended service improvements while acknowledging that permanent expansion would require revenue beyond the state Local Transportation Fund and State Transit Assistance sources on which the system now depends.

Water infrastructure deserves particular emphasis. Municipal water supply in the area is closely tied to the Tehachapi-Cummings County Water District, which manages the local groundwater basin and imports State Water Project supplies through the California Aqueduct to recharge it. The practical implication for infrastructure is that Tehachapi's water future depends heavily on the continued reliability of those imported supplies, on recharge operations, and on aging conveyance and storage facilities. The distinctive governance framework behind that supply, the fact that the Tehachapi Basin is adjudicated rather than managed under the newer Sustainable Groundwater Management Act, is discussed in the economic section below.

Beyond water, particular attention should be given to transportation corridors, wildfire preparedness, and the public facilities necessary to support both existing and future residents. The city's mountain setting, so central to its identity, also places it in a wildfire-prone environment where emergency preparedness and evacuation planning carry heightened importance.

Economic and Community Conditions

Economic diversity is one of Tehachapi's defining strengths.

The city benefits from a mix of economic sectors that include healthcare, renewable energy, transportation, retail activity, tourism, education, corrections, and various professional and service industries. This diversity reduces the concentration risks observed in communities that depend heavily upon a single employer or industry.

Community identity may also contribute to resilience.

Unlike some communities that continue searching for an economic identity, Tehachapi possesses a strong and widely recognized sense of place. The city is associated with mountain living, renewable energy, outdoor recreation, and a quality of life that differentiates it from many other communities in the region.

This identity has become a competitive advantage.

Businesses and residents increasingly have choices regarding where they locate. Communities that provide both economic opportunity and quality of life often possess greater capacity to attract and retain residents over time.

What is most instructive about Tehachapi, however, is not any single asset but how the community has combined several modest ones into something greater than their sum. Tehachapi is not merely the wind-turbine city, though the turbines are famous. It is not merely the home of the Tehachapi Loop, the celebrated railroad spiral where a climbing train passes over itself, a feat of nineteenth-century engineering that draws railroad enthusiasts from around the world. It is not merely a mountain town, a retirement destination, a corrections community, or a highway stop between the valley and the desert. It is all of these at once. Individually, none of these attributes would sustain a prosperous city. Taken together, and managed with the fiscal discipline and long-range planning described above, they have produced a well-run community whose stability exceeds what any one of its parts would predict.

This is perhaps Tehachapi's most transferable lesson for the rest of Kern County. Several communities in this assessment possess a single dominant asset and struggle with the concentration risk that dependence creates. Tehachapi demonstrates the opposite pattern: a city that took a handful of individually modest strengths, wind, rail, recreation, climate, and location, and wove them into a diversified and resilient whole. The strength lies not in the assets themselves, but in the stewardship that assembled them.

Long-term considerations include water availability, but Tehachapi's position differs meaningfully from that of the valley communities in this assessment. Where Delano, Wasco, Shafter, and Bakersfield face the still-unfolding demands of the Sustainable Groundwater Management Act in a critically overdrafted subbasin, Tehachapi's groundwater sits in an adjudicated basin whose rights were settled by court decree decades ago and are administered under a court-supervised watermaster through the Tehachapi-Cummings County Water District. That earlier resolution, paired with imported State Water Project supplies used to recharge the basin, gives Tehachapi a more settled water-governance framework than most of its Kern County peers. This is not the same as saying water is unlimited. Adjudication caps how much may be pumped, imported supplies carry cost and delivery risk, and continued growth must still be reconciled with available water. But the central water question facing Tehachapi is one of operating within a known, court-defined framework rather than navigating an open regulatory transition. In that sense, water is one of several factors likely to shape Tehachapi's future, not the defining uncertainty it represents for the valley floor.

Tehachapi's Role in the Countywide Service Delivery System

Tehachapi functions as the primary service center for the mountain region of eastern Kern County.

Residents from surrounding unincorporated areas rely upon the city for healthcare, shopping, government services, education, recreation, and community activities. This role extends Tehachapi's influence well beyond its incorporated population and contributes significantly to regional stability.

Unlike some communities whose futures are closely tied to a single institution or industry, Tehachapi's regional importance stems from its ability to provide a broad array of services across multiple sectors.

This diversity contributes significantly to long-term resilience.

Long-Term Outlook

Tehachapi appears well positioned to remain one of Kern County's most resilient communities. The city benefits from strong governance, organizational capacity, economic diversity, community identity, and a quality of life that continues to attract residents and investment. These strengths provide a foundation for continued success.

One of Tehachapi's longstanding strengths has been its ability to make disciplined decisions regarding growth, infrastructure, and service delivery. The city has generally been selective in assuming new obligations and has focused on development patterns that strengthen municipal capacity rather than dilute it. Strong infrastructure, stable finances, and effective service delivery rarely occur by accident. More often, they are the result of decades of intentional decision-making.

At the same time, growth does not stop at municipal boundaries. Housing demand, infrastructure needs, transportation pressures, groundwater management challenges, and public service demands continue to emerge throughout the greater Tehachapi area regardless of jurisdictional lines. As a result, some of the challenges avoided by the city may continue to develop in adjacent communities and unincorporated areas.

Over time, those conditions can influence the city itself. Residents, customers, commuters, employers, and service demands move freely across jurisdictional boundaries. Problems that originate elsewhere often affect the broader region eventually.

In this respect, Tehachapi faces a challenge common to many successful communities. Local decision-making may strengthen municipal capacity, but long-term regional sustainability depends upon the health of the broader service delivery system as well. Political boundaries help define responsibility. They do not necessarily define consequences.

The question is not whether growth-related challenges will emerge, but where, when, and by whom they will ultimately be addressed.

One of the recurring themes emerging is that long-term capacity is often constrained not by a lack of options, but by choices among competing priorities. Tehachapi may be one of the clearest examples. The community has opportunities for continued growth, investment, and development. The challenge will be determining how to pursue those opportunities while preserving the qualities that made the city successful in the first place.

Success, after all, can create as many choices as problems.

Emerging Questions for Future Study

- Can infrastructure capacity continue to keep pace with population growth and regional service demands?
- How will adjudicated groundwater rights, imported State Water Project supplies, and recharge operations through the Tehachapi-Cummings County Water District accommodate future housing and economic growth?
- What investments will be necessary to address wildfire resilience, emergency preparedness, and climate-related risks?
- Can the city continue to fund services from base revenues, or will growth eventually require a local revenue measure of the kind it has so far avoided?
- To what degree does the surrounding wind and energy-storage industry, much of it outside city limits, actually benefit the city's revenue base as opposed to Kern County's?
- How can the city preserve community character while accommodating future growth and development pressures?

- Are existing transportation corridors and public facilities sufficient to support long-term regional growth objectives?
- To what extent does the long-term sustainability of Tehachapi depend upon conditions developing outside city boundaries?
- How do development patterns within the greater Tehachapi area affect municipal services, infrastructure obligations, and regional service delivery systems?
- Are existing governance and service delivery structures throughout the greater Tehachapi area aligned with future growth and community needs?

Preliminary Capacity Assessment

Fiscal Capacity: Low Concern

Governance and Organizational Capacity: Low Concern

Infrastructure Capacity: Low to Moderate Concern

Economic Capacity: Low Concern

Service Delivery Capacity: Low Concern

Overall Assessment: Low Capacity Risk

Tehachapi demonstrates strong organizational, fiscal, and economic capacity relative to many of the conditions evaluated. The city benefits from diversified economic activity, effective governance under stable leadership, a five-year balanced budget recognized for excellence, a distinctive ability to fund services without a local sales-tax measure, and a clear community identity. Its water position is also more settled than that of the valley communities, resting on an adjudicated basin and imported supplies rather than an unresolved regulatory transition. While future challenges related to growth, infrastructure, wildfire resilience, and base-revenue sustainability remain important, current conditions suggest Tehachapi is well positioned to address them. The city's primary task is not overcoming vulnerability, but exercising stewardship over the considerable strengths it has already built.

City of Bakersfield

Community Overview

Population: Approximately 419,000 (California Department of Finance, January 2025); ninth-largest city in California

Metro Population: Approximately 700,000+ (Bakersfield Metropolitan Statistical Area/Kern County)

Location: Central Kern County

Primary Economic Drivers: Healthcare, government, logistics, energy, agriculture, manufacturing, education, retail, and professional services

Additional Service Population: Substantial regional population relying upon Bakersfield for employment, healthcare, education, commerce, transportation, and government services.

Role in Countywide Service Delivery: Primary economic, governmental, healthcare, educational, transportation, and commercial center for Kern County.

Bakersfield is Kern County’s largest city and principal economic center. The California Department of Finance placed the city’s population at 419,238 as of January 1, 2025, an increase of roughly 1.2 percent, or about 4,787 residents, over the prior year. That makes Bakersfield the ninth-largest city in California and one of the fastest-growing large cities in the state, now approaching Oakland in size. Including the surrounding metropolitan area, more than 700,000 residents look to the city as their regional center. As the county seat and the primary employment, healthcare, educational, transportation, and governmental hub, decisions made within Bakersfield often influence service delivery and growth patterns far beyond the city’s incorporated limits.

Unlike many communities within Kern County, Bakersfield functions not only as a municipal government but as the organizational center of a complex regional service framework. Residents routinely live, work, shop, receive medical care, and access public services across jurisdictional boundaries, creating a metropolitan area that functions as a single community despite being served by numerous public agencies.

As a result, the city's importance is derived not only from its population, but from the central role it plays within the broader countywide service delivery system.

Unlike many communities evaluated, Bakersfield's long-term challenges are less about organizational capacity and more about regional stewardship. The city possesses professional management, substantial financial resources, diverse economic activity, and the organizational scale necessary to address complex issues. The challenge is determining how those resources should be deployed within a rapidly changing environment.

In many respects, Bakersfield's future is tied not only to its own decisions, but to the future of the larger region it serves.

Economic Snapshot

Sources: Household income, poverty, home value, and rent are U.S. Census Bureau, 2020–2024 American Community Survey five-year estimates. Unemployment is the California Employment Development Department city estimate for July 2026. Kern County figures are shown in parentheses for comparison.

Median Household Income: $80,540 (Kern County: $70,210)

Poverty Rate: 16.3% (Kern County: 19.1%)

Unemployment Rate (July 2026): 6.9% (Kern County: 8.6%)

Median Home Value: $371,700 (Kern County: $338,300)

Median Gross Rent: $1,472/month (Kern County: $1,300/month)

For a fuller economic and fiscal-health discussion of this community, see Appendix A: Economic Health of Kern County Cities.

Capacity Factors: Strengths and Vulnerabilities

Many of Bakersfield's strengths and vulnerabilities arise from the same conditions.

The city's size provides advantages unavailable to most communities. A diverse economy, professional administration, major healthcare facilities, higher education institutions, transportation infrastructure, and a broad tax base contribute to a level of resilience unmatched elsewhere in Kern County.

At the same time, scale creates complexity.

Large cities often possess more resources, but they also face greater infrastructure obligations, housing pressures, transportation demands, workforce needs, and service expectations. Their success becomes increasingly tied to regional systems that extend beyond municipal boundaries.

Growth has historically been one of Bakersfield's greatest strengths.

The challenge is determining how a community built upon decades of growth adapts when future growth becomes increasingly influenced by water availability, housing policy, infrastructure costs, and competing resource demands.

Fiscal Capacity

Bakersfield's fiscal capacity remains among the strongest in Kern County, though the most recent budget cycle revealed that even the county's largest city is not immune to fiscal pressure.

For fiscal year 2025-26, the City Council adopted a budget of just over $850 million, a reduction of approximately $46.4 million from the prior year. Prepared under City Manager Christian Clegg, the plan attributed the reduction to minimal or no growth in tax revenues amid a broader economic slowdown. To balance it, staff identified roughly $5 million in operating reductions and implemented a first-quarter hiring freeze on most vacant positions. As Clegg wrote in his budget introduction, departments reduced discretionary line items "with the understanding that more challenging financial circumstances lie ahead." A budget that must be actively trimmed is a meaningful signal: Bakersfield retains substantial resources, but the era of automatic year-over-year expansion has given way to harder choices.

The city's diversified economy provides a broad range of revenue sources and reduces exposure to fluctuations within any single industry. This diversity contributes significantly to long-term stability and allows the city to address challenges that would overwhelm many smaller communities.

The most consequential fiscal development of recent years, however, is the role of Measure N, the one-percent Public Safety and Vital Services (PSVS) transactions and use tax approved by voters in 2018 to enhance public safety, reduce homelessness, and promote economic opportunity. Receipts have substantially exceeded original projections. City Manager Christian Clegg reported that PSVS would bring in approximately $97 million in the coming year, with more than $70 million of that directed to public safety, the majority to police. The measure has effectively become a second pillar of the city's discretionary revenue, and by most accounts it has produced results. The citizens oversight committee has reported homicides down 57 percent and shootings down 60 percent since the measure took effect, and the city credits PSVS with funding roughly 80 additional police officers, expanding the municipal homeless shelter's capacity, and moving more than 400 people into permanent housing.

That success has also produced a governance question that deserves candid, balanced treatment. To balance the fiscal year 2025-26 General Fund, the city transferred approximately $12 million in PSVS revenue into general operations. Ward 3 Councilman Ken Weir objected that this departed from what voters were promised, arguing that PSVS dollars were intended for new expenditures rather than to cover costs already carried in the General Fund. Ward 6 Councilman Zack Bashirtash was critical on different grounds, questioning whether the substantial sums directed to homelessness services were producing visible results. Other members defended the spending. Ward 2 Councilman Andrae Gonzales emphasized that the measure was intended to preserve and enhance vital services after two decades of budget cuts, and City Manager Clegg pointed to measurable gains in sheltering and public safety while acknowledging that many residents remain frustrated that improvements are not always visible.

The oversight committee itself has urged caution. Its chair, Nick Ortiz, told the Council that while "Measure N has changed the city," nearly three-quarters of PSVS spending is now committed to ongoing costs, and he identified the $12 million General Fund transfer and rising pension obligations as central fiscal risks against a roughly $450 million unfunded pension liability. Ortiz recommended building the city's Section 115 trust and rainy-day reserves, redirecting PSVS dollars toward direct infrastructure and core public-safety facilities, and narrowing the oversight committee's role toward the post-hoc audit model more common in other California cities. In the following budget cycle, staff proposed trimming the PSVS transfer modestly, from $12 million to $11.5 million, a small step that nonetheless signals the tension is recognized rather than resolved.

The point for this assessment is not to resolve that debate, but to observe that a revenue source now central to Bakersfield's fiscal stability rests on a measure whose scope, use, and oversight remain contested. How the city reconciles the flexibility PSVS provides with the accountability voters expected is precisely the kind of question a future Municipal Service Review is designed to examine.

The central fiscal question for Bakersfield is therefore no longer whether the city possesses sufficient resources. It is how those resources, including an unexpectedly large voter-approved revenue stream, should be allocated and governed to meet competing priorities. As communities mature, financial management often becomes less about revenue generation and more about stewardship. Maintaining infrastructure, replacing aging assets, improving public safety, expanding housing opportunities, and preserving quality of life all compete for finite resources.

Capacity is not the issue.

Prioritization, and the discipline to align spending with both need and voter intent, increasingly becomes the challenge.

Governance and Organizational Capacity

Organizational capacity represents one of Bakersfield's greatest strengths.

The city benefits from professional management, specialized departments, institutional knowledge, and sufficient scale to absorb leadership transitions and operational challenges. Unlike smaller agencies, Bakersfield possesses organizational depth capable of supporting long-term planning and implementation. It operates under a council-manager form of government, with a seven-member City Council elected by ward on a nonpartisan basis, a Mayor elected at-large, and day-to-day administration led by City Manager Christian Clegg. This structure separates policy direction from professional management and provides the kind of institutional continuity that smaller Kern County cities, several of which have struggled with leadership turnover, often lack.

Scale does not eliminate organizational challenges, however. The city carries a substantial unfunded pension liability, estimated at roughly $450 million, that will compete with service delivery for resources over the long term. Managing that obligation while sustaining a workforce large enough to serve a growing population is itself a significant organizational task, and one reason the recent budget emphasized reserves, a Section 115 pension trust, and disciplined spending.

This capacity allows the city to address issues that extend beyond traditional municipal responsibilities.

Housing, transportation, economic development, homelessness, workforce development, regional infrastructure coordination, and water planning all require collaboration with numerous public and private partners.

The challenge is not whether Bakersfield can govern itself.

An important question is whether the broader network of agencies, service providers, and infrastructure systems can adapt at a pace comparable to the region's growth and complexity.

Infrastructure and Service Delivery

Infrastructure stewardship may be one of the most important issues facing Bakersfield over the coming decades.

The city has benefited from generations of growth and investment. Roads, utilities, public facilities, parks, public safety infrastructure, and transportation systems have expanded alongside the community.

Those investments now create corresponding maintenance and replacement obligations.

Growth has a habit of creating future infrastructure obligations disguised as opportunities.

The infrastructure that once supported development eventually requires rehabilitation, replacement, expansion, or modernization.

For Bakersfield, the challenge is not whether infrastructure can be built. The challenge is ensuring that infrastructure built yesterday remains sustainable tomorrow.

Service Delivery Framework

The provision of public services within metropolitan Bakersfield reflects decades of growth, annexation, infrastructure investment, and localized governance decisions. Numerous cities, special districts, county service areas, utility providers, and regional agencies operate within and around the urbanized area. Many were created to address specific local needs and continue to provide important public services.

Viewed collectively, however, the result is a service delivery framework characterized by considerable institutional complexity. Water, wastewater, drainage, recreation, flood control, mosquito abatement, sanitation, and other services are provided through a network of overlapping jurisdictions that often extend beyond municipal boundaries.

For residents, these distinctions are largely invisible. Public services are experienced as a single system regardless of which agency provides them. The reliability of that system depends not only on the performance of individual agencies but also on the ability of numerous organizations to coordinate planning, infrastructure investment, and service delivery across jurisdictional boundaries.

As the metropolitan area continues to grow, long-term success may depend less on creating new service providers and more on maintaining effective coordination among existing providers while ensuring that institutional knowledge and interagency relationships remain strong.

Economic and Community Conditions

Bakersfield possesses one of the most diverse economies in the San Joaquin Valley.

Agriculture, logistics, healthcare, education, government services, manufacturing, energy production, and professional services all contribute to economic stability. This diversification reduces vulnerability and supports continued regional growth.

At the same time, many of the city's most significant challenges originate outside traditional economic measures.

Housing affordability, workforce readiness, regional poverty, transportation demands, healthcare access, and groundwater sustainability increasingly influence long-term outcomes.

Long-term considerations involves water availability and groundwater sustainability. Future groundwater management decisions may affect not only agriculture but also housing production, industrial development, economic diversification, infrastructure planning, and regional growth patterns.

The question is no longer simply whether Bakersfield can grow.

The question is how growth should occur within a framework of increasingly constrained resources.

Long-Term Outlook

Bakersfield's long-term outlook remains favorable relative to most communities in Kern County. As the county's economic, governmental, healthcare, transportation, and educational center, the City benefits from a scale and diversity that few jurisdictions can match. Population growth is expected to continue, supported by housing demand, regional migration patterns, job creation, and Bakersfield's position as the commercial hub of the southern San Joaquin Valley.

The City's future, however, will likely depend less on growth itself and more on how effectively growth is managed. Bakersfield has repeatedly demonstrated an ability to expand its boundaries, extend infrastructure, and absorb new development. The more difficult challenge may be improving the efficiency of an increasingly complex metropolitan service environment that has evolved over decades through annexations, special districts, county service areas, utilities, and other independent service providers.

One of Bakersfield's greatest strengths is its role as a regional center. Residents from throughout Kern County routinely travel to Bakersfield for employment, healthcare, education, shopping, government services, and entertainment. In many respects, Bakersfield already functions as the center of a metropolitan service system extending well beyond its city limits.

That position also creates challenges. As urban development continues to expand, political boundaries often become less relevant to the daily experience of residents. Government sees jurisdictions. Residents see results. A resident may receive services from multiple agencies while experiencing them as a single system. The reliability of that system increasingly depends on the ability of numerous organizations to coordinate planning, infrastructure investment, and service delivery across jurisdictional boundaries.

Political boundaries help define responsibility. Problems, however, are under no obligation to respect them.

The City has recognized many of these realities within its Bakersfield RISE 2045 General Plan update, which entered draft public review in 2026 following a Notice of Preparation earlier that year. The draft emphasizes infill development, redevelopment, neighborhood connectivity, infrastructure coordination, and the integration of disadvantaged unincorporated communities and county islands into the broader urban framework. These efforts reflect a growing understanding that future success will depend not only on building outward, but also on making the existing urban area function more efficiently. For an assessment concerned with service delivery, the treatment of county islands is especially notable: these unincorporated pockets, often surrounded entirely by the city, are among the clearest illustrations of how jurisdictional boundaries can complicate the delivery of services that residents experience as seamless.

One long-term consideration involves the effects of workforce turnover and institutional knowledge transfer on organizational capacity. The beginning of this assessment period coincided with the COVID-19 pandemic and a broader generational transition within local government. Across California, many long-serving public employees retired or changed positions, taking decades of institutional knowledge, professional relationships, and historical perspective with them. Although difficult to quantify, this transition may influence organizational effectiveness in ways not fully captured by traditional financial or operational metrics.

Bakersfield's economy also continues to navigate longer-term structural changes. Agriculture remains important but is increasingly affected by groundwater regulation, consolidation, labor challenges, and evolving market conditions. The petroleum industry continues to face regulatory and market pressures. At the same time, logistics, healthcare, higher education, professional services, and emerging technology sectors are becoming increasingly important components of the regional economy. Future economic resilience will depend in part on the City's ability to continue diversifying while leveraging existing strengths.

Bakersfield has long been described as a place that is "two hours from everything." There is some truth to the observation. The city occupies a strategic location between California's major population centers, beaches, mountains, transportation corridors, agricultural regions, and energy-producing areas. Over time, however, Bakersfield has increasingly become the place that everything comes to. Residents throughout Kern County rely upon the city for healthcare, education, government services, commerce, transportation, and employment. As a result, Bakersfield's future is tied not only to its own growth, but also to the long-term sustainability of the broader regional framework it serves.

In many respects, Bakersfield faces the same challenge identified in several other communities examined, though at a much larger scale. The long-term sustainability of the city depends in part upon the health of the interconnected network of cities, special districts, county service areas, utilities, and public agencies that collectively support the region. Service providers may operate separately, but residents experience the outcome collectively. Nobody cares which agency is responsible until the water stops flowing, the trash is not collected, or the ambulance does not arrive.

The challenge moving forward will be ensuring that an increasingly interconnected network of public agencies, service providers, and infrastructure systems continues to function as a coherent whole. Political boundaries help define responsibility. Problems, however, are under no obligation to respect them. As metropolitan Bakersfield grows, the ability of institutions to coordinate across those boundaries may become as important as any individual development project, infrastructure investment, or financial indicator.

For Bakersfield, the future may therefore be less about growth and more about stewardship. The city has already achieved scale. The challenge now is determining how that scale can be used to support the long-term resilience, sustainability, and capacity of the larger countywide service delivery system upon which so many residents depend. In that respect, Bakersfield's greatest long-term opportunity may not be simply becoming a larger city, but becoming a stronger regional partner within an increasingly interconnected service framework.

Emerging Questions for Future Study

- How might SGMA influence future housing, economic development, and regional growth patterns?
- What infrastructure investments will be necessary to address long-term maintenance and replacement obligations?
- How do conditions in surrounding unincorporated communities affect city services and regional outcomes?
- Are existing governance and planning structures aligned with the realities of a regional service economy?
- What strategies are available to improve workforce readiness and economic mobility?
- How should limited water resources be allocated among competing residential, agricultural, industrial, and environmental demands?
- To what extent has the city become reliant on Measure N (PSVS) revenue to support ongoing General Fund operations, and is that reliance sustainable and consistent with voter intent?
- Should the PSVS citizens oversight committee shift toward a post-hoc audit model, and how can meaningful independent accountability be ensured?
- How will the city manage its unfunded pension liability alongside growing service demands over the long term?
- What role should Bakersfield play in addressing countywide service delivery challenges?
- How can the city balance continued growth with long-term sustainability and stewardship?

Preliminary Capacity Assessment

Fiscal Capacity: Low to Moderate Concern, reflecting recent budget pressure, reliance on PSVS transfers, and a significant unfunded pension liability

Governance and Organizational Capacity: Low Concern

Infrastructure Capacity: Low to Moderate Concern

Economic Capacity: Low Concern

Service Delivery Capacity: Low Concern

Overall Assessment: Low Capacity Risk; High Stewardship Responsibility

Bakersfield is not defined by vulnerability in the traditional sense. The city possesses the resources, scale, and institutional capacity necessary to address most foreseeable challenges. Its recent budget, however, showed that even the county's largest city now faces harder tradeoffs, including a growing reliance on PSVS revenue to sustain operations, a substantial unfunded pension liability, and the perennial task of maintaining aging infrastructure. These are challenges of stewardship rather than survival. Bakersfield's significance lies not in whether it can continue providing services, but in how effectively it can govern its own resources and steward the broader regional framework upon which much of Kern County depends. As the county's primary service center, its long-term success will increasingly be measured not only by its own performance, but by the health and resilience of the larger system it helps support.

Bridge From Communities to Systems

The preceding city profiles focused on individual jurisdictions and the conditions affecting their long-term viability. While each community faces unique opportunities and challenges, a common theme has emerged. Public services are rarely delivered by a single agency, and community outcomes are often influenced by organizations operating beyond municipal boundaries.

Cities, special districts, counties, utilities, schools, transportation providers, and other public agencies each play a role in delivering services that residents experience as a single system. As a result, evaluating individual jurisdictions provides only part of the picture.

The next section shifts the focus from individual communities to the broader service framework that supports residents throughout Kern County. Rather than examining a single city or agency, the discussion considers how services are delivered across organizational boundaries, where potential vulnerabilities exist, and what emerging trends may shape the future of local governance and service delivery.

Government sees jurisdictions. Residents see results.

Capacity and Scale

Introduction

One theme emerged repeatedly across communities of different sizes, locations, and economic circumstances.

The most significant challenges were not always financial.

Cities with adequate revenues sometimes struggled to recruit qualified employees. Agencies with healthy reserves still faced increasing infrastructure obligations. Others benefited from strong community support while operating with limited organizational depth as responsibilities continued to expand.

These situations appeared different on the surface, but they often reflected a common concern. The responsibilities assigned to local government continue to grow, and the capacity required to fulfill those responsibilities must grow with them.

Understanding that relationship is essential to understanding the long-term sustainability of public services.

Local Government Was Created to Solve Problems

The governmental landscape visible across Kern County today did not emerge from a single design. Cities, special districts, county service areas, and other public agencies were created over time in response to specific needs and local circumstances.

Communities incorporated when residents desired greater local control. Districts were formed to provide water, wastewater, healthcare, recreation, and other essential services. New agencies emerged when existing institutions lacked the authority, resources, or focus necessary to address a particular problem.

The purpose was never to create an agency. The purpose was to solve a problem. The agency was simply the tool selected at the time.

This distinction matters because it shifts attention away from institutions themselves and back toward the services they exist to provide. The objective is not the preservation of a structure. The objective is reliable service to the public.

The Operating Environment Has Changed

Most local government agencies were created in a very different operating environment. Infrastructure systems were newer. Regulatory requirements were less extensive. Financial reporting requirements were simpler. Technology played a much smaller role in operations, and public expectations regarding transparency, accountability, planning, and service delivery were substantially different.

Modern agencies face responsibilities that previous generations could scarcely have imagined. Cybersecurity, emergency preparedness, asset management, grant administration, environmental compliance, groundwater management, housing planning, long-range financial forecasting, workforce recruitment, and increasingly complex reporting requirements now occupy a significant portion of local government activity.

The city assessments repeatedly illustrated this reality. Maricopa's ability to secure and manage major infrastructure grants demonstrates how even very small communities are expected to navigate complex funding and regulatory environments. California City's experience highlights how organizational continuity can become increasingly important as administrative responsibilities expand. Bakersfield, by contrast, demonstrates how scale brings its own challenges, requiring coordination among numerous agencies operating within a complex regional service network.

While the specific circumstances differ, the broader trend remains consistent. Local governments are being asked to do more than they were originally designed to do.

Understanding Capacity

Capacity is the ability of an organization to consistently fulfill the responsibilities entrusted to it.

Financial resources are part of that equation, but they are not the whole equation. Capacity also includes leadership, workforce depth, technical expertise, institutional knowledge, infrastructure management, strategic planning, and the ability to adapt as circumstances change.

Several cities illustrate this distinction. California City's challenges appear more closely tied to governance continuity and organizational stability than to immediate financial distress. Maricopa's ability to function effectively despite limited resources demonstrates how leadership and institutional knowledge can compensate for organizational scale. Wasco's strong financial condition reflects not only available resources, but also organizational systems capable of converting those resources into results.

Organizational strength is rarely determined by a single factor.

Scale Matters

One factor influencing capacity is scale.

Larger organizations often benefit from economies of scale. They may employ specialized staff, maintain greater administrative depth, distribute institutional knowledge across multiple departments, and absorb personnel changes more effectively. Larger customer bases may also provide revenue stability that supports long-term planning and investment.

Bakersfield provides perhaps the clearest example of these advantages. The City possesses specialized departments, professional management, and organizational depth that allow it to address issues extending well beyond traditional municipal operations. Housing, transportation, economic development, homelessness, water planning, and regional infrastructure coordination all require resources generally unavailable to smaller organizations.

Smaller communities often face many of the same obligations with significantly fewer resources. Maricopa's small workforce must oversee grant administration, infrastructure projects, regulatory compliance, budgeting, and municipal operations despite a population of roughly 1,000 residents. Similar challenges appear in varying degrees throughout several of Kern County's smaller communities.

As a result, scale can influence an organization's ability to maintain capacity over time.

Scale, however, should not be confused with capacity itself.

Scale and Capacity Are Not the Same Thing

Examples of small organizations operating effectively despite limited resources are common. Examples of larger organizations struggling with organizational complexity, competing priorities, or leadership instability is also commonplace.

Maricopa demonstrates how a small organization can remain remarkably effective through community engagement, grant acquisition, partnerships, and organizational flexibility. Tehachapi similarly illustrates how a relatively modest-sized city can build substantial institutional capacity through stable leadership, long-term planning, and disciplined decision-making.

Conversely, larger organizations are not immune from capacity challenges. California City's experience demonstrates that organizational depth alone does not guarantee continuity or long-term effectiveness. Even well-resourced organizations can face challenges when governance systems, staffing stability, or institutional continuity become strained.

As a result, scale alone should not be viewed as a measure of organizational health. Scale may reflect population served, organizational size, budget, service responsibilities, or geographic area. While each of these factors influences organizational capacity, none independently determines it.

The relationship between scale and capacity is therefore more nuanced than simple comparisons of size.

The issue is not size. The issue is alignment.

The Importance of Alignment

Questions repeatedly emerge regarding staffing depth, infrastructure obligations, financial sustainability, workforce recruitment, succession planning, and service expectations.

Although these issues appeared in different forms across different communities, they often reflected the same underlying concern: Has organizational capacity kept pace with organizational responsibility?

California City's recurring management turnover raises questions regarding continuity and execution. Arvin's fiscal and infrastructure challenges highlight the difficulty of maintaining service capacity when demands increase faster than available resources. McFarland's long-term outlook emphasizes the importance of ensuring economic capacity grows alongside residential growth. Even communities viewed as relatively strong, such as Tehachapi and Wasco, continue to face questions regarding future adaptation and emerging service demands.

These conditions do not necessarily indicate failure. They may, however, suggest that the relationship between responsibility and capacity deserves closer examination.

In many cases, that relationship is more important than any individual financial indicator, staffing level, or organizational chart.

Why This Matters

Residents rarely experience capacity directly.

They experience outcomes.

Water either arrives when needed or it does not. Roads are maintained or they are not. Public services meet expectations or they do not. Infrastructure functions reliably or it does not.

The organizational systems behind those outcomes are largely invisible until they stop working.

Reliable services depend upon reliable institutions.

The strongest organizations are not necessarily those with the largest budgets, the greatest number of employees, or the highest levels of growth. They are organizations capable of adapting to changing conditions while continuing to deliver reliable services.

Capacity is the bridge between resources and results.

The LAFCo Perspective

At its core, LAFCo's mission is not simply about boundaries. Municipal Service Reviews, spheres of influence, annexations, consolidations, and other organizational evaluations are exercises in determining whether governance structures remain aligned with service responsibilities.

To illustrate why this question matters. Maricopa raises questions regarding the level of capacity necessary for a small community to continue operating independently. Bakersfield highlights the challenges associated with coordinating a complex metropolitan service environment. Communities such as Arvin, California City, and McFarland demonstrate that organizational capacity can emerge as a significant issue even when the underlying circumstances differ considerably.

A boundary is simply a line on a map. What ultimately matters is the ability of the organization behind that line to provide reliable services.

The purpose of evaluating capacity is not to advocate for any particular governance model. Rather, it is to understand whether existing institutions possess the resources, scale, and organizational capability necessary to fulfill their responsibilities both today and in the future.

Looking Forward

Many of the questions identified ultimately return to a common theme: Can organizational capacity keep pace with organizational responsibility?

The answer will differ from community to community and agency to agency. Some organizations may strengthen capacity through staffing, infrastructure investment, succession planning, technology, or long-range financial planning. Others may benefit from partnerships, shared services, contractual arrangements, or regional cooperation.

No single strategy will fit every situation. What remains consistent is the objective.

The question is not whether an agency is large or small. The question is whether its capacity is equal to its responsibilities.

Governance and Stewardship

Introduction

Financial statements, infrastructure conditions, staffing levels, and service delivery outcomes often appear to be separate issues. In reality, they are frequently the product of decisions made years, and sometimes decades, earlier.

The road in need of repair, the reserve fund available during an emergency, the wastewater facility approaching capacity, and the economic development project under construction all have something in common. At some point, a governing board, city council, or management team made decisions that influenced the outcome visible today.

For that reason, local governments should not be judged solely by their current condition. Current conditions often reflect past decisions, past priorities, and past assumptions.

Governance is the process through which those decisions are made.

Stewardship is the responsibility to ensure those decisions strengthen a community's ability to provide reliable services not only today, but in the future.

Together, governance and stewardship help explain why communities facing similar challenges often experience very different outcomes.

Decisions Outlive Decision-Makers

One of the recurring observations emerging is that decisions frequently remain in effect long after the individuals who made them have left office.

Infrastructure projects may remain in service for decades. Land use decisions shape growth patterns for generations. Financial policies influence future budgets long after they are adopted. Even decisions regarding staffing, succession planning, and organizational structure can continue affecting service delivery years later.

Wasco provides an example of how long-term governance can influence organizational strength. Strong reserves, continued investment in infrastructure, and stable administration did not emerge by chance. These conditions are the cumulative result of decisions made over many years.

Conversely, California City's experience demonstrates how organizational instability can influence an agency's ability to address long-term challenges. Leadership transitions are a normal part of local government. However, when turnover occurs repeatedly, the effects may extend beyond individual positions and influence planning, continuity, and organizational focus.

In both examples, present conditions reflect decisions made long before the consequences became fully visible.

Governance matters because decisions accumulate.

The Difference Between Management and Governance

Management and governance serve different functions within a public agency.

Management focuses on implementation. Staff prepare budgets, oversee infrastructure, administer programs, manage personnel, deliver services, and carry out policy direction established by elected officials.

Governance focuses on direction. Councils and boards establish priorities, allocate resources, evaluate risks, adopt policies, and determine how an organization responds to changing conditions.

Both functions are essential.

The strongest organizations generally demonstrate a healthy relationship between governance and management. Elected officials provide direction while administrative staff provide implementation and professional expertise. When those responsibilities remain aligned, organizations are often better positioned to address long-term challenges while continuing to meet daily operational needs.

Looking Beyond the Current Budget

Many public discussions naturally focus on immediate concerns. Residents want streets repaired, services maintained, development reviewed, and budgets balanced.

Those issues matter.

At the same time, many of the challenges identified develop slowly.

Infrastructure ages over decades. Economic transitions emerge over years. Workforce recruitment challenges often build gradually before becoming obvious. Water policy, housing demand, and demographic changes influence communities over long time horizons.

Several cities illustrate the importance of maintaining that longer perspective.

Taft's future may be influenced less by current conditions than by long-term economic transition within the petroleum industry. Arvin's wastewater challenges demonstrate how infrastructure constraints can eventually influence growth opportunities, service delivery, and regulatory compliance. McFarland's future may depend in part on whether economic development keeps pace with residential growth.

In each case, the most important questions extend beyond the current fiscal year.

Effective governance requires looking beyond immediate circumstances and considering the conditions most likely to shape the future.

Adaptation Is Not Failure

Communities often place great value on continuity and tradition. This is understandable. Stability can strengthen public confidence and preserve community identity.

Preserving a community, however, does not necessarily mean preserving every policy, practice, or organizational structure exactly as it exists today.

The history of Kern County demonstrates continuous adaptation. Communities evolved as transportation networks changed. Agricultural practices changed. Energy markets changed. Population patterns changed. New infrastructure was developed and new institutions were formed in response to emerging needs.

The agencies operating today are themselves the product of adaptation by previous generations.

Adaptation should not be viewed as a departure from tradition.

In many respects, adaptation is the tradition.

The alternative is often allowing circumstances to change while institutions remain fixed. History suggests that approach rarely ends well.

One of the most common explanations offered within organizations is:

"We've always done it that way."

While often true, the statement explains history without necessarily explaining purpose. Every policy, procedure, organizational structure, and service arrangement was originally created for a reason. Effective governance requires periodically revisiting that reasoning and asking whether the conditions that justified a decision in the past still exist today.

Stewardship is not simply preserving what was inherited. It is understanding why it was inherited and determining whether it remains appropriate for the future.

Stewardship and Long-Term Thinking

Perhaps the clearest distinction between administration and stewardship is time horizon.

Administration focuses on current operations.

Stewardship focuses on future capacity.

Examples of stewardship appeared in many different forms. Wasco's reserve growth and continued infrastructure investment reflect preparation for future obligations. Tehachapi's deliberate approach to growth demonstrates the value of aligning development with service capacity. Shafter's long-term focus on economic diversification illustrates how communities can strengthen resilience before challenges emerge.

Stewardship also appears in less visible ways. Succession planning, infrastructure maintenance, asset management, workforce development, and long-range financial forecasting rarely attract significant public attention. Yet these activities often determine how well an organization performs when conditions become difficult.

The strongest organizations are rarely those that avoid challenges.

More often, they are the organizations that prepare for them.

A Question Worth Asking

Although the cities examined differ considerably in size, geography, demographics, and economic conditions, a common question emerged throughout the review process.

Does this decision leave the community better positioned for the future than it was before?

That question applies to infrastructure investments, economic development initiatives, staffing decisions, financial policies, growth strategies, service delivery arrangements, and governance structures alike.

It does not require predicting the future.

It simply requires considering whether today's decisions increase or decrease future options.

A surprising number of difficult policy discussions become easier when viewed through that lens.

The LAFCo Perspective

LAFCo is often associated with boundaries, spheres of influence, annexations, and reorganizations. While those tools are important, the underlying purpose is larger than geography alone.

Many of the issues identified ultimately involve stewardship. Organizational capacity, infrastructure sustainability, growth management, service delivery efficiency, and governance effectiveness all influence whether communities remain capable of providing reliable services over time.

The objective is neither change for its own sake nor preservation for its own sake.

The objective is ensuring that governance structures continue supporting reliable and sustainable service delivery under changing conditions.

Good governance is measured by results.

Stewardship is measured by whether those results endure.

Looking Forward

The future challenges facing Kern County's communities will not be identical to those of the past. Economic conditions will evolve. Infrastructure will continue to age. Workforce expectations will change. Water policy, housing demand, and demographic trends will continue shaping local decision-making.

The communities most likely to succeed will not necessarily be those with the largest budgets or the fastest growth.

More often, they will be the communities that consistently make decisions with a long-term perspective while maintaining the flexibility to adapt as conditions change.

Governance determines the decisions made today.

Stewardship determines whether those decisions continue creating value tomorrow.

The true measure of local government is not what it inherits. It is what it leaves behind.

Growth, Water, and Demographic Change

Introduction

Local governments often focus on the challenges they can see directly. Budgets must be balanced. Infrastructure must be maintained. Services must be provided. Yet many of the forces that ultimately shape service delivery originate outside city hall.

Population trends influence service demands. Economic conditions affect employment opportunities and local revenues. Housing availability influences workforce attraction and community growth. Water availability affects agriculture, development patterns, and long-term planning decisions.

Individually, each of these factors is important. Collectively, they help determine the environment in which local governments operate.

Future service delivery may be shaped as much by external conditions as by the decisions of local officials.

The Countywide Economic Baseline

Because so many of these forces are economic, it is worth pausing on the countywide economic baseline before turning to growth, housing, and water individually. The California Employment Development Department reported a Kern County labor force of roughly 403,900 in July 2026 and an unemployment rate of 8.6 percent. That figure had improved from 9.3 percent a year earlier, but it remained well above the statewide rate of 5.3 percent and the national rate of 4.4 percent. Kern has operated several points above the California rate for a generation. That gap does not reflect a single difficult year. It is closer to a structural floor, and it shapes the environment within which every city in this assessment provides services.

The composition of that employment matters as much as its level. According to the Employment Development Department, government is the county’s single largest employment category, at roughly 65,000 jobs, while private education and health services, at approximately 58,800 jobs, has grown to nearly the same size and continues to expand even as government employment contracts. For a service assessment, that shift is significant. A regional economy increasingly anchored by healthcare and public institutions produces a different pattern of wages, workforce needs, and municipal revenue than one anchored by extraction or agriculture alone.

Agriculture remains foundational, but it is also the clearest example of why economic data must be read with care. Total farm employment swung to roughly 62,100 jobs in July 2026, up nearly fifteen percent from the previous year as the growing season reached its peak. Those same figures would look markedly different in January. The Employment Development Department also notes that its industry counts exclude the self-employed and informal workforce, precisely the population on which a seasonal agricultural economy most depends. The economy the numbers describe is therefore always somewhat larger, and more seasonal, than the numbers themselves suggest.

Two concentrations run beneath the county economy and surface repeatedly in the city chapters. The first is energy. Drawing on Assessor and labor data, the Kern Economic Development Corporation reports an average oil and gas wage of roughly $91,417 against a countywide all-industry average near $60,576, with eight of the county's ten largest property taxpayers in the energy sector. Those wages and those tax rolls support communities and school districts well beyond the oil fields. The second is defense. The Employment Development Department reported that Department of Defense employment in the county fell from 8,600 in July 2025 to 7,300 in July 2026, a decline of roughly fifteen percent in a single year. Both concentrations are strengths today. Both are exposed to decisions made far from Kern County.

None of these conditions is within the control of any individual city. A council can decide how to grow, but it cannot decide the price of oil, the size of the federal defense budget, the cost of water, or the structure of the agricultural economy. What local governments can do is understand the ground on which they operate and plan accordingly, which is the purpose of establishing this baseline before examining growth, housing, and water in turn.

A city can govern its budget. It cannot govern the price of oil, the defense budget, or the weather. Much of the work is knowing which is which.

Growth Changes More Than Population

Growth is often viewed as a sign of community success. New residents support local businesses, attract investment, and expand opportunities for economic activity. Growth can strengthen the financial foundation upon which local governments depend.

Growth also creates obligations.

Additional housing requires streets, utilities, parks, public safety services, administrative support, and long-term infrastructure maintenance. Every new neighborhood adds future service responsibilities that must eventually be funded and managed.

Several communities illustrate this relationship. McFarland continues to experience residential growth and enjoys advantages associated with its Highway 99 location. Yet much of the discussion surrounding the city's future focuses not on population growth itself, but on whether economic development will keep pace with the service obligations that growth creates. Similarly, Delano's evolution into a regional service center has expanded opportunities while simultaneously increasing expectations regarding infrastructure, housing, workforce development, and public services.

These examples suggest that growth should not be measured solely by population increases.

The more important question is whether service capacity grows alongside service demand.

Demographics Matter

Population totals tell only part of the story.

The composition of a community often influences service needs as much as population itself. Age distribution, household size, income levels, educational attainment, workforce participation, and housing conditions all affect how communities function and what services residents require.

Several cities examined illustrate this reality. Arvin, Delano, McFarland, and Wasco all maintain relatively young populations compared to many California communities. These demographics create opportunities for workforce development and long-term economic growth while simultaneously increasing demand for housing, parks, recreation, education, and family-oriented services.

Other communities face different demographic influences. California City's relationship with nearby aerospace and defense employment centers demonstrates how workforce and population patterns do not always align neatly with local economic activity. Tehachapi's attractiveness as a residential community reflects quality-of-life considerations that extend beyond traditional economic indicators.

For local governments, demographic change is important because service systems designed for one population may not align with the needs of another. Successful communities continually reassess whether existing services remain aligned with changing community conditions.

Workforce Development and Economic Opportunity

A recurring theme throughout several city profiles involved the relationship between workforce development and economic capacity.

Employment opportunities alone do not guarantee community prosperity. Communities also require educational pathways, workforce training, and economic mobility that allow residents to participate in changing labor markets.

Delano provides a useful example. The city benefits from a more diversified economy than many agricultural communities and has evolved into a significant regional center. Yet one of the central questions identified involves ensuring that residents possess access to the educational and workforce opportunities necessary to benefit from continued economic growth.

Arvin faces similar questions. The community's young population represents a potential long-term asset, but future outcomes will depend in part on whether workforce skills, economic opportunities, and service capacity evolve together.

Even communities such as California City face workforce-related questions, although in a different form. The city benefits from proximity to major aerospace and defense employment centers. The challenge is less about creating jobs and more about capturing the economic benefits associated with employment that largely occurs outside city boundaries.

These examples demonstrate that workforce development is not simply an economic issue.

It is also a service delivery issue.

Communities that successfully connect education, workforce development, and economic opportunity often strengthen the financial and organizational foundations that support long-term public services.

Housing and Future Service Demands

Housing occupies a unique position at the intersection of growth, economics, infrastructure, and service delivery.

Communities cannot grow without housing. At the same time, every new housing unit creates corresponding demands for infrastructure, utilities, transportation systems, public safety services, parks, and administrative capacity.

California's RHNA process reflects the state's effort to address long-term housing shortages by requiring local governments to plan for future housing opportunities. Although RHNA is primarily a planning requirement rather than a construction mandate, it nonetheless influences local land use decisions, infrastructure planning, and growth expectations.

Throughout Kern County, housing presents different challenges to different communities. Delano, Bakersfield, Tehachapi, and several other cities continue to confront questions regarding how future housing demand can be accommodated while maintaining infrastructure capacity and service quality.

Housing is often discussed as a land use issue.

In many respects, it is also a service delivery issue.

Water and the Future of Growth

Few issues are likely to influence the future of Kern County more than water.

For much of California's history, growth planning operated under assumptions that water supplies could be developed, imported, or managed in ways that supported continued expansion. The implementation of the Sustainable Groundwater Management Act (SGMA) introduced a different framework centered on long-term groundwater sustainability.

The effects of SGMA will extend beyond water management alone.

Wasco provides perhaps the clearest example. The city's municipal organization currently appears strong, yet its long-term outlook remains closely tied to the future of the agricultural economy surrounding it. Changes in groundwater management may influence agricultural production, employment, land values, and broader economic conditions that ultimately affect local government.

Similar observations emerged in Delano, Shafter, Bakersfield, and other communities where agricultural activity remains an important part of the regional economy.

Although cities typically account for a relatively small share of groundwater demand compared to agriculture, they remain connected to the larger economic systems that groundwater supports.

The question is no longer simply whether communities can grow.

The question is how growth occurs within a framework of increasingly finite resources.

SGMA, RHNA, and the Planning Environment

One of the more significant long-term planning questions identified involves the interaction between housing policy and water policy.

RHNA encourages communities to plan for future housing opportunities. SGMA seeks to promote long-term groundwater sustainability. Both pursue legitimate public objectives. Both influence long-term planning decisions.

From the perspective of local governments, however, these policies can create competing pressures. Communities may be expected to plan for future housing growth while simultaneously navigating uncertainty regarding future water availability, agricultural transitions, infrastructure capacity, and economic development.

The purpose of identifying this tension is not to advocate for one policy objective over another.

Rather, it is to recognize that future service delivery decisions will increasingly occur within a planning environment shaped by multiple forces that do not always move in the same direction.

Growth, Boundaries, and Service Responsibility

Growth also raises questions regarding who should provide services and where those services should be delivered.

Cities were created to provide urban services. Counties were created to provide broader regional governance. Special districts often provide focused and specialized services. As development patterns evolve, the relationship between growth and service responsibility can become increasingly complex.

Bakersfield provides perhaps the clearest example. The metropolitan area functions as a highly interconnected service environment in which residents move freely among cities, county islands, special districts, utilities, and other service providers. While individual responsibilities remain divided among many agencies, residents often experience those services as a single system.

This reality reinforces an important principle.

The most important question is not simply where growth occurs.

The more important question is whether services can be provided efficiently, sustainably, and at a reasonable long-term cost.

The LAFCo Perspective

Many of the forces discussed in this chapter extend beyond the authority of any individual city, district, or agency.

Population trends, housing demand, workforce development, water availability, and economic conditions frequently affect multiple communities simultaneously. As a result, these issues are best understood from both a local and regional perspective.

No community operates in isolation. Conditions affecting Delano may influence McFarland. Decisions affecting groundwater may influence Wasco, Shafter, Bakersfield, and surrounding agricultural communities. Housing and workforce trends often cross jurisdictional boundaries entirely.

Understanding future service needs therefore requires understanding the broader systems in which communities operate.

Looking Forward

The purpose of this assessment is not to predict the future.

It is to identify the conditions most likely to shape it.

Population trends will continue influencing service demands. Housing needs will affect development patterns. Workforce development will shape economic opportunity. Water availability will influence long-term planning decisions. Demographic change will alter community expectations and service requirements.

The specific outcomes remain uncertain. What is clear is that growth, economics, demographics, housing, and water will continue interacting in ways that influence local government throughout Kern County.

Communities that understand these relationships and plan accordingly will generally be better positioned to adapt as conditions change.

The future of service delivery will be shaped not only by the decisions made within city halls, but by how effectively communities respond to the forces developing beyond them.

Countywide Observations

Introduction

The communities examined differ significantly in population, geography, economic activity, governance structure, and service responsibilities. Bakersfield faces challenges that differ from those confronting Maricopa. Taft operates in a substantially different environment than Delano. Communities such as Tehachapi, Wasco, Arvin, McFarland, California City, and Shafter each occupy distinct positions within Kern County's broader service delivery system.

Despite those differences, several recurring patterns emerged.

These observations are not intended to predict outcomes or assign rankings. Rather, they highlight conditions that appeared repeatedly across multiple communities and may influence future service delivery throughout Kern County.

Capacity Often Matters More Than Revenue Alone

As the earlier discussion of capacity and scale made clear, financial condition alone does not fully explain organizational performance. What the city profiles add is how consistently that pattern held in practice.

Several communities with relatively stable finances continue to face questions regarding staffing, governance continuity, project implementation, or organizational depth. Conversely, some communities operating with limited resources continue to perform effectively because of strong leadership, institutional knowledge, partnerships, and long-range planning.

Taft illustrates the point from the side of strength: its most durable asset is not its revenue, which the long energy transition has constrained, but the stability of its professional management. McFarland shows the same logic in reverse, where rebuilding financial controls and administrative systems has mattered more to its trajectory than the size of any single fund balance. And Arvin demonstrates that a willingness to govern transparently and confront difficult issues in open session can itself be a form of capacity, even under genuine fiscal pressure.

Financial resources remain important. The ability to convert those resources into reliable services may be even more important.

Size Does Not Determine Success

Conventional wisdom often assumes that larger organizations are inherently stronger and smaller organizations are inherently more vulnerable.

The communities reviewed suggest the relationship is more complicated.

Large organizations often benefit from greater staffing depth, specialized expertise, and financial resources. Smaller organizations frequently benefit from flexibility, local knowledge, and more direct connections to the communities they serve.

Both environments create advantages and challenges.

Maricopa continues to function as an independent city despite a population of roughly 1,000, while Bakersfield, with vastly greater resources, faces the harder task of coordinating an entire metropolitan service network. Neither size alone predicts the result. As the discussion of capacity and scale argued earlier, what ultimately matters is the alignment between an organization’s responsibilities and its capacity to meet them.

Infrastructure Is Becoming a Stewardship Issue

Many communities spent decades focused on growth and expansion. New neighborhoods were constructed. Infrastructure was extended. Public facilities were built to serve growing populations.

Increasingly, the challenge is shifting from expansion to stewardship.

Arvin's wastewater system highlights how infrastructure can directly influence future development opportunities and service capacity. Bakersfield faces the long-term responsibility of maintaining infrastructure accumulated through decades of growth. Maricopa's infrastructure projects demonstrate the administrative demands associated with delivering even relatively small capital improvements.

Regardless of community size, infrastructure stewardship appears likely to become increasingly important as public assets continue to age and replacement costs continue to rise.

The challenge is no longer simply building infrastructure.

The challenge is sustaining it.

Workforce Capacity Is Emerging as a Service Delivery Issue

Throughout the county, workforce-related challenges appeared in different forms.

Some communities face succession planning concerns. Others encounter recruitment difficulties, limited organizational depth, competition for specialized employees, or concerns regarding institutional knowledge transfer.

Maricopa's dependence upon a relatively small number of key personnel illustrates how knowledge and experience can become organizational assets. California City's management turnover demonstrates how continuity itself can influence long-term execution and planning. Delano, Arvin, and other communities identified broader workforce development issues tied to economic opportunity and future growth.

The common thread is that local government ultimately depends upon people.

Infrastructure can be financed. Equipment can be replaced. Facilities can be renovated.

Developing experienced and capable employees often requires years.

Growth Creates Both Opportunity and Obligation

Growth is often viewed as an indicator of success, and in many respects it is.

Growth expands housing opportunities, supports economic activity, attracts investment, and increases regional significance.

Growth also increases service demands.

McFarland's future appears closely tied to whether economic development keeps pace with residential growth. Delano's emergence as a regional center brings both opportunity and responsibility. Tehachapi and Bakersfield continue facing questions regarding how future growth can be accommodated while preserving service quality and infrastructure capacity.

Growth alone does not strengthen a community.

The benefits of growth depend on whether communities possess the capacity necessary to support it.

Economic Diversification Creates Flexibility

Economic conditions influence nearly every aspect of local government.

Employment opportunities, household income, business activity, infrastructure investment, housing demand, and municipal revenues are all connected to the economic health of the surrounding community.

The cities reviewed illustrate a wide range of economic circumstances. Taft continues to evaluate how long-term changes in the petroleum industry may influence future conditions. Wasco, Delano, and Arvin remain closely linked to agricultural activity and workforce trends. Shafter has pursued diversification through industrial development, logistics, and manufacturing. California City continues seeking opportunities to capitalize on nearby employment centers and development potential.

While every community is different, diversification appears to increase flexibility.

Communities with multiple sources of economic strength generally possess more options when conditions change than communities dependent upon a single industry or employer.

Geography Still Matters

Although technology, transportation, and communication have transformed many aspects of modern life, geography continues to shape how communities function and what they are able to provide.

Maricopa’s isolation creates challenges and opportunities distinct from those facing Bakersfield. Tehachapi and Ridgecrest function as regional service centers precisely because their locations, one in the mountains, the other in the high desert, place them at a distance from the county’s metropolitan core. Taft serves a broader western Kern County population extending well beyond its boundaries. Delano and Wasco occupy important positions along the Highway 99 corridor in northern Kern County, while Bakersfield anchors the metropolitan center. In each case, place helps determine the role a community plays and the services its residents depend upon it to provide.

These geographic differences help explain why communities operating under similar governance structures can nonetheless experience very different conditions. Geography influences infrastructure costs, service areas, economic opportunity, and even the pool of employees a community can realistically recruit. It is one reason a single countywide standard rarely fits every community equally, and one more argument for evaluating each agency in light of the circumstances it actually faces.

Many Future Challenges Are Increasingly Regional

One of the more important observations emerging from the review is that many of the forces influencing local governments do not respect jurisdictional boundaries.

Workforce markets, water availability, housing demand, transportation systems, economic activity, and regional infrastructure networks frequently affect multiple communities simultaneously.

Bakersfield provides the clearest example, functioning as the center of a regional service network extending well beyond city boundaries. Similar relationships exist elsewhere. Water conditions affecting Wasco influence surrounding agricultural areas. Housing and workforce trends affect communities throughout the county. Economic opportunities generated in one jurisdiction often benefit neighboring communities as well.

Communities may be governed separately.

Many of the conditions influencing their futures are shared.

Adaptation Remains a Constant

Perhaps the most consistent observation emerging from Kern County's communities is that adaptation remains a defining characteristic of successful organizations.

Every city examined during this review has experienced economic, demographic, regulatory, environmental, or technological change. The specific circumstances differ, but the need to adapt appears universal.

Shafter adapted through economic diversification. Tehachapi adapted through deliberate growth management. Delano evolved from an agricultural town into a diversified regional center. Taft continues evaluating how a long energy transition may reshape its future role. Even Maricopa's history reflects continuous adaptation to changing conditions.

The communities most likely to succeed are not necessarily those facing the fewest challenges.

More often, they are the communities willing to recognize changing conditions early and respond before circumstances force the issue.

Service Adequacy and Resilience

Underlying all of these observations is a final question: whether the services residents depend upon can be sustained over time. That question has two dimensions worth distinguishing.

The first is service adequacy. Adequacy is often discussed as though it were a single standard, but in practice it consists of several related dimensions. Reliable services must be available when needed, meet reasonable quality expectations, and remain financially and operationally sustainable, while the organization behind them retains the ability to respond to changing conditions. Arvin's wastewater constraints show how a limitation in one dimension can cap future development and service delivery, while Bakersfield's metropolitan environment shows how adequacy depends on coordination among many agencies delivering what residents experience as a single system. Service adequacy, in other words, is best understood as the relationship between what a community expects and what its institutions can consistently provide.

The second dimension is resilience, and it is not the same as capacity. Capacity reflects what an organization can accomplish under current conditions; resilience reflects how well it continues performing when conditions change. An agency may possess significant capacity today and still struggle to adapt tomorrow, while an organization with modest resources may prove highly resilient because it has built strong systems, stable leadership, and flexibility. California City's difficulties center on continuity and execution rather than a lack of resources, whereas Maricopa's central question is whether a very small organization can sustain growing responsibilities over time. Resilience, in the end, depends less on what an organization has than on its ability to adapt, learn, and evolve.

Capacity determines what an organization can do today. Resilience determines what it can continue doing tomorrow.

Looking Forward

The communities of Kern County differ in many ways, but the questions shaping their futures are remarkably similar.

Can organizational capacity keep pace with growing responsibilities?

Can infrastructure be sustained as systems age?

Can workforce challenges be addressed before they become service delivery challenges?

Can growth be aligned with long-term fiscal, environmental, and infrastructure realities?

Can communities adapt as conditions continue to evolve?

The answers will differ from city to city. The underlying issues appear throughout the county.

The purpose of this assessment is not to predict the future.

It is to identify the conditions most likely to shape it.

Durable communities are rarely defined by the absence of challenges. They are defined by their ability to adapt while continuing to provide reliable services.

Closing Reflections

This assessment began with a simple question:

Are we producing reliable services for the people who depend on them?

The question remains as important at the conclusion of this report as it was at the beginning.

The cities of Kern County vary significantly in size, resources, growth patterns, geography, and service responsibilities. Some face challenges associated with rapid growth, while others are navigating population stagnation, changing economic conditions, aging infrastructure, water constraints, or limited organizational capacity. Yet despite their differences, a common theme emerges throughout this assessment: the long-term reliability of local services depends upon the ability of institutions to adapt to changing circumstances while maintaining focus on the communities they serve.

This assessment does not attempt to determine which cities are succeeding and which are struggling. Nor does it seek to predict future outcomes. Its purpose is to identify conditions, trends, opportunities, and areas where further examination may provide value. Every agency was created to address a public need. The existence of challenges is not evidence of failure. Rather, it reflects the reality that communities continue to evolve and that public institutions must evolve with them.

The Municipal Service Review serves as the next step in that process. It provides a formal mechanism to obtain additional information, validate observations, and evaluate the effectiveness, efficiency, and sustainability of service delivery in greater detail. Future reviews may confirm some observations, challenge others, and reveal issues not readily apparent through a countywide assessment alone.

What should not change is the guiding question.

Are we producing reliable services for the people who depend on them?

The answer will never be found in a single report, a single data point, or a single decision. It is found through continuous evaluation, thoughtful stewardship, and a willingness to adapt as conditions change.

After all, agencies do not exist because problems were solved. They exist because public needs persist. The responsibility of local government is not simply to endure. It is to remain capable of meeting those needs, today and in the years ahead.

Appendix A: Economic Health of Kern County Cities

The city chapters in this assessment are organized around a single question: how well is each community positioned to provide reliable services now and into the future. Economic conditions matter to that question, but they are context rather than the subject. To keep the chapters focused, each opens with a brief Economic Snapshot. This appendix is for readers who wish to go further. It offers a narrative view of the economic and fiscal health of each city, blending the standardized Census baseline with the more distinctly local data maintained within Kern County.

The distinction between those two kinds of data is deliberate. The American Community Survey is a national instrument built for comparability, which is what the snapshots require. But it is a rolling five-year average, and it was not designed to capture the features that make Kern County's economy behave as it does—its heavy seasonal and informal agricultural workforce, its dependence on energy and public-sector employment, or the pace at which a single logistics campus can reshape a community. Local sources fill those gaps.

A Note on Sources

Three Kern County sources inform the discussion that follows. The California Employment Development Department (EDD), Labor Market Information Division, publishes current monthly labor-force and industry data for the Bakersfield-Delano Metropolitan Statistical Area, which is coextensive with Kern County, along with a city-level labor-force table. The Kern Economic Development Corporation (Kern EDC) publishes an annual Market Overview describing industry composition, major employers, investment, and the county's location and cost advantages; it is a promotional publication, so this appendix relies on its underlying data—drawn from the Bureau of Economic Analysis, EDD, JobsEQ, and the County Assessor—rather than its framing. Finally, the California State University, Bakersfield Center for Economic Education and Research publishes the Kern Economic Journal and a regional indicators dashboard, and is notable for adjusting its labor data to capture the informal and out-of-county workforce that the Census tends to undercount.

The purpose of this appendix is not to supplant the Census baseline. It is to connect each community's economic engine to the municipal revenues that engine produces, and in turn to the service-delivery capacity examined in the main body of the report.

The Countywide Picture

Before turning to individual cities, several countywide facts frame them. As of July 2026, EDD reported a Kern County labor force of roughly 403,900 and an unemployment rate of 8.6 percent, down from 9.3 percent a year earlier but still well above the statewide rate of 5.3

percent and the national rate of 4.4 percent. That persistent gap of roughly three points above the state is a structural feature of the county economy, and it underlies conditions visible in nearly every city chapter.

The county's industry structure is equally telling. Government is the single largest employment category at roughly 65,000 jobs, while private education and health services, at about 58,800 jobs and growing 2.4 percent year over year, is now essentially its equal and rising even as government employment contracts. This confirms, from a neutral source, the observation that healthcare is among the county's fastest-growing sectors. Total farm employment swung to 62,100 in July 2026, up nearly 15 percent year over year, capturing the seasonal peak and illustrating why single-month figures for agricultural communities must be read with care. EDD also notes that its industry counts exclude the self-employed and informal workforce—precisely the population that a farm-based economy relies upon and that the Census smooths over.

Two countywide anchors deserve emphasis because they recur in the city profiles. First, energy: Kern EDC, drawing on JobsEQ and Assessor data, reports an average oil and gas wage of roughly $91,417 against a countywide all-industry average near $60,576, with about 12,630 residents directly employed in the sector and eight of the county's ten largest property taxpayers in energy. Second, defense: EDD reported that Department of Defense employment in the county fell from 8,600 in July 2025 to 7,300 in July 2026, a decline of roughly 15 percent in a single year. Both figures bear directly on the concentration risks discussed below, in Taft and Maricopa on the energy side and in Ridgecrest on the defense side.

The economy is the ground a city stands on. Two communities of similar size can face very different prospects depending on what lies beneath them.

City of Maricopa

Maricopa has the narrowest economic base of any city in this assessment. Median household income of roughly $38,676 is little more than half the countywide figure of $70,210, and the median home value near $121,800 is the lowest in the county by a wide margin. The local economy remains tied to petroleum production and related oilfield services, with very little independent commercial activity. EDD placed the city's July 2026 unemployment rate at 12.9 percent, but with a total civilian labor force of only about 400 people, that figure is directional at best and can swing sharply month to month.

For a community this small, the more useful lens is fiscal. As the chapter notes, Maricopa holds cash and investment balances exceeding $2 million, yet its locally generated revenues cannot independently support long-term operations. The economic base does not throw off enough recurring sales or property tax to fund the city's obligations, which is why grants and state programs, such as the $7.4 million State Water Resources Control Board sewer financing, do so much of the work. The health of Maricopa's budget is therefore only loosely tied to its local economy and depends instead on its continuing ability to attract outside funding.

The trend worth watching is the long arc of West Side oil. The countywide energy figures—a $91,417 average oil and gas wage and eight of ten top taxpayers in energy—describe the same forces that set the ceiling on Maricopa's local employment and assessed valuation. As with Taft, the question for Maricopa is whether that base contracts gradually or sharply, and the city has little influence over the answer.

Oil built Maricopa. Whether oil can keep it is a question decided on the futures market and in Sacramento, not at City Hall.

City of California City

California City's economic profile is unusual because so much of it is either institutional or aspirational. The EDD July 2026 unemployment rate of 18.7 percent and the low labor-force participation both reflect the California City Correctional Facility, whose population is counted by the Census but not served by the city in the ordinary sense. Median household income of roughly $60,113 sits below the county figure, and the poverty rate near 24.3 percent is among the higher rates in this assessment. The genuine private economy rests on correctional employment, aerospace-related activity in the broader region, and a large inventory of developable land.

The fiscal translation of that base is a story of potential more than performance. As the chapter documents, government-wide net position and General Fund balances have grown and property tax revenue has increased, so the city is not in immediate distress. But sales tax has stagnated, and several anticipated economic-development revenues, most notably cannabis, did not materialize. The recurring governance instability described in the chapter has made it harder to convert land and location into durable revenue.

For readers tracking California City, the Kern EDC investment data and EDD's current figures are the most informative sources, because the central question is whether new investment actually lands. Until it does, California City's economic health is best described as resource-rich and realization-poor.

City of Arvin

Arvin presents the starkest household economic conditions in the assessment. Its poverty rate of roughly 34.6 percent is the highest among the eleven cities, and median household income near $49,183 is well below the county figure. EDD placed its July 2026 unemployment at 14.0 percent, though that figure warrants the seasonal caution noted throughout this appendix: July falls during the peak agricultural season. Because employment in farmworker communities such as Arvin is highly seasonal, unemployment rates may vary significantly throughout the year and should not be interpreted as representative of annual conditions.

The economy is anchored in agriculture, agricultural services, logistics, and food processing, with major operations such as Grimmway Farms among the significant regional employers.

The fiscal consequence of a low-income, agriculturally dependent economy is limited revenue elasticity. Arvin cannot readily close budget gaps through fees or rate increases without imposing real hardship, which is why the Measure L local sales tax has become so central to funding public safety, streets, and parks. As the chapter notes, the city has run recurring General Fund deficits and drawn on reserves; its dependence on a single local revenue measure reveals how little excess capacity exists.

The most relevant local data for Arvin concerns agriculture and workforce. EDD's industry data and CEER's attention to the informal and seasonal farm workforce capture employment dynamics the Census smooths over, while the interaction of the Sustainable Groundwater Management Act with the surrounding farm economy will shape the community's long-term income and employment prospects.

City of McFarland

McFarland's economy is defined by its position on the Highway 99 corridor between Delano and Bakersfield. Median household income near $54,608 and a poverty rate around 24.1 percent place it among the more constrained communities, though its EDD July 2026 unemployment rate of 7.9 percent is close to the county figure. Much of its character is that of a bedroom community: residents increasingly commute outward for employment and services, allowing economic activity to leak to neighboring cities. Agriculture remains central, and the GEO Group's two federal immigration-detention facilities represent a meaningful local employment base whose future depends entirely on federal policy.

Fiscally, the chapter describes a city with real assets but a thin operating margin, with the unassigned General Fund balance running below the 35 percent policy target. Local sales-tax Measures M and O help stabilize operations, and the decision to operate a municipal police department concentrates cost and risk locally. This is the crux of McFarland's economic-health question: residential growth expands service obligations, but the commercial and industrial base has not yet grown enough to fund them.

Because McFarland is growing, leading indicators matter more here than five-year averages. EDD's current labor figures and the county's permit and business-formation data are the clearest signals of whether commercial development is beginning to catch up with rooftops. The recurring theme, echoed throughout the chapter, is alignment.

City of Ridgecrest

Ridgecrest has the strongest household economic profile in the assessment. Median household income of roughly $89,250 is well above the county figure, its poverty rate near 12.5 percent is the lowest of the eleven cities, and its EDD July 2026 unemployment rate of 6.2 percent is among the lowest as well. Those numbers are the direct product of Naval Air Weapons Station China Lake, whose scientists and engineers give the community high educational attainment and stable, well-compensated employment. Ridgecrest Regional Hospital, with roughly 900 employees, and the naval installation are the anchor employers, and the city functions as the retail and service hub for the entire Indian Wells Valley.

That prosperity supports a stable fiscal base, but it carries the concentration risk the chapter emphasizes—and current data now gives that risk a number. EDD reported that Department of Defense employment in Kern County fell roughly 15 percent in the year to July 2026, from 8,600 to 7,300. Ridgecrest is the community most exposed to that trend, because its sales and property tax revenues rest on the continued vitality of China Lake and the federal workforce it supports. This is a different condition from the fiscal distress seen elsewhere: Ridgecrest is not short of resources; it is exposed to a single dominant driver largely outside local control.

For Ridgecrest, the most useful local intelligence concerns the defense sector and water. The city's economic strength is real and enviable; the caution is only that strength concentrated in one federal institution, now visibly contracting at the county level, is strength that must be actively broadened to remain durable.

A company town is still a company town, even when the company is the United States Navy.

City of Taft

Taft is the clearest example in the county of a community whose economic and fiscal health turns on a single industry. Median household income near $72,772 actually exceeds the countywide figure, a reminder that oilfield employment has long paid well—consistent with the county's $91,417 average oil and gas wage—and its EDD July 2026 unemployment rate of 6.0 percent is comparatively low. But the community's century-long boom-and-bust history reflects its dependence on petroleum. Taft College is the most important stabilizing employer and a genuine source of diversification, while the permanent closure of the federal Taft Correctional Institution in 2026 confirmed the loss of an employment base the community can no longer count on.

The fiscal picture, as the chapter documents, is stable but structurally dependent. The General Fund does not balance on its base revenues alone; it relies on roughly $2 million in Measure A sales-tax transfers, and the city declared a fiscal emergency in 2021 through Resolution No. 4096-21. Rising CalPERS, insurance, and workers' compensation costs press against a revenue base constrained by a smaller population and a maturing oil economy.

This is the community for which the countywide energy data is most directly illuminating, because it quantifies the employment and income the energy transition places at risk. The central question the chapter raises—whether western Kern faces an ordinary cyclical downturn or a structural transition—is fundamentally economic, and the local energy data maintained by EDD and the Assessor is where its answer will first become visible.

Taft has always known how to survive a bust. The harder question is how to survive a farewell.

City of Wasco

Wasco offers the assessment's most instructive gap between community economics and municipal finance. On the household side, the Census figures are those of a disadvantaged agricultural community: median household income near $51,727 and a poverty rate around 18.4 percent. The July unemployment figure reflects conditions during the peak agricultural season. Because agricultural employment is highly seasonal, unemployment rates in communities such as Wasco can fluctuate substantially from month to month and should not be interpreted as representative of year-round economic conditions. The economy is anchored in agriculture, food processing, transportation, and correctional employment at Wasco State Prison.

Yet, as the chapter demonstrates, Wasco is one of the strongest municipal organizations in the county. It holds roughly seventeen months of operating reserves, earned a clean audit and recognition from the Government Finance Officers Association and the California Society of Municipal Finance Officers, and was financially strong enough to stand up its own police department in 2024 while maintaining reserves far above policy. The phrase the chapter uses—a disadvantaged community but not a disadvantaged government—captures the point precisely. Prudent stewardship and the Measure X sales tax produced fiscal health that the underlying household economy would not, on its own, predict.

The risk to that position is external and largely agricultural. Implementation of the Sustainable Groundwater Management Act, commodity and labor conditions, and state correctional policy will shape Wasco's economic future more than any decision made at City Hall. EDD's industry data and CEER's agricultural indicators are the sources most likely to reveal early stress in that base.

City of Delano

Delano has the most diversified economy of the county's mid-size cities, and several of its Census figures sit closer to the county norm: median household income near $67,010 and a poverty rate around 16.0 percent. Its EDD July 2026 unemployment rate of 17.0 percent is the highest of the eleven cities, but that figure reflects both the seasonal farm peak and the two state prisons whose populations are counted in the city total; it should be read as a summer, place-of-residence figure rather than a year-round measure. Beyond corrections, Delano draws on agriculture, food and beverage manufacturing, healthcare—Adventist Health Delano employs roughly 546—logistics, and retail.

Two developments frame Delano's current economic health. The first is the Niagara Bottling plant, a capital investment reported at up to $160 million bringing roughly 120 jobs and an estimated $343,000 in annual tax revenue—a genuine diversification success that, as the chapter explains, also sits at the center of a groundwater-export dispute in a critically overdrafted subbasin. The second is the slow decline of the state prison population under decarceration, which gradually erodes a long-standing local employment base. Delano's fiscal condition is stable, supported by a diversified revenue base and strong financial reporting recognized by the Government Finance Officers Association, but its long-term health depends on replacing correctional employment with sustainable private investment.

The governing constraint, however, is water. Delano relies entirely on groundwater from a subbasin the state has designated as critically overdrafted, which bounds the community's economic future. The deeper question the chapter poses—whether residents can participate in the growth occurring around them—is one that workforce and educational data will ultimately answer.

You can export groundwater or you can bank it for the future. Delano is being asked to do both from the same aquifer.

City of Shafter

Shafter is the county's clearest example of economic transformation, and its figures reflect a community doing comparatively well: median household income near $71,215, roughly the county level, and an EDD July 2026 unemployment rate of 5.8 percent, the lowest in the assessment. The persistent poverty rate near 20.7 percent is a reminder that strong aggregate employment does not reach every household. The engine of the transformation is the Wonderful Logistics Center, a master-planned campus of roughly 1,700 acres with more than 17 million square feet in operation, hosting Amazon, Target, FedEx, Walmart, Ross, and GAF. As the chapter notes, Shafter is one of the few Central Valley cities where more workers commute in each day than commute out.

That success has made the city fiscally strong and, at the same time, concentrated. Sales tax has become the fiscal engine, generating roughly $11.6 million and supporting an operating surplus near $2.7 million on about $37.4 million in revenue. But the chapter is candid that this ties the General Fund closely to the logistics sector and to a single dominant master developer, The Wonderful Company, whose park generates the bulk of the city's tax activity and which ranks among the county's ten largest property taxpayers. The proposed one-percent sales-tax measure on the November 2026 ballot is, in part, an effort to broaden and stabilize that base.

For Shafter, the Kern EDC data is especially pertinent, since the city embodies the location, cost, and market-access advantages the county markets to logistics tenants, and the proposed Wonderful Logistics Center West expansion would extend that model further. The reconciliation of continued industrial growth with a critically overdrafted groundwater basin remains the principal long-term constraint on the community's economic trajectory.

Shafter traded its dependence on agriculture for dependence on a single developer. That is progress, but it is not yet independence.

City of Tehachapi

Tehachapi's economic health is a story of assembled strengths rather than any single dominant driver. Its Census figures are solid: median household income near $72,957, a poverty rate around 13.9 percent among the lower rates in the assessment, and the highest median home value of the mid-size cities at roughly $355,500, reflecting the community's appeal as a mountain residential destination. Its EDD July 2026 unemployment rate of 6.4 percent is low, though the labor-force figures are influenced by the California Correctional Institution, whose population the Census counts. The visible economy combines renewable energy, transportation, healthcare—Adventist Health Tehachapi Valley employs roughly 387—tourism, corrections, and retail.

One economic nuance deserves emphasis. As the chapter explains, the great majority of the wind and battery-storage facilities sit on unincorporated land, so the associated property tax accrues largely to Kern County rather than to the city. Tehachapi gains reputation, tourism, and a sense of place from the turbines, but comparatively little direct municipal revenue. What makes the city fiscally healthy is instead disciplined management: a five-year balanced budget recognized by the California Society of Municipal Finance Officers, and the notable ability to fund operations without a local add-on sales tax.

Because no single industry dominates, Tehachapi's economic health is best read through the breadth of its activity rather than any one sector, and its adjudicated groundwater basin gives it a more settled water framework than the valley communities. The transferable lesson the chapter draws—that a handful of individually modest strengths, well stewarded, can produce a resilient whole—is fundamentally an economic observation.

City of Bakersfield

As the county's economic center, Bakersfield anchors every countywide indicator. Its own figures are the strongest among the larger cities: median household income near $80,540, the highest median home value in the assessment at roughly $371,700, and an EDD July 2026 unemployment rate of 6.9 percent, below the county average. The poverty rate near 16.3 percent reflects the range of a large and varied population. The economy is genuinely diversified—healthcare, government, logistics, energy, agriculture, manufacturing, education, and professional services—which is the single most important source of its long-term stability.

That diversification does not make the city immune to fiscal pressure, and the most recent budget made the point. As the chapter documents, the fiscal year 2025-26 budget of just over $850 million was reduced by roughly $46.4 million, balanced through operating cuts and a hiring freeze amid minimal tax-revenue growth. Two structural features now shape Bakersfield's fiscal health above all others: a growing reliance on the voter-approved Measure N public-safety sales tax, which brings in roughly $97 million and has begun subsidizing general operations, and an unfunded pension liability estimated near $450 million.

Bakersfield is where the local data sources are richest and most necessary. The countywide EDD series—including the government and healthcare employment on which the metro economy increasingly rests—are most robust at this scale. The forces the chapter identifies as decisive—groundwater sustainability, housing affordability, workforce readiness, and the long energy transition—are all economic questions that these sources track in far greater detail than the Census, and they will determine whether the region's largest economy continues to serve as the county's stabilizing anchor.

When you are the ninth-largest city in California, your problems stop being local. Unfortunately, so do your obligations.

A Closing Observation

Read together, these profiles reinforce a theme that runs throughout the assessment. Economic strength and fiscal health are related but not identical. Wasco and Tehachapi convert modest economies into strong finances through stewardship; Ridgecrest and Shafter enjoy strong economies that nonetheless carry real concentration risk, now measurable in the county's declining defense employment and its dependence on a single logistics developer; Maricopa, Arvin, and McFarland face economic bases that constrain what their budgets can do. In every case, the local economy sets the conditions within which a city must provide services, and the distinctly Kern County sources cited here describe those conditions with a texture the national data cannot. They are offered as a starting point for the deeper economic analysis that a future Municipal Service Review may pursue.

Economic data describes the ground. Governance and stewardship determine what a community builds on it.

Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.kernlafco.org

DATE: September 16, 2026
TO: Kern Local Agency Formation Commission
FROM: Blair Knox, Executive Officer
SUBJECT: Consideration of Mia Arreola for Appointment as Alternate Public Member (Seventh Seat)

BACKGROUND

The Kern Local Agency Formation Commission includes a public member who serves as the seventh member of the Commission. The Commission appointed the current Public Member on June 17, 2026, but did not appoint an Alternate Public Member, leaving that seat vacant. The April 25, 2026 recruitment notice covered both the regular and alternate Public Member positions.

At its August 19, 2026 meeting, the Commission considered whether to proceed under the earlier notice or conduct a new recruitment. The Commission directed staff to return the matter for consideration at its September meeting under the notification requirements previously used by the Commission.

CANDIDATE

Mia Arreola has expressed an interest in serving as the Alternate Public Member. Her submitted résumé is included with the agenda materials.

Mia Arreola is a Bakersfield resident and a student at California State University, Bakersfield, pursuing a Bachelor of Science in Business Administration with an emphasis in finance. Her résumé identifies current service as a legislative intern in the Office of Assemblyman Stan Ellis and prior experience with the Bakersfield Downtown Business Association.

STATUTORY APPOINTMENT PROCESS

Under Government Code section 56325(d), the Public Member and the Alternate Public Member are appointed by the other members of the Commission — the County members, the City members, and the special district members. The appointment is subject to an affirmative vote that includes at least one member appointed by each of those appointing authorities.

Government Code section 56331 requires a public member and alternate public member to be residents of the county. It also provides that neither may be an officer or employee of the county or of any city or district having territory within the county. An alternate may serve and vote when the regular member is absent or disqualified and may serve temporarily if the regular position becomes vacant.

Government Code section 56334 establishes a four-year term for appointed commissioners. Because the Alternate Public Member position is presently vacant during an existing term, the person appointed would serve the remainder of that term.

NOTICE

Government Code section 56325(d) requires notice of the vacancy to be posted pursuant to Government Code section 56158, distributed to each local agency within the county, and made available for a minimum of 21 days before an appointment is made. The Commission followed those procedures during the recent recruitment, publishing notice on April 25, 2026, which covered both the regular and alternate Public Member positions. The Alternate seat has remained continuously vacant since. At its August 19, 2026 meeting, the Commission directed staff to bring the alternate appointment back for consideration this month under those previous notification requirements.

DISCUSSION

The matter before the Commission is whether to appoint Mia Arreola as the Alternate Public Member. Her application materials are provided for the members' independent review and consideration.

The Executive Officer has not evaluated the candidate or made a recommendation concerning the appointment. The public members of the Commission participate in the governance and oversight of LAFCo, including matters affecting the Executive Officer. It would therefore be inappropriate for the Executive Officer to recommend who should occupy a position with responsibility for directing or overseeing the Executive Officer.

RECOMMENDATION

Staff recommends that the Commission consider the application of Mia Arreola and take one of the following actions:

1. Adopt the attached resolution appointing Mia Arreola as the Alternate Public Member (Seat 7) for the remainder of the current term; or
2. Decline to make an appointment at this time and provide further direction to staff.

Staff takes no position on whether the appointment should be made.

BEFORE THE LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

In the Matter of:	**Resolution No. 26-XX**
LOCAL AGENCY FORMATION COMMISSION: 7TH ALTERNATE PUBLIC MEMBER SEAT APPOINTMENT	**Proceeding No. -** **Minute Book 73**

I, Blair Knox, Executive Officer, of the LOCAL AGENCY FORMATION COMMISSION, COUNTY OF KERN, STATE OF CALIFORNIA, hereby certify that the following resolution, proposed by Commissioner **XXXX**, seconded by Commissioner **XXXX,** was duly adopted by the Commission at an official meeting thereof held on the **16th day of September 2026**, by the following vote:

AYE: XXXX

NAYE: XXXX

ABSTAIN: XXXX

ABSENT: XXXX

____
Blair Knox, Executive Officer

- -

RESOLUTION MAKING DETERMINATION

- - - - - - - - - - - - - - - -

Whereas, the term of an Alternate Commissioner who resides as the 7th member and represents the general public;

Whereas, no public member alternate is currently seated for the 7th member;

Whereas, Government code § 56325 (d) provides for a 7th representative of the general public to be appointed by the Commission;

Whereas, Government code § 56325 (d) also provides that an alternate 7th member representative of the general public be appointed by the other members of the Commission;

Whereas, pursuant to Government code § 56325 (d), a notice was published on April 25, 2026;

Whereas, pursuant to Government code § 56325 (d) the appointment of the 7th seat public alternate public member shall be subject to the affirmative vote of at least one of the members appointed by each of the other appointing authorities.

Whereas, pursuant to Government code § 56331 No person appointed as a public member or alternate public member pursuant to this chapter shall be an officer or employee of the county or any city or district with territory in the county, provided, however, that any officer or employee serving on January 1, 1994, may complete the term for which he or she was appointed.

Whereas, Government code § 56334. Provides that each appointed representative will serve a four (4) year term;

Whereas, on said 16th day of September 2026 this Commission considered the applicants whom showed interest in the public member or alternate public member seats; and

Whereas, the Commission is fully advised in the premises; now therefore, be it

Resolved that the Local Agency Formation Commission, County of Kern, State of California, on behalf of its members, finds and determines as follows:

1. specific reference is hereby made to all the papers, documents, files and proceedings heretofore and now taken, had and filed in this matter with particular reference to Minute Item 9/16/26-X, as appears upon the official minutes of the proceedings of this Commission;

2. all of the proceedings heretofore and now taken and had in this matter have been

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and now are in all respects as required by law;

*3. The Commission appoints **XXXXXX** as the 7th alternate member representing the general public.*

4. pursuant to the authority granted by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, said public members are Commissioners of Kern LAFCo.

5. the Commission authorizes and directs the Executive Officer to file and record any and all documentation required by law in regards to this proceeding.

DRAFT

Alternate Appt.

AGENDA

Mia Arreola

Bakersfield, CA

(661) 599-6012 · miaearreola@gmail.com

PROFILE

Highly motivated business undergraduate student with excellent verbal communication and leadership qualities, who is dedication to public service.

EDUCATION

California State University, Bakersfield Bakersfield, CA

Bachelor of Science, Business Administration emphasis in Finance, 08/2025 – Present
Expected graduation 5/2028

EXPERIENCE

The Office of Assemblyman Stan Ellis Bakersfield, CA

Legislative Intern 01/2026 – Present

- Serve as a main point of contact for constituents and constituent services
- Assist in casework execution, serving as a liaison between constituents and various state agencies
- Research and address constituent comments and concerns
- Construct Certificates of Recognition, crafting language related to specific occasions

Bakersfield Downtown Business Association Bakersfield, CA

Intern 07/2024 – 07/2025

- Participated in and documented board meetings with enthusiasm and precision
- Delivered excellent customer service by handling cash and processed payments as check-in for events such as mixers, fundraisers, etc.
- Processed and input documentation with attention to accuracy
- Resolved guests inquiries and concerns professionally, improving satisfaction and retention

HONORS/ACTIVITIES

CSUB Helen Hawk Honors Program, member 08/2025 -– Present

CSUB Phi Sigma Sigma, Development Chair 09/2025 — Present