



## AGENDA ITEM 8A

**MEETING:** January 20, 2016  
**TO:** Humboldt LAFCo Commissioners  
**FROM:** George Williamson, Executive Officer  
**SUBJECT:** **Summary of Indianola Water Services Meeting**  
The Commission will receive a summary of a recent meeting organized by staff to address water services in the Indianola Area. This agenda item is for information only.

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### **BACKGROUND**

Local Agency Formation Commissions (LAFCo) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their service areas. This includes timing the establishment, expansion, and reorganization of local government and their services to meet current and future community needs. LAFCos inform their regulatory actions through various planning activities, namely preparing municipal service reviews and sphere of influence updates. LAFCos also have broad authority to conduct special studies with the goal of improving efficiency and reducing costs of providing local governmental services.

### **DISCUSSION**

Water service in the Indianola area has been a long-standing topic, and recent property owner inquiries have returned this matter to the forefront. In 2011, LAFCo coordinated with the County, City of Eureka, and Humboldt CSD to develop service delivery options as part of an Indianola Water Services Study. This special study identified preliminary infrastructure cost estimates to extend water services to four (4) Indianola "subareas". Since then, Humboldt CSD has expanded its sphere to include the greater Indianola area, the County is updating the Humboldt Bay Area Plan, and the City is updating their General Plan.

Staff organized a meeting with County, City and District representatives to further identify and address infrastructure, planning, and service-related needs. This meeting was held on November 24, 2015, and a meeting summary is attached.

### **RECOMMENDATION**

Staff recommends the Commission receive and file this report. The Commission is invited to discuss the item and provide direction to staff as needed.

### **Attachments**

Attachment A: Meeting Summary

**MEETING SUMMARY**  
**November 24, 2015**  
**2:00 p.m. – 3:30 p.m.**  
**Eureka City Hall – Room 207**

**Addressing Water Services in the Indianola Area**

**Meeting Participants:**

<u>City of Eureka</u>	<u>Humboldt County</u>	<u>Humboldt CSD</u>	<u>Humboldt LAFCo</u>
Rob Holmlund	Kevin Hamblin	David Hull	George Williamson
Brian Gerving	John Miller	Mickey Hulstrom	Colette Metz
Brian Issa			
Kristen Goetz			
Riley Topolewski			

**Meeting Outcomes:**

- Understanding of service delivery options identified in the 2011 Indianola Water Services Study
- Understanding of current agency planning efforts
- Understanding of recent service requests
- Consensus on next steps

**Meeting Summary:**

- Service delivery options identified in the 2011 Indianola Water Services Study:
  - George Williamson discussed the objectives of the 2011 Indianola Water Services Study and the need for additional coordination efforts.
- Current agency planning efforts:
  - David Hull discussed Humboldt CSD's efforts to update the District's 1985 SOI. He discussed the outreach efforts conducted as part of the District's SOI Recommendations Report, which was filed as part of an application to LAFCo. With regard to the Indianola area, the District's SOI was expanded based on the probable service needs of customers, with the understanding that the ultimate service provider (whether City or District) would be worked out. There was discussion about the need to consider the growth potential of this area as identified in the Freshwater Community Plan.
  - Rob Holmlund discussed the City's General Plan Update progress. George Williamson noted that LAFCo adopted a Municipal Service Review for the City of Eureka but held on the SOI to allow the city opportunity to review growth and boundary expansion options as part of the General Plan Update process.

- John Miller discussed how the county has a grant to update the Humboldt Bay Area Plan (HBAP), which is on a different timeline than the County's GPU. The HBAP is primarily focusing on sea level rise and coastal development permitting. There will also likely be general plan consistency revisions to the Freshwater Community Plan to update land use designations.
- Current service requests in Indianola:
  - Brian Issa reviewed the McFarland service request located within the city's current SOI and the Mobile Estates service inquiry, an existing small community water system, located outside the city's current SOI.
  - City noted they would like to avoid connections to the main line and indicated they have mapping of existing city hookups in the Indianola area.
  - City discussed the need for a fact sheet or clearinghouse approach for service requests, including distinguishing the differences in processing and review for properties within the Coastal Zone, and potential for interjurisdictional pre-application meeting when multiple agencies have approval authority.
- Longer term service delivery options:
  - Discussed HBAP and the challenge to extend services to the rural side of the urban-rural boundary. John Miller to determine whether policy changes for water service can be made to the HBAP.
  - Discussed the high cost of city annexation of the greater Indianola area with respect to the provision of the full range of services, including sewer and police.
  - Discussed the ability of Humboldt CSD to provide water-only service to the greater Indianola area by establishing an Assessment District similar to the Freshwater area.
- Next steps and follow-up tasks:
  - There was agreement on the City providing service to the Walker Point and Indianola Road area (identified as a potential annexation area in the City's Annexation Policy Paper) and the Humboldt CSD providing water service to the greater Indianola area, with the following next steps identified:
    1. City staff to draft a Letter of Intent to serve the Walker Point and Indianola Road area
    2. Humboldt CSD to prepare preliminary cost estimates for infrastructure and improvements
    3. Humboldt CSD to prepare Plan for Services for annexation and an Engineer's Report for formation of an assessment district
    4. County, City and District meet to develop a Memorandum of Understanding that defines mutually acceptable terms for the extension of planned services in the SOI prior to annexation approval by LAFCo.