



AGENDA ITEM 7A

MEETING: March 18, 2026
TO: Humboldt LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: **City of Trinidad Request for Authorization to Provide Water Service Outside City Boundary to APNs 515-321-002 and 515-321-013 (Mill Creek Lane and Quarry Road)**

The Commission will consider a request submitted by the City of Trinidad for approval to extend municipal water service outside the City's jurisdictional boundaries to two existing residential parcels located within the City's Sphere of Influence at 469 Mill Creek Lane (APN 515-321-002) and 295 Quarry Road (APN 515-321-013), pursuant to Government Code §56133.

Section 56133 of the California Government Code requires cities and special districts to request and receive written approval from LAFCo before entering into agreements to provide new or extended services outside their jurisdictional boundaries. State law has established annexation as the preferred mechanism for extending urban services. Outside agency services are considered exceptions, and pursuant to Humboldt LAFCo policy, are generally appropriate only when:

1. Sufficient service capacity exists;
2. Annexation is demonstrated to be infeasible or impractical; and
3. The proposal is consistent with the purposes and policies of the Cortese-Knox-Hertzberg Local Government Reorganization Act.

Furthermore, the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its Sphere of Influence (SOI) in anticipation of a later change of organization (annexation). Outside agency services may also be authorized outside an agency's SOI when necessary to respond to an existing or impending threat to the public health or safety of the residents of the affected territory, subject to the requirements of Government Code Section 56133.

BACKGROUND

LAFCo has received an application filed by the City of Trinidad requesting authorization to extend water services to 469 Mill Creek Lane (APN 515-321-002) and 295 Quarry Road (APN 515-321-013), which are located outside of the City's boundary but within its adopted SOI. Both parcels are currently developed with single-family residences, and no additional development is anticipated at this time.

In letters dated October 7, 2025 and December 30, 2025, the City expressed its willingness to provide water service to the subject properties subject to several conditions, including that the property owners apply to the City for annexation within one year and pay their fair share of the annexation processing costs, not to exceed \$5,000 per parcel (see Attachment A).

The City's determination to issue these letters was based on a Water System Analysis prepared by GHD in April 2024, which concluded that the minimum requirements of the City's water distribution system would continue to be met with the addition of the proposed service connections (see Attachment B).

DISCUSSION

Land Use Designations

The subject parcels are designated Residential Estates (RE2.5-5) under the Humboldt County General Plan, allowing 2.5 to 5 acres per residential unit. This designation is intended as a transition from urban development to rural lands and is commonly used in water-only service areas.

Zoning for the Mill Creek Lane parcel (APN 515-321-002) is currently Residential One-Family (R-1), and the Quarry Road parcel (APN 515-321-013) is split Residential One-Family, Manufactured Home (R-1-T) and Unclassified (U). Both parcels are located just outside of the Coastal Zone and therefore are not subject to the Trinidad Area Plan.

Provision of Services

The subject parcels are located within the City's mapped Water Service Area in Subarea B. An existing six-inch City water main is located along Mill Creek Lane, and several neighboring parcels are already connected to the City's system (see Attachment C). The proposed connections for both subject parcels would utilize this existing water main. The Mill Creek Lane parcel has direct frontage on the water main, while the Quarry Road parcel has a rear property boundary that abuts the Mill Creek Lane right-of-way, allowing connection to the same main.

The City's 2019 Water Demand Assessment concluded that sufficient water supply and treatment capacity exists to serve Subareas A and B at build-out. A 2024 engineering analysis prepared by GHD further concluded that adding the two proposed connections would not reduce system pressure below 30 pounds per square inch (psi) and would not increase production above historical peak August demand levels.

Existing Property Conditions

APN 515-321-002 (469 Mill Creek Lane):

The existing private well on the property is no longer adequate to reliably serve the residence. In addition, the property relies on a surface water diversion from Mill Creek that crosses an adjacent parcel without a formal easement and appears to be unpermitted. The system also utilizes above-ground water and electrical lines that do not meet current code standards. The current owner of the adjacent parcel where the water

line crosses has indicated they do not wish to provide a legal easement and would like the line removed.

A July 2023 inspection conducted by Fisch Drilling & Pump Inc. found the existing well to be in poor condition. Although the well is approximately 22.5 feet deep, only 6.5 feet of water was present at the time of inspection. Additionally, the well casing below the 12-foot zone was missing, leaving a large opening in the well. A gallons per minute test could not be conducted based on the condition of the well. Due to these conditions, a pump test could not be performed.

Given these limitations, connection to the City of Trinidad water system appears to be the most reliable long-term solution for the property. The proposed water connection would serve the existing 4-bedroom residence. The maximum water use expected for a 4-bedroom residence is 525 gallons per day (gpd), although the current estimated average demand is approximately 120 gpd. The property will continue to be served by an existing, permitted onsite wastewater treatment system.

APN 515-321-013 (295 Quarry Road):

The existing well on the property has been reported vulnerable of going dry under drought conditions and requires significant ongoing maintenance and operational costs. Maintenance and operation include regular service of the water softening systems, filters, UV disinfection systems, and pump operation and repair.

The proposed water connection would serve an existing 3-bedroom residence. Estimated maximum water demand for a 3-bedroom residence is 450 gallons per day (gpd), although current average demand is approximately 90 gpd. The property will continue to be served by an existing, permitted onsite wastewater treatment system.

ANALYSIS

The Commission has adopted policies and procedural guidelines that govern requests for service extensions pursuant to Government Code Section 56133. The Commission recognizes the importance of considering local conditions and circumstances when implementing these policies. The following policy considerations are particularly relevant to this proposal.

Sufficient service capacity

The City has provided documentation demonstrating that the requested service connections will not negatively impact the performance of the municipal water system. Specifically, the 2024 GHD engineering analysis determined that:

- Distribution system pressure will remain above the required minimum of 30 psi, and
- Additional water demand will not increase plant production above historical peak August demand.

Based on this documentation, staff finds that sufficient service capacity exists to support the requested service extension.

Annexation Feasibility

Both parcels are located within the City's adopted Sphere of Influence, which identifies areas appropriate for future annexation. Under LAFCo policy, annexation remains the preferred mechanism for extending urban services.

The application states that annexation is not being pursued at this time because the parcels are not contiguous to the City boundary and annexation of the surrounding neighborhood would require additional technical study, public outreach, and environmental review. Given the City has limited staff resources, the annexation process is anticipated to take time and funding to adequately evaluate.

However, the City has expressed a clear intent to pursue annexation in the near future. The City's will-serve letters require:

- Recording of an annexation consent agreement and waiver of protest.
- Property owners to apply for annexation within one year of LAFCo approval or prior to water service activation, whichever comes first. The City is committed to investigating the feasibility of annexation, including public outreach to determine interest in annexation, technical study to determine effect on water system from connecting entire annexation area and need for future improvements, and cost/benefit analysis. Additional studies may be required to complete pre-zoning, CEQA, and a Local Coastal Program (LCP) amendment.
- Payment of a fair-share contribution toward annexation costs not to exceed \$5,000 per parcel. If annexation does not proceed or an annexation application is not submitted to LAFCo within three years, the fees shall be refunded to the property owners, less any City costs incurred in evaluating annexation.

These measures demonstrate a commitment to eventual annexation and provide assurance that approval of the requested outside service will not circumvent the annexation process.

Consistency with the Cortese-Knox-Hertzberg Act

The CKH Act establishes policies intended to promote orderly development, efficient service delivery, and logical jurisdictional boundaries. The proposed service extension would:

- Provide reliable water service to existing residential development;
- Utilize existing infrastructure already located along Mill Creek Lane;
- Not facilitate additional development beyond existing residential uses; and
- Maintain the City's long-term annexation framework through recorded consent agreements and annexation commitments.

Staff finds that the proposal is consistent with the purposes and policies of the CKH Act.

Agency Comments

Upon receipt of the City's application, LAFCo staff provided a Notice of Filing (referral) to the County and other affected and interested agencies (see Attachment D).

A response was received from the Humboldt County Division of Environmental Health, Land Use Program, which indicated that if public water service is provided, the existing well on each parcel must be properly destroyed (see Attachment E). This would require obtaining a water well destruction permit, and the destruction must be completed by a licensed well driller. No additional comments were received.

Environmental Review

All discretionary actions must comply with the California Environmental Quality Act (CEQA). If there has been no environmental determination made by the applying agency, LAFCo will serve as the Lead Agency. In this capacity, staff has determined the proposed service extension is a project under CEQA, but qualifies for the following CEQA exemptions:

- CEQA Guidelines Section 15282(k) – statutory exemption for installation of new pipeline less than one mile in length.
- Section 15303(d) - Class 3 (New Construction or Conversion of Small Structures) – water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction
- 15304(f) - Class 4 (Minor Alterations to Land) – minor trenching and backfilling where the surface is restored.

RECOMMENDATION

Staff recommends that the Commission approve the requested extension of water services outside the City of Trinidad's boundary to APNs 515-321-002 and 515-321-013 (Option 1), subject to the following conditions:

- a. Prior to activation of water service, the City of Trinidad and the property owners of APNs 515-321-002 and 515-321-013 shall execute and record a Covenant and Agreement Regarding Water Service, in a form acceptable to the LAFCo Executive Officer, which shall run with the land and include the following provisions:
 - The owner(s) shall consent to annexation and waive their right to protest annexation in the future.
 - Water service shall be extended only to legally permitted structure(s) on the property.
 - Any extension or intensification of use, including but not limited to subdivision, redevelopment, or change of use, but not including one ADU, shall constitute a new request for service, subject to City approval and LAFCo review.

- Water use shall be subject to current and future Trinidad rate structures and the owner shall acknowledge that the property is potentially subject to tiered rate structures and additional service fees which may be imposed by the City in connection with future rate setting proceedings.
 - Water use shall be subject to current and future City policies and regulations and requirements and/or conditions of the Public Works Department related to water use.
 - Water services are provided for the benefit of the subject property only and shall not be sold, transferred, assigned, or otherwise separated from use on the property.
 - Water provided by the City shall not be used for commercial or income-producing purposes except for a "Home Occupation" permitted in accordance with applicable regulations.
 - This Covenant and Agreement shall automatically terminate at such time as the parcels are annexed to the City of Trinidad.
- b. The property owners shall pay all relevant connection fees and construction costs. All utility improvements required for connection to the City's water system shall be constructed in a manner acceptable to the City and/or County Public Works Departments, and in compliance with all applicable laws, regulations, and standards.
- c. Once public water service is provided, the existing wells on each parcel shall be properly destroyed in accordance with Humboldt County Division of Environmental Health requirements. The property owners shall obtain a water well destruction permit and destruction of the well must be completed by a licensed well driller.
- d. The property owners shall apply for annexation within one year of LAFCo approval or prior to water service activation, whichever occurs first. The City shall actively pursue annexation of the subject parcels and surrounding area, including necessary studies, outreach to affected property owners, environmental review, and preparation of required pre-zoning and planning documents. If annexation does not proceed or an annexation application has not been submitted to LAFCo within three years of the recording of the Covenant and Agreement Regarding Water Service, the City shall refund applicable annexation-related fees to the property owners, less any City costs incurred in evaluating or preparing the annexation proposal.
- e. All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.

ALTERNATIVES FOR COMMISSION ACTION

Staff have identified three options for Commission consideration with respect to the service extension request. These options are summarized below.

- Option 1 (Recommended): Adopt the draft resolution identified as Attachment F, approving the request with the recommended conditions along with any desired changes as requested by members.
- Option Two: Continue consideration of the item to the next regular meeting and provide direction to staff for additional information as needed.
- Option Three: Disapprove the proposal. Because this request is for authorization to extend services under Government Code Section 56133 and not a change of organization or reorganization, a denial would not statutorily prohibit the applicant from submitting a revised request in the future.

PROCEDURES FOR CONSIDERATION

The following procedures are recommended with respect to the Commission's consideration of this item:

- A. Receive verbal report from staff
- B. Invite public testimony
- C. Discuss item and consider action on recommendation:

"I move to adopt Resolution No. 26-04, authorizing the City of Trinidad to extend water services outside the City boundary to 469 Mill Creek Lane and 295 Quarry Road, pursuant to Government Codes Section 56133, as described in the staff report, subject to the recommended conditions."

Attachments:

- Attachment A: City of Trinidad Will Serve Letters
- Attachment B: GHD Water System Analysis (April 23, 2024)
- Attachment C: Water Service Area Figures
- Attachment D: LAFCo Notice of Filing (referral)
- Attachment E: Comment Letter from DHHS Land Use Program
- Attachment F: Draft Resolution 26-04



October 7, 2025

Re: Water Will Serve Letter for the Pierce Outside Agency Service Request, 469 Mill Creek Lane, APN: 515-321-002

To whom it may concern,

The owners of 469 Mill Creek Lane (APN: 515-321-002) have applied to the City for a water service connection and must also apply to the Humboldt County Local Agency Formation Commission (LAFCo) for an Outside Agency Service Request. The property to be served is located within the City's Sphere of Influence and within Subarea B of the City's Water Service Area. The City adopted Administrative Water Connection Policies and Criteria for Evaluating Connection Requests Outside City Limits in May 2023. Under those policies, Subarea B is a priority area, and the request meets the City's criteria for approval.

The water connection will serve an existing 4-bedroom residence with an inadequate onsite well and a substandard withdrawal from Mill Creek across an adjacent private property. The maximum water use expected for a 4-bedroom residence is 525 gallons per day (gpd), but the estimated actual current average water use is approximately 120 gpd. The property is served by an existing, permitted Onsite Wastewater Treatment System.

The City evaluated water demand and build-out potential within the City and the Water Service Area in 2019. The Water Demand Assessment found that the City has enough excess water supply and treatment capacity to serve Subareas A and B of the Water Service Area even after full build-out. There is an existing six-inch City water line along Mill Creek Lane, and several adjacent properties are already connected to the City's water system. In 2024, the City Engineer evaluated the connection's impact on the City's water system and found that the minimum requirements of Trinidad's water distribution system will still be met with the proposed connection and recommended approval of the water service request based on negligible effects to the distribution system.

The City of Trinidad will provide water service to the above-referenced parcel subject to the following conditions in accordance with the City's Water Connection Policies and LAFCo requirements:

- a. The owner shall receive approval from LAFCo for an Outside Agency Service Request.
- b. The owner shall apply to the City for annexation within one year and shall cooperate with the City in processing an annexation application to LAFCo. The owner shall pay

their fair share of the annexation process, not to exceed \$5,000. The City may choose to pursue annexation at some time in the future if annexation is deemed to be infeasible at this time.

- c. The owner shall pay all relevant connection fees (\$7,500 for a ¾-inch residential connection) and construction costs.
- d. All utility improvements required for connection to the City's water system shall be constructed in a manner acceptable to the City and/or County Public Works Departments, and in compliance with all applicable laws, regulations, and standards.
- e. The owner will sign and record an agreement that will run with the land and include the following provisions:
 - The owner shall consent to annexation and waive their right to protest annexation in the future.
 - Water service shall be extended only to legally permitted structure(s) on the property.
 - Any extension or intensification of use, including but not limited to subdivision, redevelopment, or change of use, but not including one ADU, shall constitute a new request for service, subject to City approval and LAFCo review.
 - Water use shall be subject to current and future Trinidad rate structures and the owner shall acknowledge that the property is potentially subject to tiered rate structures and additional service fees which may be imposed by the City in connection with future rate setting proceedings.
 - Water use shall be subject to current and future City policies and regulations and requirements and/or conditions of the Public Works Department related to water use.
 - Water services are provided for the benefit of the subject property only and shall not be sold, transferred, assigned, or otherwise separated from use on the property.
 - Water provided by the City shall not be used for commercial or income-producing purposes except for a "Home Occupation" permitted in accordance with applicable regulations.

I can be reached at 707-572-8323 or tparker@shn-engr.com if you have any questions or need further information.

Sincerely,



Trever Parker, City Planner



December 30, 2025

Re: Water Will Serve Letter for the Cavanagh Outside Agency Service Request, 295 Quarry Road, APN: 515-321-013

To whom it may concern,

The owners of 295 Quarry Road (APN: 515-321-013) have applied to the City for a water service connection and must also apply to the Humboldt County Local Agency Formation Commission (LAFCo) for an Outside Agency Service Request. The property to be served is located within the City's Sphere of Influence and within Subarea B of the City's Water Service Area. The City adopted Administrative Water Connection Policies and Criteria for Evaluating Connection Requests Outside City Limits in May 2023. Under those policies, Subarea B is a priority area, and the request meets the City's criteria for approval.

The water connection will serve an existing 3-bedroom residence. The existing well is subject to significant costs for maintenance and operation and is at-risk during droughts. The maximum water use expected for a 3-bedroom residence is 450 gallons per day (gpd), but the estimated actual current average water use is approximately 90 gpd. The property is served by an existing Onsite Wastewater Treatment System.

The City evaluated water demand and build-out potential within the City and the Water Service Area in 2019. The Water Demand Assessment found that the City has enough excess water supply and treatment capacity to serve Subareas A and B of the Water Service Area even after full build-out. There is an existing six-inch City water line along Mill Creek Lane, and several adjacent properties are already connected to the City's water system. In 2024, the City Engineer evaluated the connection's impact on the City's water system and found that the minimum requirements of Trinidad's water distribution system will still be met with the proposed connection and recommended approval of the water service request based on negligible effects to the distribution system.

The City of Trinidad will provide water service to the above-referenced parcel subject to the following conditions in accordance with the City's Water Connection Policies and LAFCo requirements:

- a. The owner shall receive approval from LAFCo for an Outside Agency Service Request.
- b. The owner shall apply to the City for annexation within one year and shall cooperate with the City in processing an annexation application to LAFCo. The owner shall pay

their fair share of the annexation process, not to exceed \$5,000. The City may choose to pursue annexation at some time in the future if annexation is deemed to be infeasible at this time.

- c. The owner shall pay all relevant connection fees (\$7,500 for a ¾-inch residential connection) and construction costs.
- d. All utility improvements required for connection to the City's water system shall be constructed in a manner acceptable to the City and/or County Public Works Departments, and in compliance with all applicable laws, regulations, and standards.
- e. The owner will sign and record an agreement that will run with the land and include the following provisions:
 - The owner shall consent to annexation and waive their right to protest annexation in the future.
 - Water service shall be extended only to legally permitted structure(s) on the property.
 - Any extension or intensification of use, including but not limited to subdivision, redevelopment, or change of use, but not including one ADU, shall constitute a new request for service, subject to City approval and LAFCo review.
 - Water use shall be subject to current and future Trinidad rate structures and the owner shall acknowledge that the property is potentially subject to tiered rate structures and additional service fees which may be imposed by the City in connection with future rate setting proceedings.
 - Water use shall be subject to current and future City policies and regulations and requirements and/or conditions of the Public Works Department related to water use.
 - Water services are provided for the benefit of the subject property only and shall not be sold, transferred, assigned, or otherwise separated from use on the property.
 - Water provided by the City shall not be used for commercial or income-producing purposes except for a "Home Occupation" permitted in accordance with applicable regulations.

I can be reached at 707-572-8323 or tparker@shn-engr.com if you have any questions or need further information.

Sincerely,



Trever Parker, City Planner



Technical Memorandum

April 23, 2024

To	Eli Naffah	Contact No.	206-802-2064
Copy to	Patrick Sullivan	Email	alexander.garabedian@ghd.com
From	Alex Garabedian	Project No.	11194120
Project Name	Trinidad Engineering Services		
Subject	Trinidad Water System Analysis – 2 Proposed Service Connections		

1. Introduction

The City of Trinidad has two new water service connection requests to their water distribution system. One connection would be on Mill Creek Rd and the other connection would be on Quarry Rd. As a part of the approval process for these water service requests, GHD performed an analysis to determine if minimum requirements of Trinidad’s water distribution system could still be met with two proposed service connections.

1.1 Purpose of this Memorandum

To evaluate the impact of the new two proposed connections, the projected changes in system pressure at all junctions were evaluated. The system pressure must be maintained at a minimum of 30 psi for all service connections. In addition, the peak demand of these two new connections must not increase the total system demand above the daily production of the water treatment plant. Demand is highest in August based on historical plant production, so the additional demand of the two proposed connections must be below the historical August plant production of 138,600 gpd as shown by Figure 6 of the Water Treatment Plant Production Rate Test and Analysis Memorandum (GHD, 2019).

1.2 Scope and limitations

This technical memorandum has been prepared by GHD for City of Trinidad. It is not prepared as, and is not represented to be, a deliverable suitable for reliance by any person for any purpose. It is not intended for circulation or incorporation into other documents. The matters discussed in this memorandum are limited to those specifically detailed in the memorandum and are subject to any limitations or assumptions specially set out.

2. Evaluation Approach

The analysis was conducted using the existing model of the City’s water distribution system in Bentley WaterCAD. The first analysis is based on a peak daily demand of 1.4 gpm per service connection, making the total additional demand of 2.8 gpm. Peak daily demand was calculated by taking the peak average daily demand for the entire system in a given month, dividing it by 323 service connections, and applying a peaking factor 5. The second analysis is based on a calculated additional demand of 3.4 gpm for the two proposed connections. This demand was calculated based on SNH’s septic design flow of 525 gpm (4-bedroom house) and 450 gpm (3-bedroom house).

This Technical Memorandum is provided as an interim output under our agreement with City of Trinidad. It is provided to foster discussion in relation to technical matters associated with the project and should not be relied upon in any way.

3. Results

The first analysis shows that the total additional demand of 2.8 gpm of the two proposed connections do not decrease the system pressure at any service connection below 30 psi. The junction at the two storage tanks remained at 8 psi for the existing and proposed condition, but there is no service connection at this junction. In addition, the total system demand with the two additional connections stayed below the historical August plant production. The second analysis shows that the total additional demand of 3.4 gpm for the two proposed connections also do not decrease the system pressure at any service connection below 30 psi. Like the first analysis, the total system demand remained well below the historical August plant production rate. Table 1 shows the pressure at the junctions on Mill Creek Rd in the existing condition and the proposed condition with the two new service connections.

Table 1. System Pressure by Junction on Mill Creek Rd

Junction ID	Baseline Condition System Pressure (psi)	Proposed Condition System Pressure (psi)	
		Total Additional Demand = 2.8 gpm	Total Additional Demand = 3.4 gpm
J-12	40	40	40
J-13	35	35	35
J-21	31	31	31

4. Conclusion

The results of this analysis show that the minimum requirements of Trinidad’s water distribution system will still be met with the two proposed service connections. Unless there are other exceptions, GHD recommends approval of these two water service requests based on negligible effects to the water distribution system.

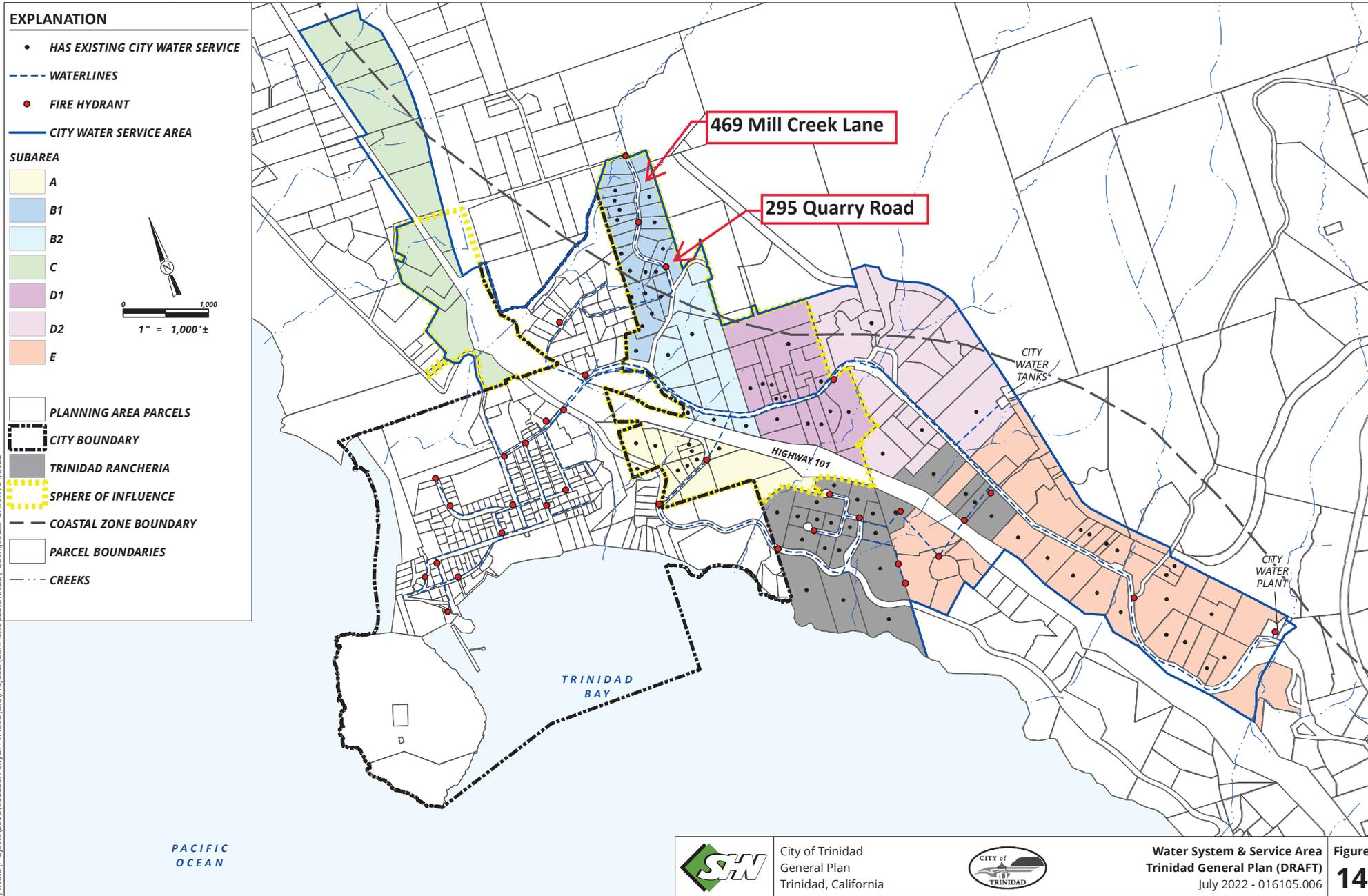
Accessibility of documents

If this Technical Memorandum is required to be accessible in any other format this can be provided by GHD upon request and at an additional cost if necessary.

Regards

Alex Garabedian
Water Resource Engineer

This Technical Memorandum is provided as an interim output under our agreement with City of Trinidad. It is provided to foster discussion in relation to technical matters associated with the project and should not be relied upon in any way.



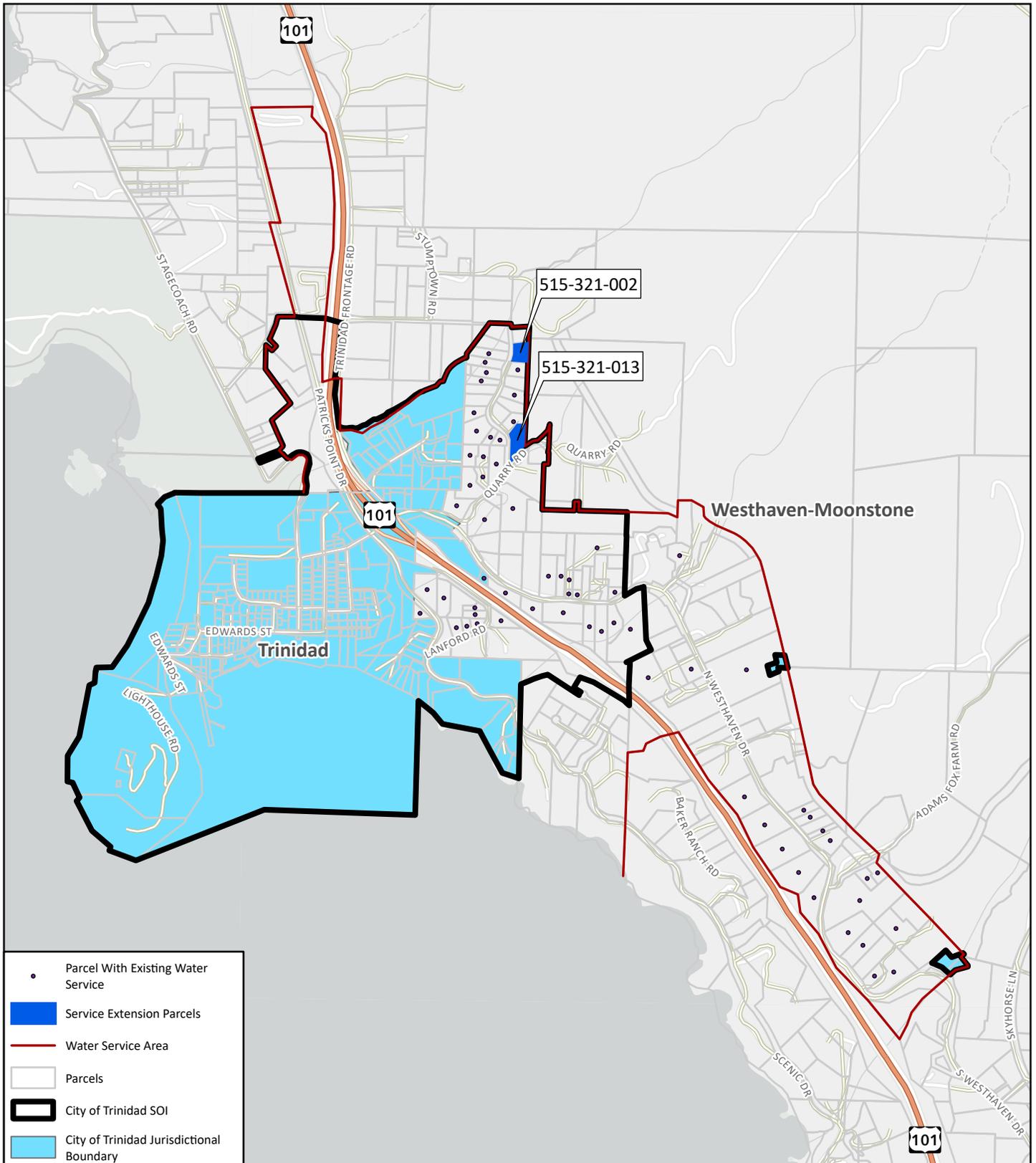
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City of Trinidad
General Plan
Trinidad, California



Water System & Service Area
Trinidad General Plan (DRAFT)
July 2022 - 016105.006



- Parcel With Existing Water Service
- Service Extension Parcels
- Water Service Area
- Parcels
- City of Trinidad SOI
- City of Trinidad Jurisdictional Boundary



City of Trinidad Out of Agency Service Extension

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community
 Cities: Humboldt LAFCo,
 Water Service: City of Trinidad,
 Parcels, Roads: Humboldt County Open GIS

2/13/2026



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Coordinate System: NAD 1983 UTM Zone 10N



NOTICE OF FILING

DATE: February 13, 2026

TO: Humboldt County Service Area No. 4
CAL FIRE – Humboldt Del Norte Unit
Westhaven Volunteer Fire Department
Trinidad Union Elementary School
Northern Humboldt Union High School District
Redwoods Community College
Westhaven Community Services District
Trinidad Rancheria
Humboldt Bay Municipal Water District
Humboldt Bay Harbor, Recreation, and Conservation District
Humboldt County Flood Control District (Zone 05)
Humboldt County Roads (District No. 05)
Humboldt County Resource Conservation District
Humboldt County Office of Education
Humboldt County Administrative Office
Humboldt County Assessor's Office
Humboldt County Auditor-Controller's Office
Humboldt County Sheriff's Office
Humboldt County Elections Office
Humboldt County Environmental Health
Humboldt County Office of Emergency Services
Humboldt County Planning and Building Department
Humboldt County Public Works Department

Cc: Trever Parker, Trinidad City Planner
Gabe Adams, Trinidad City Clerk

FROM: Colette Santsche, LAFCo Executive Officer
Krystle Brogna, LAFCo Clerk/Analyst

SUBJECT: APPLICATION RECEIVED – CITY OF TRINIDAD MILL CREEK AND QUARRY ROAD OUT OF AGENCY SERVICE EXTENSION

APPLICATION INFORMATION

Project: Mill Creek Lane and Quarry Road – Out of Agency Service Extension (Water)
Applicant: City of Trinidad
Location: Mill Creek Lane and Quarry Road (See Exhibit A)
APNs: 515-321-002 and 515-321-013
Comment Deadline: March 2, 2026.

Proposal Overview

The Humboldt Local Agency Formation Commission (LAFCo) has received an application from the City of Trinidad requesting approval to extend municipal water service to two (2) parcels located outside the City's incorporated boundary and within its adopted Sphere of Influence (SOI).

This request is processed pursuant to Government Code §56133, which requires LAFCo approval before a city may provide new or extended services outside its jurisdictional boundaries. State law has established annexation as the preferred mechanism for extending urban services. Out-of-Agency Services are considered exceptions and are generally appropriate only when:

1. Sufficient Service capacity exists;
2. Annexation is demonstrated to be infeasible or impractical;
3. Consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act

Furthermore, the Commission may authorize a city to provide new or extended services outside its jurisdictional boundaries but within its SOI in anticipation of a later change of organization (annexation), or outside its SOI to respond to an existing or impending threat to the public health or safety of the residents of the affected territory, under specified circumstances.

The City of Trinidad proposes to extend municipal water service to two existing single-family residential parcels located within Subarea B of the City's Water Service Area and within the adopted SOI. An existing six-inch City water main is located along Mill Creek Lane. Several neighboring parcels are already connected to the City's system. The City's 2019 Water Demand Assessment concluded that sufficient water supply and treatment capacity exists to serve Subareas A and B at build-out. A 2024 engineering analysis (GHD) concluded that adding these two connections would not reduce system pressure below 30 psi nor exceed historical peak production rates.

Wastewater service will continue to be provided by existing onsite wastewater treatment systems. No subdivision or change in land use designation is proposed.

Reasons for Proposal

- APN 515-321-002 (469 Mill Creek Lane):

The existing private well on the property is no longer adequate to serve the residential unit and their withdrawal from Mill Creek crosses an adjacent property without a formal easement, appears to be unpermitted, and utilizes above-ground water and electrical lines that are not up to current code. The proposed water connection would serve the existing 4-bedroom residence. The maximum water use expected for a 4-bedroom residence is 525 gallons per day (gpd), but the estimated actual current average water use is approximately 120 gpd. The property is served by an existing, permitted Onsite Wastewater Treatment System.

- APN 515-321-013 (295 Quarry Road):

The existing well on the property is at risk of going dry under drought conditions and is subject to significant costs from maintenance and operation. The water connection will serve an existing 3-bedroom residence. The maximum water use expected for a 3-bedroom residence is 450 gallons per day (gpd), but the estimated actual current average water use is approximately 90 gpd. The property is served by an existing Onsite Wastewater Treatment System.

Annexation Considerations

Both parcels are located within the City's adopted Sphere of Influence, which identifies areas appropriate for future annexation. The application states that annexation is not being pursued at this time because the parcels are not contiguous to the City boundary and annexation of the surrounding neighborhood would require additional study and outreach.

The City's will-serve letters require:

- Property owners to apply for annexation within one year of LAFCo approval or prior to service activation;
- Recording of a consent to annexation and waiver of protest;
- A not-to-exceed \$5,000 fair-share contribution toward annexation costs.

Provision of Services

The City Engineer has determined that additional demand of approximately 2.8 to 3.4 gallons per minute (gpm) of water will be required to serve the additional connections. Based on an abbreviated water demand analysis, the City has determined that the additional demand will not reduce system pressure below 30 pounds per square inch (psi) nor will they increase peak demand above the historical peak August production rate. Connection fees and construction costs will be borne by the applicants. Water use will be subject to City rate structures, including applicable surcharges for properties outside city limits.

Land Use Designations

Since the properties are located outside of the City's boundary, and just outside the Coastal Zone, the parcels in question are subject to the Humboldt County General Plan. The current land use designation for both parcels is RE2.5-5 (Residential Estate with 2.5 to 5 acres per residential unit). This designation is intended as a transition from urban development to rural lands and is commonly used in water-only service areas.

Requested Conditions

As included in the City's Water Will Serve Letter, and consistent with LAFCo policy, the OASA will be conditioned upon the owners signing and recording an agreement that will run with the land and include the following provisions:

- The owner(s) shall consent to annexation and waive their right to protest annexation in the future.
- Water service shall be extended only to legally permitted structure(s) on the property.
- Any extension or intensification of use, including but not limited to subdivision, redevelopment, or change of use, but not including one ADU, shall constitute a new request for service, subject to City approval and LAFCo review.
- Water use shall be subject to current and future Trinidad rate structures and the owner shall acknowledge that the property is potentially subject to tiered rate structures and additional service fees which may be imposed by the City in connection with future rate setting proceedings.
- Water use shall be subject to current and future City policies and regulations and requirements and/or conditions of the Public Works Department related to water use.
- Water services are provided for the benefit of the subject property only and shall not be sold, transferred, assigned, or otherwise separated from use on the property.

- Water provided by the City shall not be used for commercial or income-producing purposes except for a "Home Occupation" permitted in accordance with applicable regulations.

In addition, the owners will be required to apply for annexation within one year of the LAFCo approval or prior to the water service activation, whichever comes first. The City is committed to investigating the feasibility of annexation, including public outreach to determine interest in annexation, technical study to determine effect on water system from connecting entire annexation area and need for future improvements, and cost/benefit analysis. Additional studies may be required to complete pre-zoning, CEQA, and LCP amendment, so the timeline is unknown. If the City decides not to pursue annexation after three years and/or has not submitted an application to LAFCo for annexation of the subject properties within three years, the fee, minus City costs to-date, shall be refunded.

Environmental Review

All matters that involve discretionary action are subject to the applicable provisions of the California Environmental Quality Act (CEQA). The proposed extension of services is considered statutorily exempt from CEQA pursuant to Guidelines Section 15282(k) which includes the installation of new pipeline less than one mile in length. The proposed extension of services is also considered categorically exempt from CEQA pursuant to: Guidelines Section 15303(d) Class 3, New Construction or Conversion of Small Structures - water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction; and 15304(f) Class 4, Minor Alterations to Land – minor trenching and backfilling where the surface is restored.

The application described above is currently pending review by LAFCo and is anticipated to be presented for consideration at the March 18, 2026, LAFCo meeting. Please review and provide any comments by March 2, 2026.

If you have any questions, please contact LAFCo at (707) 445-7508 or via email at colette@humboldtlaftco.org.

Exhibit A: Out of Agency Services Extension Application Packet



January 30, 2026

Colette Santsche, Executive Officer
Humboldt County LAFCo
670 9th Street, Suite 202
Arcata, CA 95521
colette@humboldtlafo.org

Re: Pierce-Cavanagh Outside Agency Service Requests

Dear Colette,

This letter is intended to introduce and supplement the attached Outside Agency Service Request application for two water connections outside City limits at 469 Mill Creek Lane (Pierce) and 295 Quarry Road (Cavanagh). The connections are within the City's Sphere of Influence where water service is already provided to neighboring properties. As you know, the City has been working on processing these applications for some time. The Pierces submitted their application on November 21, 2023, and the Cavanaghs submitted theirs on April 5, 2024. But the City's water service planning efforts go back even further.

The City produced a number of reports related to its water system, including capacity and build-out demand, in 2018 and 2019 in response to a request for a large amount of water for a hotel planned by the Trinidad Rancheria. In addition, there was an uptick in requests for City water from outside the City within the City's service area, particularly during the prolonged drought of 2011-2017. Once the City had a better understanding of its water capacity and limitations, we embarked on several water planning efforts. One was to develop a water shortage contingency plan. Another was to develop policies for acting on water requests from outside City limits, which are included as an attachment to the application. LAFCo also updated Trinidad's Municipal Services Review and Sphere of Influence in 2021. With all this new and updated information, there has been some renewed interest in obtaining City water from those outside City limits because of a clearer path forward. There has also been some interest on the part of the City in the possibility of annexation, which has been discussed as part of a general plan update.

The City met with LAFCo staff regarding these applications for water service on several occasions. Based on initial direction from LAFCo staff, the City started to look at the annexation process steps and feasibility. However, in such a small City, staff resources are limited, so a process as complex and important as annexation moves slowly. In time, there was justified resistance from the applicants in paying or waiting for the City to study the

feasibility of annexation. After additional consultation with LAFCo staff and the applicants, there was general agreement to move forward with an application for Outside Agency Service Requests rather than annexation at this time, with the understanding that the City would continue to pursue annexation and research the feasibility of it. The City worked out a step-by-step process with the applicants to ensure future certainty and accountability. The details are provided in the attached Pierce/Cavanagh Water Connection Application Process Acknowledgement.

The existing system at 469 Mill Creek Lane presents a clear public health and safety concern. The onsite well is documented to no longer be adequate, and the withdrawal from Mill Creek crosses an adjacent property without a formal easement, appears to be unpermitted, and utilizes above-ground water and electrical lines that are not to code. The property owners have consulted with various professionals to look at the feasibility of developing an alternative water supply, and although it may be possible, none were deemed feasible due to costs, maintenance, and production uncertainty. Although the existing well at 295 Quarry Road is still functioning, it is at risk of going dry during droughts, and it is expensive to maintain. Because both systems are in the same neighborhood that is already served by City water lines, and the City has adequate capacity, it makes sense to process these applications together and consider annexation of the entire area.

Attachments:

- LAFCo Outside Agency Service Request Application (one application for both requests)
 - a. Application to the City for a water connection for each property.
 - b. Parcel location and City water system map.
 - c. Memo from GHD, the City's Engineer, analyzing the impact of the two connections on the City's water system.
 - d. Will-serve letters from the City for both applicants.
 - e. Pierce/Cavanagh Water Connection Application Process Acknowledgement
 - f. City of Trinidad Administrative Water Connection Policies and Criteria for Evaluating Connection Requests Outside City Limits

Please reach out to me if you need additional information for processing the application. I can be reached at 707-572-8323 or tparker@shn-engr.com if you have any questions.

Sincerely,



Trever Parker, City Planner



**APPLICATION FORM
 FOR CITIES AND DISTRICTS TO PROVIDE SERVICES
 OUTSIDE AGENCY BOUNDARIES**

1. GENERAL INFORMATION

A. Applicant (City or District):

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B. Applicant Contact

<i>Name</i>	
<i>Address</i>	
<i>Telephone</i>	
<i>E-mail</i>	

C. Property Owner (1)

<i>Name</i>	
<i>Address</i>	
<i>Telephone</i>	
<i>E-mail</i>	

D. Property Owner (2)

<i>Name</i>	
<i>Address</i>	
<i>Telephone</i>	
<i>E-mail</i>	

E. Affected Property Address/Location:

--

F. Assessor's Parcel Number(s):

G. Type of Service(s) to be Provided:

2. JUSTIFICATION

A. Is the reason for application a public health or safety threat to residents (e.g., a failing septic system or contaminated water supply)?

YES NO

If yes, please attach documentation and state problem:

If no, what is the reason for application?

B. Is the affected property to be served within the applicant city or district's sphere of influence?

YES NO

C. Explain why a jurisdictional change (e.g., annexation) is not being considered at this time as an alternative to providing services outside the agency's boundaries.

D. Is annexation of the affected property anticipated in the future?

YES NO

If yes, please describe the city or district's plans and timelines, or provide other relevant information:

3. LAND USES AND SERVICES

A. What is the existing use of the site?

B. Is a change in use proposed? If yes, please provide a description of the change.

C. Is development proposed?

YES NO

If yes, please provide a description of the project and indicate whether discretionary approvals (e.g., use permit, subdivision lot line adjustment) are required. Provide any supporting development documentation.

D. Describe the physical on and off site improvements needed to extend services to the subject property. Please be specific about the location of existing facilities and the location and extent of the proposed connections.

E. Indicate any improvement costs and connection fees the city or district may charge, and method of financing, if applicable.

F. Please list any desired conditions, restrictions or terms to be added to the LAFCo approval.

4. INDEMNIFICATION

As part of this application, the Applicant agrees to indemnify, hold harmless and reimburse LAFCo for all reasonable expenses and attorney fees in connection with the defense of LAFCo and for any damages, penalties, fines or other costs imposed upon or incurred by LAFCo should LAFCo be named as a party in any litigation or administrative proceeding in connection with his/her/its application. This obligation includes the obligation to reimburse LAFCo, its officers, employees and agents for any court costs, or attorney fees, which LAFCo, its officers, employees or agents are required by a court to pay, as a result of such claim, action or proceeding. LAFCo agrees to notify the Applicant of any such claim, action or proceeding promptly after LAFCo becomes aware that such action has been taken. LAFCo agrees to cooperate in the defense provided by the Applicant. Additionally, LAFCo may participate in the defense of the

claim, action or proceeding at LAFCo's expense, but such participation will not relieve the Applicant of Applicant's defense and indemnification obligations. However, if Applicant defends LAFCo with a reservation of rights or with any conditions other than an unqualified and full agreement to defend and indemnify, at the sole discretion of LAFCo, Applicant will also pay reasonable attorney's fees and expenses for separate counsel, selected by LAFCo, for LAFCo's participation in the defense.

A handwritten signature in blue ink, appearing to be "G. AP" followed by a stylized flourish.

Signature

Title

Date

Mill Creek Lane and Quarry Rd- Out of Agency Service Extension (Water)

From Molofsky, Adam <AMolofsky@co.humboldt.ca.us>
Date Mon 2/23/2026 2:58 PM
To colette@humboldtlafo.org <colette@humboldtlafo.org>

Colette,

The Division of Environmental Health has the following comment for this project including APN 515-321-002 and 515-321-013 “Once public water is provided, the existing well on each parcel must be destroyed by obtaining a water well destruction permit and destruction of the well must be completed by a licensed well driller.” Let me know if you have any questions.

Adam Molofsky, REHS
Environmental Health Specialist II
Land Use Program
DHHS Public Health, Division of Environmental Health
100 H St. Suite 100, Eureka, CA 95501
(707) 496-2764

RESOLUTION NO. 26-04

**AUTHORIZING THE CITY OF TRINIDAD TO PROVIDE
WATER SERVICES OUTSIDE THE CITY BOUNDARY TO
469 MILL CREEK LANE (APN 515-321-002)
AND 295 QUARRY ROAD (APN 515-321-013)**

WHEREAS, the Humboldt Local Agency Formation Commission (hereinafter referred to as "Commission") is responsible for authorizing cities and special districts to provide new or extended services by contract or agreement outside their jurisdictional boundaries pursuant to California Government Code Section 56133; and

WHEREAS, the Commission received an application from the City of Trinidad requesting authorization to extend water services outside its jurisdictional boundary to 469 Mill Creek Lane (APN 515-321-002) and 295 Quarry Road (APN 515-321-013); and

WHEREAS, the subject properties are located within the City of Trinidad's adopted Sphere of Influence; and

WHEREAS, the property owners have requested a connection to the City of Trinidad water system to serve existing single-family residences, including addressing limitations associated with the existing private water supply system at 469 Mill Creek Lane and increasing operational and maintenance costs associated with the existing private well at 295 Quarry Road; and

WHEREAS, an existing municipal water main is located along the Mill Creek Lane, which is capable of serving the subject properties; and

WHEREAS, the Commission reviewed and considered the Executive Officer's report and recommendation; and

WHEREAS, the Commission heard and fully considered all the evidence presented on the proposed services extension at a public meeting held on March 18, 2026.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission, as Lead Agency, finds that the proposed service extension is statutorily exempt from further review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15282(k), which includes the installation of new pipeline less than one mile in length. The proposed extension of services is also considered categorically pursuant to CEQA Guidelines Section 15303(d) Class 3, New Construction or Conversion of Small Structures - water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction; and 15304(f) Class 4, Minor Alterations to Land – minor trenching and backfilling where the surface is restored.

2. The Commission has considered the factors relevant to the authorization of outside agency services pursuant to Government Code Section 56133, including the location of the subject parcels within the City of Trinidad's adopted Sphere of Influence, the availability of adequate water system capacity and infrastructure to serve the properties, the City's commitment to pursue annexation of the area in the future, and the consistency of the proposed service extension with the purposes and policies of the Cortese-Knox-Hertzberg Local Government Reorganization Act and Humboldt LAFCo's adopted policies regarding outside agency service agreements, as described in the Executive Officer's report.
3. The Commission hereby authorizes the City of Trinidad to provide water services outside its jurisdictional boundary to APN 515-321-002 and APN 515-321-013, subject to the conditions set forth below.
 - a. Prior to activation of water service, the City of Trinidad and the property owners of APNs 515-321-002 and 515-321-013 shall execute and record a Covenant and Agreement Regarding Water Service, in a form acceptable to the LAFCo Executive Officer, which shall run with the land and include the following provisions:
 - The owner(s) shall consent to annexation and waive their right to protest annexation in the future.
 - Water service shall be extended only to legally permitted structure(s) on the property.
 - Any extension or intensification of use, including but not limited to subdivision, redevelopment, or change of use, but not including one ADU, shall constitute a new request for service, subject to City approval and LAFCo review.
 - Water use shall be subject to current and future Trinidad rate structures and the owner shall acknowledge that the property is potentially subject to tiered rate structures and additional service fees which may be imposed by the City in connection with future rate setting proceedings.
 - Water use shall be subject to current and future City policies and regulations and requirements and/or conditions of the Public Works Department related to water use.
 - Water services are provided for the benefit of the subject property only and shall not be sold, transferred, assigned, or otherwise separated from use on the property.
 - Water provided by the City shall not be used for commercial or income-producing purposes except for a "Home Occupation" permitted in accordance with applicable regulations.
 - This Covenant and Agreement shall automatically terminate at such time as the parcels are annexed to the City of Trinidad.

- b. The property owners shall pay all relevant connection fees and construction costs. All utility improvements required for connection to the City's water system shall be constructed in a manner acceptable to the City and/or County Public Works Departments, and in compliance with all applicable laws, regulations, and standards.
- c. Once public water service is provided, the existing wells on each parcel shall be properly destroyed in accordance with Humboldt County Division of Environmental Health requirements. The property owners shall obtain a water well destruction permit and destruction of the well must be completed by a licensed well driller.
- d. The property owners shall apply for annexation within one year of LAFCo approval or prior to water service activation, whichever occurs first. The City shall actively pursue annexation of the subject parcels and surrounding area, including necessary studies, outreach to affected property owners, environmental review, and preparation of required pre-zoning and planning documents. If annexation does not proceed or an annexation application has not been submitted to LAFCo within three years of the recording of the Covenant and Agreement Regarding Water Service, the City shall refund applicable annexation-related fees to the property owners, less any City costs incurred in evaluating or preparing the annexation proposal.
- e. All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 18th of March, 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Attest:

Steve Madrone, Chair
Humboldt LAFCo

Colette Santsche, Executive Officer
Humboldt LAFCo