



AGENDA ITEM 7A

MEETING: November 17, 2021
TO: Humboldt LAFCo Commissioners
FROM: Krystle Heaney, LAFCo Clerk/Analyst
SUBJECT: **McKinleyville Community Services District Municipal Service Review and Sphere of Influence Update**

The Commission will review the Draft McKinleyville Community Services District (MCSD) Municipal Service Review and Sphere of Influence Update. Staff proposes to expand the SOI for the District to include the Patrick Creek CSD service area. LAFCo staff recommends reviewing and adopting the revised MSR and SOI as part of the public hearing continued from September 15, 2021.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act directs Local Agency Formation Commissions (LAFCOs) to regularly prepare municipal service reviews (MSRs) in conjunction with establishing and updating each local agency's sphere of influence (SOI). The legislative intent of MSRs is to proactively assess the availability, capacity, and efficiency of local governmental services prior to making SOI determinations. MSRs may also lead LAFCOs to take other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies in addition to any related sphere changes.

DISCUSSION

McKinleyville Community Services District (MCSD) is located along Highway 101 north of the Mad River and south of Patrick Creek. The District is currently responsible for providing potable water, wastewater collection and treatment, streetlighting, and recreation to residents. It also has the power to provide library services and provides the facilities for the Humboldt County Library McKinleyville branch.

MCSD was formed on April 21, 1970, after a special election was held within the area proposed for district formation. The district was formed as an independent special district organized pursuant to section 61000 et seq. of the California Government Code. Although the district now provides several services, it was originally formed to provide a community water supply system only. Within three months of the District's formation, residents voted to add wastewater disposal authority to the list of activated powers. Later residents voted to add street lighting powers in 1972, park and recreation powers were added in 1984, and most recently, library powers were activated in 1995.

In addition to providing services within its current boundary, the District also supplies potable water to Patrick Creek CSD located along Patrick Creek Drive and adjacent to the northern border of the MCSD boundary. When Patrick Creek CSD was originally formed it provided water and road maintenance to residents. However, shortly after its formation, the water system was transferred to MCSD and water service in the area was

set by an agreement made between the two Districts in 1973. Since MCSD provides water service in this area, it is recommended that the SOI be updated to include Patrick Creek CSD.

McKinleyville is one of the largest and fastest growing unincorporated areas in Humboldt County. Possible incorporation has been discussed previously but there has been limited community support and it is unknown if incorporation is fiscally feasible. However, in order to provide additional oversight and guidance for the area, the McKinleyville Municipal Advisory Committee (MMAC) was formed.

The MMAC was formed by the Humboldt County Board of Supervisors in 2012 in order to provide recommendations to the County on the need for and adequacy of services provided by the County and also has the ability to provide input on land use and zoning updates in the McKinleyville area. The Committee is made up of eight members including a MCSD Board Member and the General Manager.

Based on LAFCo review as presented in the MSR, the District has adequate water and wastewater capacity to meet current and future demand and has programs in place to maintain and update infrastructure on a regular basis. This will ensure that the District is able to continue providing vital community services to the area. The District is also able to provide adequate park and recreation, street lighting, and library services.

The Commission previously reviewed the MSR during the September 15, 2021 regular meeting. Staff has prepared a revised draft based on comments received from the Commission and MCSD Board members. Revisions included the following:

- Clarification of District property and potential agreements regarding the proposed community forest.
- Information of the potential effects of climate change.
- Clarification on the MCSD and City of Arcata intertie system.
- Clarification of the agreement between MCSD and the City of Arcata regarding the Eureka Ready Mix property.
- Information of the status of infiltration and inflow in (I/I) in the wastewater system.
- Addition of a section detailing other service providers in the area.

MCSD presented the revised draft MSR/SOI update to their Board of Directors at their November 3, 2021 regular meeting. The Board provided minor edits to clarify language and approved of the document with those changes.

RECOMMENDATION

This item has been agendaized for consideration as part of a noticed public hearing. Based on the District's current service areas, staff recommends expanding the District's SOI to include the Patrick Creek CSD area.

Procedures for Consideration:

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

- 1) Receive verbal report from staff;
- 2) Open the public hearing and invite testimony (mandatory); and
- 3) Discuss item and – if appropriate – close the hearing and consider action on recommendation:

"I move to adopt Resolution No 21-13, thereby approving the McKinleyville CSD Municipal Service Review and Sphere of Influence Update, as described in the staff report."

Alternative Actions

The Commission may choose to continue the public hearing to the January 19, 2022 regular meeting in order to make further revisions as deemed necessary.

Attachments

Attachment A: Revised Draft McKinleyville CSD MSR and SOI Update

Attachment B: Draft Resolution No. 21-13