



## AGENDA ITEM 7A

**MEETING:** July 15, 2020  
**TO:** Humboldt LAFCo Commissioners  
**FROM:** Krystle Heaney, LAFCo Clerk/Analyst  
**SUBJECT:** **Palmer Creek Community Services District Municipal Service Review and Sphere of Influence Update**  
The Commission will review and consider approving the Palmer Creek CSD Municipal Service Review and Sphere of Influence Update. Staff recommends updating the SOI to include several parcels served outside the District's boundary.

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### **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 and sufficiency of local governmental services. 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**

The Palmer Creek Community Services District (CSD) was created in 1988 and is governed by a five member Board of Directors. The CSD was originally formed to provide wastewater services to the small community of Palmer Creek northwest of the City of Fortuna. In 1994 the CSD was granted the power to provide water services to the community.

Wastewater from the CSD is transferred to the City of Fortuna wastewater system and treated at the City's wastewater treatment facility. There is a current agreement between the CSD and the City for which states that the City "shall be obligated to provide capacity of the lesser of (a) 42,120 gallons per average day dry month..., or (b) a Peak Wet Weather Monthly Flow (PWWMF) capacity of 2,527,200 gallons per month". Due to this agreement, any proposed new wastewater connection must be approved by the CSD and the City.

Palmer Creek CSD is approximately 286.5 acres and includes 157 parcels. The existing Sphere of Influence (SOI) includes an additional 43.2 acres in seven parcels. The CSD maintains 166 wastewater connections and 133 residential water connections including three that are currently outside of the existing boundary and SOI. As such, staff recommends updating the SOI to include these parcels.

Palmer Creek CSD has also requested that the property where the District's storage tank is located be included in the updated SOI. This property (APN 200-031-033) is subject to

a major subdivision which was approved by the Humboldt County Planning Commission in September 2019 (Application Number 14101). Palmer Creek CSD has agreed to provide water service to the existing connection which will serve the subdivision. The project applicant is proposing a separate licensed small public water system that will service the six parcels created by the subdivision with water purchased from Palmer Creek CSD.

### **RECOMMENDATION**

This item has been agendaized for consideration as part of a noticed public hearing. 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. 20-05, thereby approving the Palmer Creek Community Services District Municipal Service Review and Sphere of Influence Update, as described in the staff report.*

### **Attachments**

Attachment A: Palmer Creek CSD MSR and SOI Update

Attachment B: Resolution No. 20-05