



AGENDA ITEM 7A

MEETING: November 17, 2021
TO: Humboldt LAFCo Commissioners
FROM: Krystle Heaney, LAFCo Clerk/Analyst
SUBJECT: **Manila Community Services District Municipal Service Review and Sphere of Influence Update**
The Commission will review the Draft Manila Community Services District (CSD) Municipal Service Review and Sphere of Influence Update. LAFCo staff recommends reviewing the draft MSR and SOI as part of the public hearing and continue the hearing to the January 19, 2022 regular meeting.

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

Manila Community Services District (CSD) is located along Highway 255 on the Samoa Peninsula between the City of Arcata to the northeast and the town of Samoa to the south. The District provides water, wastewater, stormwater, and parks and recreation services to the community of approximately 784.

Manila CSD was originally organized in 1965 under Government Code Section 61100 by Humboldt County Board of Supervisors Resolution No. 2130. The District was formed after a successful special election to provide the community of Manila with water, wastewater treatment, storm water treatment, public recreation, streetlighting, street repair, and construction and improvement of bridges, culverts, curbs, gutters, and drains. However, the currently activated powers for the District are limited to water, wastewater, stormwater, and recreation.

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 obtained grants to conduct necessary system repairs and upgrades to ensure continued service to the community. The largest issue the District faces is frequent flooding around the community due to lack of stormwater infrastructure. However, one of the recently obtained grants will create a comprehensive and connected stormwater system. This will help alleviate the frequent flooding by routing stormwater to Humboldt Bay via bioswales and culverts.

Over the last several fiscal years, the District has been able to budget a surplus of funds and has increased their overall net position from \$2,545,500 in FY2015-16 to \$3,183,00 in FY 2019-20. This will likely change over the next fiscal year since the District will be taking on additional long term debt through the State's Drinking Water State Revolving Fund loan program to update the potable water system.

RECOMMENDATION

This item has been agendized for consideration as part of a noticed public hearing. Based on the District's current service area and limited expected population growth, staff recommends maintaining a coterminous SOI.

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, provide staff with comments and direction, and continue the public hearing to the January 19, 2022 regular meeting:

"I move to continue the public hearing to the January 19, 2022 regular commission meeting."

Alternative Actions

The Commission may choose to approve the MSR and SOI update as presented or close the public hearing.

Attachments

Attachment A: Draft Manila CSD MSR and SOI Update