



AGENDA ITEM 8B

MEETING: May 20, 2026
TO: Humboldt LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: **Status of Municipal Service Reviews and Sphere of Influence Updates**
The Commission will receive a report summarizing activity on MSR/SOI Updates. This report is for information only.

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. 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

Following is a summary of current MSR Updates. Staff will continue to work on MSRs through the end of the fiscal year as budget allows. Work on additional MSRs will begin in the new fiscal year.

City of Eureka MSR and SOI Update

An administrative draft of the MSR/SOI Update has been completed and is ready for City review. LAFCo staff will be coordinating with the City on review of the document and potential changes to the SOI.

Scotia Community Services District MSR and SOI Update

Staff has begun drafting the MSR/SOI Update and is continuing to coordinate with District staff on information needs.

Hydesville County Water District MSR and SOI Update

Staff has begun the process for reviewing the Hydesville CWD. This has included initial research into agency history and community demographics, and an initial review of services and current governance structure. Staff will be reaching out to Hydesville CWD in the next month to set up a kickoff meeting.

Loleta Community Services District MSR and SOI Update

Staff has started the process of reviewing the Loleta CSD and are in the early stages of research and document development. Staff will be reaching out to Loleta CSD in the next month to set up an initial interview.

Activity	Tentative Time Frame
City of Eureka MSR/SOI Update	July/Sept 2026 Hearing
Scotia CSD MSR/SOI Update	Sept/Nov 2026 Hearing
Hydesville CWD MSR/SOI Update	Nov/Jan 2027 Hearing
Loleta CSD MSR/SOI Update	Mar/Apr 2027 Hearing

RECOMMENDATION

Staff recommends the Commission receive and file this report.