



AGENDA ITEM 9A

MEETING: May 19, 2021
TO: Humboldt LAFCo Commissioners
FROM: Krystle Heaney, LAFCo Clerk/Analyst
SUBJECT: **Status of MSR Preparations**
The Commission will receive a report summarizing activity on MSR/SOI Updates including a FY 2020-21 MSR workplan and schedule.

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. As part of the Commission's annual budget process, a work plan for MSR completion is adopted.

DISCUSSION

All FY 2019/20 MSR/SOI updates have been completed. Following is a summary of FY 2020-21 MSR Updates.

Humboldt Bay Municipal Water District MSR and SOI Update

HBMWD is a wholesale water supplier that provides water to many agencies throughout the Humboldt Bay Region. The District is looking into preparing a feasibility study for extension of water service to the Trinidad Rancheria. LAFCo staff will proceed with this MSR in the upcoming fiscal year.

Willow Creek CSD MSR and SOI Update

See Agenda Item 7C.

McKinleyville CSD MSR and SOI Update

McKinleyville CSD provides four distinct services to the unincorporated community of McKinleyville. Services include potable water, wastewater collection and treatment, parks and recreation services, and street lighting. LAFCo staff has received information from the district and will proceed with this MSR in the upcoming fiscal year.

Upon consideration of the remaining FY2020/21 MSR budget, staff has chosen to hold on MSR preparations for the remainder of the fiscal year and continue the remaining MSRs (Riverside CSD, City of Eureka, and Phillipsville CSD) to the next fiscal year.

| Activity | Tentative Time Frame |
|---|----------------------|
| Patrick Creek CSD MSR/SOI | Completed |
| Big Lagoon CSD MSR/SOI | Completed |
| Willow Creek CSD MSR/SOI | May 2021 Hearing |
| McKinleyville CSD MSR/SOI | FY2021/22 |
| Humboldt Bay Municipal Water District MSR/SOI | FY2021/22 |
| Riverside CSD MSR/SOI | FY2021/22 |
| City of Eureka MSR/SOI | FY2021/22 |
| Phillipsville CSD MSR/SOI | FY2021/22 |

RECOMMENDATION

Staff recommends the Commission receive and file this report.