



MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT

*"To Provide Responsive Service to our Growing Community
that Exceeds Expectations at a Fair Value"*

STAFF REPORT

AGENDA TITLE: General Manager Update on District Activities

MEETING DATE: November 13, 2019

PREPARED BY: Steven J. Pinkerton, General Manager

Public Safety

More than Talk LLC, Rank Investigation and Protection, and District staff are working on a number of initiatives to develop cost effective public safety measures for Mountain House. In addition to reviewing potential security camera locations, we are looking at dash cams and body cams for District vehicles and personnel, along with potential dispatch services via Rank's operation.

The group is also reviewing a proposed Law Enforcement Services Contract from the Sheriff's office.

Code Enforcement

District staff, legal counsel, More than Talk LLC and Rank Investigation and Protection are meeting on a regular basis to finalize a report to the Board of Directors regarding implementation of enhanced and directed code enforcement in the community. As noted in last month's report to the Board, we are reviewing all of the District's varied legal authorities and how they can be used to enforce our District codes.

Staff is also in the final stages of implementing a more robust software system to assist staff in preparing, issuing, monitoring and collecting notices of violation. Once we've finalized our list of possible legal tools for enforcement, we will schedule meetings with the County of San Joaquin (including Sheriff's Office) and our District partners such as French Camp Fire to ensure all potential enforcement avenues are being pursued.

Fire Services

The District's current contract for service expires in September of 2020. In addition, home construction north of Byron, which should commence by 2021, will require an expansion of Fire Services to ensure coverage in that area.

In anticipation of these upcoming issues, I am developing a scope of work with Management Strategies Group (MSG) to address the future disposition of fire services in the District. MSG currently provides Human Resources support to the District through the work of Don Turko. Scott Kenley, another MSG professional, has five decades of experience in the Fire Safety field and would be the lead on the Fire Services study.

I will provide the Board with an update on this scope of work in my next update.

Municipal Incorporation

The District has been participating in meetings with a number of communities that are interested in becoming an incorporated city. One of the impediments to incorporation over the past decade has been a series of changes in how vehicle license fees (VLF) are allocated to cities. Currently, a newly incorporated city is not able to access these funds. For many communities, the elimination of the VLF has made it infeasible to incorporate.

On August 29, 2019, Sarah Ragsdale and I participated in a series of meetings coordinated by the League of California Cities. We were able to learn more about the history of the changes in VLF allocations and meet with the State Office of Planning and Research and communicate to them the challenges to finance a newly incorporated city. There is currently a bill in the legislature that could address this issue.

Assembly Bill 818, sponsored by Assembly Member Cooley would establish a Property-Tax-In-Lieu-of-VLF to new cities. It also re-establishes the “bump” in VLF for the first years of incorporation. We will keep you updated on the progress of this bill.

In addition, I recently met with the Executive Director of San Joaquin LAFCO to discuss the process for Mountain House incorporation. He confirmed that there is authority for the County to financially assist the incorporation process.

As you know, the District did perform some due diligence on the incorporation process, most recently in 2017. I have reviewed the work performed to date and believe we need to update and refine the cursory financial analysis done at that time. I will be soliciting a scope of work from qualified parties to assist the District in that endeavor and will report back to you in my next General Manager’s update.

Town Hall and Library

Mountain House Developers (MHD) and their contractor Reeve Knight Construction are within 90 days of completion of the 53,619 square foot facility. They are currently completing the drywall and t-bar ceilings, and will be receiving all of the modular furniture the week of November 11.

They’ve also completed most of the exterior work along with the streets and walks. They are currently focused on the entryway and fountain, which are the critical path items for completing the site work. They do not anticipate re-opening the temporary Library as site work surrounding the facility is not complete. Sidewalks are not yet fully constructed, there isn’t handicapped accessibility to the building and street lights are not yet in place. In addition, there will be a lot of construction activity in the roadway adjacent to the building as they work to complete the Town Hall and Library.

District and Library staff hope to begin moving into the building after the February 12, 2020 Board of Directors meeting with a public opening of the building by early March.

Central Community Park

The conceptual design was presented to the Board and is in final stages of approval. The Design and plan preparation will begin shortly and the construction is expected to start in 2020. The

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project includes the design and construction of the Phase 2 and 3 of the Central Community Park including a 20,000 square foot community center and aquatic center.

Mountain House Amphitheater

A 2000+ capacity amphitheater is being designed and will be constructed with the Central community park adjacent to the Town Hall and Library on Main Street. The conceptual design has been approved and the design will begin shortly. The construction is expected to start in 2020 and completed in 2021.

Hansen and Cordes neighborhood parks

Hansen Park design has been completed and construction has started and expected to be finished in mid to late 2020.

Cordes Park is in design and construction could start in mid to late 2020 and completed in 2021.

Town Center Shopping Center

MHD is proceeding with development of the Shopping Center at the corner of Byron Road and Mountain House Parkway. The Shopping Center plan includes a 55,000 square foot grocery store, fuel station, and an additional 20,000 square feet of retail that will include a coffee shop and restaurant, among other uses. There is significant interest in the shopping center from a variety of businesses, but no leases have been signed yet.

However, MHD is very optimistic that they will have the agreement with the anchor tenant very soon and they have recently begun work to widen Byron Road and Mountain House Parkway to support the shopping center project. These roadway projects should be complete in late 2020. The shopping center construction is expected to start in summer 2020 and be completed in mid-2021.

Bus Shelter for Questa Neighborhood

MHD is currently conditioned to furnish and install a bus shelter for the Questa Neighborhood. The bus shelter is one of the final conditions of approval and part of the acceptance of the subdivision. However, there is no bus pull out or suitable area for the shelter installation. Staff is proposing to relocate the bus shelter to the Wicklund neighborhood, where there is an existing bus pullout area and space available for the shelter installation. With the proposed grant application for the Autonomous Transit Vehicle, if awarded, this station can be used as one of the stops for the proposed demonstration project.

Water Storage Tank conversion

The raw water storage tank at the water treatment plant was no longer needed due to change in the treatment process when the plant was expanded to a 15 MGD plant to be ultimately expanded to 20 MGD. The raw water tank is being converted to a potable water storage tank to meet the emergency water storage needs. The design is completed and the project construction is underway. It is expected to be completed in 2020.

Specific Plan Area III Update

The District, County Community Development staff, Mountain House Investors (MHI) and Century Homes are meeting to discuss updates to Specific Plan Area III (SP3). SP3 includes all of the land south of Grant Line Road (neighborhoods A/B) along with much of the easterly third of the Cordes neighborhood.

Lammersville Unified School District (LUSD) has opted to only build one school south of Grant Line Road, which will necessitate an update to the Specific Plan III. This update provides an opportunity to review the current open space and park allocations in the two neighborhoods as well as the potential zoning for the unused school site in Neighborhood A. In addition, Delta College has expressed an interest in participating in the planning process as they review their long term plans for their property.

Utility Systems Revenue Bonds

On July 10, 2019, the Board authorized the Mountain House Financing Authority Utility Systems Revenue Bonds, Series 2019A, and Taxable Series 2019B and Related Agreements and Actions. Since that time, District staff has been working with our financial advisor to put together the information necessary for the sale of the bonds.

The sale process has taken longer than anticipated due to a lengthy process to finalize credit rating from S&P along with determining the final amount necessary to issue consistent with the District's Revenue Bond Rules. We are also reviewing whether it would be cost effective to purchase bond insurance.

We are currently on track to issue the bonds by the end of the calendar year.

Wastewater Plant Expansion

The District is in the process of finalizing an amendment to Project Acquisition Agreement-3 (PAA-3) with Mountain House Developers (MHD) in connection with the expansion of the District's Wastewater Treatment Plant (WWTP).

In conjunction with the approval of Neighborhood C, MHD was obligated to fund, design and construct a phase expansion of the WWTP of sufficient capacity to serve all their developing lands. MHD had a number of other map conditions in addition to the expansion of the WWTP. PAA-3 would memorialize these agreements related to the map conditions.

We hope to bring this agreement to the Board of Director's for approval at a meeting in the near future. MHD is finalizing plans for initiating the construction of the WWTP expansion project.

Recreation and Facilities Use Policy

The Board deferred this item at the September 11, 2019 meeting. Staff has been working to update and streamline this policy based on feedback from the Board of Directors. In addition, staff has reviewed policies in adjacent communities. We expect to have a revised policy ready for your consideration at the December 11, 2019 Board of Directors Meeting.