



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: June 10, 2020

PREPARED BY: Steven J. Pinkerton, General Manager

COVID -19 Response

The Town Hall and Library will remain closed to the public until we receive further guidance from the County. In addition, we have closed all public restrooms in our Parks and are discouraging any gatherings or use of Play equipment. We do anticipate that the County will be modifying the order again soon regarding recreational activities. Next week, staff will participate in a County-wide conference call of parks and recreation departments and Public Health to discuss next steps for phasing in public activity at parks and open spaces.

We are working on a strategy for re-opening District facilities, including Town Hall. We will consider methods to reduce health risks to staff and to the public, including social distancing, reassignment of seating arrangements, staggered schedules, requirements for face coverings, and reduced hours of service to the public. We are installing additional plexiglass shielding at the service counter. We will be complying with state and county directives and following best practices of our neighboring communities. Once we determine when we can have the building COVID-compliant for our staff and customers, we will set a re-opening date for the building. Most of the Civic Centers in San Joaquin County are targeting early July for a re-opening date.

Utility billing and collection continues to be impacted by Governor Newsom's Executive Order temporarily suspending water shutoffs during the COVID-19 health emergency. We are suspending late fees and shut offs for non-payment of utility bills and we are not placing liens at this time. The amounts owed are not being forgiven, therefore we anticipate a large number of requests for payment plan options.

We have suspended facility and field rentals and canceled recreation events through July 4. Angel Lamb, Recreations/Communications Coordinator, has requested that residents provide pictures from past Independence Day picnics, parades and gatherings. She will post a montage on our website and other social media celebrating Mountain House families and community.

We continue to investigate and implement procedures to protect workers, including notices to staff concerning the use of face coverings and the need to maintain social distancing and frequent hand-washing. Teleconferencing with fellow staff and consultants is working well. To the extent practicable, staff is working remotely in order to limit exposure. San Joaquin County Public Health and County Office of Emergency Services (OES) are holding regular tele-briefings regarding the

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ongoing Pandemic. I am participating in these calls and coordinating with the pertinent staff as necessary.

We continue to update the District website with links to COVID-19 related materials. Besides including District-specific information, you can also access important materials from the County's Public Health Department, the Governor's office, and the pertinent County and State orders related to COVID-19.

Summer Swim Program

Staff is still uncertain whether we will be able to offer the summer swim program this year. The OES and County Public Health are currently developing social distancing criteria for swimming pools throughout the County. The following is an excerpt from an informational item on the Lammersville Unified School District's agenda for June 3, 2020:

With phase 3 of the Governors reopening of the State pending, thoughtful consideration of LUSD facilities use seems appropriate. Upon approval by the County Public Health Director and phase 3 reopening implementation, public use of the outdoor LUSD facilities could ensue. Staff recommends appropriate outdoor facilities use by outside groups once phase 3 is enacted. Staff recommendation for indoor facilities use by the community would be suspended until the end of 2020. The suspension request is to allow the custodial staff to clean appropriately for all school related events. With the additional cleaning routines and requisite staff time necessary to adequately provide a sanitary safe campus, it is advisable to suspend inside facility use by outside organizations until there is more resolution to the COVID-19 Pandemic.

Risk Management/Human Resources

Nicole Adamo, District Clerk, is coordinating the development of a comprehensive risk management program and personnel policy update. Nicole is working with Bonnie Kolesar of Management Strategies Group to conduct a risk assessment of our current Risk Management program.

We are working with staff and our partners, including District Counsel and our Workers' Compensation and General Liability Insurance provider, SDRMA, to assess the District's current policies, procedures, ordinances and coverages. We will develop an assessment and recommendations for the program going forward.

Nicole is also working with Don Turko, our labor negotiator, to review and update the District's personnel policy. These projects will help reduce potential liabilities, ensure compliance with federal and state requirements, and result in the development of procedures that will make our processes more efficient and consistent.

Finance

Staff is working with OpenGov to implement another feature of their product line, Open Town Hall. We will use Open Town Hall to provide information to the public about District operations and development activity. We will also use the program to conduct surveys and educate and engage the community. Nicole Adamo and Angel Lamb, Recreation/Communications Coordinator, will take the lead in the on-going upkeep of this program.

Thomas Retchless, Assistant Finance Director, and Denae DeGough, Accountant, completed the interim audit assignments from Richardson & Company for the fiscal year 2019-2020 audit. We

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expect to have the audit completed by November, 2020. The timeliness of the audit has continued to improve over the last few years.

Public Safety

The General Manager and the District's public safety consultant met with representatives of the Sheriff's office on April 30, 2020. The status of the Mountain House Sergeant position was discussed and the District's concern regarding the multiple non-MHCSD responsibilities assigned to the Sergeant. Based on our discussion, the Sheriff assigned a new Sergeant to Mountain House. in mid-May. Jason Burk, the new Sergeant, has extensive experience working the Sheriff's community policing program and looks forward to collaborating closely with our community.

The fiscal year 2020-2021 public safety budget includes an expansion of the services of Rank Investigation and Protection, Inc. The proposed expenditure plan contemplates Rank will be assigning a staff person to serve as the District's Community Service Officer. This officer will work with the Community Development Department to educate and engage the community, assist with Code Enforcement efforts, and help establish Neighborhood Watch groups.

Code Enforcement

Code Enforcement staff has started using the handheld devices to issue warnings and citations for violations. The system will provide reports on warnings and citations issued and fines levied and collected.

Staff is implementing the procedures as outlined in the Enforcement Guide approved by the Board on May 13, 2020 with respect to issuing warnings, citations, and processing appeals. We have also received our first two appeals which will follow the new appeal process approved by the Board.

More Than Talk, LLC developed educational materials and a video on code enforcement entitled "Are You a Good Neighbor?" The video which was presented at last month's Board of Directors Meeting is now posted on the website.

Town Hall and Library Grand Opening

We are looking forward to celebrating the long-overdue grand opening of our new facilities. We are coordinating the Grand Opening event with our partners at Stockton/San Joaquin Library.

Once the current COVID-19 restrictions are relaxed and we can ensure the safety of our residents in a large gathering, we will be scheduling a date for the Grand Opening.

In the meantime, Library staff is hoping to institute lobby service only in the coming weeks. This will include:

- Table at front door to assist customers
- Retrieval of hold items
- Retrieval of items from shelves
- Quick reference/referral service

Lobby service will not include:

- Access to building
- Issuance of library cards (can still obtain card by phone)

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The virtual programming the Library has been providing during the closure will continue with slightly less regularity. The Summer Reading program will be offered virtually this year, but all readers will be able to pick up completion prizes at their home branches.

Operating hours for the lobby service would be Mondays, Tuesdays and Wednesdays from 1:00pm to 6:00pm and Thursdays and Fridays from 10:00am to 3:00pm.

I will notify the Board of Directors when the Library has a firm opening date.

Municipal Incorporation

The Board of Directors approved the scope of work with Berkson Associates for the Initial Financial Analysis (IFA) at the February Board meeting.

Staff continues to meet with the lead consultant to compile all the necessary information for the study. We also held a teleconference meeting with the LAFCo Executive Director to discuss the future steps in the process.

In addition, staff has retained the services of a consultant who specializes in assessing the potential for near-term and mid-term commercial development. This consultant will determine the revenue potential for commercial development in Mountain House under alternative scenarios. One will assume municipal incorporation and an active economic development function. The second scenario assumes that the District will remain unincorporated and rely on the County for attracting businesses to the community.

Preparing a detailed analysis of potential commercial development revenue is a key component to determining whether or not incorporation is financially feasible.

We are hoping to have the information ready for Board review by late summer.

Our website includes a link to all the previous work done on Incorporation.

<http://mountainhousecsd.org/about-mountain-house/incorporation>

Town Center Shopping Center

Shea Commercial has officially submitted plans to the San Joaquin County Community Development Department for the construction 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.

Staff is coordinating with the County on the final review and approval of the Town Center Commercial development. The County is in the final stages of plan review, and we expect to complete our reviews soon after the County is planning approval.

Work continues 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.

Development Application for a Child Care and Commercial Development

The County has received an application for a 10,225 square foot childcare center and commercial development in Neighborhood E, at the corner of Legacy Drive and Mercado Street. The project will include a multi-purpose room to be rented by the community for uses such as fundraising or community events. The District has provided comments to the County, and we expect this project to move forward soon.

Utility Systems Revenue Bonds

The District has significant cash flow available in its utility funds to issue additional bonded debt in 2020. At the March 18, 2020 Meeting, the Board of Directors authorized an agreement with Kosmont Transaction Services (KTS) to initiate the work to put together a Bond Issuance for later this year. Staff recently held a kickoff tele-meeting with KTS.

KTS solicited proposals from potential underwriters and is reviewing the eight responses. They are also assembling the balance of the financing team.

Staff will be working with Kosmont and other members of the financing team to determine the appropriate size of the issue and to strengthen our credit rating.

Interest rates have steadily dropped over the past year down to near historic lows. We expect this favorable interest rate environment will continue.

Bergamo Development

Staff is proceeding to finalize the Final Map for Bergamo Development. Bergamo is a Shea Homes property, which is located west of Central Parkway and bounded by Byron Road, De Anza Boulevard, and Andalusia Way.

This area is part of the previously approved Neighborhood H – Questa Final Map, and Shea Homes will subdivide this property into 137 single-family homes, zoned R-MH. The master developer for this subdivision is Mountain House Developers. They have the overall obligation for Neighborhood H Final Map conditions.

Shea will be executing a Subdivision Improvement Agreement and will post the appropriate bonds for the project. The Final Map and the Subdivision Improvement Agreement will be executed by the General Manager, through the authority already granted to the General Manager by the Board.

Parks, Recreation, and Leisure Plan Update

The Parks, Recreation, and Leisure Plan update project was kicked-off last month. The project consultant, MIG, will be updating this report for the District and the developers.

Staff is continuing to work with MIG and the developers on the Parks, Recreation, and Leisure Plan update. MIG is developing a GIS map of the area and has inventoried the current District assets. The update will review the facilities for the North of Byron development and SPIII area, which is located south of Grant Line Road. This effort will be coordinated with the Recreation Strategic Plan, which is on the Board Agenda for approval.

Recreation Strategic Plan

With the completion of the Town Hall Library and the anticipated construction of the Central Park expansion, the District's recreational opportunities will be increasing exponentially. The District

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will be faced with a number of critical decisions regarding the scope and delivery of recreational services.

The District has requested a proposal from MIG to prepare a strategic recreation plan for major community recreation facilities, including our parks, amphitheater, pool, recreation facilities, the community center(s), and the senior center. This strategic plan will identify the District's approach to providing recreation services that are cost-effective and sustainable in the long term. The goal is to develop a forward-looking plan for recreation services, including roles, service provision niches, strategic focus, and financial framework. Approval of the funding and scope of work for the Plan is scheduled for Board consideration at the June 10, 2020 meeting.

Bicycle and Pedestrian Master Plan

Since the development and adoption of the original Mountain House Master Plan, there have been significant changes to the way people use multi-modal facilities, such as bicycle lanes, bike paths, and pedestrian walkways. To create a more livable community, the staff has identified the need to develop a bicycle and pedestrian master plan to incorporate these concepts into the overall Mountain House Master Plan.

The District is executing an agreement with Alta to commence the Bicycle and Pedestrian Master Plan. We anticipate kick-off the project on July 1, after the budget approval. Alta will be reviewing the current bicycle options in the community and evaluate pedestrian connectivity within the park areas. Pedestrian safety in the school areas will also be assessed. District staff is coordinating with the County Planning Department with this effort.

Population Data

On May 1, the State of California issued their annual estimate of population for all cities and counties in California. Here is our transmittal from the state regarding their annual estimate:

The California Department of Finance (Finance) has prepared the special district population estimate requested by the Mountain House Community Services District as of January 1, 2020 pursuant to Article XIII B of the California Constitution. Below is the estimate of the annual change for your special district:

<i>Date</i>	<i>Percent Change</i>
<i>January 1, 2019 – January 1, 2020</i>	<i>10.3%</i>

The District's population and housing information is as follows:

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Special District Population Estimate	Total Population	Household Population	Group Quarters Population	Housing Units	Households	Vacant Units	Vacancy Rate	Persons Per Household
Mountain House Special District								
Revised Estimate 1/1/2010	9,571	9,571	0	3,205	2,779	426	13.29%	3.444
1/1/10-3/31/10 change data	45	45	0	15	13	2	0.000	0.000
Benchmark Data 4/1/00	9,616	9,616	0	3,220	2,792	428	13.29%	3.444
4/1/10-12/31/10 change data	215	215	0	47	42	5	0.000	0.000
Revised Estimate 1/1/11	9,831	9,831	0	3,267	2,834	433	13.25%	3.444
1/1/11-1/1/12 change data	485	485	0	165	143	22	-0.002	0.025
New Estimate 1/1/12	10,316	10,316	0	3,432	2,977	455	13.05%	3.469
1/1/12-1/1/13 change data	619	619	0	207	179	28	-0.006	0.003
New Estimate 1/1/13	10,935	10,935	0	3,639	3,156	483	12.45%	3.472
1/1/13-1/1/14 change data	1,421	1,421	0	414	400	14	-0.002	-0.007
New Estimate 1/1/14	12,356	12,356	0	4,053	3,556	497	12.26%	3.465
1/1/14-1/1/15 change data	815	815	0	231	205	26	-0.001	0.010
New Estimate 1/1/15	13,171	13,171	0	4,284	3,761	523	12.21%	3.475
1/1/15-1/1/16 change data	856	856	0	271	262	9	-0.005	0.027
New Estimate 1/1/16	14,027	14,027	0	4,555	4,023	532	11.69%	3.502
1/1/16-1/1/17 change data	1,206	1,206	0	327	297	30	-0.002	-0.015
New Estimate 1/1/17	15,233	15,233	0	4,882	4,320	562	11.52%	3.487
1/1/17-1/1/18 change data	657	657	0	260	244	16	-0.003	0.039
New Estimate 1/1/18	15,890	15,890	0	5,142	4,564	578	11.23%	3.526
1/1/18-1/1/19 change data	2,277	2,277	0	651	591	60	-0.002	-0.045
New Estimate 1/1/19	18,167	18,167	0	5,793	5,155	638	11.01%	3.481
1/1/19-1/1/20 change data	1,865	1,865	0	673	599	74	0.000	0.043
New Estimate 1/1/20	20,032	20,032	0	6,466	5,754	712	11.01%	3.524

The high vacancy rate assumed by the State is due to their extrapolation of 2010 Census Data. We are working with the State to provide them with better vacancy information so that they can refine the population estimates.

California added 87,494 residents to bring the state's estimated total population to 39,782,870 people as of January 1st, 2020, according to new population estimates and housing data released today by the California Department of Finance.

San Joaquin County added over 8,000 residents, with a total population of 773,632. This represents an increase of over 88,000 residents since 2010.

Here is a breakdown by City of the county-wide growth over the past ten years:

	<u>2010</u>	<u>2020</u>	<u>Growth Rate</u>
Escalon	7,132	7,478	4.9%
Lathrop	18,023	26,833	48.9%
Lodi	62,134	67,930	9.3%
Manteca	67,096	84,800	26.4%
Ripon	14,297	15,930	11.4%
Stockton	291,707	318,522	9.2%
Tracy	82,922	95,931	15.7%

Mountain House	9,675	20,032	107.0%
Balance of County	132,320	136,176	2.9%
Total:	685,306	773,632	12.9%