



## 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 18, 2020

**PREPARED BY:** Steven J. Pinkerton, General Manager

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#### **COVID -19 Response**

On September 29, 2020 the State of California announced that San Joaquin County had met the COVID-19 threshold to move from Tier 1 (widespread) to Tier 2 (substantial). However, the current percentage of positive tests in the County is again above the acceptable level for Tier 2. If rates remain at this elevated rate for two weeks, the County will again be downgraded to Tier 1.

In order to reduce the number of positive tests, the County is adding additional testing centers. Typically, when tests are more widely available, the positivity rate drops. We are working with the County to identify a location in Mountain House for testing.

The Town Hall and Library will remain closed to the public while we complete and implement our guidelines for a safe, orderly, and measured return to normal operations. Protecting our staff, residents and business partners is of utmost importance. Protocols will include requiring face coverings in our buildings, maintaining social distancing, providing hand disinfectant stations, conducting meetings virtually, working remotely, staggering schedules, and limiting hours of operation and capacity. While we are not yet in a position to open to the public, we have installed additional plexiglass shielding at the first-floor service counter and at the Board room dais. We will install social distancing decals on the floors in the customer service area.

I receive weekly updates from the San Joaquin County Public Health Department and periodically discuss best practices and public building reopening protocols with other City Managers in the region. Right now, nearly all of the cities are anticipating reopening indoor facilities when Tier 4 (minimal) is reached.

Utility billing and collection continues to be impacted by Governor Newsom's Executive Order which suspends water shutoffs during the COVID-19 health emergency. We are suspending late fees and shut offs for non-payment of utility bills. The amounts owed are not being forgiven, therefore we anticipate many requests for payment plan options. We will also be placing liens on properties to protect the District's interests in collecting these revenues.

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.

**Public Parks**

In accordance with California guidelines, we have posted signage at parks encouraging visitors to comply with face covering and social distancing protocols and limit their stay to thirty minutes when others are waiting. Park restrooms remain closed. Recreation programs and rentals of District facilities will remain on hold until the County achieves a Tier that warrants an easing of restrictions.

**Election Ballot Drop Off Box**

The County Registrar of Voters delivered a ballot drop off box to the District on October 6<sup>th</sup>. It was placed in the central lobby between the Town Hall and the Library. County workers will be removing the box shortly after election day. We were grateful to have the opportunity to provide this service to our residents and look forward to doing so again for future elections.

**Risk Management/Human Resources**

Nicole Adamo, District Clerk, is nearing completion of a comprehensive risk management program. Nicole has been working with Bonnie Kolesar of Management Strategies Group (MSG) to conduct a risk assessment of our current risk management program. Nicole is also preparing the return to work protocols discussed above. Staff meets weekly to discuss risk assessment and avoidance.

Nicole is working with our labor negotiator to review and update the District's personnel policy. This project 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 professional, efficient and consistent.

Nicole also coordinated a salary survey for French Camp McKinley Fire District staff assigned to the District as approved by the Board on July 8, 2020. The survey will be discussed with the Fire District and then presented to the Board.

**Administrative Services**

Staff has been trained on the use of Open Town Hall. Nicole Adamo and Angel Lamb, Recreation/Communications Coordinator, are taking the lead in the on-going upkeep of this program. 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.

To view the responses to on-line surveys, go to the following link:

[https://www.opentownhall.com/portals/391/forum\\_home](https://www.opentownhall.com/portals/391/forum_home) and click on one of the surveys.

**Finance and Accounting**

Thomas Retchless, Finance Director, and Denae DeGough, Accounting Manager, worked with Richardson & Co. to complete the annual financial audit and it is being presented at the November 18<sup>th</sup> meeting. For the fiscal year 2019-2020, the District is issuing its first Comprehensive Annual Financial Report (CAFR). The CAFR consists of three sections - Introductory, Financial, and Statistical - and presents a wider variety of information intended to help the reader properly understand the basic statements. The District's previous financial statements included the Introductory and Financial sections. New this year is the addition of the Statistical section. This

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section presents information on financial trends, revenue and debt capacity, demographic and economic information, and operations.

The audit was completed by the end of October, 2020. The timeliness of the audit has continued to improve over the last few years.

Thomas is also working on finalizing year-over-year financial information presentations for the OpenGov portal. This program will be available on line with access on our website. OpenGov will provide the community current and transparent information on the District's financial transactions. We plan to include a demonstration of OpenGov at a future Board meeting.

### **District Website**

As technology evolves, our website is nearing the end of its useful life. Staff retained MoreThanTalk, LLC to assist with a thorough review and update of the District's website. Angel Lamb, Recreation/Communications Coordinator, Glenda Corona, Administrative Assistant, and Nicole Adamo will be working with the consultant and District staff to help frame our needs and vision for the website. Staff received demos from two vendors; the team selected Granicus as the vendor and we will begin work on the development of and transition to the new website.

Our goal is to design a site that is informative, up-to-date, easy to navigate and maintain, internally consistent, and pleasing to view. Departments will be expected to contribute content by describing areas of responsibilities, providing on-line forms and FAQs, and giving updates on developments that will impact residents, such as road closures. We will be sharing the beta site with the Board as it becomes available. We expect to complete the project within a year.

### **Update on the sewer backup at the Town Hall and Library**

On Thursday July 30, 2020 there was a blockage in the sanitary sewer lateral connection to the main sewer line in the secured parking lot. The blockage caused most of the drains on the first floor to flood the floor surfaces around them. We contacted ServPro and they cleaned up the flooded areas, shampooed the carpets and assessed the damage.

Staff, Inframark, Teichert, and Reeves Knight came to the site and determined that it was a lateral issue and released the pressure by opening the clean-out in the planter area, which stopped the flooding.

Nicole Adamo contacted SDRMA, our insurance carrier, to report the incident and file a claim. Nicole requested that ServPro return to make a formal assessment of damages to carpet, baseboards and sheetrock. ServPro removed damaged carpet and sheetrock and installed fans to help remove moisture from the floors and walls. As of the date of this report, the sheetrock has been replaced. We have received bids for the carpet replacement and expect all repairs to be completed shortly.

### **Town Hall and Library Operations**

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.

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In the meantime, Library staff instituted their Curbside Service @ Your Library Lobby program on June 11, 2020. Services include:

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

Beginning on November 9, the Curbside Service has expanded hours:

- Monday, Tuesday, Thursday – 10:00 a.m. to 6:00 p.m.
- Wednesday – 1:00 p.m. to 6:00 p.m.
- Friday – 10:00 a.m. to 5:00 p.m.

If the County is able to maintain Tier 2 COVID status, the library may be able to offer access to the building with all of the protocols listed at the beginning of this report, including limited capacity. We will be working with the Library system to coordinate re-opening protocols with the District's practices.

The Link+ borrowing system, an agreement the library has with 52 other systems to share materials, had been closed since early spring. It re-opened on July 27th. Now customers have access once again to materials throughout that system. For the first quarter of the fiscal year, Mountain House had the highest circulation in the entire Library system with 12,275 items checked out. Patron visits for curbside service in that time was 3,782 people.

### **Recreation**

While facilities are closed to the public and programming is suspended, staff is working on updating policies and desk manuals in conjunction with the on-going development of the recreation strategic plan. Staff is also making plans to involve the community in virtual celebrations of the upcoming holidays.

### **Utility Systems Revenue Bonds**

The District's Revenue Bond Rules require the District to issue revenue bonds whenever a minimum of \$10 million can be issued in compliance with the rate covenant and additional indebtedness test. Because the District has had significant cash flow available in its utility funds, staff proceeded with the issue of additional bonds to retire outstanding notes payable. We worked with KTS and Piper Sandler to develop the size and structure of the offering. The bond sale for \$128.625 million (par value) closed on October 29 and netted proceeds of \$139 million, which included an original issue premium of \$15.85 million. Our Standard & Poor's rating improved from BBB- to BBB. The current favorable interest rate environment combined with the purchase of bond insurance resulted in interest rates averaging well below 4 percent.

### **Code Enforcement Statistics**

The code enforcement team focused on education during the month of October 2020. The following are the statistics for the month.

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Total Number of Cases:	41
Parking-related Notices	10
Administrative/property/landscaping warnings/notices	27
Administrative/property/landscaping citation (fine)	4
Appeal – parking-related	10
Request for change or variations of Master Restrictions	31
Approval permits for property changes approved	26
Approval permits for property changes pending	5

Staff has changed some of our approaches and we are focusing more on public education and providing exceptions for an alternative approach to code compliance issues.

### **Grant Line Road West Improvements (Alameda County)**

Staff has been working with the consultant to prepare 30% design level drawings and cost estimates for presentation to Alameda County for the two intersection upgrade at Grant Line Road at Altamont Pass Road and Grant Line Road at Mountain House Road. Initially, the consultants proposed two alternatives, a roundabout and a traffic signal. Based on the current design alternatives, the consultant is leaning toward a signal design option. Design recommendations will be provided to the Transportation Committee on November 23<sup>rd</sup>. The 30% design plans and a final recommendation will be presented to Alameda County by mid-December. Upon the Alameda County approval of the 30% design concept, we will seek the Board's approval for the final design. District staff has been working with the MHD and MHI to secure agreement for funding of the project.

### **Water Master Plan Update**

The consultant has completed the Water Master Plan update. The master plan will be presented to the Board for review and approval during the December Board meeting. Based on the final analysis, the water treatment plant capacity will remain at 20 million gallons per day.

### **Parks, Recreation, and Leisure Plan Update and Recreation Strategic Plan**

The staff has been working with MIG to finalize the Parks, Recreation, and Leisure Plan update and the Recreation Strategic Plan. We are waiting for the Bicycle and Pedestrian study recommendation to merge the two masterplans for a unified approach to the community plan. We expect to provide the final draft of the document to the Board in January. Once the Parks, Recreation, and Leisure Plan is updated, we will have to update the Master Plan and the three Specific Plans. This will be a long process and will require coordination with the County.

### **Bicycle and Pedestrian Master Plan**

Alta has completed the community survey, which included an interactive map for the community members to provide specific recommendations regarding upgrades and enhancements to the current facilities. Alta has also completed the Existing Condition report, which is in review by the District staff. We expect to provide an update to the Transportation Committee on November 23 and draft recommendations to the Board in December.

### **Town Center Shopping Center**

The shopping Center project is moving forward as planned. 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 consist of a coffee shop and restaurant, among other uses. Work continues to widen Byron

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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 by early 2021 and be completed by early 2022.

### **Neighborhood Commercial Projects**

There are a few commercial projects under various stages of plan review in the community. Cordes Village Plaza at 1140 South Tradition Street was recently approved and will include an 11,633 square foot commercial retail building with up to eight tenants on the 1-acre site. The Mountain House Family Center, at the northwest corner of Central Parkway and Mustang Way, is currently under review. The project proposes two buildings, including a 12,560 square foot pre-school building and an 18,126 square foot multi-use building to house an indoor sports facility, medical offices, and a commercial education facility. A pre-application review has been completed for 255 Legacy Drive. The proposal includes a 13,397 square foot building on the 1.38-acre site. Uses on the site would include a childcare center and a multi-use community room.

### **Grant Line Road Construction (Mountain House)**

Grant Line Road construction is moving ahead of schedule. The contractor has completed the final pavement and will be working on the final striping during the next two weeks. We expect the roadway between Central Parkway and Mountain House Road to be opened to traffic after the Thanksgiving holiday.

The second phase from Central Parkway to Great Valley Parkway will begin by December. It is not anticipated that Phase II would require roadway closure. It is expected that roadway widening between Central Parkway to Mountain House Parkway will be substantially completed by December 2020, with the overall completion between Great Valley Parkway and Mountain House Parkway by December 2021. The following photos are from early November showing the construction progress.





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**Districtwide Security Camera Implementation**

The District has issued a Request for Proposals for a districtwide contract to design, build and maintain a security camera system. The potential contract is for a three-year term with an optional three additional year extension. The proposal allows two types of submissions: agency-owned or leased-option. The proposals are due December 21, 2020. We expect to select a preferred vendor and present the recommendation to the Board at the February 2021 Board meeting.

**On-Call Engineering Financial Service and TIF/CFF Update**

The District has issued a Request for Qualifications to select up to three qualified consultants to provide on-call engineering financial services, including the TIF/CFF update. The financial assistance will include developer-funded projects, such as cost certification and annexation fee calculation. We expect to present the recommendations to the Board at the January Board meeting.

**Road Repairs**

Engineering staff has prepared a design and bid package to repair arterial streets within Mountain House including Mountain House Parkway, Central Parkway, Mustang Way and Arnaudo Boulevard, in addition to Bethany Road if the Board approves. The project was bid and was presented to the Board in October to award a contract to the lowest responsible bidder. The Board deferred a decision and asked that staff bring the item back with some clarifications and to evaluate and propose alternative options for Bethany Road repairs. Staff inspected the arterial roads and identified and marked additional areas for repairs. A lower cost, more practical option for the Bethany Road repairs was proposed. The project was presented to the Board in a special meeting on November 5, 2020 and was approved to be awarded to Tom Mayo Construction as the responsible lowest bidder. The preconstruction meeting was conducted and the contractor will do some repairs if weather is dry and warm enough to allow paving in November.



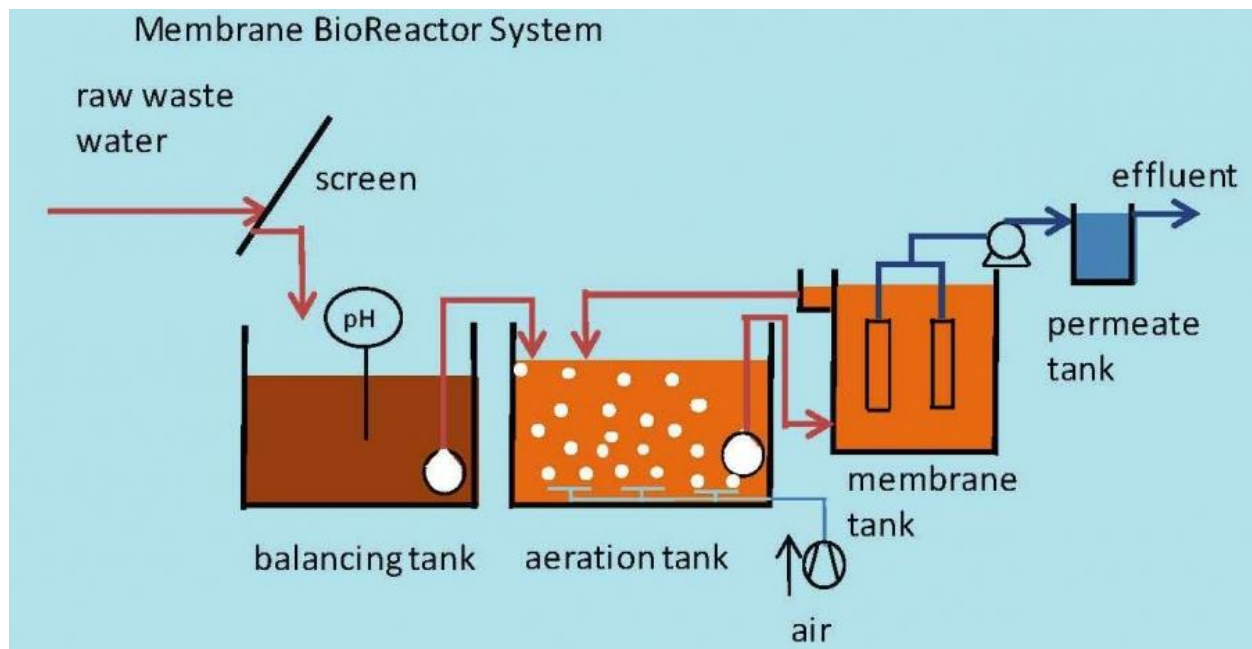
### **Potable Water Storage Tank Conversion**

The existing raw water storage tank that was installed with the first phase of the water treatment plant was to be converted to a potable water storage tank to provide additional storage that is needed for fire and emergency water storage. The conversion has been completed. Tank 2 is expected to be ready for California Department of Public Health sign off and to be placed in service for potable water storage in November. It is being inspected and prepared for dedication to and acceptance by the District. After Tank 2 is placed in service, work will begin on Tank 1. Tank 1 is expected to be put back in service in March 2021. All site improvements, including grading, paving, cleanup, etc. is expected to be completed by June 2021.

### **Phase III Wastewater Treatment Plant Expansion**

The design of the expansion project has been completed and the project is ready to go to construction. The property has been obtained from Trimark. MHD will start the construction as soon as they have a new bid from the low bid contractor. The construction is expected to take 18 to 20 months to complete. This project will convert the sequence batch reactor (SBR) treatment process to a membrane bioreactor (MBR).

This year's approved budget included an allocation for consulting services to manage the project and manage the RFP for utility operations and billing/collection services. The District's agreement with Inframark expires on June 30, 2020. We have retained Dexter Wilson as a utility expert consultant to assist staff with technical review and oversight of the WWTP phase 3 expansion. A Utility Manager position will be proposed for next budget cycle.



### **Naming of Village for Neighborhoods A & B**

Historically, each neighborhood in Mountain House was named after the K-8 School at the center of the neighborhood. The College Park neighborhood is unique in that it was designed for up to two K-8 schools, one neighborhood center, and a community college.

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The County Specific Plan for College Park also noted the unique nature of these neighborhoods. It states that “The Delta College campus will be the focal point of the southwest corner of the planning area...will be a major educational and recreation resource for the community...”

Given the unique characteristics of this neighborhood, the Master Developer and the County have determined that the neighborhood entryways will include the name “College Park” to reinforce the college as a focal point of this neighborhood.

### **Building Permit Update**

As noted in last month’s update, for the fiscal year ending June 30, 2020 building permits for 337 housing units were issued by the District. In addition, final occupancy was approved for 630 units. In 2019, permits for 702 units were issued and 695 units received final occupancy.

In the first quarter of the current fiscal year, permits were issued for a total of 177 units while final occupancy has been approved for 74 units.

Below is a summary of the total number of units issued permits since construction began in 2003:

<b><u>As of September 30, 2020</u></b>								
	<b>Auth.</b>	<b>Permits</b>	<b>Units</b>	<b>Remaining</b>	<b><i>Second Units</i></b>		<b>Total Units</b>	
<b><u>Neighborhood</u></b>	<b><u>Permits</u></b>	<b><u>Issued</u></b>	<b><u>Finished</u></b>	<b><u>Authorized</u></b>	<b><u>Issued</u></b>	<b><u>Finaled</u></b>	<b><u>Issued</u></b>	<b><u>Finaled</u></b>
Bethany	1372	1295	1295	77	68	68	1363	1363
Wicklund	1518	979	979	539	67	67	1046	1046
Altamont	1217	890	890	327	62	62	952	952
Questa	1638	1077	1077	561	70	70	1147	1147
Hansen	1280	1092	1018	188	173	173	1265	1191
Cordes	1297	970	859	327	143	132	1113	991
<u>Costa (A/B)</u>	1763	248	122	1515	54	25	302	147
<b>Subtotal</b>	<b>10,085</b>	<b>6,551</b>	<b>6,240</b>	<b>3,534</b>	<b>637</b>	<b>597</b>	<b>7,188</b>	<b>6,837</b>
<b>Future Neighborhoods</b>								
I	1427							
J	1137							
K	1192							
L	1381							
Town Center	440							
<b>Subtotal</b>	<b>5,577</b>			<b>5,577</b>				
<b>Total</b>	<b>15,662</b>			<b>9,111</b>				

Staff is still compiling final numbers for October. The preliminary calculations show the issuance of permits for 125 total units and final occupancy for 42 units. This is only the fourth time since the Great Recession that permits for more than 100 units were issued in a single month.