

Special Board Meeting - February 11, 2020

1. Agenda Packet

Documents:

[AG200211- AGENDA PACKET - SPECIAL MEETING - POSTED 200207.PDF](#)



SWEETWATER AUTHORITY

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AGENDA

Special Meeting

Governing Board of Sweetwater Authority

Tuesday, February 11, 2020 – 4:00 p.m.

- **Call Meeting to Order and Roll Call**
- **Pledge of Allegiance to the Flag**
- **Opportunity for Public Comment**
Opportunity for members of the public to address the Board (Government Code Section 54954.3)

ACTION CALENDAR AGENDA

The following items on the Action Agenda call for discussion and action by the Board. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined, including items listed for information.

- A. Development Process Overview and Consideration of Resolution 20-04 Adopting Guidelines for Staff Communication with Developer Customers
- B. Overview of Bayfront Development Project (Information Item) (No Enclosure)

- **Adjournment**

This agenda was posted at least twenty-four (24) hours before the meeting in a location freely accessible to the Public on the exterior bulletin board at the main entrance to the Authority's office and it is also posted on the Authority's website at www.sweetwater.org. No action may be taken on any item not appearing on the posted agenda, except as provided by California Government Code Section 54954.2. Any writings or documents provided to a majority of the members of the Sweetwater Authority Governing Board regarding any item on this agenda will be made available for public inspection at the Authority Administration Office, located at 505 Garrett Avenue, Chula Vista, CA 91910, during normal business hours. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at (619) 409-6703 as soon as possible prior to the meeting.

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PUBLIC COMMENT PROCEDURES

Members of the general public may address the Board regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Governing Board. Speakers are asked to state name,

*A Public Water Agency
Serving National City, Chula Vista and Surrounding Area*

address, and topic, and to observe a time limit of three (3) minutes each. Public comment on a single topic is limited to twenty (20) minutes. Anyone desiring to address the Governing Board regarding an item listed on the agenda is asked to fill out a speaker's slip and present it to the Board Chair or the Secretary. Request to Speak forms are available at the Speaker's podium and at www.sweetwater.org/speakerform.



BOARD ACTION

TO: Governing Board

FROM: Management

DATE: February 7, 2020

SUBJECT: Development Process Overview and Consideration of Resolution 20-04 Adopting Guidelines for Staff Communication with Developer Customers

SUMMARY

There has been an increase in residential and commercial development within the Authority's service area over the past several years, primarily in the Cities of Chula Vista and National City, as shown in the table below.

Fiscal Year	Bonita	Chula Vista	National City	Total
2015-16	18	64	45	127
2016-17	11	74	81	166
2017-18	35	111	86	232
2018-19	29	135	71	235

These figures represent requests for new water services and/or needed modifications to existing water services. A new water service can range from installation of a relatively simple lateral installation for a single-family residence, to a complex main extension with fire hydrants and several lateral installations for a new subdivision or multi-family project. The Authority reviews each request for new or modified services within guiding parameters established through the following:

- Authority's guidance documents and standards;
- Standards and requirements of the California State Water Resources Control Board – Division of Drinking Water (DDW);
- Standards and requirements of the County Water Authority;
- the California Uniform Plumbing Code; and
- the California Subdivision Map Act

The combined impact of the guiding parameters can appear to individuals and developers (collectively referred to herein as Developer Customers) as overly complex and rigid rules. Authority staff empathize with this perspective and endeavor to treat all Developer Customers courteously, honestly, and respectfully, while enforcing the Authority's Rates and Rules to ensure policy conformity, fiscal responsibility, and the safety and quality of the water provided.

Memo to: Governing Board

Subject: Development Process Overview and Consideration of Resolution 20-04
Adopting Guidelines for Staff Communication with Developer

February 7, 2020

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The purpose of this Memo and the accompanying discussion planned for the Special Board meeting on February 11, 2020, is to familiarize the Governing Board with the development process, describe recent actions taken to improve the process, compare the Authority's processes to other water agencies, and to present the Board with a draft Resolution adopting guidelines for staff communication with Developer Customers.

The development process, in a simplified overview, can be broken down into the following eight steps:

1. Initial contact – Initial contact can be from the Developer Customer calling the Authority's Engineering Department, the Authority receiving notice from one of the three Land Use Agencies in the Authority's service area, or through observation of construction activities.
2. Deposit – Deposits for Authority staff time range from zero for a straight-forward type of project such as a residential service connection, to \$5,000 for a complex development project; less complex projects require a \$2,500 deposit.
3. Determination of Facility Needs – Plan review of the proposed project is conducted to determine the required water service facilities.
4. Estimation of Costs – A Fees and Deposit letter is prepared to identify the estimated total costs to be paid in advance by the Developer Customer.
5. Permits – Construction permits are typically required by the Land Use Agencies, and can take a very long time to acquire.
6. Construction – Construction can be by Authority crews (staff or On-call Contractor) or by the Developer's contractor (requires an experienced contractor, bonds, insurance, and Agreement).
7. Cost Reconciliation – If the work is completed by Authority crews, actual costs are tabulated at the end of the project, then a refund is made to the Developer Customer if any deposit funds remain unspent or a request for additional funds is made if costs exceed the deposit.
8. Service Activation – Connection to the water facilities by the Developer Customer's plumber after testing of water facilities confirms safe water supply.

The Authority has taken several actions to improve the development process and its understanding in the community such as the development of a brochure entitled, "Water Service Application Guidelines," placement of this brochure at the Land Use Agencies for interested Developer Customers, working with the Land Use Agencies to improve the visibility of the Authority as the water service provider, conducting Developer Forums in partnership with the Land Use Agencies, and mailing an Accessory Dwelling Unit bill insert in water bills (customer to receive in next billing cycle).

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The Board has directed several improvements for Developer Customers including:

- Reduction in insurance limit requirements for Developer Customers' contractors;
- Authorization for payment of development fees with credit cards; and
- Consideration of participation in the Statewide Community Infrastructure Program (SCIP) for funding assistance on larger projects

In response to direction from the Board based on input from the Operations Committee, staff developed a draft Resolution Adopting Guidelines for Staff Communication with Developer Customers (see attachment).

In preparation for this Special Board meeting and as requested by the Operations Committee, Authority staff contacted several other water agencies in San Diego County and found that most of the Authority's processes are very similar to the other agencies. In fact, the Authority has fees that compare favorably (i.e., are lower) to other agencies.

Staff remains committed to providing excellent customer service to all customers and strives to treat all Developer Customers fairly and consistently, while protecting public health and safety and keeping water rates low.

PAST BOARD ACTIONS

January 8, 2020	The Governing Board directed staff to establish a policy to accept credit card payments for developer costs through a Third-Party Based Credit Card Processor.
December 11, 2019	The Governing Board approved to have a Special Board meeting to have a workshop on developer processes.
November 13, 2019	The Governing Board approved to change the insurance requirements for developer agreements to \$1M/\$2M to \$3M/\$5M (Occurrence/Aggregate), and review the insurance requirements in one year.
September 25, 2019	The Governing Board directed staff to develop a policy stating that payment plans are limited to customer water bills only and developers' costs are not eligible for a payment plan; and directed staff to further explore allowing developers to pay costs with a credit card.
August 14, 2019	The Governing Board directed staff to provide information of the insurance requirements for developers and Authority contractors for the last two years; research comparable data

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from other agencies; and present this information to the Operations Committee within three months.

June 26, 2019

The Governing Board:

- Directed staff to perform an audit on the meter size requirement for the Water Service Installation at Vanover Residence, 5141 Sweetwater Road;
- Directed staff to perform an audit of the communication, method, and information between the Sweetwater Authority staff and Andrew Vanover on the Water Service Installation at Vanover Residence, 5141 Sweetwater Road;
- Upon receipt of payment in the amount of \$3,500, provide a payment extension until July 24, 2019, to Andrew Vanover for the remaining balance of \$3,519.16;
- Directed the Operations Committee to develop a policy, for consideration by the full Board, outlining specific practices and procedures for communication with developers with regard to range of project costs and cost overruns; and
- Directed staff to provide a verbal report on the FY 2018-19 Work Plan task whereby staff developed a cost analysis of providing payment plans to developers.

June 12, 2019

The Governing Board approved the FY 2019-20 Strategic Plan Detailed Work Plan

FISCAL IMPACT

Currently, Authority policy is to seek full cost recovery for activities related to private development.

POLICY

Strategic Plan Goal 2: System and Water Supply Reliability – Achieve an uninterrupted, long-term water supply through investment, maintenance, innovation and developing local water resources.

- Objective SR7: Review proposed development plans and install necessary infrastructure to ensure the facilities meet the required demand, achieve code compliance, avoid cross-connections, and have minimal-to-zero financial impact to the Authority's ratepayers

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Strategic Plan Goal 4: Customer Service, Citizen Engagement and Community Relations – Provide high quality customer service based on customer feedback and serve the community through education, outreach and partnerships.

- Objective CS3 - Explore and implement process improvements to better serve developer customers.
 - 003.00 Develop a policy outlining specific practices and procedures for communication with developers with regard to range of project costs and cost overruns.

ALTERNATIVES

1. Adopt Resolution 20-04 Adopting Guidelines for Staff Communication with Developer Customers as presented.
2. Adopt Resolution 20-04 Adopting Guidelines for Staff Communication with Developer Customers with modifications.
3. Other direction as identified by the Governing Board.

STAFF RECOMMENDATION

Staff defers to the Governing Board for direction.

ATTACHMENT

Draft Resolution 20-04 of the Governing Board of Sweetwater Authority Adopting Guidelines for Staff Communication with Developer Customers

RESOLUTION 20-04

**RESOLUTION OF THE GOVERNING BOARD OF
SWEETWATER AUTHORITY ADOPTING GUIDELINES FOR
STAFF COMMUNICATION WITH DEVELOPER CUSTOMERS**

WHEREAS, Sweetwater Authority (Authority) provides potable water to nearly 200,000 people through more than 33,000 connections in western Chula Vista, the City of National City, and the incorporated areas of the County designated as Bonita and Lincoln Acres; and

WHEREAS, water is an essential resource for the economic vitality and sustainability of the community; and

WHEREAS, the Authority constructs, operates, and maintains infrastructure to deliver potable water to the community; and

WHEREAS, residential and commercial development is essential to the enhancement and expansion of the local economy; and

WHEREAS, the Authority is committed to supporting residential and commercial development throughout the Authority's service area; and

WHEREAS, development projects often require installation of new, or modification to existing, water service; and

WHEREAS, the Authority is committed to being responsive to development needs, while concurrently enforcing its Rates and Rules to ensure policy conformity, fiscal responsibility, and the safety and quality of water provided; and

WHEREAS, the Authority has instituted programs to assist developers with costs associated with water service, including participation in the Statewide Community Infrastructure Program, accepting payments by credit card, and reducing insurance requirements; and

WHEREAS, the Authority prides itself on excellent and professional customer service;

NOW, THEREFORE, BE IT RESOLVED, that the Governing Board of Sweetwater Authority adopts the following guidelines for Authority communication with Developer Customers to ensure the best possible customer service experience:

- *Developer Customers shall receive courteous, honest, empathetic and respectful service;*
- *Developer Customers shall be treated consistently and fairly;*
- *Authority staff shall respond to requests from Developer Customers seeking new water service, or upgrade/modification to existing water service in a timely manner;*
- *Authority staff will be available during regular business hours to explain the Water Service Application process at no cost to the Developer Customer; generally and in order to keep costs low for the Authority's ratepayers, this initial consultation is not expected to exceed one hour.*

RESOLUTION 20-04

- *Costs for service shall be incurred after the application process has been explained, and Developer Customers shall be entitled to have all costs explained to them in easy-to-understand terms, including cost over-runs;*
- *Authority staff shall maintain communications with the Developer Customer throughout the project;*
- *Developer Customers may have their water service installed by their own contractor, subject to certain terms and conditions, or have their water service installed by the Authority;*
- *Developer Customers may speak to a supervisor if they are dissatisfied with the communication from the Authority's project manager; and*
- *The Authority shall provide a mechanism for Developer Customers to provide feedback to Management and the Board for continual improvement.*

PASSED AND ADOPTED at a Special meeting of the Governing Board of Sweetwater Authority held on the 11th day of February 2020, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steve Castaneda, Chair

ATTEST:

Ligia Perez, Board Secretary