



Keeping Current on COVID-19 Challenges for the Water Industry

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There is no question that the COVID-19 pandemic has significantly disrupted business operations in virtually every business sector, and the water industry is no exception. We are mindful of how strenuous it is for our clients to navigate these turbulent times as they continue to provide critical services to our communities and adapt quickly to new emergency orders.

We have received a number of questions and concerns from clients on how the current pandemic affects the water industry, and what to expect going forward. We will be hosting a webinar on **April 16, 2020 from 1:00 to 2:00 p.m. PT** to address some of the latest updates on these issues and to help answer questions. Please **click here** to register.

In the meantime, the following summarizes some of the key issues facing water industry professionals, which we will address also in more detail during the webinar.

1. **Customer Protections**. Emergency declarations have been issued at the federal, state and local levels to ensure public access to potable water and to protect customers through this time of financial uncertainty. Water and wastewater systems have been deemed essential services, and water purveyors and utilities are restricted from disconnecting service due to non-payment for both residential and commercial customers.
2. **Brown Act Suspensions**. Recent executive orders have suspended certain requirements under the Brown Act. Public agencies are authorized to conduct public meetings via teleconference and to make public meetings accessible telephonically or otherwise electronically to members of the public who wish to observe and address the agency's legislative body.
3. **Public Records Act**. Because there have been no changes to procedures related to responding to California Public Records Act requests, agencies may still be required to respond in accordance with those regulations to the greatest extent possible under the circumstances, despite limitations related to accessing documents.
4. **Court Closures**. Both federal and California courts have significantly limited all court functions, especially in civil matters. While some courts are still proceeding with hearings telephonically, many are not holding

hearings in civil matters except in emergencies. In addition, all jury trials are suspended and continued for at least sixty days, the time permitted to bring a civil action to trial has been extended by sixth months, and statutes of limitations for civil causes of actions temporarily tolled.

5. **Employment**. Employers are facing complex challenges relating to ensuring workplace safety for employees providing “essential services,” implementing teleworking arrangements, furloughing and laying off staff, navigating sick leave and family and medical leave obligations under various statutes, including the newly-enacted Families First Coronavirus Response Act, and addressing employee benefit issues.
6. **Insurance**. Businesses in every sector are tendering claims to their insurers for losses caused by business interruption. We will discuss the nature of business interruption coverage, including its limitations, and how the industry is handling these claims arising out of the COVID-19 pandemic. We will also touch on other coverage issues that may arise out of the pandemic and provide recommendations on how to address certain losses specific to the water industry.
7. **Legislative Updates**. The \$2.2 Trillion business and individual stabilization law, the “Coronavirus Aid, Relief, and Economic Security Act” or the CARES Act, contains several provisions that impact regulated water utilities. The key provisions are the Coronavirus Relief Fund for State and Local Government Funding, Paycheck Protection Program for Small Businesses, allowing for two types of loans for certain sized businesses, along with other federal funding including programs from the Federal Emergency Management Agency (FEMA). The law also contains funding for potential infrastructure spending through the Department of Commerce, and many other provisions that impact water entities. At the time of publication, many federal agencies are still attempting to implement these programs, please contact us for additional updates.

If you have questions during this challenging time, we are available to help assess how the current pandemic may impact your agency.