



Helendale Community Services District Regular Board Meeting

26540 Vista Road, Suite C, Helendale, CA 92342

Thursday, August 20, 2020 at 6:30 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Helendale CSD will hold its board meeting via teleconference. The Helendale CSD Board of Directors will meet in person at the District Office located at 26540 Vista Rd. Suite C. Helendale, CA 92342. This meeting is open to the public via virtual interface and can be accessed by clicking on the link below.

<https://attendeegotowebinar.com/register/6730340880559583504>

(Dial-in instructions will be provided after registering at the link above)

Call to Order - Pledge of Allegiance

1. Approval of Agenda

2. Public Participation

Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member wishing to make comments may do so by filling out the speaker's card at the following link: <https://www.surveymonkey.com/r/HKGNLL8>. We request that all speaker's cards are filled out by 6:25 pm.

3. Consent Items

- a. Approval of Minutes: August 6, 2020, Regular Board Meeting
- b. Bills paid report
- c. Directors Compensation and Expenses
- d. COVID-19 Update

4. Reports

- a. Directors' Reports
- b. General Manager's Report

Regular Business:

5. Discussion and Possible Action Regarding Write Off of Certain Accounts
6. Discussion and Possible Action Regarding Adoption of a Policy Statement Regarding Recycled Water
7. Discussion and Possible Action Regarding Approval of Open Purchase Orders for Certain Vendors
8. Discussion and Possible Action Regarding Community Center Signage

Other Business

9. Requested items for next or future agendas (Directors and Staff only)

Closed Session

- 10. Conference with Real Property Negotiators (Government Code Section 54956.8)**
Property: APN's: 0467-021-33; 0466-181-25; 0466-618-26
District Negotiator: Kimberly Cox, General Manager
Negotiating Parties: US Materials
Under Negotiation: Price and Terms of Payment
- 11. Conference with Legal Counsel – Anticipated Litigation**
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
Two Potential Cases
- 12. Conference with Real Property Negotiators (Government Code Section 54956.8)**
Property: APN's: 0467-121-28, 0467-121-22
District Negotiator: Kimberly Cox, General Manager
Negotiating Party: Carl Ross Living Trust
Under Negotiation: Price and Terms of Payment
- 13. Report of Closed Session Items**
- 14. Adjournment**

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above agenda'd public meeting should be directed to the District's General Manager's office at (760) 951-0006 at least 24 hours prior to said meeting. The regular session of the Board meeting will be recorded. Recordings of the Board meetings are kept for the Clerk of the Board's convenience. These recordings are not the official minutes of the Board meetings.



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: August 6
- b. Bills Paid Report
- c. Directors Expenses
- d. Covid-19 Update



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3a
Minutes from Board meeting 8/6/2020



*Minutes of the Helendale Community Services District
BOARD OF DIRECTORS MEETING
August 6, 2020 at 6:30 PM
26540 Vista Road, Suite C. Helendale, CA 92342*

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Helendale CSD's August 6, 2020 board meeting was held via teleconference.

Board Members Roll Call:

Ron Clark – President; Tim Smith - Vice President; Sandy Haas, Secretary; Craig Schneider – Director; Henry Spiller – Director

Staff Members Present:

Kimberly Cox, General Manager
Cheryl Vermette, Program Coordinator
Craig Carlson, Water Operations Manager

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There was one member of the public present via the teleconference link

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:33 by President Ron Clark, after which the Pledge of Allegiance was recited.

1. Approval of Agenda

Action: A motion was made by Director Schneider to approve the agenda as presented. The motion was seconded by Director Haas.

Vote: Motion carried by the following vote: 5 Yes; 0 No

2. Public Participation

None

3. Consent Items

- a. Approval of Minutes: July 16, 2020 Regular Board Meeting
- b. Directors Compensation and Expenses
- c. Bills Paid Report
- d. COVID Update

Action: A motion was made by Vice-President Smith to approve the consent items as presented. The motion was seconded by Director Spiller.

Vote: Motion carried by the following vote: 5 Yes; 0 No

4. Reports

- a. Directors' Reports
Director Schneider thanked staff for taking care of the tumbleweeds on Galleon
Director Spiller echoed Director Schneiders comments
- b. General Manager's Report

General Manager Cox showed a picture of the new Bobcat and let the Board know it is on display in the parking lot for viewing. She also gave an update on the sewer line project and showed several photos of the progress.

Water Operations Manager Carlson gave the water report. Staff met with Mike Crabtree from Forshock SCADA for a refresher. Staff is continuing the meter replacement program; completed the Water Master report; repaired a mainline leak at the property on Smithson; continuing to assist wastewater with the pipeline installation project; replaced one broken a-stop; repaired two leaks at Fairway Courts and repaired an after hours leak on Cinch Ct. Carlson showed several photos of the repairs.

Regular Business

5. Discussion and Possible Action Regarding Well Development Process and Circulation of Bids for Well Drilling Services

Discussion: The District has received a \$750,000 Prop 1 grant through Mojave Water agency. Many elements are required in the development of a new well including CEQA, drilling, consultation with a hydrogeologist, engineering, Edison, equipping the well, a pipeline to connect to the distribution system and site development which includes a new well house, fencing, concrete, SCADA and security cameras/sensors. The purpose of this item is to inform the Board of the process and approve the circulation of the request for proposals for well drilling services. The bidding process will take approximately two months. Staff has completed the update of the previous bid specifications and we will have a hydrogeologist review the document prior to circulation. The bid will be noticed as required with direct solicitation sent to known well drillers. The new well will be designated as Well 13. The cost for the new well with pipeline will exceed one million dollars. This project was outlined in the rate increase analysis circulated and approved in 2017. Due to a phased in rate increase sufficient funds exist to construct the new well without need for a loan. The current cash on hand for the water department is approximately \$1.4 million dollars. The last phase of the rate increase was implemented on July 1 of this fiscal year

Motion: Director Haas made the motion to approve the circulation of a request for proposals for Well Drilling Services for Well 13. Vice President Smith seconded the motion.

Vote: The motion was approved by the following roll call vote: President Clark – Yes; Vice President Smith – Yes; Secretary Haas – Yes; Director Schneider – Yes; Director Spiller – Yes

6. Discussion and Possible Action Regarding Requested Use of the Community Room

Discussion: Helendale Senior Outreach provides a place for seniors to come together and will reconvene after COVID-19 restrictions are lifted. The Senior Outreach has their own board and insurance. The group needs a new place to meet Monday through Thursday from 10 am – 2 pm. They have activities that fit within the Park & Rec function such as Wii Bowling, cards, games, Bingo, nutrition programs and Meals on Wheels distribution. They need to move their items out of the school by September 1st. They have partnered with the District on many classes and have used the Community Center for special occasions. The group feels that the Community Room would meet their needs. A few items such as a refrigerator, freezer and cabinet would need to be stored and there is room to accommodate these items. The group would coordinate their meetings with other District uses, the tables would be put away after use if other activities are scheduled in the room. Senior Outreach is requesting to use the room at no charge.

Christ the Good Shephard Catholic Church has held Saturday Mass (with an average attendance of 35) at the School for many years. They paid the School \$35 per week (or \$1,820 per year). A fee of \$50 per week (or \$2,600 per year) could be charged. They are requesting use of the Community Room on Saturdays from 4:00 pm to 5:30 pm and would have one small rolling cart to store. This use would preclude other rentals during that time; however, it would still be available before and after that time on Saturday's and on Friday nights. The use fee would equal approximately the same amount as last year's rentals. If approved, the Church would like to begin this Saturday at the park as allowed by recent health orders. The Board discussed and agreed the Senior Outreach would be allowed to use the room for no fee. They also discussed fees for the use of the room for Christ the Good Shephard Church and decided the fee should be consistent with the District's previously adopted fee schedule for non-profits.

Motion: Director Spiller made the motion to approve the room use as outlined in the staff report with a fee for church use to be consistent with the Boards previously adopted facility use policy for non-profits. Vice President Smith seconded the motion.

Vote: The motion was approved by the following roll call vote: President Clark – Yes; Vice President Smith – Yes; Secretary Haas – Yes; Director Schneider – Yes; Director Spiller – Yes

7. Discussion and Possible Action Regarding Circulating Bids for Community Center Parking Area

Discussion: This matter was previously discussed by the Board in regard to the location of the new parking area and paving curb approaches. Staff is seeking approval to circulate a request for proposals. The proposals will come back to the Board for review and award of final contract. GM Cox shared the layout for the paving project. The construction will consist of three inches of asphalt over six inches of base. Grading will be required per the engineers drawing. The estimated cost of the project will be \$200,000. The paving will be just under one acre with approximately 187 spaces. Staff recommends adding lighting to a future phase of the project.

Motion: Director Schneider made the motion to approve the circulation of bids for the Community Center asphalt project. Director Haas seconded the motion.

Vote: The motion was approved by the following roll call vote: President Clark – Yes; Vice President Smith – Yes; Secretary Haas – Yes; Director Schneider – Yes; Director Spiller – Yes

8. Discussion and Possible Action Regarding Adoption of Resolution 2020-11: A Resolution of the Helendale Community Services District Board of Directors Approving Application for Per Capita Grant Funds

Discussion: The Per Capita Program is funded from Prop 68 money and is available through California State Parks. A total of \$185,000,000 in funding is available through the General Per Capita Program and \$13,875,000 is available through the Urban Per Capita Program. Eligible projects must be capital outlay for recreational purposes. There is a 20% match requirement for non-severely disadvantaged communities. The District's allocation is \$177,952 and an additional \$4,337 was allocated under the "Entities with Populations Less than 200,000 in Heavily Urbanized Counties Per Capita Grant Program." Our total grant funding for projects will be \$182,289. The District's match is a minimum of \$36,457.80 In order to apply for the grant the Board must adopt Resolution 2020-11. The District must submit a project or projects for funding. We will have until June 2024 to complete all projects

under this grant. Possible Projects include: Lighting for the soccer and baseball fields; restroom near the baseball fields; fencing for the RC Track and an electric security gate. Staff is seeking direction from the Board on what projects to submit for the application. Projects to be included in the request are fencing, lighting and a restroom.

Motion: Director Schneider made the motion to adopt 2020-11: A Resolution of the Helendale Community Services District Board of Directors Approving Application for Per Capita Grant Funds. Director Haas seconded the motion.

Vote: The motion was approved by the following roll call vote: President Clark – Yes; Vice President Smith – Yes; Secretary Haas – Yes; Director Schneider – Yes; Director Spiller – Yes

9. Discussion and Possible Action Regarding Prop 68 Statewide Parks Grant

Discussion: Round 4 of the Statewide Parks funding has been announced. The total funding available for this round is \$395,302,155. Round four will be the final round for funding in this program. The minimum grant award is \$200,000 and the maximum grant award is \$8,500,000. There is NO match requirement. The application deadline is December 14th. Applied for Round 3 funding for the Park on Wild Rd. In the last round, the District got a site visit with Project Officer but was not awarded a grant. Our major weakness was our project location. Staff recommends creating a new park rather than expanding our existing park on Wild Rd. for this application. The main reason for this change is we believe we will be able to get more points at the location on Vista Rd. due to the fact we will be creating a New Park, the poverty level at this location and the critical lack of park space. Community Based Planning is a very important component of this process. The District must have at least 5 Community Based Planning Meetings to get feedback from our community regarding park design, amenities, safety, etc. We will discuss this at the next Park & Rec meeting as one of the public meetings. One is also scheduled for Saturday, August 15th at 10 am. Both will be a webinar. Due to COVID-19 we are presented with some unique challenges for community-based planning. Because of this, meetings will be held virtually. We may be able to hold outdoor meetings in person. We have utilized the farmers market to talk to residents about the grant and have started a Facebook group to get feedback (this will count as 1 meeting). Based on the community planning Staff will put together a list of amenities and get cost estimates and then the projects will be brought back to the Board for approval. Many of the amenities we applied for in the previous grant can be included in this new grant application. Some items have been completed or will not apply to the new park. This was discussed with the Park and Rec Committee and they were in favor of moving the location in order to make our grant application more competitive. The Board was previously supportive of applying for future grants when we found out we did not get an award in Round 3. Staff is asking for the Board's input on moving forward with the public meetings and continuing the application process.

Motion: Director Schneider made the motion to direct Staff to continue the application and planning process for the Round 4 Statewide Parks Grant and determine the location to be the Community Center. Director Haas seconded the motion.

Vote: The motion was approved by the following roll call vote: President Clark – Yes; Vice President Smith – Yes; Secretary Haas – Yes; Director Schneider – Yes; Director Spiller – Yes

Other Business

10. Requested items for next or future agendas (Directors and Staff only)
None

President Clark called for a brief recess at 7:48 pm after which closed session began.

Closed Session

President Clark called Closed Session to order at 8:01 pm.

11. Conference with Real Property Negotiators (Government Code Section 54956.8)
Property: APN's: 0467-021-33; 0466-181-25; 0466-618-26
District Negotiator: Kimberly Cox, General Manager
Negotiating Parties: US Materials
Under Negotiation: Price and Terms of Payment

12. Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
One Potential Case

13. Conference with Real Property Negotiators (Government Code Section 54956.8)
Property: APN's: 0467-121-28, 0467-121-22
District Negotiator: Kimberly Cox, General Manager
Negotiating Party: Carl Ross Living Trust
Under Negotiation: Price and Terms of Payment

14. Report of Closed Session Items
Closed Session adjourned at 9:09 pm at which time President Clark called to order the Open Session.
Legal Counsel Kennedy announced there was no action resulting from any of the closed session items.

15. Adjournment

Action: President Ron Clark adjourned the meeting at 9:10 pm

Submitted by:

Approved By:

Ron Clark, President

Sandy Haas, Secretary

The Board actions represent decisions of the Helendale Community Services District Board of Directors. A digital voice recording and copy of the PowerPoint presentation are available upon request at the Helendale CSD office.



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop
SUBJECT: Agenda item #3b
Bills Paid Report



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item #3 b
Consent Items: Updated Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Updated Report Only. Receive and File

STAFF REPORT:

Staff issued 43 checks and 4 EFT's totaling \$64,598.18

Total Cash Available:	<u>8/13/20</u>	<u>8/03/20</u>
Cash	\$6,029,878.81	\$6,031,040.67
Checks/EFT's Issues	\$ 64,598.18	\$ 459,534.41

Investment Report

The Investment Report shows the status of the invested District funds. The current interest rate is 1.22% for LAIF, and 0.20% for the CBB Sweep Account for July 2020. Interest earned in July 2020 on CBB Sweep Account is \$993.18.



Helendale CSD

Bills Paid and Presented for Approval Transaction Detail

Issued Date Range: 08/04/2020 - 08/13/2020

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
08/05/2020	23361	Bank of America	-151.89	Check	Accounts Payable
08/06/2020	23362	South Valley Pump, Inc	-8,682.99	Check	Accounts Payable
08/06/2020	23363	Fedak & Brown LLP	-2,811.00	Check	Accounts Payable
08/06/2020	23364	Void Check	0.00	Check	Accounts Payable
08/06/2020	23365	Void Check	0.00	Check	Accounts Payable
08/06/2020	23366	Void Check	0.00	Check	Accounts Payable
08/06/2020	23367	Southern California Edison	-177.96	Check	Accounts Payable
08/06/2020	23368	Southern California Edison	-134.40	Check	Accounts Payable
08/06/2020	23369	Southern California Edison	-344.20	Check	Accounts Payable
08/06/2020	23370	Void Check	0.00	Check	Accounts Payable
08/06/2020	23371	Void Check	0.00	Check	Accounts Payable
08/06/2020	23372	Void Check	0.00	Check	Accounts Payable
08/06/2020	23373	Aqua-Metric Sales Co.	-6,658.05	Check	Accounts Payable
08/06/2020	23374	Harbor Freight Tools	-386.67	Check	Accounts Payable
08/06/2020	23375	Tunnel Vision Pipeline Cleaning	-3,600.00	Check	Accounts Payable
08/06/2020	23376	ACI Payments, Inc	-17.10	Check	Accounts Payable
08/06/2020	23377	AQUA Capital Management LP	-3,515.72	Check	Accounts Payable
08/06/2020	23377	AQUA Capital Management LP Reversal	3,515.72	Check Reversal	Accounts Payable
08/06/2020	23378	AVCOM Services Inc.	-139.50	Check	Accounts Payable
08/06/2020	23379	Beck Oil Inc	-1,632.75	Check	Accounts Payable
08/06/2020	23380	Bob's Cooling & Heating	-4,590.00	Check	Accounts Payable
08/06/2020	23381	Burrtec Waste Industries Inc	-124.18	Check	Accounts Payable
08/06/2020	23382	County of San Bernardino	-60.00	Check	Accounts Payable
08/06/2020	23383	Frontier Communications	-85.94	Check	Accounts Payable
08/06/2020	23384	Geo-Monitor, Inc.	-229.50	Check	Accounts Payable
08/06/2020	23385	Hartford Life	-719.27	Check	Accounts Payable
08/06/2020	23386	Imperial Sprinkler Supply, Inc.	-113.60	Check	Accounts Payable
08/06/2020	23387	Inland Water Works Supply Co.	-161.63	Check	Accounts Payable
08/06/2020	23388	Inland Water Works Supply Co.	-729.74	Check	Accounts Payable
08/06/2020	23389	Mark Roberts	-2,430.00	Check	Accounts Payable
08/06/2020	23390	Mobile Occupational Services, Inc.	-55.00	Check	Accounts Payable
08/06/2020	23391	Rebecca Gonzalez	-495.00	Check	Accounts Payable
08/06/2020	23392	San Bernardino County Fire Protection District	-1,010.00	Check	Accounts Payable
08/06/2020	23393	Shred-it USA LLC	-80.55	Check	Accounts Payable
08/06/2020	23394	Staples Credit Plan	-364.36	Check	Accounts Payable
08/06/2020	23395	Uline	-380.45	Check	Accounts Payable
08/06/2020	23396	UPS	-11.91	Check	Accounts Payable
08/06/2020	23397	USA Blue Book	-1,280.59	Check	Accounts Payable
08/06/2020	23398	USA of So. California	-80.95	Check	Accounts Payable
08/06/2020	23399	Walters Wholesale Electric Co.	-1,960.39	Check	Accounts Payable
08/06/2020	23400	California State Disbursement Unit	-230.76	Check	Accounts Payable
08/06/2020	23401	G.A. Osborne Pipe & Supply Inc.	-982.81	Check	Accounts Payable
08/06/2020	23402	Mark Roberts	-6,645.00	Check	Accounts Payable
08/07/2020	23403	Aqua-Metric Sales Co.	-3,515.72	Check	Accounts Payable
08/07/2020	23404	ROY D. BANKHEAD	-163.16	Check	Utility Billing
08/10/2020	EFT0003325	CalPERS 457 Pmt PPE	-4,153.81	EFT	General Ledger
08/12/2020	EFT0003326	CalPERS PEPRA Pmt PPE 3/29/20	-1,541.02	EFT	General Ledger
08/12/2020	EFT0003327	To record CalPERS Classic Pmt PPE 7/19/20	-6,889.26	EFT	General Ledger
08/13/2020	EFT0003328	To record Tasc Flex Claim Pmt - PPE 8/2/20	-777.07	EFT	General Ledger
Bank Account 251229590 Total: (49)			-64,598.18		
Report Total: (49)			-64,598.18		

Bank Transaction Report

Bank Account	Count	Amount
251229590 CBB Checking	49	-64,598.18
Report Total:	49	-64,598.18

Cash Account	Count	Amount
No Cash Account	6	0.00
99 99-111000 Cash in CBB - Checking	43	-64,598.18
Report Total:	49	-64,598.18

Transaction Type	Count	Amount
Check	44	-54,752.74
Check Reversal	1	3,515.72
EFT	4	-13,361.16
Report Total:	49	-64,598.18



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3c
Presentation of Directors' Expenses

STAFF REPORT:

Attached for the Board's consideration is a spreadsheet that outlines Director's expenses paid for the current pay period.

Director's Expenses
Pay Period Ending August 16, 2020

Name:		Sandy Haas	
	Date	Activity	Rate
1	8/3/2020	Met with Jean regarding Tri-Communities Luncheon	\$137.50
2	8/4/2020	Meeting with General Mangaer	\$137.50
3	8/5/2020	Met with Cheryl regarding nre park plans	\$137.50
4	8/6/2020	Regular Board Meeting	\$137.50
5	8/10/2020	Meeting with General Mangaer	\$137.50
6	8/11/2020	Park and Recreation Committee Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$825.00

Name:		Craig Schneider	
	Date	Activity	Rate
1	7/21/2020	Met with GM to discuss new well	\$137.50
2	7/22/2020	Meeting at Wastewater Plant	\$137.50
3	8/5/2020	Meeting with GM	\$137.50
4	8/6/2020	Regular Board Meeting	\$137.50
5	8/11/2020	Park & Recreation Meeting	\$137.50
6	8/14/2020	San Bernardino Water Conference - Virtual	\$137.50
7	8/15/2020	Park Planning Meeting	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$962.50

Name:		Craig Schneider	
	Date	Activity	Rate
1	8/4/2020	Meeting with GM	\$137.50
2	8/6/2020	Regular Board Meeting	\$137.50
3	8/11/2020	Park & Recreation Meeting	\$137.50
4	8/14/2020	San Bernardino Water Conference - Virtual	\$137.50
5	8/15/2020	Park Grant Meeting	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$687.50



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3d
Discussion Only Regarding
COVID-19 Update

Staff Recommendation

Receive and file.

Staff Report

Staff continues to monitor the modification in allowed activities as they evolve. Recently guidance was issued regarding youth sports, however, active competitive play is still not permitted.

The revenues continue to be evaluated on an on-going basis with many accounts in arrears shifting to the tax roles for collection and no longer carried on the utility accounts. It is uncertain whether these homes are in foreclosure or not paying due to the prohibition in disconnections.

The District has filed \$19,218.09 in past due utility payments with the Tax Collector to be collected on the tax rolls. There is an additional \$47,739 in outstanding payments three months or older that are outstanding. Nine of the accounts are three months behind and the balance are two months behind. Staff continues to file liens on a regular basis and make reminder phone calls to past due customers in an effort to protect the District and its customers from losses to the extend possible.



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
Discussion and Possible Action Regarding Write Off of Certain Accounts

STAFF RECOMMENDATION:

Staff recommends that the Board of Directors approve the write-off of certain utility accounts and consider proposed changes to the policy.

STAFF REPORT:

Typically, on an annual basis as part of the year-end procedures, staff reviews the closed and uncollected accounts to determine if they are eligible for write-off. The District has a written policy adopted in 2009 and revised in 2017 and 2019, that outlines this process. The policy states that the write-off of accounts under \$25.00 can be approved by the General Manager and should be brought to the Board at least annual each year. Accounts with an outstanding balance over \$25 must come to the Board at least annually to be written off.

Accounts are written off if a customer with an overdue balance has not paid their utility bill and the District has exhausted options for collecting that debt. Some accounts are liened as a means of protecting the District's interests and the liens are satisfied at some point during a property transfer or refinance. However, there are a few accounts for various reasons that the District cannot secure through the lien process. Also, in the case of bankruptcy with the District listed as a creditor, the District must write off the amount included in the discharge of debt.

A list of the recommended accounts from FY 19-20-19 with balances over \$25 is attached for the Board's review approval. Eleven accounts have been identified as delinquent and uncollectable at this time representing \$807.87. Also attached is a list of accounts under \$25.00 that have been approved by the General Manager for write off. This list which totals \$250.23 is presented to the Board per Section 5 and Section 6 of the policy for review. Once approved and reviewed, the accounts with outstanding balances will be written off in the Tyler billing system and no longer appear as a receivable for FY20.

Last fiscal year the total of three accounts over \$25 and nine accounts under \$25 for a total write-off of \$433.24 compared to this year's write-offs of over \$1000 with an additional \$1200 in unpaid accounts (since January 2020), that Staff is still attempting to collect which is not yet reflecting on this report.

FISCAL IMPACT: \$807.87 in accounts owing more than \$25 and \$250.23 in accounts owing less.

POSSIBLE MOTION: Approve accounts to be removed from Accounts Receivable as uncollectable

ATTACHMENTS: Accounts recommended for write-off
Account Write-Off Policy and Procedures (8-2019)

2020 WRITE OFFS

Account Number	Balance	Date Acct Closed	comments
12-2241-04	\$ 72.87	6/6/2017	sold
12-2463-03	\$ 59.00	6/21/2017	closing bill
12-2822-08	\$ 27.09	8/11/2017	closing bill
14-1053-02	\$ 55.63	1/18/2018	
14-1062-00	\$ 29.92	3/31/2018	
12-2706-01	\$ 195.54	5/31/2019	sold (was on ACH, bank acct closed-NSF)
14-1113-00	\$ 32.49	6/30/2019	
14-1019-01	\$ 45.89	7/31/2019	
12-2319-01	\$ 230.68	8/27/2019	SOLD
14-1116-00	\$ 33.67	10/7/2019	
14-1039-00	\$ 25.09	5/21/2020	
	\$ 807.87		

WRITE OFFS UNDER \$25

Account Number	Balance	Date Acct Closed
14-1110-03	\$ 20.45	6/17/2019
14-1055-00	\$ 17.79	8/31/2013
12-3846-00	\$ 15.02	11/30/2015
12-2264-00	\$ 13.67	5/5/2018
12-2329-01	\$ 10.92	3/31/2020
12-2650-01	\$ 9.78	4/10/2020
14-1110-00	\$ 9.62	12/31/2016
12-2964-00	\$ 8.95	12/31/2019
12-1026-02	\$ 8.39	9/4/2015
12-1495-05	\$ 8.15	5/4/2017
12-2405-01	\$ 6.55	6/30/2016
14-1097-01	\$ 6.39	12/31/2017
12-1933-03	\$ 5.42	5/31/2020
12-2328-00	\$ 5.19	12/15/2019
12-3598-07	\$ 5.19	10/2/2019
12-1688-01	\$ 5.01	1/31/2020
14-1076-01	\$ 4.48	10/23/2018
12-1556-05	\$ 3.99	8/9/2019
12-3796-01	\$ 3.99	8/14/2019
14-1083-00	\$ 3.61	3/1/2018
12-1092-05	\$ 1.33	4/28/2017
12-2794-04	\$ 1.04	5/4/2020
12-2282-05	\$ 1.02	10/2/2019
12-2090-01	\$ 0.78	8/5/2015
12-1333-00	\$ 0.57	11/23/2016
12-1459-03	\$ 0.55	1/3/2018
12-1787-01	\$ 0.37	9/14/2015
12-1276-01	\$ 0.21	2/11/2013
12-3535-04	\$ 0.06	11/21/2016

\$ 178.49

HELENDALE COMMUNITY SERVICES DISTRICT
Account Write-Off Policy and Procedures
(Revised August 1, 2019)

Section 1. Purpose.

The purposes of this policy are to standardize the account write-off procedures of the Helendale Community Services District (“District”), when water, sewer, and/or trash service accounts and recreation fees cannot be collected through normal means; and to set forth the duties and responsibilities of the General Manager and District staff.

Section 2. Definitions.

- A) Uncollectible Account** – means a water/sewer and/or trash account with an outstanding balance which cannot be collected through the lien process, has changed ownership without knowledge of the District or the District is otherwise not able to obtain complete payment in full.
- B) Board** – means the Board of Directors of the District.
- C) Water, Sewer, Trash Utility Bill** – means a bill for water, sewer, and/or trash services sent to the owner or tenant of record.
- D) Accounts Receivable** – means a general ledger account in which the balance of all water, sewer, and/or trash accounts is recorded and adjusted for payments made, for changes to customer balances or for accounts which are no longer collectible.
- E) Write-Off** – means to reduce to zero dollars the outstanding balance in the utility billing system and to adjust the general ledger **Accounts Receivable** account accordingly.
- F) Recreation Fees** – means program fees for classes or sports programs

Section 3. Applicability.

This policy shall apply to all water, sewer, and trash accounts serviced by the Helendale Community Services District and unpaid recreation fees.

Section 4. Determination of a Write-off.

An account balance shall be written-off when:

- a. The owner no longer owns the property and the District was not notified until after the sale;
- b. The property lien was recorded AFTER the property was sold;
- c. The District has been unable to collect the debt;
- d. The customer has filed bankruptcy;
- e. The balance due is too small. i.e. the amount does not justify the cost of filing a lien on the property;

HELENDALE COMMUNITY SERVICES DISTRICT
Account Write-Off Policy and Procedures

- f. The balance is too old (i.e. aged over twelve months);
- g. The account has a credit balance and the owner or tenant cannot be located. The District must comply with the requirements of Government Code Sections 50050-50056 in order to transfer credit balances to the District's General Fund.

Section 5. Approval of Account Write-off – Accounts \$25.00 and Under.

Accounts which meet the criteria set forth in Section 4 and have a balance less than \$25.00 shall be written-off upon written approval of the General Manager. A listing of all accounts written-off upon approval by the General Manager during the fiscal year shall be presented to the Board of Directors for review quarterly or at least annually. Accounts shall be listed by account number, account closing date and account balance.

Section 6. Approval of Account Write-off – Accounts Greater Than \$25.00.

Accounts which meet the criteria set forth in Section 4 and have a balance greater than \$25.00 may be presented to the Board quarterly or at least annually for approval to Write-Off. Accounts shall be listed by account number, account closing date and account balance.

Section 7. Collection Remedies Unaffected.

A Write-Off of an account by the District shall not in any way be deemed a waiver or relinquishment of, nor an estoppel to assert, any of the legal, equitable, and/or administrative rights and/or remedies otherwise available to the District to pursue collection of the amount written off pursuant to this policy.

Section 8. Supersedes Other Policies.

This Account Write-Off Policy and Procedures supersedes any inconsistent prior policies adopted by the Board.



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Adoption of a Policy Statement Regarding Recycled Water

Staff Recommendation

Staff seeks input regarding this item.

Staff Report

From time to time the conversation of recycled water circulates around the community. There is often a misunderstanding of the “free” water and the related costs to reclaim this water supply. As we embark on an election season, Staff would like to share a draft policy statement that may be useful in the community-wide conversation. It is envisioned that if approved by the Board, the policy would be located on the District’s website for public access. In addition, information would be included in the District monthly newsletter informing the public of the document and how to access it.

The District completed a water feasibility study in 2012 that served as the basis for further evaluation. In 2018, a financial evaluation was completed that provided estimated costs for four different alternatives that ranged from \$8 million to \$11 million. The cost analysis in the policy statement is based upon a \$10 million cost. The estimated amount of recycled water is based upon current daily flows at the plant of just over 400,000 gallons per day. With some process water loss that would yield approximately 325 acre-feet of tertiary level recycled water per year. This amount would be available at a rate of approximately 27 acre-feet per month throughout the year.

The policy statement is silent on responsibility for the upgrade as that is not the point of the document. It is intended to clarify and convey basic information and make it available to any interested resident.

Fiscal Impact: None

Possible Motion: Motion to Adopt the Policy Statement on Recycled Water

Attachments: Recycled Water Policy Statement



Helendale Community Services District

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Helendale, California 92342-0359
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DRAFT

Recycled Water Position Statement

INTRODUCTION

Over the years, recycled water has been discussed frequently. This appears to be the most beneficial use of the wastewater resource and the District does not disagree with that in concept. As stewards of the public's money the current Helendale CSD Board's has evaluated the cost to upgrade the plant, the benefit for the upgrade and the water demands of the community. The Board has been determined that it is cost prohibitive to the upgrade of the wastewater plant to produce recycled water at this time. The estimated impact to a customer would be an increase of \$20 per month. It would cost approximately \$10 million dollars upgrade the plant and unless (1) we are required to do so by a regulatory authority or (2) if there is significant grant funding awarded for the project, the District will not upgrade the plant at this time due to the cost implications for our customers.

Staff's informal evaluation of the costs of the plant upgrade compared to other available options to increase water supply determines that to buy permanent water rights is the least costly option at \$5.81 per customer per month. The second least costly option is to lease water from the Mojave Water Agency that would cost at this point in time \$6.41 per customer per month compared to the cost of upgrading the plant at a cost of \$20 per customer per month for the same amount of water.

TIMELINE

It is important to understand that the process will take time and will result in increased operating costs in addition to the construction costs for the upgrade. There are many steps that must be taken to upgrade the wastewater facility. The District answers to regulatory agency that regulates the wastewater facility. Any changes to the facility must gain approval from that agency and its governing board. Other steps that must be completed to upgrade the wastewater facility to tertiary standards include: Engineering, environmental, financing, regulatory approval and construction. If the process to upgrade the plant started today, it would take an estimated three years to complete the construction on the facility to produce the tertiary quality water that could be used to irrigate grass.

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BACKGROUND

Plant Capacity: The Helendale Community Services District owns and operations a secondary wastewater treatment plant with a design capacity of 1.2 million gallons per day. Current average daily flow of wastewater into the plant is 488,000 gallons per day. Of that amount approximately 289,000 gallons per day would be available for tertiary uses. This is equal to approximately 325 acre-feet of water. Currently the water is used to irrigate a livestock feed crop. This process helps to purify the water so it meets the standards required by the regulatory agency to whom the District must answer. The existing permit under which the plant operates does not allow for transportation of the secondary effluent (treated wastewater) off of District property used by the wastewater operation.

Uses: The wastewater facility can be upgraded to treat the water to a higher water quality level referred to as tertiary treatment. This treatment level would allow the recycled water to be used for park and golf course irrigation, dust mitigation and many other beneficial uses. The District completed a Recycled Water Facilities Plan in 2012 that identified potential end users, treatment alternatives, conveyance pipeline and estimated cost for the upgrade. Costs, in 2018 dollars, was estimated to be between \$8-\$11 million for the plant facility plus the cost for pipeline installation to convey the recycled water to the end users. In addition, annual operating costs would increase because of increased energy and maintenance demands.

PROCESS

In order to move the process forward there are several steps that must be taken. An update of some of the projections and assumptions used for the cost estimate would be necessary. Secondly, engineering would need to be completed along with an environmental document that complies with the California Environmental Quality Act (CEQA). These initial steps, (CEQA and engineering) would take at least a year to complete.

In addition to the CEQA and engineering that would be required to upgrade the plant, there is also a regulatory process that will be required to receive approval for the upgrade. The Plant operates under a permit issued by the Lahontan Regional Water Quality Control Board, an entity that establishes the requirements for wastewater facilities in our area. Regulations that Lahontan establishes may require certain plant equipment and processes to meet a required level of disinfection for the tertiary effluent. Often these processes are costly and have a high energy demand which in turn affects the annual operating costs of the Plant. The process to complete a revision in the Plant's existing permit would take up to a year. In an effort to help expedite this process the State Water Resources Control Board has adopted a General Order for tertiary water treatment that may apply to this project. After these steps are completed and upon award of a construction contract, it would take an additional 12 to 24 months to startup of the tertiary upgrade.

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FUNDING

Funding for a Plant upgrade can come for various sources: Rates, end users, grants, loans, and development impact fees are some funding options.

Rates: If the District upgraded the plant the rate payers would absorb these costs resulting in an increase of approximately \$20 per month to pay the debt service and increased operating costs. Currently without an order from the regulatory authority mandating the plant upgrade for water quality reasons, the District would not be able to prove a necessity for increasing the rates to cover the costs of the plant upgrade.

End User Reimbursement: Currently there is an agreement in place between the Silver Lakes Homeowners Association (SLA) and the County of San Bernardino, CSA 70B that states that SLA will pay for all operations and maintenance for the upgraded plant and in exchange receive 100% of the water. The CSD was formed after this agreement was solidified and must comply with the terms and conditions which are valid through June 2025. If the Association paid to upgrade the plant this would ostensibly result in higher Home Owner Association dues to cover this cost.

Grants: Grants typically have matching fund requirements and often require that certain milestones have already been achieved such as completion of engineering and CEQA. Grants will only cover a small portion of the costs and are highly competitive. The District has been successful in receiving one grant that required the District to pay 75% of the cost for the Feasibility Study and the grant paid 25%. Grants are not free money per se and come with certain criteria that must be met. With all grants, the money must first be spent and once the project has been completed and evaluated by the granting agency for completion reimbursement will be made. The CSD will continue to seek opportunities for grant funding to assist with the tertiary upgrade

Loans: A loan could help fund a portion or all of the upgrade. Lending agencies require a guarantee of repayment, so a source would have to be identified (i.e. sewer rates or contractual guarantee of repayment from an end user). It is important to note that any debt incurred for upgrading the plant becomes part of the operations and maintenance budget. The cost of a plant upgrade will have to be paid back with interest.

Development Impact Fees: Development fees contribute to infrastructure development, however, growth in our area has been limited to primarily in-fill lots and would not be enough to fund such an upgrade. Development fees are collected to ensure that new development pays a fair share for using the existing facilities and for any required upgrades that will be needed to serve the property or development.

ALTERNATIVE CONSIDERATIONS

Wastewater Quantity vs. Cost: If the plant were upgraded to tertiary for recycled uses it would provide approximately 325 acre-feet per year. This is a minimal supply at a significant cost.

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Using the estimated cost of \$10 million to convert the wastewater plant to tertiary treatment the monthly cost/customer

\$10 million @3% interest over 20-year loan =	\$13,310,342.00
Cost per year (Principle & Interest) =	\$ 665,508.00
Cost per month	\$ 55,459.00
Cost per customer per month	\$ 20.00

Water Rights: The District believes that there are other less costly alternatives to meet the water demands of the community. The CSD has been proactive in purchasing water rights as they become available and has sufficient supply to serve our customers. The purchase of permanent water rights that could be used year after year is the most cost-effective alternative currently. It is understood that there are occasional ramp downs in this use to ensure regional water balance, but it is by far more cost effective than upgrading the wastewater facility. However, there is a limited supply of water rights available and an entity must be poised to buy the rights when available.

The cost to purchase permanent water rights that would equal 325 acre-feet of yield at the current ramped down rate of 55%:

590 acre-feet @ \$5000/AF =	\$2,950,000.00
\$2,950,000 @ 3% interest over 20-year loan/mo =	\$ 16,360.63
Cost per customer per month	\$ 5.81

Annual Replacement water can also be purchased directly from Mojave Water Agency or leased each year from a water rights owner who does not use their full allocation of water.

Lease directly from Mojave Water Agency with ability to use 100% of each acre-foot of water: (This cost could go up every year based upon annually adopted rates.)

325 acre-feet at the 2020/2021 estimated Mojave Water Agency Rate of \$666 per acre-foot (per the Watermaster Budget adopted April 22, 2020.)	
Cost for year for 325 acre-feet @ 666 =	\$216,450.00
Cost per month	\$ 18,037.50
Cost per customer per month	\$ 6.41



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Approval of Open Purchase Orders for Certain Vendors

Staff Recommendation

Staff requests approval.

Staff Report

From time to time Staff has requested that the Board approve Open Purchase orders for certain vendors. While the Board approved the resolution adopting the budget and authorizing the expenditure therefrom, some of the expenditures exceed the General Manager's signing authority as outlined in the purchasing policy. Several large expenditures are based upon contracts that the Board has and as such have been approved separately at a point in time.

Following is a list of the vendors and the amount for which the open PO is being requested:

<u>Vendor</u>	<u>Purpose</u>	<u>Amount</u>
Aqua Metrics	Meters	\$65,000
Brunick, McElhaney & Kennedy	Legal Expense	\$50,000
Beck Oil	Fuel	\$26,000

If approved by the board, purchased orders will be created and future bills within the fiscal year will be charged against the purchase order.

Fiscal Impact: As outlined in Staff report

Possible Motion: Approve the Open Purchase Orders as outlined in the Staff report



Helendale Community Services District

Date: August 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette, Program Coordinator
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Community Center Signage

STAFF REPORT:

The Board approved new signage for the Community Center at the November 7, 2019 Board meeting. The approved vendor quoted a price of \$3,527 for the signs and installation. The original vendor has not performed. Staff has received new quotes to provide and install signage at the Community Center.

The quote for includes:

- Formed plastic Helendale CSD logo
- Formed plastic "HELENDALE CSD."
- Formed plastic "Recycling Center / Thrift Store"
- Formed plastic letters "A" "B" "C" "D"

Quotes:

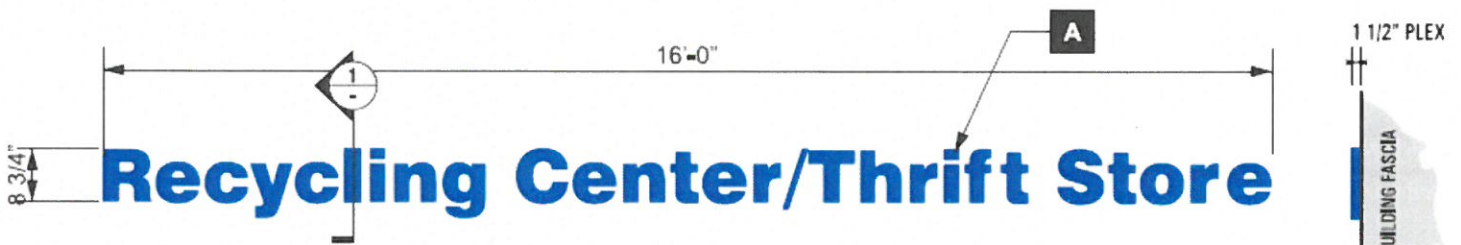
Item	Total
Sooter Signs	\$5,908.00
Yesco Signs	\$10,955.90
Minuteman Press	\$14,897.62

Permitting fees will need to be determined.

Fiscal Impact: \$5,908.00



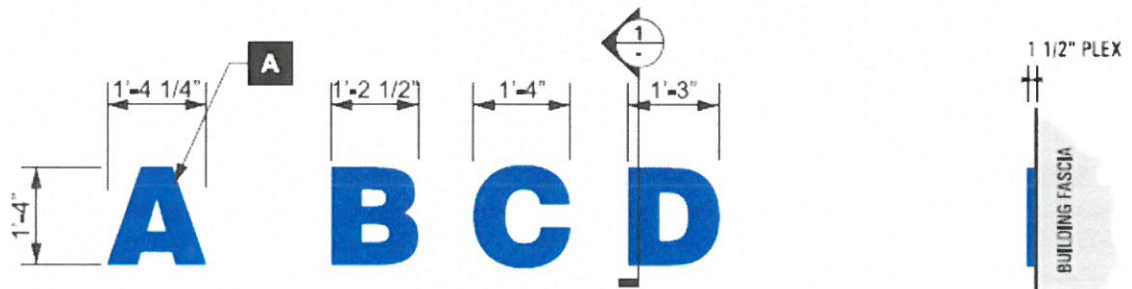
2 **NEW NON-ILLUMINATED LETTERS** SCALE: 1/2" = 1'-0"
 QUANTITY: One (1) set, Manufacture and Install 11.16 SF



3 **NEW NON-ILLUMINATED LETTERS** SCALE: 1/2" = 1'-0"
 QUANTITY: One (1) set, Manufacture and Install 11.52 SF



4 **NEW NON-ILLUMINATED LETTERS** SCALE: 1/2" = 1'-0"
 QUANTITY: One (1) set, Manufacture and Install 13.08 SF



5A **5B** **NEW NON-ILLUMINATED LETTER** SCALE: 1/2" = 1'-0"
5C **5D** QUANTITY: One (4) - 1 letter each, Manufacture and Install 1.78 SF (Total)

