



Helendale Community Services District

26540 Vista Road, Suite C, Helendale, CA 92342

REGULAR BOARD MEETING **Thursday, December 2, 2021 at 6:30 PM**

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Assembly Bill 361 which amended certain provisions of the Brown Act regarding teleconference meetings during periods of statewide emergencies, and as a precaution to our Board of Directors, District staff, and general public as a result of the ongoing COVID-19 pandemic, Helendale Community Services District will hold this meeting of its Board of Directors both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference. This meeting is open to the public in person or via virtual interface and can be accessed by clicking on the link below:

www.zoom.com Meeting ID 463 173 8547 Passcode: HCSD

(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 in person or using the "raise the hand" or "chat" feature. If viewing remotely a speaker's card may be filled out at the following link:

<https://www.surveymonkey.com/r/HKGNLL8> or use the features referenced above. The District requests that all speaker cards be submitted at any time prior to the close of public participation.

3. Consent Items

- a. Approval of Minutes: November 18, 2021, Regular Board Meeting; November 18, 2021, Special Board Meeting
- b. Bills Paid Report
- c. Directors Compensation and Expenses
- d. Resolution 2021-21A: A Resolution of the Board of Directors of the Helendale Community Services District Re-Ratifying the Proclamation of a State of Emergency by Governor Newsom Declaring That Local Emergency Conditions Persists, and Re-Authorizing Remote Teleconference meetings of the board of Directors and Its Standing Committees for the Period December 2, 2021, to January 2, 2022, Pursuant To Brown Act Provisions
- e. COVID-19 Update

4. Reports

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

Regular Business:

5. Public Hearing to Receive Comments
and Possible Adoption of Resolution 2021-20: A Resolution of the Board of Directors of the Helendale Community Service District Increasing Its Wastewater Service Rates
6. Discussion and Possible Action Regarding Approval of a Program Development Agreement with Engie

Other Business

7. Requested items for next or future agendas (Directors and Staff only)
8. Closed Session
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2):
One Potential Case
9. Report of Closed Session Items
10. 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: December 2, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: Regular Board Meeting of November 18, 2021 and Special Board Meeting of November 18, 2021
- b. Bills Paid Report
- c. Directors Compensation and Expenses
- d. Resolution 2021-21A: A Resolution of the Board of Directors of the Helendale Community Services District Re-Ratifying the Proclamation of a State of Emergency by Governor Newsom Declaring That Local Emergency Conditions Persists, and Re-Authorizing Remote Teleconference meetings of the board of Directors and Its Standing Committees for the Period December 2, 2021, to January 2, 2022, Pursuant To Brown Act Provisions
- e. COVID-19 Update



Helendale Community Services District

Date: December 2, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3a
Approval of Minutes: November 18, 2021, Regular Board Meeting and Special Board Meeting



*Minutes of the Helendale Community Services District
REGULAR BOARD OF DIRECTORS MEETING
November 18, 2021 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 public participation in Helendale CSD's Board Meeting was held both in person and via teleconference.

Board Members Roll Call:

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

Staff Members Present:

Kimberly Cox, General Manager
Craig Carlson, Water Operations Manager
Cheryl Vermette, Parks, Recreation & Programs Supervisor

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were no members of the public present.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:44 pm by President Tim Smith, 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 Clark.

Vote: The motion carried by the following vote: 5 -Yes; 0 -No. President Smith-Yes; Vice President Spiller-Yes; Director Clark -Yes; Director Schneider -Yes; Director Haas -Yes

2. Public Participation

None

3. Consent Items

A. Approval of Minutes: November 4, 2021, Regular Board Meeting; November 13, 2021, Special Board Meeting

B. Bills Paid Report

C. Directors Compensation and Expenses

D. COVID-19 Update

Action: Director Schneider requested to pull item 3C for further discussion. Vice President Spiller made the motion to approve the consent calendar as amended. Director Schneider seconded the motion.

Vote: The motion carried by the following vote: 5 -Yes; 0 -No. President Smith-Yes; Vice President Spiller-Yes; Director Clark -Yes; Director Schneider -Yes; Director Haas -Yes

Director Schneider questioned an expense on Director Haas' report where she showed two meetings in one day. Director Haas clarified the meetings were both noted for transparency; however, she was only reimbursed for one meeting. Director Schneider thanked her for the clarification and made a motion to approve Item 3C on the Consent Calendar. Director Haas seconded the motion.

Vote: The motion carried by the following vote: 5 -Yes; 0 -No. President Smith-Yes; Vice President Spiller-Yes; Director Clark -Yes; Director Schneider -Yes; Director Haas -Yes

4. Reports

A. Directors' Reports

Vice President Spiller reported that he was presented with a certificate of appreciation from the local Boy Scout Troop for the District's donation to the pumpkin patch. Vice President Spiller also reported that the Farmers Market had a lot of EBT transactions and people are coming to the market from all around, however, the market is still a little slow. He requested that Staff set up Coffee with a Cop sometime in January.

President Smith reported that he attended the SLA Board meeting where their board approved acceptance of one of the District's wells.

Director Schneider thanked Staff for the Thanksgiving luncheon.

B. General Managers Report

General Manager Cox reported that Sheriff Dicus will be here on January 20th. Operation Hammer Strike continues to attack illegal marijuana grows in the area. She also reported that the maintenance buildings are nearing completion and paving will be completed in the next few weeks. The ASBCSD has 4 seats up for re-election. If any Board member is interested in running for the ASBCSD Board, a resolution stating Board support is due by January 10th; the election will be held in February. GM Cox reported the park bench rehabilitation Eagle Scout project has been completed and showed photos of the benches. Park and Rec Supervisor Vermette reported on the Nature Playground Eagle Scout project which has also been completed.

General Manager Cox gave the Administration report. There were 36 account transfers in October. She showed a graph of monthly account transfers from 2015 through 2021. She also showed a water consumption by billing rate code. The average single family residential consumption is 20 HCF. GM Cox also presented the Thrift Store sales through September 2021.

Regular Business:

5. Discussion and Possible Action Regarding Approval of Change Orders for Well 13 Contract

Discussion: The drilling bid was awarded on April 1st to Southwest drilling. No contingency was added to the award. Any change orders must come to the Board for approval. The drillers contract is complete, however, they have requested a modest change order for unexpected costs. The change orders have been reviewed by the General Manager and hydrogeologist and have been determined to be reasonable. Change Order #1 is a request for an increase in the cost of gravel at a cost of \$14,780. Change Order #2 is a request for reimbursement for 50% of the security costs due to the delay in getting pipe for the project. The total request is \$21,142.55 (4.4% of the contract). On occasion the Board grants a contingency which would have covered this request. Director Schneider requested to approve each change order as a separate motion.

Action: Director Schneider made a motion to approve \$14,780 for gravel. Director Haas seconded the motion.

Vote: The motion carried by the following vote: 5 -Yes; 0 -No. President Smith-Yes; Vice President Spiller-Yes; Director Clark -Yes; Director Schneider -Yes; Director Haas -Yes

Action: Director Haas made a motion to approve \$6,362.55 for security costs. Vice President Spiller seconded the motion.

Vote: The motion carried by the following vote: 4 -Yes; 1 -No. President Smith-Yes; Vice President Spiller-Yes; Director Clark -Yes; Director Schneider -No; Director Haas -Yes

6. Discussion and Possible Action Regarding Approval of an Increase in Workers Compensation Insurance

Discussion: The coverage period for workers compensation insurance is May 1 through April 31. The quote was received after the Board approved the general liability and auto. The amount was within the general managers signing authority. The cost for the upcoming year was \$21,114. Additional costs have increased the policy premiums beyond the General Managers signing authority. An invoice was received in July for the prior year audit amount for \$7,818. This amount has been negotiated down to \$6,645 due to a challenge on a classification. This amount will be charged back to last fiscal year. Staff will work with consultants to charge last year's audit amount to the prior fiscal year. Staff will also get a quote from SDRMA for the next policy year.

Action: Vice President Spiller made the motion to approve an amount of \$35,577 to cover worker's compensation costs for the policy year. The motion was seconded by Director Haas.

Vote: The motion carried by the following vote: 5 -Yes; 0 -No. President Smith-Yes; Vice President Spiller-Yes; Director Clark - Yes; Director Schneider -Yes; Director Haas -Yes

Other Business

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

9. Adjournment

President Smith adjourned the meeting at 7:33 pm

Submitted by:

Approved by:

Tim Smith, 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: December 2, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop
SUBJECT: Agenda item #3b
Bills Paid Report



Helendale CSD

Bills Paid and Presented for Approval Transaction Detail

Issued Date Range: 11/15/2021 - 11/28/2021

Cleared Date Range: -

| Issued Date | Number | Description | Amount | Type | Module |
|---|----------------------------|--|------------|-------|------------------|
| Bank Account: 251229590 - CBB Checking | | | | | |
| 11/17/2021 | 24718 | CHICAGO TITLE CO | -51.95 | Check | Utility Billing |
| 11/17/2021 | 24719 | HOPP ESTATE INC. | -262.31 | Check | Utility Billing |
| 11/18/2021 | 24720 | Beck Oil Inc | -3,266.33 | Check | Accounts Payable |
| 11/18/2021 | 24721 | Burrtec Waste Group, Inc | -57,986.97 | Check | Accounts Payable |
| 11/18/2021 | 24722 | Cardmember Services | -910.78 | Check | Accounts Payable |
| 11/18/2021 | 24723 | Citizens on Patrol Unit 436 | -500.00 | Check | Accounts Payable |
| 11/18/2021 | 24724 | Frontier Communications | -65.60 | Check | Accounts Payable |
| 11/18/2021 | 24725 | Home Depot Credit Services | -956.70 | Check | Accounts Payable |
| 11/18/2021 | 24726 | Inland Water Works Supply Co. | -25.34 | Check | Accounts Payable |
| 11/18/2021 | 24727 | Jesus Navaujo Herrera | -1,166.00 | Check | Accounts Payable |
| 11/18/2021 | 24728 | Mojave Resource Management, LLC | -712.50 | Check | Accounts Payable |
| 11/18/2021 | 24729 | Parkhouse Tire, Inc. | -232.04 | Check | Accounts Payable |
| 11/18/2021 | 24730 | Uline | -1,057.58 | Check | Accounts Payable |
| 11/18/2021 | 24731 | Univar Solutions, USA | -2,313.64 | Check | Accounts Payable |
| 11/18/2021 | 24732 | USA Blue Book | -304.43 | Check | Accounts Payable |
| 11/18/2021 | 24733 | Water Systems Consulting, Inc | -230.00 | Check | Accounts Payable |
| 11/18/2021 | 24734 | Zenith Insurance Company | -5,591.00 | Check | Accounts Payable |
| 11/19/2021 | 24735 | BRUCE FLYNN | -309.00 | Check | Utility Billing |
| 11/19/2021 | 24736 | ALEXANDER J. SMITH | -368.54 | Check | Utility Billing |
| 11/23/2021 | 24737 | YVES VALENZUELA-TYSON | -174.27 | Check | Utility Billing |
| 11/23/2021 | 24738 | Eide Bailly LLP | -2,201.75 | Check | Accounts Payable |
| 11/23/2021 | 24739 | Brunick, McElhane & Kennedy | -4,156.25 | Check | Accounts Payable |
| 11/23/2021 | 24740 | ACI Payments, Inc | -57.70 | Check | Accounts Payable |
| 11/23/2021 | 24741 | Boy Scout Troop 574 | -755.00 | Check | Accounts Payable |
| 11/23/2021 | 24742 | California Special Districts Association | -7,615.00 | Check | Accounts Payable |
| 11/23/2021 | 24743 | County of San Bernardino, Solid Waste Mgmt. Div. | -795.56 | Check | Accounts Payable |
| 11/23/2021 | 24744 | DOI - Bureau of land Management | -1,260.00 | Check | Accounts Payable |
| 11/23/2021 | 24745 | Frontier Communications | -61.59 | Check | Accounts Payable |
| 11/23/2021 | 24746 | Frontier Communications | -90.70 | Check | Accounts Payable |
| 11/23/2021 | 24747 | Helendale Community Services District | -238.87 | Check | Accounts Payable |
| 11/23/2021 | 24748 | Kimberly Cox | -1,100.00 | Check | Accounts Payable |
| 11/23/2021 | 24749 | San Bernrdino County | -182.00 | Check | Accounts Payable |
| 11/23/2021 | 24750 | Staples Credit Plan | -198.32 | Check | Accounts Payable |
| 11/23/2021 | 24751 | Ultimate Internet Access, Inc | -799.43 | Check | Accounts Payable |
| 11/23/2021 | 24752 | Verizon Wireless | -106.32 | Check | Accounts Payable |
| 11/23/2021 | 24753 | Verizon Wireless | -650.58 | Check | Accounts Payable |
| 11/26/2021 | 24754 | California State Disbursement Unit | -230.76 | Check | Accounts Payable |
| 11/26/2021 | 24755 | State of California - Franchise Tax Board | -50.00 | Check | Accounts Payable |
| 11/22/2021 | EFT0003919 | SCE Street Lighting Acct # 700013030275 | -1,867.78 | EFT | General Ledger |
| 11/22/2021 | EFT0003920 | SCE ACH Park Wellheads Acct 700448234519 S | -391.79 | EFT | General Ledger |
| 11/16/2021 | EFT0003932 | To record Sales Tax Pmt # 1- 4th Quarter CalPERS | -1,927.43 | EFT | General Ledger |
| 11/26/2021 | EFT0003935 | 457 Pmt PPE 11/21/21 | -3,969.55 | EFT | General Ledger |
| 11/22/2021 | EFT0003938 | CalPERS Classic Pmt PPE 10/24/21 | -7,276.84 | EFT | General Ledger |
| 11/22/2021 | EFT0003939 | CalPERS PEPRA Pmt PPE 10/24/21 | -1,644.37 | EFT | General Ledger |

Bank Account 251229590 Total: (44)

-114,112.57

Bank Transaction Report

Issued Date Range: -

Summary

| Bank Account | Count | Amount |
|--|-----------|--------------------|
| 251229590 CBB Checking | 44 | -114,112.57 |
| Report Total: | 44 | -114,112.57 |

| Cash Account | Count | Amount |
|---|-----------|--------------------|
| 99 99-111000 Cash in CBB - Checking | 44 | -114,112.57 |
| Report Total: | 44 | -114,112.57 |

| Transaction Type | Count | Amount |
|----------------------|-----------|--------------------|
| Check | 38 | -97,034.81 |
| EFT | 6 | -17,077.76 |
| Report Total: | 44 | -114,112.57 |



Helendale Community Services District

Date: December 2, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette, P&R / Program Supervisor
SUBJECT: Agenda item #3c
Directors' Compensation and Expenses

**HELENDALE COMMUNITY SERVICES DISTRICT
BOARD MEMBER EXPENSE VOUCHER**

NAME: Larry Hoas Date: 11-21

| Date | Expense Description/Explanation | Mileage | Meals | Lodging | Other | Exp. Category |
|-------|---|---------|-------|-------------|------------|---------------|
| 11-8 | Meeting for Energy | | | | | C |
| 11-9 | Parks Rec | | | | | J |
| 11-10 | updates at current events | | | | | C |
| | | | 2947 | | | |
| 11-13 | Meeting w/ ASD & representative from Cooks office | | | | | C |
| | Special Board Meeting | | | | | |
| | Discuss what water rates | | | | | |
| 11-16 | Meeting w/ GM | | | | | C |
| | Emergency meeting & agenda rather out business | | | | | A |
| 11-18 | Regular meeting | | | | | |
| | Special Meeting at lunch | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | Totals: | | Mileage | 825.00 mtr | |
| | | | | Meals | 2247 | |
| | | | | Lodging | | |
| | | | | Grand Total | 84747 | |

Notes/Comments: Ok to process for payroll

Signature: Larry Hoas Date:

Board Member Signature: Larry Hoas
Expense Categories:
G: Meeting w/GM re: District Operations
H: Meeting w/auditors, attorney or consultant retained by District
I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD
J: Meeting w/organization with interests in matter involving functions or operations of the District
K: Meeting pre-approved by the Board of Directors

Los Domingos
(760) 256-1381

Ticket No: 64
Ticket UID: 20211110F696-190

Employee: Alex Ross
Dine In
Date: 11/10/2021
Time: 12:39:08 PM

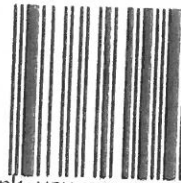
| | |
|----------------------------|--------|
| L-18 Turkey Club Wrap | \$8.95 |
| -- Salad | \$0.00 |
| L-11 Grilled Chicken Salad | \$8.95 |

Subtotal: \$17.90
Tax: \$1.57
Total: \$19.47

3.00
\$22.47

Suggested Tip

10% (Tip: \$1.95, Total: \$21.42)
15% (Tip: \$2.92, Total: \$22.39)
20% (Tip: \$3.89, Total: \$23.36)

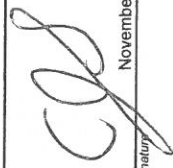


Thank you come again!
Please leave us a review on Yelp, Google or
Facebook

HELLENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER
CRAIG SCHNEIDER 11/22/2021

| Date | | Expense Description/Explanation | | | | Craig Schneider | | | | |
|------------|--|---------------------------------|--------|-------|---------|-----------------|--|--|--------------------|--------------|
| | Event | Meeting | Miles | Meals | Lodging | Other | Exp Category | | | |
| 11/8/2021 | Description of Public Benefit | 137.50 | | | | | A: Public Meeting governed by Brown Act | | | |
| | Special BOD Meeting | | | | | | | | | |
| | Review engle Solar Project | | | | | | | | | |
| 11/9/2021 | Description of Public Benefit | 137.50 | | | | | A: Public Meeting governed by Brown Act | | | |
| | Park and Recreation Meeting | | | | | | | | | |
| | Review Park Programs and Maintenance | | | | | | | | | |
| 11/10/2021 | Description of Public Benefit | 137.50 | | | | | C: Representation at Public Meeting/Event* | | | |
| | FARMERS MARKET | | | | | | | | | |
| | Meeting with Residents and Vendors | | | | | | | | | |
| 11/13/2021 | Description of Public Benefit | 137.50 | | | | | A: Public Meeting governed by Brown Act | | | |
| | Special BOD Meeting | | | | | | | | | |
| | HCS D Business Review (Wastewater Rates) | | | | | | | | | |
| 11/16/2021 | Description of Public Benefit | 137.50 | | | | | A: Public Meeting governed by Brown Act | | | |
| | Special BOD Meeting | | | | | | | | | |
| | Review Wastewater Rates | | | | | | | | | |
| 11/18/2021 | Description of Public Benefit | 137.50 | | | | | A: Public Meeting governed by Brown Act | | | |
| | REGULAR BOD | | | | | | | | | |
| | Helendale CSD Business | | | | | | | | | |
| 11/19/2021 | Description of Public Benefit | 137.50 | | | | | C: Representation at Public Meeting/Event* | | | |
| | HCS D Community Park | | | | | | | | | |
| | Review Nature Play Area | | | | | | | | | |
| | Event | | | | | | | | | |
| | Description of Public Benefit | | | | | | | | | |
| | Event | | | | | | | | | |
| | Description of Public Benefit | | | | | | | | | |
| | Event | | | | | | | | | |
| | Description of Public Benefit | | | | | | | | | |
| | Event | | | | | | | | | |
| | Description of Public Benefit | | | | | | | | | |
| | | Total Meetings | 962.50 | | | | Total Lodging | | Total Other | Total |
| | | | | | | | | | | |

Submitted by:



Craig J. Schneider
 Signature

November 18, 2021
 Date



HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER

Name: Tim Smith

| Date | Event | Expense Description/Explanation | Miles | Meals | Lodging | Other | Exp Category | |
|----------------------|----------------|---------------------------------|--|-------|---------|-------|---|--|
| 11/08/2021 | Public Benefit | workshop | | | | | A: Public Meeting governed by Brown Act | |
| 11/09/2021 | Event | park and rec | | | | | A: Public Meeting governed by Brown Act | |
| | Public Benefit | | | | | | | |
| | Event | | | | | | E: Conference/seminar/Training Program re | |
| | Public Benefit | | | | | | | |
| 11/15/2021 | Event | ASBCSD | 158.4 | | | | J: Meeting w/organization with interests in m | |
| | Public Benefit | | | | | | | |
| 16-Nov | Event | workshop | | | | | A: Public Meeting governed by Brown Act | |
| | Public Benefit | | | | | | | |
| 17-Nov | Event | mtg with gm | | | | | G: Meeting w/GM re District Operations | |
| | Public Benefit | | | | | | | |
| 18-Nov | Event | reg board mtg | | | | | A: Public Meeting governed by Brown Act | |
| | Public Benefit | | | | | | | |
| | Event | | | | | | | |
| | Public Benefit | | | | | | | |
| | Event | | | | | | | |
| | Public Benefit | | | | | | | |
| | Event | | | | | | | |
| | Public Benefit | | | | | | | |
| Notes/Comments: | | | 158.4 | - | - | - | | |
| | | | Totals: Mileage <u>158.4</u> Meals <u>91.87</u> Lodging <u>-</u> Other <u>-</u> Grand Total <u>91.87</u> | | | | | |
| Appropriate Approval | | | Submitted By: <u>Tim Smith</u> | | | | | |
| Signature | | | Date | | | | | |

Expense Categories
 G: Meeting w/GM re District Operations
 H: Meeting w/auditors, attorney or consultant retained by District
 I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD
 J: Meeting w/organization with interests in matters involving functions or operations of the District
 K: Meeting pre-approved by the Board of Directors

* Written or verbal report required to be presented at the next Board meeting

| HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER | | | | | | |
|---|----------------|---|-------|-------|---------|------------------------------------|
| Name: <u>HENRY SPILLER</u> 11/19/21 | | | | | | |
| Date | Event | Expense Description/Explanation | Miles | Meals | Lodging | Other |
| | | | | | | Exp Category |
| 10/30 | Public Benefit | Community Clean-up Day | | | | C |
| 11/02 | Event | Helenade public event | | | | G |
| 11/03 | Public Benefit | Pre Board Meeting with GM | | | | S/C |
| 11/03 | Event | Review of info. discussed at open board meeting | | | | |
| 11/03 | Public Benefit | Farmer's Market | | | | S/C |
| 11/04 | Event | Rep@ Public event | | | | |
| 11/04 | Public Benefit | Board Meeting | | | | A |
| 11/08 | Event | Meeting with Public regarding district business | | | | |
| 11/08 | Public Benefit | Special Board Meeting | | | | |
| 11/09 | Event | Meeting with Public/contractors regarding district business | | | | A |
| 11/09 | Public Benefit | Park Meeting | | | | A |
| 11/11/13 | Event | Meeting with Public regarding district park business | | | | A |
| 11/13 | Public Benefit | Special Board Meeting | | | | |
| 11/13 | Event | Meeting regarding district business | | | | G |
| 11/16 | Public Benefit | Pre-Board Meeting | | | | S/C |
| 11/17 | Event | Review of info. discussed at open board meeting | | | | S/C |
| 11/17 | Public Benefit | Farmer's Market | | | | |
| 11/17 | Event | Rep@ Public event | | | | A |
| 11/18 | Public Benefit | Board Meeting | | | | A |
| 11/18 | Event | Meeting with Public regarding district business | | | | |
| Notes/Comments: | | | | | | |
| Totals: Mileage: - Meals: - Lodging: - Other: - Grand Total: - | | | | | | |
| Appropriate Approval | | | | | | Submitted By: <u>Henry Spiller</u> |
| Signature | | | | | | Date |

Expense Categories
 G: Meeting w/GM re District Operations
 H: Meeting w/auditors, attorney or consultant retained by District
 I: Meeting of Local, State or Federal body w/Jurisdiction affecting HCSD
 J: Meeting w/Organization with interests in matters involving functions or operations of the District
 K: Meeting pre-approved by the Board of Directors

* Written or verbal report required to be presented at the next Board meeting



Helendale Community Services District

Date: December 02, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3d
Resolution 2021-21A: A Resolution of the Board of Directors of the Helendale Community Services District Re-Ratifying the Proclamation of a State of Emergency by Governor Newsom Declaring That Local Emergency Conditions Persists, and Re-Authorizing Remote Teleconference meetings of the board of Directors and Its Standing Committees for the Period December 2, 2021, to January 2, 2022, Pursuant To Brown Act Provisions

RESOLUTION NO. 2021- 21A

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM, DECLARING THAT LOCAL EMERGENCY CONDITIONS PERSIST, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS AND ITS STANDING COMMITTEES FOR THE PERIOD DECEMBER 4, 2021, TO JANUARY 4, 2022, PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Helendale Community Services District (the “District”) is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

WHEREAS, all meetings of the District’s Board of Directors (the “Board”) and its standing committees are open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950-54963), so that any member of the public may attend, participate, and watch those bodies conduct their business; and

WHEREAS, the Brown Act, in Government Code Section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for application of Government Code Section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the State caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a state of emergency to exist in California as a result of the threat of COVID-19, and such proclamation has not yet been lifted; and

WHEREAS, it is further required under Government Code Section 54953(e) that state or local officials have imposed or recommended measures to promote social distancing or that the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board previously adopted Resolution No. 2021-19 on October 7, 2021, finding that the requisite conditions exist for the Board and its standing committees to conduct remote teleconference meetings without compliance with Government Code Section 54953(b)(3); and

WHEREAS, as a condition of extending the use of the provisions set forth in Government Code Section 54953(e), the Board must reconsider the circumstances of the state of emergency that exists within the District, and the Board has done so; and

WHEREAS, emergency conditions persist within the District, specifically COVID-19 and its Delta variant, remain highly contagious and, therefore, a threat to the health, safety, and well-being of the District's employees, directors, vendors, contractors, customers, visitors, and residents; and

WHEREAS, directions from the San Bernardino County Department of Public Health and regulations from the State of California impose various social distancing restrictions and provide guidance on best practices with respect to actions to reduce the spread of COVID-19; and

WHEREAS, the Board does hereby find that a state of emergency continues to exist within the District's service area as a result of the continuing presence of COVID-19, which has caused, and will continue to cause, conditions of imminent risk to attendees of Board meetings, and has resulted in local, State, and federal social distancing orders and related guidance, and which has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and the Board desires to re-affirm that a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board does hereby find that the Board and all standing committees thereof shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Government Code Section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Government Code Section 54953; and

WHEREAS, the District will continue to provide proper notice to the public regarding all Board and standing committee meetings in accordance with Government Code Section 54953(e)(2) and shall continue to provide notice to the public of how they may access any such meeting via call-in number and/or internet link.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board hereby considers the conditions of the state of emergency within the District and proclaims that a local emergency persists throughout the District as a result of the continuing presence of COVID-19, which continues to cause conditions of imminent risk to attendees of the District's Board and standing committee meetings, and which have resulted in local, State, and federal social distancing orders

and guidance, and that continuing to conduct the District's Board and standing committee meetings virtually will minimize the possible spread COVID-19 and any variant thereof.

Section 3. Re-Ratification of Governor's Proclamation of a State of Emergency. The Board hereby re-ratifies the Governor of the State of California's Proclamation of State of Emergency regarding COVID-19, dated March 4, 2020.

Section 4. Remote Teleconference Meetings. The District's General Manager, or his or her delegee, and the Board and standing committees of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including but not limited to continuing to conduct open and public meetings in accordance with Government Code Section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution was adopted, as set forth below, or (ii) such time as the Board adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the Board and standing committees of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953.

PASSED AND ADOPTED by the Board of Directors of the Helendale Community Services District this 2nd day of December, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President, Board of Directors

ATTEST:

Secretary, Board of Directors



Helendale Community Services District

Date: November 18, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3e
COVID Update

STAFF RECOMMENDATION:

Receive and file.

STAFF REPORT:

Staff continues to monitor the financial impacts of COVID as well as any guidance provided by the State or the CDC. With the adoption of the state budget, an allocation of \$100,000,000 was set aside for special district COVID relief. On October 1, the state released an application for all special districts to request funds based upon losses incurred by the District. The application was due by October 15. The District submitted a request for \$162,377 which included a requested for hazard pay for District employees during the specified time period. The District has yet to hear back from the State regarding the amount that will be paid to the District for Covid-related expenses.

There seems to be a resurgence of COVID cases a winter approaches. The District adheres to the state's guidance for quarantine and masking based upon exposures and positive cases. The moving 7-day average as of 11/21 listed 256 new cases in the county. County data reflects a total of 725 cases and 16 deaths in Helendale related to COVID.

Current outstanding receivables representing 284 accounts in arrears as of 11/115 includes the following: \$30,690, representing accounts that are one month behind; \$12,754 that are two months behind and \$8,309 that is three months behind and \$9,084 that is four or more months behind for a total of \$60,838.

The prohibition for disconnection is set to expire in December.

FISCAL IMPACT: As outlined

ATTACHMENTS: None



Helendale Community Services District

DATE: December 2, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
Public Hearing to Receive Comment and Possible Adoption of Resolution 2021-20: A Resolution of the Board of Directors of the Helendale Community Services District Increasing Its Wastewater Service Rates

STAFF RECOMMENDATION:

Staff seeks approval of this item.

BACKGROUND:

For over a year Staff has raised concerns about the sustainability of the Wastewater fund due, primarily, to repair and replacement projects that have required a substantial amount of cash over the past several years. It is important to note that the fee for wastewater have not been increased since 2006 prior to the District's vote. In the past 15 years the cost of doing business has increased annually and Wastewater revenues have not kept pace with the increased costs of plant operations.

RATE INCREASE PROCESS:

In 2021, the need for an increase was discussed on 1/21; 2/18; 5/20; 8/5; 8/27; 9/9. Eight various scenarios were reviewed by the Board and on 9/9/21, the Board selected a single rate increase projection that was to be presented to the public in a rate notice mailed to each affected rate payer on 10/8.

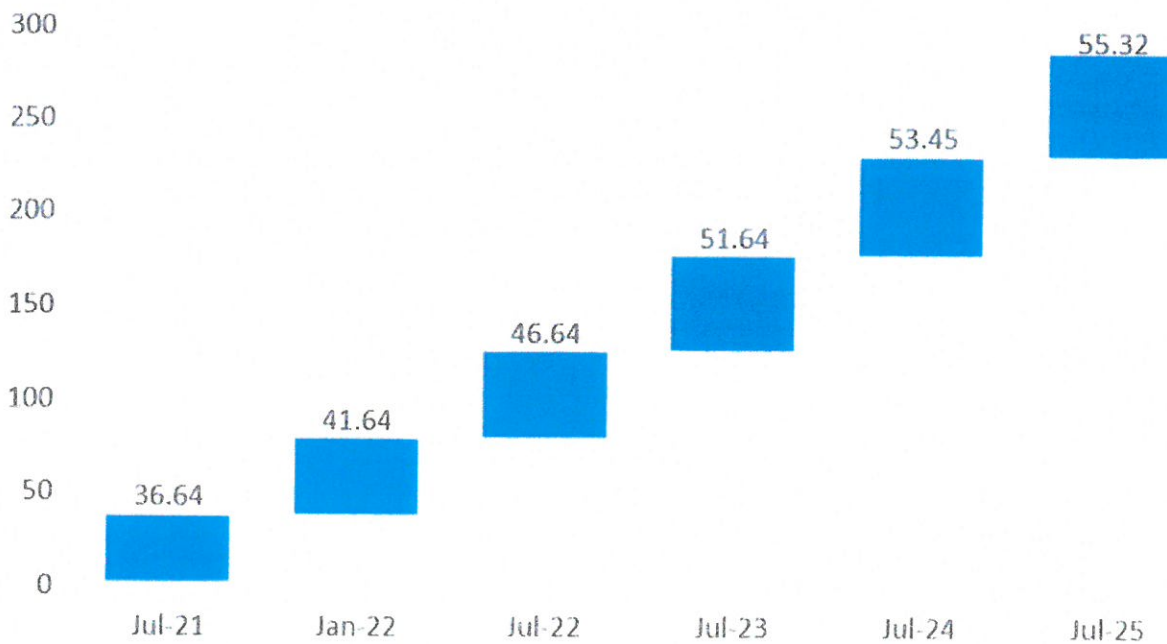
Of the various rate scenarios discussed by the Board, the options which included new debt and reducing the reserve fund below \$2.5 million were eliminated from consideration. It is important to note that the main drivers for the rate increase is the necessity for plant improvements as outlined in the 5-year Capital Improvement Plant and to pay for the actual costs of operations into the future. The selected rate scenario allows for the reduction in the reserves to \$2.5 million and also requires limiting the planned capital improvement to \$500,000 per year. This scenario includes three \$5 increases and two future increases of 3.5% for two successive fiscal years beginning July 1 of 2024 and July 1 of 2025.

Below is the proposed rate increase.

| Date | Rate | FY | Increase |
|--------|-------|------|----------|
| Jul-21 | 36.64 | FY22 | -- |
| Jan-22 | 41.64 | FY22 | \$ 5.00 |
| Jul-22 | 46.64 | FY23 | \$ 5.00 |
| Jan-23 | 51.64 | FY24 | \$ 5.00 |
| Jul-24 | 53.45 | FY25 | 3.50% |
| Jul-25 | 55.32 | FY26 | 3.50% |

Maintain \$2.5MM In Fund Balance - No Debt
 Capital projects are standardized at \$500,000 per year

Projection 8



PUBLIC OUTREACH:

In addition to Board discussions at the regular board meetings, two special board meetings were held to afford options for the public to provide comments and view the presentations prepared by Staff. The dates for the special meetings were Saturday, 11/13 at 2:00 p.m. and Tuesday, 11/16 at

6:30 pm. Staff hosted two tours of the wastewater plant to allow members of the public to become more familiar with that operation. The special meetings were listed in the monthly newsletters for November and information has been posted on the District web page.

To date, the District has not received any written opposition to the proposed rate increase.

At the conclusion of the public hearing, the Board will be requested to determine if a majority protest exists. If there is no majority protest, Staff respectfully requests that the Board consider adoption of the proposed resolution.

FISCAL IMPACT: Increase in Wastewater fees as outlined in the public notice

POSSIBLE MOTION: Adopt Resolution 2021-20 Increasing Wastewater Service Rates

ATTACHMENTS: Capital Expenditures from FY2016 to FY2021
Rate Notice



RESOLUTION 2021-20

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT INCREASING ITS WASTEWATER SERVICE RATES

WHEREAS, the Helendale Community Services District ("District") is a Community Services District located within the County of San Bernardino and organized and operating pursuant to California Government Code Section 61000 et seq.; and

WHEREAS, pursuant to Resolution No. 2951 of the Local Agency Formation Commission of the County of San Bernardino ("LAFCO") adopted on December 4, 2006, the District is the successor agency to San Bernardino County Service Area 70, Improvement Zones B and C ("CSA 70 B&C"); and

WHEREAS, prior to the adoption of LAFCO Resolution No. 2951, the territory within CSA 70 B&C was subject to wastewater rates that had been established by the County of San Bernardino pursuant to ordinances and resolutions that had been adopted by its Board of Supervisors; and

WHEREAS, by minute action taken at its first meeting on December 11, 2006, the District's Board of Directors approved the continuation and extension of all previously authorized fees and charges that had been fixed, levied, and imposed as a condition of wastewater service within CSA 70 B&C; and

WHEREAS, pursuant to Condition No. 8 of LAFCO Resolution No. 2951 and Section 61100(b) of the California Government Code, the District is authorized to collect, treat, or dispose of sewage, wastewater, recycled water, and storm water, in the same manner as a sanitary district, formed pursuant to California Health and Safety Code Section 6400 et seq.; and

WHEREAS, under California Health and Safety Code Section 6520.5, a sanitary district is authorized to prescribe, revise, and collect fees, tolls, rates, rentals, or other charges for services and facilities furnished by it in connection with its sanitation or sewerage systems; and

WHEREAS, under California Water Code Section 61115(a), the District is authorized to establish rates or other charges for services and facilities that the District supplies and to provide for the collection and enforcement of those rates or charges; and

WHEREAS, the District has retained the services of a qualified firm, Bartle Wells Associates, to prepare the Wastewater Rate Study dated September 30, 2021, that is attached hereto as Exhibit "A" and incorporated herein by this reference ("the Wastewater Rate Study"); and

WHEREAS, the revenue raised by the District's rates and charges will be used to modify or construct additional public facilities and to provide adequate wastewater services, and do not exceed the total cost of such facilities and services and establish an appropriate replacement reserve fund; and

WHEREAS, this action is necessary to meet the District's operating expenses, to purchase and/or lease supplies, equipment, and materials, to meet the District's financial reserve needs and requirements, and to obtain funds for capital projects necessary to maintain wastewater service within the boundaries of the District, and is therefore exempt from the requirements of the California Environmental Quality Act as provided by Public Resources Code Section 21080(b)(8); and

WHEREAS, the amount of the rates and charges hereby adopted do not exceed the reasonable anticipated costs for the corresponding services provided by the District, and therefore the fees imposed hereby to not qualify as a "tax" under Article XIII C, Section 1(e) of the California Constitution or Section 50076 of the California Government Code, and the actions taken herein are exempt from the additional notice and public meeting requirements of the Brown Act pursuant to Government Code Section 54954.6(a)(1)(A) and (B); and

WHEREAS, the District has satisfied all of the substantive and procedural prerequisites of Articles XIII C and XIII D of the California Constitution in establishing the rates and charges set forth herein, including but not limited to, the identification of the parcels upon which the rates and charges will be imposed; the calculation of the rates and charges; the mailing of written notice to the record owners of each parcel upon which the rates and charges will be imposed describing the amount thereof, the basis upon which the rates and charges were calculated, the reason for the rates and charges, and the date, time, and location of the public hearing to be held thereon; and the conducting of a public hearing on the rates and charges not less than 45 days after mailing the notice during which all protests against the fee were considered.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Helendale Community Services District does hereby resolve and determine that the written protests against the rates and charges set forth herein that were received by the District prior to the close of the public hearing hereon represented less than a majority of the parcels subject to the rates and charges set forth below and, thus, the District's Board of Directors further finds that the public interest and necessity requires the adoption of the content and findings of the Wastewater Rate Study and the following rates and charges for water service by the District, as well as affirmation and ratification of all prior rates and charges previously adopted by the District's Board of Directors:

SECTION 1. WASTEWATER SERVICE CHARGE

The District’s wastewater service charge is the monthly charge applicable to the collection and treatment of wastewater for all connected properties. The charge is based upon Equivalent Dwelling Unit (EDU), which is based upon plumbing fixture count and/or used of a connected property, and is hereby established in the amounts listed in Exhibit “B” attached hereto and incorporated herein by this reference, but said increases shall be phased in periodically in accordance with the schedule set forth therein.

SECTION 2. GENERAL MANAGER AUTHORITY

The District’s General Manager is hereby authorized to take any and all actions necessary to carry out the intent of the District’s Board of Directors as is stated herein and as otherwise required in order to comply with applicable law.

SECTION 3. EFFECTIVE DATE

This Resolution shall take effect immediately upon adoption and shall supersede any and all prior resolutions and ordinances applicable to the District only to the extent expressly inconsistent with the terms hereof.

ADOPTED this 2nd day of December, 2021, by the following vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

Tim Smith
President, Board of Directors

Attest:

Sandy Haas
Secretary, Board of Directors

Capital Improvements

| Project | Acct# | FY16 Expense | FY17 Expense | FY18 Expense | FY19 Expense | FY20 Expense | FY21 Expense | Expense Total |
|-----------------------------------|----------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| WasteWater Force Main Project | 02-170048 | \$ 366,400 | | | | | | \$ 366,400 |
| Fuel Card Lock System | 02-170000 | | \$ 9,201 | | | | | \$ 9,201 |
| Digester Repair | 02-170044 | \$ 688 | \$ 2,358 | | | | | \$ 3,045 |
| WWTP Tertiary Treatment | 02-170046 | | \$ 33,227 | | | | | \$ 33,227 |
| Manhole Covers | 02-170000 | | | \$ 17,229 | | | | \$ 17,229 |
| Expanded Secondary Irrigation | 02-170000 | | | \$ 90,863 | | | | \$ 90,863 |
| Pipeline Road Crossing | 02-170000 | | | \$ 57,536 | | | | \$ 57,536 |
| Equipment Purchase | 02-170000 | | | | \$ 41,127 | | | \$ 41,127 |
| Sewer Pipeline Additions | 02-170000 | | | | \$ 300,365 | | | \$ 300,365 |
| Monitoring Wells | 02-820003-00-0 | | | | | \$ 49,015 | | \$ 49,015 |
| Grit Removal System | 02-820006-00-0 | | | | | \$ 144,017 | | \$ 144,017 |
| Secondary Irrigation Pump Project | 02-820007-00-0 | | | | | \$ 6,130 | \$ 76,303 | \$ 82,433 |
| Sewer Equipment | 02-820050-00-0 | | | | | \$ 105,903 | \$ 92,019 | \$ 197,921 |
| Wastewater Ops Building | 02-820008-00-0 | | | | | | \$ 145,310 | \$ 145,310 |
| Headworks Birdcage | | \$ 32,000 | | | | | | |
| Replaced Drying Bed Valves | | \$ 3,000 | | | | | | |
| Replaced Kaeser Blower | | \$ 9,000 | | | | | | |
| Total | | \$ 411,088 | \$ 44,785 | \$ 165,628 | \$ 341,492 | \$ 305,065 | \$ 313,631 | \$ 1,537,688 |



Helendale Community Services District

NOTICE OF PUBLIC HEARING

FOR PROPOSED CHANGES TO WASTEWATER RATE

Hearing Date & Time: December 2, 2021 at 6:30 PM

Location: Helendale Community Services District - 26540 Vista Road, Suite C, Helendale, CA 92342

Article XIID of the California Constitution requires the Helendale Community Services District (HCSD) to send notification of a proposed rate increase at least 45 days prior to a public hearing to all owners and tenants of real property within HCSD's service area who would be directly liable to pay for wastewater service to the property at which adoption of the proposed rate increase will be considered. In accordance with those requirements, please be advised that Helendale CSD is proposing an increase in its wastewater service charges. This Notice identifies the amount of the proposed rate increase; the basis upon which the proposed increase was calculated; the reason for the proposed rate increase; the date, time, and location of a public hearing on the proposed rate increase; and the manner in which all persons opposed to the proposed increase may object and/or file a written protest thereto. Consequently, please be advised that this document shall serve as formal notification to you that HCSD's Board of Directors will hold a Public Hearing allowing in-person and remote access on the proposed rate increase described herein on: **Thursday, December 2, 2021, at 6:30 p.m., in the Helendale CSD Board Room located at 26540 Vista Road, Suite C, Helendale, California 92342.**

Remote access will be available at www.zoom.com. Meeting ID 463 173 8547 Passcode: HCSD

SUMMARY OF FINDINGS

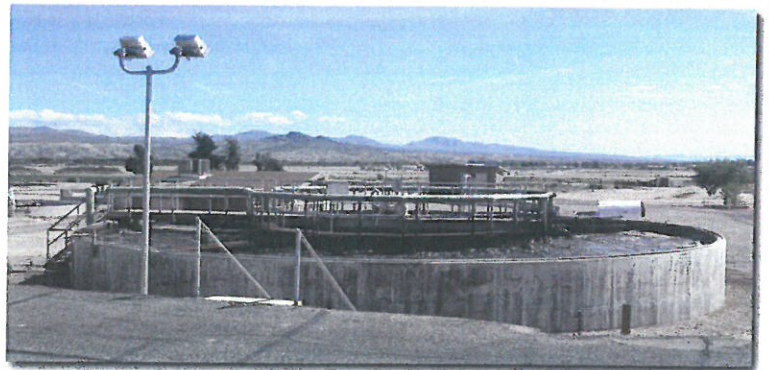
Helendale CSD's Wastewater Rates have not increased for the past 15 years despite the increasing cost of doing business. The District has delayed any wastewater increase to this point, however, operational and capital costs have exceeded revenues necessitating the proposed increase.

Why are Wastewater Rates Increasing?

Despite our best efforts to keep costs down, the rapidly escalating costs of operating the sewer plant, collection system and completing capital projects have surpassed annual revenues.



Force main break in 2016. This force main was replaced in 2019 at a cost of \$329,760.

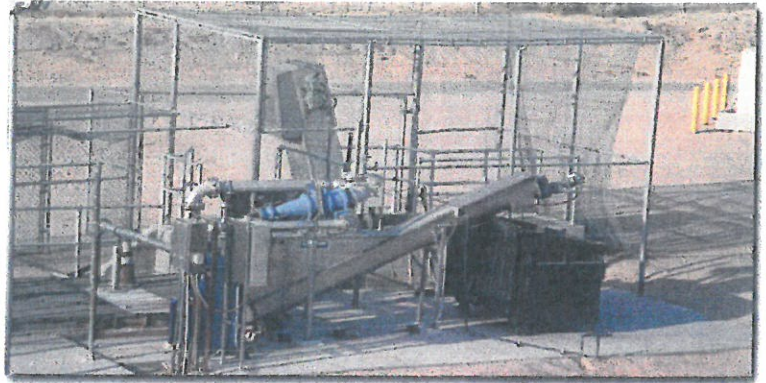


The digester is a critical part of the plant treatment process.

The proposed rate increase outlined in this notice is designed to collect sufficient revenues required to fund critical capital improvement projects, cover debt service obligations and meet increased operating expenses. The District's basic operational costs have seen increases including rising electricity costs to operate the wastewater plant and collection system 24 hours a day; maintenance and infrastructure costs; labor-related costs and increased expenditures for capital projects due to regulatory mandates. Helendale Community Services District is committed to operating the infrastructure to meet all regulatory standards and ensure the integrity of the entire system.

Rate Study Considerations

Helendale CSD's proposed wastewater rate increase is consistent with a rate study performed by Bartle Wells Associates, an independent professional consulting firm. The rate structure that is being proposed reflects their professional opinion incorporating cost of service with adequate debt coverage and sufficient operating revenue. The study took into account (1) charges for service; (2) infrastructure replacement and capital improvement projects for system upgrades discussed in this Notice, and (3) inflationary pressure on routine operating costs. Based upon the factors, elements, and calculations considered in that study, a rate increase in the amount set forth herein was recommended. Copies of the rate study may be viewed on the District's website at www.helendalecsd.org, or at the District office located at 26540 Vista Road, Suite B. As a public agency, the Helendale Community Services District receives no profit from its wastewater rates and is obligated to charge customers no more than the actual costs incurred for the services that HCSD provides. Standard expenses include operations and maintenance, government compliance costs, and the development of capital improvement projects. HCSD collects no tax money for wastewater, and customers pay only for the services they receive.



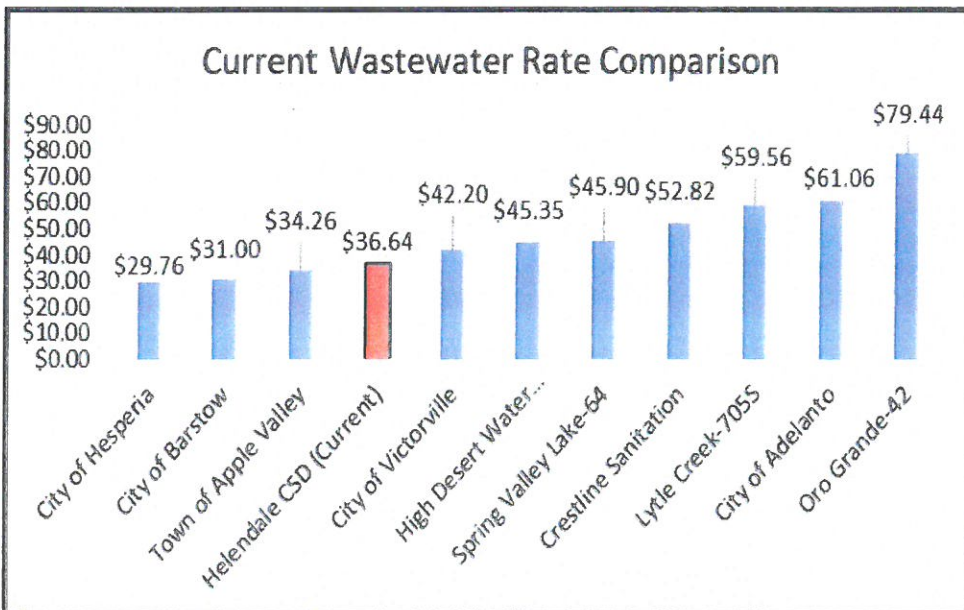
Wastewater Treatment Plant Headworks where raw sewage comes into the plant and bar screens remove large particles from the waste stream

Rate Application

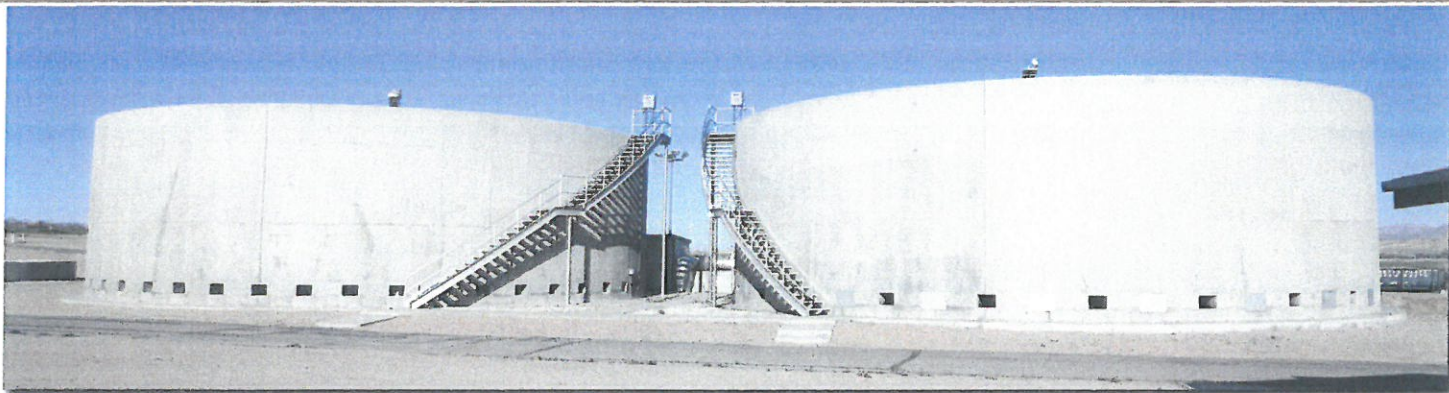
The rate presented for public consideration includes a phased-in process as outlined in the chart below

| Date | Rate | Increase |
|---------|-------|----------|
| Current | 36.64 | |
| Jan-22 | 41.64 | \$ 5.00 |
| Jul-22 | 46.64 | \$ 5.00 |
| Jan-23 | 51.64 | \$ 5.00 |
| Jul-24 | 53.45 | 3.50% |
| Jul-25 | 55.32 | 3.50% |

to fund continual investment in the wastewater system. The collection system is approaching 50 years old. The main treatment plant was updated through a bond in 1990 and requires continual repair and replacement as gases in sewage compromise the integrity of the treatment plant infrastructure. The rate increase is based upon Equivalent Dwelling Units (EDU) which represents the number of plumbing fixture units for a specific property. A typical single family residential home is one EDU. Non-single family residential accounts may vary based on size, facility type and number of plumbing fixtures. For these accounts, plumbing fixture units are determined when a property is built based on a review of the plumbing plan and an evaluation of use. This methodology, developed by San Bernardino County, was adopted by the District for consistency. The chart to the left represents a current rate comparison and does not take into account future rate increases contemplated by these agencies.

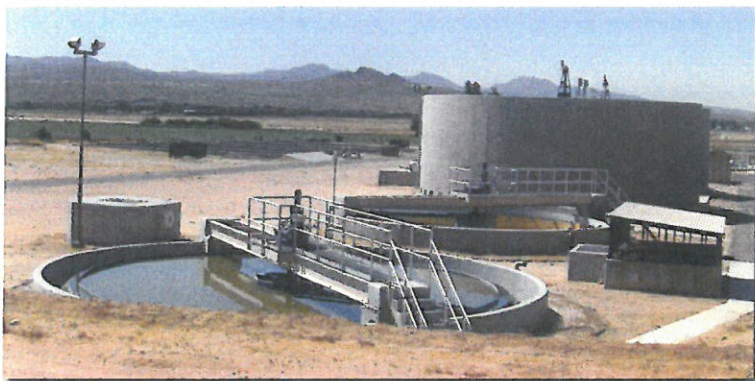


Capital Improvement Projects



Above: Trickling Filters process wastewater utilizing a media with a biological mass. **Below:** View of primary clarifiers and trickling filter.

A Capital Improvement Plan (CIP) is developed with a five-year projection estimating future infrastructure needs. This short-range planning tool is critical for forecasting major repairs and replacement of existing infrastructure. Capital improvement projects include maintenance and enhancements to the treatment plant and collection system throughout the community. Meeting regulatory mandates and maintenance schedules plays a significant role in the District's requirement to invest in expensive and labor-intensive improvement projects. Many projects are driven by regulatory compliance.



The District's financial approach to capital improvements combines responsible fiscal decision making with a thoughtful approach to infrastructure planning. Capital projects are often complex and require considerable effort and financial resources to implement. Many of these large projects must be completed by contractors in compliance with the Public Contracts Code. Helendale CSD evaluated a broad range of potential projects to determine the top priorities that meet regulatory demands, support continued compliant treatment of the community's sewage, and maintenance of the sanitary sewer system. Over the next five years the District has outlined \$3.8 million dollars in capital needs.



Sludge Drying Beds

Proposed capital projects include:

- Replacement of the fine and large bar screens: \$330,000
- Trickling Filter repair and replacements for pumps & motors: \$180,000
- Replacement of various high usage pumps: \$530,000
- Collection System sewer lining in various locations: \$400,000
- Replacement of Plant Sludge Lines: \$320,000
- Clarifier Rehabilitation: \$240,000
- Parshall Flume coating and grate replacement: \$240,000
- Plant and service equipment: \$195,000
- Primary Clarifier Coating: \$150,000
- Headworks Fence and Electrical Repair/Replacement: \$165,000
- Electrical Replacement Clarifiers, Digester and Headworks: \$150,000
- Interior of Maintenance Building: \$230,000
- Digester Rehabilitation: \$175,000
- Miscellaneous items: \$515,000



Secondary Irrigation manifold



Helendale Community
Services District
26540 Vista RD. Suite B.
P.O. Box 359
Helendale, CA 92342
760-951-0006

PSRSTD STD
U.S. Postage
PAID
Victorville, CA
Permit No. 162

This notice includes important rate information.

Attend a tour of the Helendale Wastewater Treatment Plant on Friday, October 22nd at 1:00 pm or Saturday October 23rd at 8:00 am. Call 760-951-0006 to reserve your spot. Space is limited.

How to Participate

If you have any questions or comments about the proposed increase or wish to protest the proposal you may:

Write: Written protests may be mailed to the Helendale Community Services District: Attention Clerk of the Board, P.O. Box 359, Helendale, CA 92342; or hand delivered to the District office at 26540 Vista Road, Suite B. Written protests must specify the rate or charge being protested and must include: Your name, parcel number and/or service address, and your signature. E-mailed protests will not be accepted.

Attend the Public Hearing: Written protests may be submitted at the Public Hearing on December 2, 2021, at 6:30 p.m. in the Helendale Community Services District Board Room, 26540 Vista Road, Suite C Helendale, California. Written protests must be received before the conclusion of the Public Hearing.

Information Available to you: Copies of the rate study, the proposed Resolution, and further details concerning the reasons for the proposed rate increase and the basis upon which the phased-in rate increase was calculated, are available for review at the District office located at 26540 Vista Road, Suite B, or on the District's website: www.helendalecsd.org.

Public Hearing Process: At the time of the Public Hearing the HCSD Board of Directors will hear and consider all written protests and objections. After the Public Hearing, if a majority of the property owners and tenants of real property directly liable for paying wastewater bills for the affected parcels file written protests in opposition to the proposed rate increase, the increase will not be imposed. However, if a majority protest is not received, HCSD Board of Directors may increase its sewer service rate in the manner described in this Notice. If adopted, the proposed increase would become effective January 1, 2022, phased in over the time period outlined in this notice.



Helendale Community Services District

DATE: December 2, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Approval of a Program Development Agreement with Engie

STAFF RECOMMENDATION:

Staff seeks input from the Board.

STAFF REPORT:

The Board discussed a possible energy solution for the District at a special meeting held on November 18. The discussion provided clarity to the desired information the Board was interested in evaluating prior to making a determination as to proceed or not proceed with a solar energy solution for the District. The project would require a loan, which the Board is uncomfortable with as the District has endeavored to pay off debt. The decision for additional indebtedness was the topic of vigorous conversation amongst the Board members at the special meeting.

In response to the questions asked, the consultant provided additional cost scenarios for the proposed suite of projects with a loan period of 5, 10 & 20 years and the related interest rates which vary from 2.05% for 5 years; 2.40% for 10 years and 2.8% for 20 years.

If the Board approves the Program Development Agreement (PDA) then Engie will proceed with submitting the interconnection agreement to SCE and will complete the more detailed feasibility assessment of the project. The fee for the feasibility assessment will be 1% of the overall project costs.

A new proposal will be forthcoming.

FISCAL IMPACT: As outlined in the staff report.

POSSIBLE MOTION: Approve the Program Development Agreement with Engie.

ATTACHMENTS: Draft Program Development Agreement

Draft



ENGIE Services Project #: CN-001133
ENGIE Services Contract # R

PROGRAM DEVELOPMENT AGREEMENT

This PROGRAM DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into as of _____, 2021, between ENGIE Services U.S. Inc. ("ENGIE Services U.S."), having its principal offices at 500 Twelfth Street, Suite 300, Oakland, CA 94607, and Helendale Community Services District, with offices located at 26540 Vista Rd, Helendale, CA 92342 ("Helendale CSD" and together with ENGIE Services U.S. the "Parties" and each of Helendale CSD and ENGIE Services U.S. a "Party").

WHEREAS, ENGIE Services U.S. is an energy services and solutions company with the technical and management capabilities and experience to perform an integrated energy assessment (an "Assessment") and to identify supply-side and/or demand-side energy conservation measures ("ECMs");

WHEREAS, Helendale CSD desires to enter into an agreement to have ENGIE Services U.S. perform an Assessment in accordance with the scope of work set forth in Attachment A (the "Scope of Work") for the sites listed on Part I of Attachment B (the "Sites"), and to deliver recommendations, described in the Scope of Work, identifying energy improvements and operational changes to be installed or implemented at the Sites (the "Recommendations"); and

WHEREAS, ENGIE Services U.S. holds itself as duly licensed, qualified, and capable of performing Scope of Work and that ENGIE Services U.S. is customarily engaged in an independently established trade, occupation, and/or business of the same nature of the Scope of Work; and

WHEREAS, the primary purpose of the Assessment and the Recommendations is to provide an engineering and economic basis for the implementation of the ECMs identified in the Recommendations, in furtherance of which the Parties intend to negotiate and execute a contract providing for, among other things, engineering, procurement, installation, construction and training services (an "Energy Services Contract");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. ASSESSMENT AND RECOMMENDATIONS

ENGIE Services U.S. agrees to complete the Assessment and to present Recommendations to Helendale CSD within ninety (90) calendar days after the date on which ENGIE Services U.S. receives the information listed in Part I of Attachment A (the "Required Information"). Helendale CSD agrees to deliver the Required Information to ENGIE Services U.S. no later than Thirty (30) calendar days after the date hereof. ENGIE Services U.S. shall perform the Scope of Work in such a manner as to fully comply with all applicable professional standards of care, including professional quality, technical accuracy, timely completion, and other services furnished and/or work undertaken by ENGIE Services U.S. pursuant to this Agreement. ENGIE Services U.S. shall cause all work and deliverables to conform to all applicable federal, state, and local laws and regulations. ENGIE Services U.S. shall perform the services in the Scope of Work in a prompt, timely, and professional manner free from the control and direction of Helendale CSD. Time is of the essence in this Agreement.

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Commented [A1]: As discussed during the special Board meeting of November 18, 2021, need to change this time period to reflect SCE interconnection deadline.

Helendale CSD agrees to assist ENGIE Services U.S. in performing the Assessment by (i) providing ENGIE Services U.S. with access to key decision makers and stakeholders of Helendale Community Services District CSD, (ii) providing ENGIE Services U.S. its employees and agents, such access to the Sites and other relevant facilities of Helendale CSD as ENGIE Services U.S. deems necessary and (iii) providing, or causing Helendale CSD's energy suppliers to provide, complete and accurate data concerning energy usage and costs related to the Sites and other relevant facilities. ENGIE Services U.S. will be entitled to rely upon the accuracy and completeness of all information provided to ENGIE Services U.S. by Helendale CSD and Helendale CSD's energy suppliers. ENGIE Services U.S. will promptly provide written notice to Helendale CSD if ENGIE Services U.S. determines there is any incorrect data included in the information provided by Helendale CSD or Helendale CSD's energy suppliers, but ENGIE Services U.S. will have no obligation to correct or confirm any such information unless otherwise specified in the Scope of Work. Any change(s) in the Scope of Work will be set forth in a writing executed by the Parties.

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Helendale CSD's approval of work or materials furnished hereunder shall not in any way relieve ENGIE Services U.S. of responsibility for the technical adequacy of its work. Neither Helendale CSD's review, approval or acceptance of, nor payment for any of the services shall be construed to operate as a waiver of any rights under this

Agreement or of any cause of action arising out of the performance of this Agreement. Where approval by Helendale CSD is indicated in this Agreement, it is understood to be conceptual approval only and does not relieve the ENGIE Services U.S. of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the ENGIE Services U.S. or its subcontractors. ENGIE Services U.S.'s obligation to defend, indemnify, and hold harmless the DISTRICT, and its directors, officers, employees and agents as set forth in Section 8 of this Agreement also applies to the actions or omissions of the ENGIE Services U.S. or its subcontractors as set forth above in this paragraph.

2. COMPENSATION TO ENGIE SERVICES U.S.

Helendale CSD will compensate ENGIE Services U.S. for the Assessment and the Recommendations by payment to ENGIE Services U.S. of a fee (the "Assessment Fee") in the amount of _____ or 1% of the project costs. Forty-Two Thousand Eighteen Dollars (\$42,018.00).

Commented [A2]: I believe this amount has been reduced to \$28,903.00.

The Assessment Fee will be due and payable thirty (30) calendar days after ENGIE Services U.S.'s submission of the Recommendations; *provided* that if on such thirtieth (30th) calendar day ENGIE Services U.S. and Helendale CSD are negotiating an Energy Services Contract in good faith, the Assessment Fee will be due ninety (90) calendar days after ENGIE Services U.S.'s submission of the Recommendations; *provided further*, that if ENGIE Services U.S. and Helendale CSD execute an Energy Services Contract, the Assessment Fee, and other fees, costs, expenses, disbursements and overhead of ENGIE Services U.S. incurred during the Assessment, will be incorporated into the total contract amount payable under such Energy Services Contract, *and provided further*, that if ENGIE Services U.S. fails to timely file Helendale CSD's interconnection application with Southern California Edison on or before the deadline of January 2022, Helendale CSD will have no obligation whatsoever to pay all or any portion of the Assessment Fee.

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Each of Helendale CSD and ENGIE Services U.S. reserves the right to terminate this Agreement at any time during the course of the Assessment, by delivery of written notice to the other. If this Agreement is terminated by Helendale CSD without cause, the Assessment Fee will be payable by Helendale CSD to ENGIE Services U.S. within thirty (30) calendar days of termination. If this Agreement is terminated by Helendale CSD with cause, the sole right and remedy of ENGIE Services U.S. shall be to receive payment for all amounts due for services completed prior to such date of termination. If this Agreement is terminated by ENGIE Services U.S., Helendale CSD will have no obligation to pay any portion of the Assessment Fee to ENGIE Services U.S. If ENGIE Services U.S. determines that the projected savings from implementation of the ECMs identified during the Assessment cannot result in a paid-from-savings project which complies with California Government Code Sections 4217.10 through 4217.18, the Assessment and this Agreement will be terminated by ENGIE Services U.S.

Any amount not paid when due will, from and after the due date, bear interest at a fluctuating rate equal to the sum of (a) The United States Prime Rate as listed from time to time in the Eastern print edition of the Wall Street Journal® plus (b) 2% per annum the legal rate in California. Accrued and unpaid interest on past due amounts (including interest on past due interest) will be due and payable upon demand.

3. INSURANCE

ENGIE Services U.S. will maintain, or cause to be maintained, for the duration of this Agreement, the insurance coverage outlined in (A) through (F) below, and all such other insurance as required by applicable law. Evidence of coverage will be provided to Helendale CSD via an insurance certificate.

- A. Workers' Compensation/Employers Liability for states in which ENGIE Services U.S. is not a qualified self-insured. Limits as follows:
- * Workers' Compensation: Statutory
 - * Employers Liability: Bodily Injury by accident \$1,000,000 each accident
Bodily Injury by disease \$1,000,000 each employee
Bodily Injury by disease \$1,000,000 policy limit
- B. Commercial General Liability insurance with limits of:
- * \$2,000,000 each occurrence for Bodily Injury and Property Damage
 - * \$4,000,000 General Aggregate - other than Products/Completed Operations
 - * \$2,000,000 Products/Completed Operations Aggregate
 - * \$2,000,000 Personal & Advertising Injury
 - * \$ 100,000 Damage to premises rented to ENGIE Services U.S.

Coverage to be written on an occurrence form. Coverage to be at least as broad as ISO form CG 0001 (04/13) or its equivalent forms, without endorsements that limit the policy terms with respect to: (1) provisions for severability of interest or (2) explosion, collapse, underground hazard.

- C. Auto Liability insurance for owned, hired and non-owned vehicles with limits of \$1,000,000 per accident. Coverage to be written on an occurrence form.

- D. Professional Liability insurance with limits of:
- * \$1,000,000 per occurrence
 - * \$1,000,000 aggregate

Coverage to be written on a claims-made form.

- E. Umbrella/Excess Liability Insurance. Limits as follows:
- * \$1,000,000 each occurrence
 - * \$1,000,000 aggregate

Coverage terms and limits to apply excess of the per occurrence and/or aggregate limits provided for Commercial General Liability and Professional Liability written on a claims made form. Coverage terms and limits also to apply in excess of those required for Employers Liability and Auto Liability written on an occurrence form.

- F. Policy Endorsements.

- * The insurance provided for Workers Compensation and Employers Liability above will contain waivers of subrogation rights against Helendale CSD, but only to the extent of the indemnity obligations contained in this Agreement.
- * The insurance provided for Commercial General Liability and Auto Liability above will:
 - (1) include Helendale CSD as an additional insured with respect to Work performed under this Agreement, but only to the extent of the indemnity obligations contained in this Agreement, and
 - (2) provide that the insurance is primary coverage with respect to all insureds, but only to the extent of the indemnity obligations contained in this Agreement and any self-insured retention and/or insurance carried by or available to Helendale CSD or its employees shall be excess and non-contributory coverage so that any self-insured retention and/or insurance carried by or available to Helendale CSD shall not contribute to any loss or expense under ENGIE Services U.S.

4. INDEPENDENT CONTRACTOR

The services to be performed by ENGIE Services U.S. under this Agreement are outside the usual course of Helendale CSD's business. ENGIE Services U.S., and the agents and employees of ENGIE Services U.S., its subcontractors and/or consultants, are acting in an independent capacity in the performance of this Agreement, and not as public officials, officers, employees, consultants, or agents of Helendale CSD or the City of Helendale for purposes of conflict of interest laws or any other applicable law. This Agreement may not be construed to represent the creation of an employer/employee or principal/agent relationship. ENGIE Services U.S. will act in an independent capacity and retain sole discretion in the manner and means of carrying out its activities under this Agreement. ENGIE Services U.S. is free to work for other entities while under contract with Helendale CSD.

5. ENERGY SERVICES CONTRACT

As it is the intent of Helendale CSD and ENGIE Services U.S. to pursue cost effective energy retrofits and ECMs at the Sites pursuant to an Energy Services Contract, both Parties agree to enter into good faith negotiations of an Energy Services Contract immediately following completion of the Assessment.

6. WORK PRODUCT

Helendale CSD will not, by virtue of this Agreement, acquire any interest in any formulas, patterns, devices, secret inventions or processes, copyrights, patents, other intellectual or proprietary rights, or similar items of property which are or may be used in connection with the Assessment or the Recommendations. The Recommendations, and all data, proposals, plans, specifications, flow sheets, drawings, and other work product prepared or produced by ENGIE Services U.S. hereunder ("Work Product") and furnished directly or indirectly, in writing or otherwise, to Helendale CSD under this Agreement will remain ENGIE Services U.S.' property and will be used only in connection

with work performed by ENGIE Services U.S. ENGIE Services U.S. will be deemed the author and owner of such Work Product and will retain all common law, statutory and other reserved rights, including copyrights. The Work Product may not be used by Helendale CSD as a basis for facility construction or implementation of ECMs developed herein by any entity other than ENGIE Services U.S., without the prior written agreement of ENGIE Services U.S. ~~If ENGIE Services U.S. determines that Helendale CSD has violated this prohibition, ENGIE Services U.S. may, in its sole discretion, and in addition to injunctive relief or any other legal or equitable remedies ENGIE Services U.S. may have, require that Helendale CSD pay, in addition to the Assessment Fee, liquidated damages in an amount equal to five (5) times the Assessment Fee. This liquidated damages amount is not a penalty but a reasonable estimate of the amount of losses ENGIE Services U.S. will suffer, and will survive the termination of this Agreement. Any unauthorized use of the Work Product will be at Helendale CSD's sole risk and without liability to ENGIE Services U.S., and Helendale CSD agrees to defend, indemnify and hold harmless, ENGIE Services U.S., its subcontractors, and their directors, employees, subcontractors, and agents from any and all actions, claims, demands, damages, disabilities, fines, penalties, losses, costs, expenses (including consultants' and attorneys' fees and other defense expenses) and liabilities of any nature (collectively, "Losses") associated with or resulting from such use.~~

7. LIMITATION OF LIABILITY

~~The liability of a defaulting Party, in connection with this Agreement or any analysis, report, recommendations, or other deliverables provided hereunder, will be limited to direct, actual damages. Neither Except for liability arising out of third party claims, neither Party shall be liable to the other Party for any special, indirect, incidental or consequential damages whatsoever, whether in contract, tort (including negligence) or strict liability, including, but not limited to, operational losses in the performance of business such as lost profits or revenues or any increase in operating expense. Additionally, each Party waives any claims for negligence against the other Party to the greatest extent permitted by law. In no event will ENGIE Services U.S. be liable to Helendale CSD for any Losses which collectively exceed the amount of the Assessment Fee, regardless of whether such amounts arise out of breach of contract, guarantee or warranty, tort, product liability, contribution, strict liability or any other legal theory.~~

8. INDEMNITY

~~ENGIE Services U.S. shall defend, indemnify and hold Helendale CSD, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of ENGIE Services U.S. and/or any of its subconsultants, including their respective directors, officers, employees, agents and assigns.~~

~~It is the intent of the Parties to this Agreement that the defense, indemnity and hold harmless obligation of ENGIE Services U.S. under this Agreement shall be as broad and inclusive as may be allowed under California Civil Code §§ 2778 through 2784.5, or other similar state or federal law.~~

8.9. NONDISCRIMINATION; COMPLIANCE WITH LAWS

ENGIE Services U.S. will comply with all applicable laws, rules, regulations and policies, including, but not limited to, those relating to nondiscrimination, accessibility and civil rights.

The Parties acknowledge and agree that ENGIE Services U.S. is not a municipal advisor and cannot give advice to Helendale CSD with respect to municipal securities or municipal financial products absent Helendale CSD being represented by, and relying upon the advice of, an independent registered municipal advisor. ENGIE Services U.S. is not subject to a fiduciary duty with regard to Helendale CSD or the provision of information to Helendale CSD. Helendale CSD will consult with an independent registered municipal advisor about the financing option(s) appropriate for Helendale CSD's situation.

ENGIE Services U.S. cannot guarantee that Helendale CSD will receive funding from any energy efficiency rebate, incentive, and/or loan program(s) (collectively, "Incentive Funds"); ENGIE Services U.S. expressly disclaims any liability for Helendale CSD's failure to receive any portion of the Incentive Funds, and Helendale CSD acknowledges and agrees that ENGIE Services U.S. will have no liability for any failure to receive all or any portion of the Incentive Funds.

9.10. FORCE MAJEURE

Neither Party will be considered to be in default in the performance of any material obligation under this Agreement (other than the obligation to make payments) when a failure of performance will be due to an event of

Force Majeure. The term "Force Majeure" will mean any cause beyond the control of the affected Party and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which, despite using commercially reasonable efforts, it has been unable to overcome. Neither Party will be relieved of its obligation to perform if such failure is due to causes arising out of its own negligence or due to removable or remediable causes which it fails to remove or remedy within a reasonable time period. Either Party rendered unable to fulfill any of its obligations under this Agreement by reason of an event of Force Majeure will give prompt written notice of such fact to the other Party.

11. ASSIGNMENT

Neither Party shall assign or transfer its interest in this Agreement without written consent of the other Party. All terms, conditions, and provisions of this Agreement shall inure to and shall bind each of the Parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns. No subcontract shall be awarded by ENGIE Services U.S. unless prior written approval thereof is obtained from Helendale CSD. ENGIE Services U.S. shall be responsible for payment to subcontractors used by them to perform the services under this Agreement. If ENGIE Services U.S. subcontracts any of the work to be performed, ENGIE Services U.S. shall be as fully responsible to Helendale CSD for the performance of the work, including errors and omissions of ENGIE Services U.S.'s subcontractors and of the persons employed by the subcontractor, as ENGIE Services U.S. is for the acts and omissions of persons directly employed by the ENGIE Services U.S. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor of ENGIE Services U.S. and Helendale CSD. ENGIE Services U.S. shall bind every subcontractor and every subcontractor of a subcontractor to the terms of this Agreement that are applicable to ENGIE Services U.S.'s work unless specifically noted to the contrary in the subcontract in question and approved in writing by Helendale CSD.

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10.12. INTEGRATION; AMENDMENT; COUNTERPARTS

This Agreement constitutes the entire contract among the Parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Agreement may not be amended except by a writing executed by both Parties. No oral amendment shall be enforceable, even if supported by new consideration. Except as otherwise provided herein, the terms and provisions of this Agreement will apply to, be binding upon, and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and permitted assigns.

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by email shall be effective as delivery of a manually executed counterpart of this Agreement.

14.13. DISPUTE RESOLUTION; APPLICABLE LAW; VENUE; SEVERABILITY

If a dispute arises out of or relates to this Agreement, or the transaction contemplated by this Agreement (a "Dispute"), either Party may initiate the dispute resolution process set forth in this Section 14.13 by giving notice to the other Party. Senior executives for the Parties will meet, within thirty (30) calendar days after notice of the Dispute, in an attempt to resolve the Dispute and any other identified disputes or any unresolved issues that may lead to a dispute. If the senior executives are unable to resolve a Dispute or if a senior management conference is not held within the time provided herein, either Party may submit the Dispute to mediation.

If the Dispute is not settled by senior management conference, the Parties will endeavor to settle the Dispute by mediation under the Commercial Mediation Procedures of the American Arbitration Association ("AAA"). Mediation is a condition precedent to arbitration or the institution of legal or equitable proceedings by either Party. Once one Party files a request for mediation with the other Party and with the American Arbitration Association AAA, the Parties agree to conclude the mediation within sixty (60) calendar days after filing the request. Either Party may terminate the mediation at any time after the first session, but the decision to terminate must be delivered in person by the Party's representative to the other Party's representative and the mediator.

If the Dispute is not resolved by mediation within sixty (60) calendar days after the date of filing of the request for mediation, then the exclusive means to resolve the Dispute is final and binding arbitration. Either Party may initiate arbitration proceedings by notice to the other Party and the American Arbitration Association. The following provisions apply to all arbitration proceedings pursuant to this Article: (i) The place of arbitration will be the American Arbitration Association office closest to where the Assessment was performed; (ii) one arbitrator will conduct the arbitral proceedings in accordance with the Commercial Arbitration Rules and Mediation Procedures (excluding the Procedures for Large, Complex Commercial Disputes) of the American Arbitration Association currently in effect

Rev. Date: _____

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("Arbitration Rules") (to the extent of any conflicts between the Arbitration Rules and the provisions of this Agreement, the provisions of this Agreement prevail); (iii) the Parties will submit true copies of all documents considered relevant with their respective statement of claim or defense, and any counterclaim or reply (in the discretion of the arbitrator, the production of additional documents that are relevant and material to the determination of the Dispute may be required); (iv) the arbitrator does not have the power to award, and may not award, any punitive, indirect or consequential damages (however denominated); all arbitration fees and costs are to be shared equally by the parties, regardless of which Party prevails, and each Party will pay its own costs of legal representation and witness expenses; (v) the award must be in the form of a reasoned award; (vi) the Dispute will be resolved as quickly as possible, and the arbitrator will endeavor to issue the arbitration award within six (6) months after the date on which the arbitration proceedings were commenced; and (vii) the award will be final and binding and subject to confirmation and enforcement proceedings in any court of competent jurisdiction.

If the Dispute is not resolved by mediation within sixty (60) calendar days after the date of filing of the request for mediation, then the exclusive means to resolve the Dispute shall be legal action brought in a state court situated in the County of San Bernardino, State of California, or in a federal court with jurisdiction in the County of San Bernardino, State of California.

This Agreement shall be enforced and governed by the laws of the State of California. If any term of this Agreement is declared by a court to be illegal, invalid or unenforceable, the legality, validity and enforceability of the other terms of this Agreement will not be affected or impaired thereby, and the rights and obligations of the Parties will be enforced as if the illegal, invalid or unenforceable term were revised to the minimum extent necessary to make such term legal, valid and enforceable.

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14. ATTORNEYS' FEES

In the event that either Helendale CSD or ENGIE Services U.S. brings an action or proceeding for damages for an alleged breach of any provision of this Agreement, to interpret this Agreement or determine the rights of and duties of either Party in relation thereto, the prevailing Party shall be entitled to recover as part of such action or proceeding all litigation, arbitration, mediation and collection expenses, including witness fees, court costs, and reasonable attorneys' fees. Such fees shall be determined by the Court in such litigation or in a separate action brought for that purpose.

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[the Parties' signatures appear on the following page]

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this Agreement.

ENGIE SERVICES U.S.:

HELENDALE CSD:

ENGIE Services U.S. Inc.

Helendale Community Services District

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

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ATTACHMENT A

SCOPE OF WORK

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I. Required Documents (Needed to Proceed).

- A. Helendale CSD will provide the following detailed documentation:
1. Most recent three (3) years of audited financial statements.
 2. Actual utility company invoices for all utilities serving the Sites, for a minimum of two (2) years, and preferably three (3) years, immediately prior to the date hereof, with, beginning with the most recently completed month.
 3. Utility company demand interval recordings of 15/30-minute electrical demand for two (2) years, where available.
 4. Record drawings (AutoCAD or hard copy) for the Sites:
 - a. mechanical
 - b. electrical
 - c. building automation and temperature controls
 - d. structural
 5. AutoCAD or hard copy of 8 ½" x 11" or 11" x 17" floor and roof plans of all Sites, as well as information on the age, type and condition of buildings and roofs.
 6. A list of key contacts at each Site, including Helendale CSD personnel knowledgeable of the electrical, HVAC, lighting and controls systems.
 7. Original construction submittals and factory data (specifications, pump curves, etc.), where available.
 8. Test and balance reports for water and air systems, where available.

II. Scope of Work.

The Integrated Energy Assessment (the "Assessment") will be performed as described below:

- A. Perform detailed review of documents delivered above.
- B. Perform an inspection survey to:
1. Identify potential energy conservation measures ("ECMs") and opportunities for distributed and renewable generation technologies.
 2. Identify the potential locations and type of application for solar photovoltaics (PV) and other ECM installations.
 3. Interview the facility manager, chief engineer, or others as needed.
 4. Obtain the hours of operation for building systems and equipment, and expected occupancy and use.
 5. Survey major energy using equipment, and record (to extent available) the pertinent information for the following:
 - a. Lighting
 - b. HVAC equipment
 - c. Controls and automation
 - d. Pumps

6. Perform Site survey, consisting of:

- a. Site walk
- b. Shading analysis

C. Perform Utility Analysis and Solar Photovoltaic Production Analysis:

- 1. Identify current rate schedule, analyze electrical usage and model load profile for each Site
- 2. Determine historical Site-specific rate escalation
- 3. Determine expected solar photovoltaic production curve for proposed Sites
- 4. Overlay electrical load profile with expected solar photovoltaic production curve, to right-size the solar photovoltaic system(s) and identify rate restructuring opportunities.

D. Analyze HVAC and electrical usage for each Site, where existing historical sub-meter data is available.

E. Calculate energy use and cost for all viable ECMs and renewable generation technologies:

- 1. For each ECM or renewable generation technology, calculate annual energy savings
- 2. Calculation methodology will be determined by ENGIE Services U.S., and may include using modeling software such as Market Manager or Trace 700, or may involve spreadsheet analysis or other accepted, standard engineering procedures.
- 3. Calculations will follow ASHRAE or other nationally recognized authority and will be based on sound engineering principle(s).
- 4. Operational and maintenance savings, if any, will be identified as a separate line item.

F. Prepare a preliminary measurement and verification plan, explaining how each ECM is to be measured and verified. This plan need only show intended methodologies, but is not required to identify precise instrumentation and/or formulae intended for use. This plan should be carefully enough prepared so as not to materially conflict with the final measurement and verification plan to be prepared during final negotiations of, and incorporated into, the Energy Services Contract.

G. ENGIE Services U.S. will provide to Helendale CSD Recommendations which will include:

- 1. A draft Energy Services Contract which will include the contract amount, scope of work, and payment schedule
- 2. A scope of work for each ECM per Site which is compatible with Helendale CSD's investment and infrastructure improvement goals
- 3. A description of each recommended ECM and a table summarizing all recommended ECMs
- 4. An economic analysis for the aggregated Sites, including project costs, utility incentives, energy savings, renewable energy revenue, operation and maintenance savings and any other revenue or program contributions

III. Technologies to be Considered:

A. The technologies listed below will be considered during the performance of assessments:

- 1. Lighting
 - a. Lighting fixture retrofit
 - b. Lighting controls
 - c. Solar tubes for day lighting facilities
 - d. Skylights
 - e. LED parking lot lighting
- 2. Heating, Ventilation, and Air Conditioning (HVAC) systems
 - a. Unit upgrades/replacements
 - b. Adding additional cooling capacity as applicable
 - c. Outside air economizer
 - d. Smart controls/thermostats

3. Variable Frequency Drives (VFDs)
4. Supervisory Control and Data Acquisition (SCADA)
5. Solar photovoltaic (PV) generation

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**ATTACHMENT B
SITE INVENTORY**

SITES INCLUDED IN ASSESSMENT

| | |
|--------------------------------|--------------------|
| Well #1 | 26527 CORONA |
| Well #4 | 26161 BALBOA CT |
| Well #13 | TBD |
| WWTP | 27079 HELENDALE RD |
| Community Center - Suite B&C | 26540 VISTA RD |
| Well #3 | 27059 HELENDALE RD |
| Community Center Suite A | 26545 VISTA RD |
| Parl Wellhead @ water shop | 16902 SMITHSON RD |
| Well #8 | 27225 HELENDALE |
| Water Shop | 16902 SMITHSON RD |
| Community Center - Suite D | 26595 VISTA RD 2 |
| Well #2 | 309 PLANT F-8 |
| Well #9 | 27079 HELENDALE RD |
| Well #6 | 27079 HELENDALE RD |
| Well #5 | 27225 HELENDALE |
| Silver Lakes Pkwy Lift Station | 307 PLANT E-6 |
| Well #7 | 27925 HELENDALE |
| Schooner Lift Station | 313 PLANT E-9 |