



Helendale Community Services District

BOARD OF DIRECTORS MEETING
February 2, 2017 at 6:30 PM
26540 Vista Road, Suite C, Helendale, CA 92342

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 may speak on any agenda item at the time the agenda item is discussed by the Board of Directors.*

3. Consent Items

- Approval of Minutes: January 19, 2017 Regular Board Meeting
- Bills Paid and Presented for Approval

4. Reports

- Directors' Reports
- General Manager's Report

Discussion Items

- Discussion and Possible Action Regarding Request to Declare as Surplus the Neopost Folder/Sorter Machine
- Discussion and Possible Action Regarding Approval of Proposed Changes to the District's Deposit Policy

Other Business

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

Closed Session

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

Open Session

- Reportable Action from Closed Session
- 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 agendized 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.

Providing:

- Water
- Wastewater
- Park & Recreation
- Solid Waste Management
- Street lighting
- Graffiti Abatement for the Helendale Community

OFFICE HOURS:

Monday-Friday
8:00 – 5:30 p.m.

PHONE:

760-951-0006

FAX:

760-951-0046

ADDRESS:

26540 Vista Road
Suite B
Helendale, CA
92342

MAILING

ADDRESS:
PO BOX 359
Helendale, CA
92342

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www.helendalecsd.org



HELENDALE COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING MINUTES
January 13, 2017
26540 Vista Road, Suite C. Helendale, CA 92342

CALL TO ORDER AND PLEDGE OF ALLEGIANCE – The special meeting was called to order at 4:32 pm by President Clark after which the Pledge of Allegiance was recited.

Present: President, Ron Clark; Vice President, Tim Smith; Secretary, Sandy Haas; Director, Craig Schneider; Director, Henry Spiller
Absent: None
Staff: Kimberly Cox, General Manager
Consultants: Steve Kennedy, Legal Counsel
Audience: There were two (2) audience members present.

1. Approval of Agenda

Action: Director Schneider made the motion to approve the Agenda as amended. Director Haas seconded the motion. The motion was unanimously approved by the Board members present.

2. Public Participation

None

Discussion Items

3. Discussion Only Regarding Water Revenue and Consideration of Rate Restructuring Options

General Manager Cox discussed the water operations budget and possible options for a rate increase. The Board requested to see the model with different options including the potential rate increase with only the new well and associated pipelines in the Capital Improvement. They also wanted to see the rate model with at least two different options for a fixed rate fee.

Closed Session

Closed session began at 5:57 pm

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

Open Session

Closed session ended and returned to open session at 6:12 pm. There was no reportable Action from Closed Session

5. Adjournment

Action: President Ron Clark adjourned the meeting at 5:12 pm.

Submitted by:

Approved By:

Ron Clark, President

Sandy Haas, Secretary

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

HELENDALE COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING MINUTES
January 19, 2017
26540 Vista Road, Suite C, Helendale, CA 92342

CALL TO ORDER AND PLEDGE OF ALLEGIANCE – The regular meeting was called to order at 6:35 pm by President Clark after which the Pledge of Allegiance was recited.

Present: President, Ron Clark; Secretary, Sandy Haas; Director, Craig Schneider; Director, Henry Spiller
Absent: Vice President, Tim Smith
Staff: Kimberly Cox, General Manager; Mike Simpson, Operations Manager; Cheryl Vermette, Program Coordinator
Consultants: Steve Kennedy, Legal Counsel
Audience: There were six (6) audience members present.

1. Approval of Agenda

Discussion: General Manager Cox requested to amend the agenda as presented to remove the closed session item.

Action: Director Schneider made the motion to approve the Agenda as amended. Director Haas seconded the motion. The motion was unanimously approved by the Board members present.

2. Public Participation

Wally Linn, Field Representative for Congressman Paul Cook gave a brief congressional update.

Resident Douglas Bell suggested the CSD consider an intern position that would help kids earn their required volunteer hours. He also commented that he was sad to see the radio station was losing their antenna space.

Deputy Erwin gave a report on the Sheriff Statistics for Helendale, Silver Lakes, and the Three Southern Boarders for November 2016.

Fire Battalion Chief Bobby Cox announced there will be a storm update task force meeting at the CSD on January 24.

3. Consent Items

a. Approval of Minutes: January 5, 2017, Regular Board Meeting

b. Bills Paid and Presented for Approval

c. San Bernardino Sheriff's Statistics for November 2016

Action: Director Haas made the motion to approve the Agenda as amended. Director Spiller seconded the motion. The motion was unanimously approved by the Board members present.

4. Reports

a. Director's Reports – Director's Schneider and Haas commended Staff on the Youth Basketball League program.

b. General Manager Report – General Manager Cox gave the Administration Update which included account activity for December, account activity by area, on-time payment comparison from 2013-2016, Billed Consumption Comparison by Year, Water Consumption Breakdown by Tier, Average Monthly Bill, and Meter Maintenance. Program Coordinator Vermette went over the Program report which included High School Soccer at the Helendale Park, the Youth Basketball League, and the upcoming paint party event. She also discussed the recent Senior Health talk, and provided an overview of the use of the Community Room. General Manager Cox gave the financial report including the cash flow and investment reports. She also provided a chart showing the cash balances by fiscal year, the tipping fees and refuse tonnage.

Discussion Items

5. Discussion and Possible Action Regarding Adoption of Resolution 2017-01: A Resolution of the Board of Directors of the Helendale Community Services District, San Bernardino County, Recommending Consolidated

Election for Governing Board Members with Statewide General Elections and Approving the Rescheduling of Such Elections from Odd-Year to Even-Year Elections Commencing with the 2017 Elections Cycle.

Action: Director Schneider made the motion to approve the adoption of Resolution 2017-01: A Resolution of the Helendale Community Services District, San Bernardino County, Recommending Consolidated Election for Governing Board Members with Statewide General Elections and Approving the Rescheduling of Such Elections from Odd-Year to Even-Year Elections Commencing with the 2017 Election Cycle. Director Spiller seconded the motion, the motion was approved by the following roll call vote:

Director Schneider – Yes; Director Haas – Abstain; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes

3 – Yes

0 – No

1 – Absent

1 – Abstain

6. Discussion and Possible Action Regarding Adoption of Resolution 2017-02, A Resolution of the Helendale Community Services District Board of Directors, in Support of Filing an Application with the Bureau of Reclamation for a Grant Under the Water Conservation Field Services Program Grants for Fiscal Year 2017.

Action: Director Spiller made the motion supporting filing an application with the Bureau of Reclamation for a grant under the Water Conservation Field Services Program, Grants for Fiscal Year 2017. Director Schneider seconded the motion; the motion was approved by the following roll call vote:

Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes

4 – Yes

0 – No

1 – Absent

0 – Abstain

7. Discussion Only Regarding Review of the District's Water Supply, Condition of Wells and Other Related Information.

Action: There was no action on this item. The consensus of the Board was to move forward with changing Helendale CSD elections to the general election cycle. The Board requested to bring the Resolution to the Board for adoption before the February meeting.

Discussion: Operations Manager Simpson gave a detailed overview of the District's Wells, water quality challenges and an evaluation of possible locations for the next water production well. In addition, historical water usage trends will be presented.

Action: There was no action on this week.

Other Business

8. Requested Items for Next or Future Agendas (Directors and Staff Only)

Director Schneider requested to see Mark Robert's findings for a potential new well location within 90 days. He also requested to see a mid-year budget review as well as bi-monthly or quarterly budget reviews.

Closed Session

- ~~9. Conference with Legal Counsel – Anticipated Litigation~~

~~Significant Exposure to Litigation~~

~~Pursuant to Government Code Section 54956.9 (d)(2):~~

~~One Potential Case~~

Open Session

10. Reportable Action from Closed Session

None

11. Adjournment

Action: President Ron Clark adjourned the meeting at 8:22 pm.

Submitted by:

Approved By:

Ron Clark, President

Sandy Haas, Secretary

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



Helendale Community Services District

Date: February 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Paul E. Harmon, Administrative Consultant
SUBJECT: Agenda item # 3 b.
Consent Item: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 47 checks for the period January 13 through January 30, 2017 totaling \$253,556.20. Checks issued include payments to Babcock Laboratories, Inc. for lab analysis for wells 1, 3, 7, 8 & 9 for \$2,396.00; to Burrtec Waste Industries Inc. for December residential disposal billing for \$8,464.75 and for residential services for \$37,832.80; to Brunick, McElhaney & Kennedy for legal services for \$5,043.75; to Kaeser Compressors, Inc. for WWTP compressor for \$4,433.60; to Larry Walker Associates for WWTP environmental consulting and WDR renewal for \$4,857.50; to Rogers, Anderson, Malody & Scott, CPA's for annual audit and F/Y closing services for \$8,623.00; and to Citizens Business Bank for semi-annual water rights purchase loan payment for \$149,447.45.

Total cash available:	<u>1/30/17</u>	<u>1/13/17</u>
Cash	\$ 3,903,937.78	\$ 3,932,494.19
Checks Issued	\$ 253,556.20	\$ 46,508.01

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 0.92% for CalTRUST Short-Term and is 1.14% for Medium-Term Investments, 0.610% for LAIF, and 0.25% for the CBB Sweep Account for December 2016. Interest earned in December 2016 on the CalTRUST investments, LAIF investment and the CBB Sweep Account is \$1,858.78. Cumulative interest from our initial date of investment in February 2008 through December 2016 for CalTRUST, CBB and LAIF is \$177,537.03. Interest Income for the fiscal year 2015-16 is \$15,933.20 and \$9,933.79 for F/Y 2016-17. The PowerPoint presentation on February 2, 2017 will have current balances for February for all accounts as well as the amount of January interest income.

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for January 19, 2017

<u>Check #</u>	<u>Payee</u>	<u>Item Description</u>	<u>Dept</u>	<u>Amount</u>
18761	Mall Masters Plus	Live Scan Fee - Basketball - Amber Rego	Parks	\$ 57.00
18762	Babcock Laboratories, Inc	Lab Test Well # 8, 3, 7, 9, 1	Water	\$ 2,396.00
18763	Brunick, McElhaney & Kennedy	Legal Services - Dec 2016	Admin	\$ 5,043.75
18764	Burrtec Waste Industries	Sludge Load 12/15/16	WWTP	\$ 1,450.00
18765	Burrtec Waste Industries, Inc.	Residential Disposal Billing Month Ending Dec 2016	Solid Waste	\$ 8,464.75
18765	Burrtec Waste Industries, Inc.	Residential Services Invoice Month Ending Dec 2016	Solid Waste	\$ 37,832.80
18766	Cazcom, Inc.	Site Rent	Admin	\$ 175.00
18767	County of San Bernardino, Solid Waste Mgmt. Div.	Dump Passes - Dec 2016	Solid Waste	\$ 476.37
18768	Frontier Communications	Thrift Store Ported Credit Card Line	Parks	\$ 104.11
18768	Frontier Communications	Water Shop - 760-951-1121	Water	\$ 53.01
18768	Frontier Communications	Smithson Lift Station - 760-243-5575	WWTP	\$ 53.85
18769	Geo-Monitor, Inc.	Lab Analysis	Water	\$ 1,800.50
18770	Helendale Chamber of Commerce	2017 Community Service Awards Donation	Admin	\$ 200.00
18770	Helendale Chamber of Commerce	Community Service Awards Banquet Tickets (10)	Admin	\$ 350.00
18771	Home Depot Credit Services	Water Supplies	Water	\$ 475.60
18771	Home Depot Credit Services	Park R & M	Parks	\$ 172.16
18771	Home Depot Credit Services	Employee Gift Card	Admin	\$ 50.00
18772	Infosend	Postage	Admin	\$ 873.50
18772	Infosend	Utility Billing Processing & Postage - Dec 2016	Admin	\$ 885.84
18772	Infosend	Insert New Burrtec Rates	Admin	\$ 45.02
18773	Kaeser Compressors, Inc	Wastewater Compressor	WWTP	\$ 4,433.60
18774	Konica/Minolta	BIZHUB C554e	Admin	\$ 285.47
18774	Konica/Minolta	BIZHUB 364E	Admin	\$ 16.32
18774	Konica/Minolta	BIZHUB 365E	Admin	\$ 99.99
18775	Larry Walker Associates	Environmental Consultation - Regulatory Assistance	WWTP	\$ 857.50
18775	Larry Walker Associates	2016 WDR Renewal	WWTP	\$ 4,000.00
18776	Liberty Composting, Inc.	Tipping Fees - Biosolids Dec 2016	WWTP	\$ 300.50
18777	Mojave Water Agency	2017 Calendars (300)	WWTP	\$ 275.40
18778	Patty Hartong	Fitness Classes	Parks	\$ 529.00
18779	Rogers, Anderson, Malody & Scott	Annual Audit & F/Y Closing Services	Parks	\$ 8,623.00
18780	SB County Office of the Assessor	PIIMS - Oct, Nov & Dec 2016	Admin	\$ 21.75
18781	Southern California Edison	Mobile Home Wellhead	Admin	\$ 21.75
18781	Southern California Edison	Park Wellhead	Parks	\$ 27.11
18781	Southern California Edison	Well # 1A, 3 & 4A	Parks	\$ 277.41
18782	Southern California Edison	WWTP Blower Room & Lift Stations	Water	\$ 5,409.50
18782	Southern California Edison	Street Lighting	WWTP	\$ 4,066.63
18783	Southern California Edison	Ste B & C	Street Lights	\$ 1,340.74
18784	Southern California Edison	Ste D	Parks	\$ 987.64
18784	Southern California Edison	Thrift Store - Ste A	Parks	\$ 80.94
18784	Southern California Edison	Well # 6, 7, 8, 9 & 2	Thrift Store	\$ 597.76
18785	Southern California Edison	Sod Farm	Water	\$ 360.76
18786	Southern California Edison	4 Plex	WWTP	\$ 593.32
18787	Southern California Edison	15425 Wild Road	Parks	\$ 238.41
18788	Special District Risk Management Authority	Cross Connections Inspections	Parks	\$ 77.36
18789	Thom Deeds Recycled Water/Cross-Connection Control		Water	\$ 1,732.70

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for January 18, 2017

Check #	Payee	Item Description	Dept	Amount
18790	Tyler Technologies, Inc.	Utility Billing Notification	Admin	\$ 56.90
18790	Tyler Technologies, Inc.	Insite Transaction Fees	Admin	\$ 1,173.75
18791	Uline	Laundry Bags - Basketball	Parks	\$ 103.55
18792	United Site Services	Trailer Kit Weekly Service 12-30-16 - 1-26-17	WWTP	\$ 162.25
18792	United Site Services	Park ADA Wheelchair Accessible 1-9-17 - 2-5/17	Parks	\$ 150.15
18793	USA of So. California	Dig Alert Tickets (9)	Water	\$ 13.50
18794	Desert Empire Drilling	Customer Deposit Refund	Water	\$ 1,222.58
18795	Tom Streeter	Customer Deposit Refund	Water	\$ 960.66
18796	Pacific Tek, Inc.	6 gallon aluminum fuel tank & Parts	Water	\$ 507.48
18797	Capital One Commercial	Water Supplies	Water	\$ 86.69
18797	Capital One Commercial	WW Supplies	WWTP	\$ 17.22
18797	Capital One Commercial	Thrift Store Supplies	Thrift Store	\$ 172.06
18797	Capital One Commercial	Office	Admin	\$ 79.39
18797	Capital One Commercial	Board Meeting Supplies	Admin	\$ 30.21
18798	Citizens Business Bank	Loan Payment - Acquisition of Water Rights	Water	\$ 149,447.45
18799	Jonathan A. Escobar	30 Hours @ \$23.76 p/hr	Water	\$ 651.96
18800	Official Payments Corp	Payment Processing	Water	\$ 58.50
18801	Roto-Rooter Plumbers	Clear Line	Admin	\$ 247.00
18802	Top Notch Networking, LLC	HP W8Pro Motherboard	Parks	\$ 226.80
18803	Verizon Wireless	Cellular Telephones	Admin	\$ 333.53
18803	Verizon Wireless	Cellular Telephones	Water	\$ 160.17
18803	Verizon Wireless	Cellular Telephones	WWTP	\$ 114.79
18803	Verizon Wireless	Cellular Telephones	Parks	\$ 235.04
18803	Verizon Wireless	Cellular Telephones	Admin	\$ 45.26
18803	Verizon Wireless	Cellular Telephones	Water	\$ 25.62
18803	Verizon Wireless	Cellular Telephones	WWTP	\$ 25.62
18804	Extreme Sports Imaging	Youth Basketball Pictures	Parks	\$ 172.50
18805	SWRCB, DWOCP	Grade @ Renewal - J. Escobar	Parks	\$ 60.00
18806	Extreme Sports Imaging	50% deposit	Water	\$ 472.50
18807	Flying Colors	PAINT NIGHT 13 x \$30/Room Rental -10%	Parks	\$ 351.00
47	Total Checks Issued			\$ 253,556.20

Director Fees & Reimbursements

Total Director Fees & Reimbursements

\$ -

HELENDALE COMMUNITY SERVICES DISTRICT
 Bills Paid and Presented for Approval
 for January 19, 2017

Check #

Payee

Item Description
CASH BALANCES

Dept

Amount

<u>Cash Balances as of January 30, 2017</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Balance</u>
Cash in Bank - Desert Community Bank		1/30/2017	\$ 78,646.26
Cash in Bank - Citizens Business Bank		1/30/2017	\$ 185,970.31
Citizens Business Bank Sweep Account	0.25%	1/30/2017	\$ 1,962,784.18
CalTRUST JPA Short Term Pool	0.95%	1/30/2017	\$ 626,517.67
CalTRUST JPA Medium Term Pool	1.16%	1/30/2017	\$ 1,043,441.85
LAIF - Water Project Funds - Interest Only	0.700%	1/30/2017	\$ 6,577.51
Total Cash Available			\$ 3,903,937.78

Capital Gain/(Loss) - CalTRUST	\$ -
Interest Earned for - CalTRUST-Short Term	\$ 480.65
Interest Earned for - CalTRUST-Long Term	\$ 976.96
Interest Earned for - CBB	\$ 401.17
Interest Earned - LAIF (Posted Quarterly)	\$ -
Total Interest for December	\$ 1,858.78

INVESTMENT REPORT
 As of January 30, 2017

<u>Investment Date</u>	<u>Financial Institution</u>	<u>Type of Investment</u>	<u>Purchase Price</u>	<u>Total Interest</u>
2/14/08	CalTRUST Joint Powers Authority	Short-Term Investment Pool	\$ 3,000,000.00	
		Cumulative Interest Income from 2/14/08 to 1/30/2017	\$ 170,959.52	
		Transfer to Medium-Term Pool	\$ 1,000,000.00	
		Withdrawals	\$ (3,510,000.00)	
		Deposits	\$ 1,009,000.00	
		Balance as of 1/30/2017	\$ 1,669,959.52	
1/6/2009	LAIF - State of California	Short-Term Investment Pool	\$ 650,000.00	
		Withdrawals - Water Rights/Well Construction	\$ (650,000.00)	
		Deposits	\$ -	
		Cumulative Interest Income	\$ 6,577.51	
		Balance as of 1/30/2017	\$ 6,577.51	
		Total	\$ 177,537.03	



Helendale Community Services District

Date: February 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #5
Discussion and Possible Action Regarding Request to Declare a Surplus the Neopost Folder/Sorter Machine

STAFF RECOMMENDATION:

Staff seeks approval from the Board regarding this item.

STAFF REPORT:

Attached for your review is a copy of the adopted Surplus Property and Salvage Policy and Procedures. This document outlines the process that the District shall follow to liquidate excess equipment.

If approved by the Board, Staff will seek to liquidate the Neopost machine in a manner to garner the highest value to the District as outlined in Section 4A(3) of the policy. This may include utilizing an auction service, social marketing site such as Craigslist, or salvaging.

The District purchased the Neopost in 2007 when we assumed all services from the County of San Bernardino. The machine has been use until November 2015 to process the monthly bills and was determined at that time to have reached the end of its useful life. Staff reviewed the replacement costs of the machine as well as the option of using a third party vendor to process and mail the bills. Outsourcing was the more cost-effective option.

The District retained the machine since 2015 in the event we would need it again. It has not been needed since that time and Staff has determined that it should be disposed of. Staff is uncertain as to any value the machine may have and scrapping may be the only alternative.

The District's Salvage Policy adopted in 2008 requires Board action to dispose of obsolete equipment.

FISCAL IMPACT: This unit as little or no resale or salvage value

HELENDALE COMMUNITY SERVICES DISTRICT
Surplus Equipment and Salvage Policy and Procedures

Section 1. Purpose.

The purposes of this policy are to standardize the procedures for the disposal of surplus equipment, vehicles and salvage items of the Helendale Community Services District; and to set forth the duties and responsibilities of the General Manager and District staff in connection therewith.

Section 2. Definitions.

A) Inventorial Equipment – means District-owned free-standing equipment and vehicles with a useful life of more than two years and a purchase price of \$5,000 or more. Furnishings, computer equipment, portable radios and other electronics costing \$200 or more are inventoried for purposes of security and control and included in this category.

B) Inventorial Property – means any District-owned building, office, garage, facility, well, free-standing structure, water system, sewer system or exempt Surplus Land with recorded title, proof of purchase and ownership, letter of contribution, letter of transfer, or proof of self-construction and cost exceeding \$1.

C) Surplus Inventory – means any Inventorial Equipment that the District's Board of Directors has determined to be no longer necessary or useful to the District.

D) Salvage – means any District reclaimed or discarded equipment, material, furniture or supply which only has residual value as scrap.

Section 3. Applicability.

This policy shall apply to the disposal of Surplus Inventory and Salvage by the District.

Section 4. Disposal of Surplus Inventory.

A) Determination

1. The District Board of Directors shall, upon presentation of documentation from the General Manager, determine if Inventorial Equipment or Inventorial Property is Surplus Inventory. The documentation presented by the General Manager shall list the Inventorial Equipment or Inventorial Property sought to be declared Surplus Inventory and shall include license, VIN number or other identifying serial number or property identification number, address or physical location, assessor parcel number, estimated book or trade-in value and property description.

HELENDALE COMMUNITY SERVICES DISTRICT
Surplus Property and Salvage Policy and Procedures

B) Disposal of Inventorial Equipment

1. **Trade-in.** When the Surplus Inventory involves a vehicle or equipment to be used as trade-in for a newer vehicle or piece of equipment, the property title shall be signed by the General Manager at the time of transfer or after and remanded to the buyer. The trade-in value of the vehicle or equipment shall be recorded and the sold equipment record kept for five years. Only the District Board of Directors shall have the authority to determine if Inventorial Equipment determined to be Surplus Inventory may be used as trade-in.

2. **Disposal or Sale.** The sale of Inventorial Equipment determined to be Surplus Inventory shall be by the means determined to garner the greatest monetary value. This could include competitive bid, E-Bay sale or advertisement in the local newspaper miscellaneous advertisements. If sold by competitive bid, the sale date, sale location, list of vehicles or equipment to be sold shall be advertised in a local paper and/or trade publication and posted at the District offices and facilities at least ten days before the sale date. Employees, their immediate family or relatives, members of the Board of Directors, and hired consultants are prohibited from bidding during this first process. Inventorial Equipment determined to be Surplus Inventory may be sold on E-bay after a minimum reserve amount has been established. In all circumstances, the bidder with the highest bid price shall be deemed the successful bidder.

a. If the advertised sale of Inventorial Equipment determined to be Surplus Inventory fails to generate a competitive bid, District employees may at this time submit sealed bids for any such items. The employee with the highest bid price shall be deemed the successful bidder.

b. If the offer of sale to employees fails to generate any bids, the Inventorial Equipment determined to be Surplus Inventory shall be sold for scrap or disposed of in a legal manner.

c. All sold or disposed Inventorial Equipment determined to be Surplus Inventory shall be removed from District property within 48 hours of the sale and title transfer unless otherwise agreed by the General Manager and successful bidder.

d. Proceeds of the sale of Inventorial Equipment determined to be Surplus Inventory shall be posted to the Vehicle and Equipment Replacement Fund.

3. **Salvage.** If any Inventorial Equipment determined to be Surplus Inventory is not sold after a reasonable time using the methods set forth above, or if it is determined that such property has no reasonable resale value, the General Manager may consider such property Salvage and proceed with the disposal thereof pursuant to Section 6 below.

4. **Donation.** If any Inventorial Equipment determined to be Surplus Inventory is not sold after a reasonable time using the methods set forth above, or if it is determined that such property is obsolete with no reasonable resale or Salvage value, the General Manager may, upon prior approval of the District's Board of Directors, donate such property to another governmental agency or to a certified local non-profit organization that is eligible to receive such items from the District and which provides benefits to the constituents within the District's service area.

C). Disposal of Inventorial Property.

1. The District Board of Directors shall upon presentation of documentation from the General Manager determine if any Inventorial Property is Surplus Inventory. The Board

HELENDALE COMMUNITY SERVICES DISTRICT
Surplus Property and Salvage Policy and Procedures

shall provide guidance to the General Manager as to how to dispose of the property, whether by competitive bid, auction, demolition, scrap or trade or other such method as determined by the Board and General Manager.

2. The District's Board of Directors may authorize the General Manager to hire property consultants, real estate agents, appraisers, or other professional service providers, as necessary, to assist with the sale or disposal of Inventorial Property determined to be Surplus Inventory.

3. Proceeds from the sale of Inventorial Property determined to be Surplus Inventory shall be posted to the Property Replacement Fund unless otherwise directed by the District Board of Directors.

Section 5. Disposal of Salvage.

A) Unless otherwise prohibited by law, the General Manager, from time to time, may authorize the sale of Salvage items. Salvage items determined to be surplus, may be sold to recycle centers, other agencies, private businesses, public or private organizations, or non-profit organizations.

B) Proceeds from the sale of Salvage items shall go to the employee benefit and morale fund to offset costs of employee morale and incentive programs to a maximum of \$1,000.00 per quarter or \$4,000.00 per fiscal year.

C) Funds received from the sale of Salvage items shall be posted to the Salvage and Scrap Sales account in the General Fund. Employee expenses paid shall be posted to the Employee Benefit and Morale Expense account. The balance remaining shall be kept in a separate spreadsheet and the balance and account activity reported to the General Manager on a monthly basis.

Section 6. Extent of Authorization.

A) The District Board of Directors and the General Manager, to the limited extent expressly set forth herein, are the only parties authorized to sell Surplus Inventory and Salvage. No other District employee shall sell or donate any District vehicles, equipment, furniture or material without the express written authorization of the Board of Directors.

B) Unauthorized removal, disposal, or expropriation of any District-owned Inventorial Equipment, regardless of estimated value, constitutes a breach of District policy and could be construed as misappropriation of public funds.



Helendale Community Services District

Date: February 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #6
Discussion and Possible Action Regarding Approval of Proposed Changes to the District's Deposit Policy

STAFF RECOMMENDATION:

Approve proposed changes to the Deposit Policy

STAFF REPORT:

Due to the recent prolific postings by a customer on social media, Staff felt it was a good opportunity to review the established deposit policy. Staff proposes some minor changes to the policy as noted in the attached draft copy and highlighted in yellow for the Board's consideration.

The Board adopted the District's Deposit Policy in 2007 which has been amended most recently on November 21, 2013.

Collection of a deposit for utility service (water, wastewater and trash) is a common practice among public agencies and is intended to mitigate against loss due to non-payment that would then affect that rates charged to all other customers. The following local agencies collect a deposit: City of Victorville Water; Phelan-Pinon Hills CSD; Hesperia Water District. The for-profit water companies such as Golden State and Apple Valley Ranchos do not collect deposits for water service because they are governed by the Public Utilities Commission which prohibits that practice.

County Special Districts Department has never collected deposits for their board-governed service areas. The CSD Board of Directors opted to add the requirement to collect the deposit within a few months of assuming service from the County in 2007 primarily due to the large amount of uncollectible debt that the District inherited due in part to lack of deposits. This was an important change from how County operated the District. In a not-for-profit public agency the lack of payment by those who incur the charge gets passed on to all other customers of the District. The Board evaluated this inequity to District customers and instituted the Deposit in December 2007.

Staff will review the policy and answer any questions that arise.

HELENDALE COMMUNITY SERVICES DISTRICT
Deposit and Application Policy and Procedures

Section 1. Purpose

The purpose of this policy is to establish the water and sewer deposit procedures and to improve the financial strength of District funds by reducing the risk of loss on delinquent accounts. This policy sets forth the duties and responsibilities of the General Manager and District staff regarding customer deposits and new customer applications.

Section 2. Application for Service

A. Required Documentation

1. Application for service must be made in writing by completing a New Owner/Agent Application or Owner-Tenant Agreement as provided by the District.

2. Application for service may be made in person, via fax, or by mail. The District Office located at 26540 Vista Road, Suite B, mailing address is P.O. Box 359, Helendale, California, fax no. (760) 951-0046. If application is made by either fax or mail an original copy must be notarized and delivered to the office. A previous completed and signed application may be used to verify signature by District staff.

3. A valid California driver's license, or other photo identification as issued by the United States government, any U.S. State government, or other foreign government must be provided so that a photocopy of said identification may remain as a permanent part of the application documents.

4. Upon completion of the written application the applicant's payment history will be assessed based on one or both of the following:

- a. By reference of District records;
- b. By written statements reflecting payment experience with other water and sewer companies.

5. The applicant's payment history may be used in the determination of security deposit requirements as defined in Section 3.

B. New Owner/Agent Application

1. An application by a New Owner(s) or Agent must provide the full name(s) and Driver's license(s) of person(s) liable for payment of the bill. Additional information shall include Owner's or Agent's home and work phone numbers, and mailing address. A completed District application must be submitted to the District office in order to establish service. However if the owner fails to notify the District prior to the end of the billing cycle and the District obtains verification of ownership, service will be established in the property owners name and an application will be mailed to the property owner.

2. Service will be denied to a New Owner/Agent Applicant when the New Owner/Agent Applicant has an existing outstanding balance with the District. Service will not be established until the existing outstanding balance is paid in full. The owner may request any outstanding balance transferred to the new account in order to establish new service. In addition, the New Owner/Agent Applicant may be subject to the security deposit standards as established in Section 3.

3. Monetary amounts for security deposits must be completely satisfied and paid-in-full according to the proper procedure as outlined in Section 3 of this policy before service is established. In cases where a deposit is not collected prior to the first bill (refer to Section B.1), the deposit will appear as all other past due balances and paid by the due date indicated on bill to prevent any interruption of service and additional charges.

C. Owner-Tenant Application-Agreement.

1. An application by an Applicant-Tenant must provide the full name(s) and driver's license(s) of person(s) liable to the property owner for the rental/lease of said property. Additional information shall include tenant home and work phone numbers, and owner and tenant mailing addresses. The application will not be processed until both portions of the application have been received.

2. Service will be denied to a Tenant Applicant when the Tenant Applicant has a balance with the District. Service will not be established until all balances are paid in full.

3. Monetary amounts for security deposits must be paid-in-full or waived according to the proper procedure as outlined in Section 3 of this policy before service is established.

Section 3. Security Deposits

1. The District shall require any Applicant or Customer to place on deposit with the District a security deposit as established below as a guarantee of payment for services used. Such amounts placed on deposit as defined in this policy shall secure the District from significant financial losses resulting from the non-payment of bills.

2. The following security deposit requirements shall be required of any and all persons purchasing, renting or leasing real property of any and all type or nature that will obtain and secure service from the District.

3. Security deposits for District service shall be as follows:

A. Residential property security deposits

1. All residential property is subject to the deposit requirements as determined by Public Utilities Code section 10009.6(c) which states that "a deposit cannot exceed three times the average monthly bill" for the past 12 month period. In the event of a new residential service connection, the base amount of \$188.67 will be charged for a deposit the deposit shall be equal to 3 months the base amount. (See Fee Package for rates)

2. The District reserves the full right and discretion to require high-risk customers with a history of past delinquency and turnoffs for non-payment to keep the deposit on the account until the account is closed, where at that time the deposit will be applied to the closing bill and the remaining balance, if any, will be refunded to the customer.

3. Residential applicants that provide a letter on company letterhead from another water district proving a consecutive twelve-month period of on-time payments with no delinquencies or turn-offs for non-payment within the past twelve months prior to application can have the deposit requirement waived. Property owners can elect to require a deposit from their tenant to start service with the District. Owner has the option to request a deposit from the tenant, regardless of the tenant's ability to provide prompt payment history. Deposit amount is determined by the District.

4. Security deposits are required of property owners and of persons renting or leasing real property of any and all types except as noted in paragraph 3 of this section.

5. The District reserves the full right and discretion to require high-risk customers with a history of past delinquency, turnoffs for non-payment, and/or multiple returned checks to place a security deposit with the District to secure the District from significant financial losses resulting from the non-payment of bills.

B. All commercial, industrial, and all other establishments except residential property

1. All commercial, industrial, and other establishments with the exception of residential property shall be subjected to security deposits based upon the same statutory requirements as residential deposits.

2. The minimum deposits for commercial, industrial, and other establishments shall be determined based upon the basic monthly meter size charges and sewer charges multiplied by three.

Section 4. Service and Deposit

1. Service shall not be granted until such time that a deposit is paid by the applicant or the applicant has met the conditions in Section 3 for a waiver of deposit.

Section 5. Deposit in effect

1. All security deposits may be credited to the customer's account after review of twelve consecutive months of billings with no delinquencies, except as noted in Section 2. B. 2. Should the account close prior to refunding the deposit, the deposit shall be credited against the closing bill with the remaining amount either billed or refunded to the customer.

Section 6. Application of Deposit to Delinquent Bills

1. In the event that an account becomes delinquent, the deposit may be applied against the account and the service shall be disconnected.

2. In the case of disconnection, service will not be reestablished until a new deposit is posted and the account is paid in full, inclusive of all additional service charges.

3. Should the deposit in part exceed the delinquency outstanding against all charges then due, then the remaining balance of the deposit is to stay on the account and combined with new funds from the customer to re-establish the required deposit amount, unless the customer has moved or closed out the account, at which time the remaining deposit will be refunded to the customer.

4. Service will not be reestablished until such time as a new deposit is posted and the account balance is paid in full.

Section 7. Refund of Deposit upon Service Termination

1. When a residential owner or tenant whose name is the customer of record, or commercial/industrial tenant intends to vacate a property where service has been established, and a security deposit is still on record, it is the owner of record's or tenant of record's responsibility to notify the District of the need for a final meter reading (where applicable) and final bill.

2. Upon notice of service termination, a final meter reading (where applicable) shall establish all charges for service then due.

3. The amount of the final bill will be deducted from the security deposit, to the extent of bill due, and any remaining deposit will be returned to the applicant of record.

4. Any and all charges on the final bill that exceed the deposit on reserve shall be the responsibility of the owner of record or tenant of record for payment. Any utility balance left unpaid by the tenant shall become the responsibility of the owner.

5. Upon cancellation and termination of said service, the bill and responsibility for payment of further service charges beyond the final bill shall automatically revert to the property owner of record or the property owner/landlord in a tenant agreement.

Section 8. ACH Automatic Payment Program

1. Applicants have the option to apply for the ACH Debit Automatic Payment Plan. This plan debits the customer checking or savings account or for a fee charges the customer's credit card for the current bill payment.

2. Customers enrolled in the program can only have two (2) episodes of Non-Sufficient Funds within a twelve-month period. After the second NSF occurrence, the District shall have the option of canceling the customer participation in the ACH Payment Plan.

Section 9. Right to the Deposit

1. The right to the deposit may not be assigned or delivered to any other person, and the right of refund is limited to the person making the deposit or to his or her heirs or fiduciaries.

Section 10. Interest on Deposit

1. The District neither expresses nor imputes payment of interest on said deposits as retained.

Section 11. Restrictions

1. Nothing in this Policy is to be construed as restricting service disconnection for non-payment of any account or accounts.

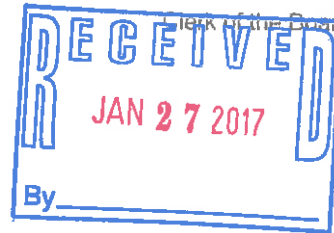
Section 12. Supersedes Other Policies

1. This policy supersedes any water and sewer deposit and application policy and procedures adopted by the Board of Directors of the Helendale Community Services District.



**Clerk of the Board
of Supervisors**

Laura H. Welch
Clerk of the Board of Supervisors



January 25, 2017

Re: Phelan Pinon Hills Community Services District's Request for Consolidation of Regular Elections with Statewide General Elections Even-Year Election Cycle

Dear Sir or Madam:

On December 21, 2016, the Board of Directors of the Phelan Pinon Hills Community Services District adopted attached Resolution 2016-15 requesting that all future regular elections for the Phelan Pinon Hills Community Services District be consolidated from November of odd-numbered years to June of each even-numbered year beginning in November 2018. The Registrar of Voters is conducting an impact analysis of the above request to quantify issues of cost and capacity of current election systems. Additionally, per Elections Code section 10404(c) our office is required to send notice to all special districts in the county requesting input on the effects of the requested consolidation of the Phelan Pinon Hills Community Services District election with the statewide elections.

Should your district have any comments regarding the effects of the Phelan Pinon Hills Community Services District's request, please address those comments to:

Laura H. Welch
Clerk of the Board of Supervisors
385 N Arrowhead Ave, 2nd Floor
San Bernardino, CA 92415-0130

Please submit any comments you might have by **February 8 at 5:00 P.M.** If you have any questions regarding this request for comment, please contact Michelle Moreno, Board Services Supervisor at (909) 387-4265.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Moreno".

Michelle Moreno
Board Services Supervisor
Clerk of the Board of Supervisors

Attachment: Resolution No. 2016-15

c: Mike Scarpello, Registrar of Voter

BOARD OF SUPERVISORS

ROBERT A. LOVINGOOD
Vice Chairman, First District

JANICE RUTHERFORD
Second District

JAMES RAJOS
Chairman, Third District

CURT HAGMAN
Fourth District

JOSIE GONZALES
Fifth District

GREIGORY C. DEFRANCIS
Chief Executive Officer

RESOLUTION NO. 2016-15

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT, SAN BERNARDINO COUNTY, RECOMMENDING CONSOLIDATED ELECTION FOR GOVERNING BOARD MEMBERS WITH STATEWIDE GENERAL ELECTIONS AND APPROVING THE RESCHEDULING OF SUCH ELECTIONS FROM ODD-YEAR TO EVEN-YEAR ELECTIONS COMMENCING WITH THE 2017 ELECTION

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

WHEREAS, PPHCSD was formed on or about March 18, 2008, pursuant to Resolution No. 2994 of the Local Agency Formation Commission of the County of San Bernardino ("LAFCO");

WHEREAS, Condition No. 5 of LAFCO Resolution No. 2994 expressly states that PPHCSD's Board of Directors ("the Board") "shall consist of five members, elected at-large, pursuant to the provisions of Government Code Section 61020;"

WHEREAS, under Sections 61020 and 61021(c) of the Government Code, the elections and terms of office for members of the Board shall be determined pursuant to the Uniform District Election Law (Elections Code Section 10500 et seq.);

WHEREAS, by operation of Sections 10505 and 10507 of the Elections Code, districts such as PPHCSD that are formed in an even-numbered year are required to hold their Board elections on the first Tuesday after the first Monday in November in each odd-numbered year;

WHEREAS, the current date for election of the Board is every two (2) years on the first Tuesday after the first Monday in November of odd years (e.g. the next election is scheduled for November 7, 2017);

WHEREAS, statewide general elections are held in California only in June and November of even years (e.g. the next statewide general election is scheduled for November 8, 2016) (Elections Code Section 1001);

WHEREAS, PPHCSD is located entirely within San Bernardino County;

WHEREAS, the California Voter Participation Rights Act (Senate Bill 415), approved by the Governor in September 2015 and effective January 1, 2016, prohibits a political subdivision from holding an election other than on a statewide election date commencing January 2018 (Elections Code Sections 14050-14057);

WHEREAS, elections that are held in odd-numbered years have historically had lower levels of voter participation than statewide elections conducted in even-numbered years [refer to Exhibit A];

WHEREAS, since PPHCSD's Board-member elections are not held in conjunction with most state elections, PPHCSD is forced to bear disproportionately higher election costs than if the elections were consolidated with statewide general elections in even-numbered years;

WHEREAS, PPHCSD wishes to increase voter participation in elections for Board members and to reduce expenses whenever possible;

WHEREAS, it is considered the view of the Board that starting with the 2017 Board elections, the public interest will be better served by election of its Board members pursuant to "even-year elections" in conjunction with the statewide general elections;

WHEREAS, as a result of these facts, the Board desires to change the date of future Board member elections to be consolidated with the California statewide general election in order to increase and enhance voter participation;

WHEREAS, while the Board recognizes there is a cost savings to PPHCSD resulting from aligning its election with the statewide general elections, this factor is not the primary motivation for the Board's decision, however, this incidental benefit furthers PPHCSD's policy of fiscal responsibility;

WHEREAS, while the Board recognizes the terms of its members would be extended as a result of aligning PPHCSD's elections with the statewide general elections, this is not the reason for the Board's decision;

WHEREAS, pursuant to Elections Code Section 10505(d), PPHCSD is authorized by Section 10404 of the Elections Code to adopt a resolution requiring that its Board-member elections be held on the same day as the statewide general election; and

WHEREAS, if the change in election date is approved, it is being requested the new election date be moved from November 2017 to November 2018 with Board members whose terms would have expired in 2017 being extended to 2018 and Board members whose terms would have expired in 2019 being extended to 2020, as required by Elections Code Section 10404(i) [refer to Exhibit B].

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Phelan Pinon Hills Community Services District that the above recitals are true and correct and that the Board hereby adopts this Resolution to consolidate the election date for members of the Board with the California state general election in November in even years (Elections Code Section 1001) pursuant to Elections Code Section 10404(b).

BE IT FURTHER RESOLVED by the Board of Directors of the Phelan Pinon Hills Community Services District that the Board Secretary will notify the San Bernardino County Elections Office that the District is prepared to pay the expenses of mailing notice of approval of the change in election date by the San Bernardino County Board of Supervisors as required by Elections Code 10405.7(f).

BE IT FURTHER RESOLVED by the Board of Directors of the Phelan Pinon Hills Community Services District that the San Bernardino County Board of Supervisors is hereby requested to consolidate all future elections for the Board of Directors of the Phelan Pinon Hills Community Services District with the statewide general elections to be held in even-numbered years, beginning on November 6, 2018.

BE IT FURTHER RESOLVED by the Board of Directors of the Phelan Pinon Hills Community Services District that if the consolidation of election is approved, the term of office of current Board members expiring in November 2017 will be extended to November 2018 and the term of Board members expiring in November 2019 will be extended to November 2020, as set forth in Exhibit B.

BE IT FURTHER RESOLVED by the Board of Directors of the Phelan Pinon Hills Community Services District that, upon consolidation with the statewide general election, all such future elections for the Board of Directors of the Phelan Pinon Hills Community Services District shall be conducted in accordance with, including dates that are consistent with, the primary or general election with respect to nominations, notices, canvass of votes, certification of election, and all other procedural requirements of the California Elections Code pertaining to the primary or general election.

BE IT FURTHER RESOLVED by the Board of Directors of the Phelan Pinon Hills Community Services District that the District's Board Secretary or designee is authorized to take such actions and execute such agreements and documentation necessary to implement the intent of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Phelan Pinon Hills Community Services District on December 21, 2016, by the following vote:

AYES: Brandon, Morrissette, Pace, Roberts, Whalen

NOES:

ABSTAIN:

ABSENT:



President, Board of Directors

ATTEST:

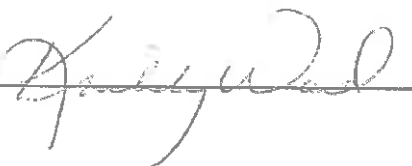


EXHIBIT A

Phelan & Pinon Hills Election Participation Rates

Precinct**	General Presidential Election November 8, 2016			Consolidated Election November 10, 2015			General Statewide Election November 4, 2014			Consolidated Election November 5, 2013			General Presidential Election November 6, 2012		
	Total Registered	Total Turnout	Total Participation	Total Registered	Total Turnout	Total Participation	Total Registered	Total Turnout	Total Participation	Total Registered	Total Turnout	Total Participation	Total Registered	Total Turnout	Total Participation
UNI0408	350	251	71.71%	279	40	14.34%	352	86	24.43%	359	40	11.14%	354	185	52.26%
UNI0478	1263	968	76.64%	1052	152	14.45%	1204	416	34.55%	1232	136	11.04%	1241	476	38.36%
UNI0479	2	2	100.00%	3	1	33.33%	3	1	33.33%	3	1	33.33%	4	11	275.00%
UNI0480	1978	1604	81.09%	1689	241	14.27%	1990	818	41.11%	2052	197	9.60%	1997	1502	75.21%
UNI0648	1528	1287	84.23%	1265	223	17.63%	1468	635	43.26%	1535	190	12.38%	1522	1176	77.27%
UNI0649	1639	1335	81.45%	1429	205	14.35%	1711	677	39.57%	1782	180	10.10%	1737	1252	72.08%
UNI0650	1866	1564	83.82%	1700	383	22.53%	1960	900	45.92%	2004	339	16.92%	2003	1466	73.19%
UNI0651	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
UNI0652	1557	1302	83.62%	1352	243	17.97%	1594	687	43.10%	1645	237	14.41%	1610	1130	70.19%
TOTAL	10183	8313	81.64%	8769	1488	16.97%	10282	4220	41.04%	10612	1320	12.44%	10468	7198	68.76%

	Consolidated Election November 8, 2011			General Statewide Election November 2, 2010			Presidential Primary* February 5, 2008		
	Total Registered	Total Turnout	Total Participation	Total Registered	Total Turnout	Total Participation	Total Registered	Total Turnout	Total Participation
TOTAL	9968	1562	15.67%	10116	6263	61.91%	8998	4999	55.56%

NOTES:

*The District was formed on February 5, 2008; the formation election took place during a Presidential Primary.

**In 2012, redistricting occurred which did not allow for a comparable detailed precinct breakdown back to the year of District formation.

EXHIBIT B

**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT'S
BOARD OF DIRECTORS**

Board Member	Current Election Year	New Election Year
Alex Brandon	2019	2020
Al Morrissette	2017	2018
Cathy Pace	2017	2018
Mark Roberts	2019	2020
Dan Whalen	2017	2018