



# Helendale Community Services District

## BOARD OF DIRECTORS MEETING

June 7, 2018 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: May 17, 2018 Regular Board Meeting
- Bills Paid and Presented for Approval

#### 4. Reports

- Directors' Reports
- General Manager's Report

### Discussion Items

- Public Hearing to Receive Comment and Possible Adoption of Resolution 2018-10; a Resolution of the Board of Directors of the Helendale Community Services District Approving and Adopting the 2019 Annual Budget and Authorizing Appropriations Therefrom
- Discussion and Possible Action Regarding Adoption of Resolution 2018-11: A Resolution of the Board of Directors of the Helendale Community Services District Establishing the Appropriations Limit for Fiscal Year 2018 Pursuant to Article XIII B of the California State Constitution
- Discussion and Possible Action Regarding Adoption of Employee Pay Schedule for Fiscal Year 2019
- Discussion Only Regarding Proposed an Increase in Solid Waste Fees Based Upon the Consumer Price Index (CPI) and Other Related Fees
- Discussion and Possible Action Regarding Adoption of Resolution 2018-01: A Resolution of the Board of Directors of the Helendale Community Services District Transferring an Asset and Associated Liability from the Parks Department to the Wastewater and Establishing a Pay-Back Agreement
- Discussion and Possible Action Regarding Adoption of Resolution 2018-12: A Resolution of the Board of Directors of the Helendale Community Services District Approving Award of Sole Source Contract for High Desert Underground for Helendale Wastewater Recycled Pipeline Project

### 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

- Announcement of Closed Session Actions

### 14. Adjournment

*Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above agenda 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

Visit us on the Web  
at:

[www.helendalecsd.org](http://www.helendalecsd.org)





Minutes of the Helendale Community Services District  
REGULAR BOARD OF DIRECTORS MEETING FOR  
May 17, 2018 at 6:30 PM  
26540 Vista Road, Suite C. Helendale, CA 92342

**Board Members Present:**

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

**Staff Members Present:**

Kimberly Cox – General Manager  
Craig Carlson – Water Operations Manager  
Alex Aviles – Wastewater Operations Manager  
Cheryl Vermette – Program Coordinator  
Shavon Aviles – Customer Service Rep II

**Consultants:**

Steve Kennedy, Legal Counsel

**Members of the Public:**

There were two (2) members of the public present.

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE** – The meeting was called to order at 6:31 by President Ron Clark, after which the Pledge of Allegiance was recited.

**1. Approval of Agenda**

**Action:** A motion was made by Director Schneider to approve the agenda as presented. The motion was second by Director Spiller.

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

**2. Public Participation**

None

**3. Consent Items**

- a. Approval of Minutes: May 3, 2018 Regular Board Meeting and May 7 Special Board Meeting
- b. Bills Paid and Presented for Approval

**Action:** A motion was made by Vice President Smith to approve the consent items. The motion was seconded by Director Haas.

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

**4. Reports**

a. Director's Reports:

- Director Smith commented that the fence at the baseball fields and Dog Park looks great and asked staff to address a leaking faucet outside the dog park fence.

b. General Manager's Report

- General Manager Cox presented pictures of the new fencing at the baseball fields and dog park

- GM Cox presented the financial report including cash balances by fiscal year; cash balances by fund; and cash flow report
- Program Coordinator Vermette presented the program report:
  - Submitted an application for Water Smart grant for AML meters
  - Currently working on the Consumer Confidence Report
  - The District won an auction for 30 picnic tables and nine office tables for \$786.37. The tables will be picked up the week of June 4.
  - Upcoming events include: concert in the park on June 2, Dr. talk on June 4, Senior Resource Connection on June 13, and Free Irrigation Workshop on June 23.
  - Update on Flag Football: deadline has been extended to June 2, drill and draft will be held on June 2. Currently on nine kids are signed up.
- Solid Waste Report:
  - Clean Up Day totals were trash - 33.74 tons; metal recycling – 5.37 tons; green waste – 1.11 tons; tires – 2.63 tons; and 8,150 pounds of household hazardous waste.
  - Residential refuse collection for March – 312.37 tons
  - Residential recycling for March – 54.64 tons
  - Green waste recycling for April 4.84 tons
  - Metal recycling for April – 2.95 tons
  - E-waste recycling for April 5,457 pounds.
- GM Cox gave the administration update for April:
  - Account activity – 45 account transfers
  - Average monthly bill \$112.30
  - UIA payments \$5,184.91
  - Thrift Store Revenue - \$26,412.76
  - Credit checks – 21 approved, 7 denied.
- Wastewater Operations Manager Aviles gave the wastewater report:
  - Staff installed new flag pole at the plant, repaired a broken water pipe and hose bib at the plant; replaced fuel pump hoses and had fuel pumps serviced. The annual pressure test for the fuel pumps was also performed.
  - Staff removed the old AC unit from the filter VFD room and installed a swamp cooler and vent to minimize the moisture in the room.
  - Staff continued to burn piles of weeds that had been stockpiled throughout the year.
  - Staff performed oil and lube changes at the treatment plant on all equipment. Staff also installed a new sign at the treatment plant with the corrected address.
  - SDRMA toured the plant and performed a safety inspection.
  - All samples were within the WDR and no violations occurred.

### **Discussion Items**

#### **5. Discussion and Possible Action Regarding FY 2019 Discretionary Funds Allocation**

**Discussion:** The Board discussed where they would like to allocate discretionary funds. Discretionary funds come from radio site rent, property tax, franchise fees, thrift store revenue, and rental property revenue. Two funds, the park and rec fund and solid waste fund, are in a deficit. The Board discussed addressing these deficits with discretionary funds and reserves.

**Action:** Director Schneider made a motion to allocate discretionary funds as follows: cover the deficit for solid waste using 50% solid waste reserves and 50% discretionary funds. The balance of the discretionary funds will go to the park fund. Vice President Smith seconded the motion.

**Vote:** The motion was approved by the following roll call vote: 5 – Yes 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Yes; Vice President Smith: Yes; Director Spiller: Yes

6. Discussion and Possible Action Regarding Consideration of a Brief Fireworks Display at the Last Summer Concert  
Discussion: The Board discussed holding a small firework display at the August 4<sup>th</sup> concert to close out the summer concert series. Staff estimated the fireworks would cost no more than \$3,500.

**Action:** Vice President Smith made a motion to approve expenditure of up to \$3500 for fireworks show out of next year's budget. Director Haas seconded the motion.

**Vote:** The motion was approved by the following roll call vote: 5 – Yes 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Yes; Vice President Smith: Yes; Director Spiller: Yes

7. Discussion and Possible Action Regarding Adoption of Resolution 2018-09: A Resolution of the Board of Directors of the Helendale Community Services District Initiating Procedures to Continue Collection of Water and Sewer Standby Fees for Fiscal Year 2019.

**Discussion:** This item is discussed annually. The District is allowed to utilize the County property tax process to collect the annual water and sewer standby fees. A standby fee is a charge for availability of service to vacant property that has access to a water and sewer main. The fee is \$30 for each vacant lot up to 1-acre. The total received to date for 2017-18 year to date is \$17,239 for water and \$14,775 for wastewater, the budget estimate is \$44,470 and the standby fee is presented to the County in August. A protest hearing is scheduled for July 19, 2018 at 6:30 pm regarding the imposition of the standby charges, to date there has never been a protest to this fee. At the hearing, the Board will hear and consider any and all objections or protests to the proposed charges.

**Action:** Director Spiller made the motion to approve Resolution 2018-09 initiating procedures to continue collection of water and sewer standby charges for fiscal year 2019. Director Haas seconded the motion.

**Vote:** The motion was approved by the following roll call vote: 5 – Yes 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Yes; Vice President Smith: Yes; Director Spiller: Yes

#### **Other Business**

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

#### **Closed Session**

The regular meeting adjourned to closed session at 7:26 pm.

9. Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation  
Pursuant to Government Code Section 54956.9(d)(2):  
Two Potential Cases

10. Announcement of Closed Session Actions  
Closed Session was adjourned at 8:25 pm  
Open Session resumed at 8:25 pm and reportable action was announced  
**Action:** There was no reportable action from closed session items.

11. Adjournment

**Action:** President Ron Clark adjourned the meeting at 8:27 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

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Date: June 4, 2018  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
BY: Sharon Kreinop, Senior Account Specialist  
SUBJECT: Agenda item # 3 b.  
Consent Item: Bills Paid and Presented for Approval

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**STAFF RECOMMENDATION:**  
Report Only. Receive and File

**STAFF REPORT:**  
Staff issued 49 checks and 14 EFT's for the period of May 11, 2018 through June 4, 2018 totaling \$186,305.23

Total cash available:	<u>6/4/18</u>	<u>5/17/18</u>
Cash	\$ 5,158,142.12	\$ 5,020,555.32
Checks Issued	\$ 186,305.23	\$ 120,858.73

### Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 1.96% for CalTRUST Short-Term and 2.43% for Medium-Term Investments, 1.70% for LAIF, and 0.25% for the CBB Sweep Account for May 2018. Interest earned in May 2018 on the CalTrust investments and the CBB Sweep Account is \$6,887.26



Helendale CSD

# Bills Paid and Presented for Approval

## Transaction Detail

Issued Date Range: 05/10/2018 - 06/04/2018

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
<b>Bank Account: 251229590 - CBB Checking</b>					
05/11/2018	<a href="#">172.38</a>	To record Payroll Fee Pmt	-172.38	EFT	General Ledger
05/17/2018	<a href="#">20579</a>	Rogers, Anderson, Malody & Scott	-4,901.00	Check	Accounts Payable
05/17/2018	<a href="#">20580</a>	Beck Oil	-2,061.24	Check	Accounts Payable
05/17/2018	<a href="#">20581</a>	Brunick, McElhane & Kennedy	-5,018.75	Check	Accounts Payable
05/17/2018	<a href="#">20582</a>	Burrtec Waste Industries	-661.15	Check	Accounts Payable
05/17/2018	<a href="#">20583</a>	Burrtec Waste Industries, Inc.	-49,668.29	Check	Accounts Payable
05/17/2018	<a href="#">20584</a>	Cardmember Service	-714.48	Check	Accounts Payable
05/17/2018	<a href="#">20585</a>	Choice Builder	-873.62	Check	Accounts Payable
05/17/2018	<a href="#">20586</a>	Craig Schneider	-750.00	Check	Accounts Payable
05/17/2018	<a href="#">20587</a>	Frontier Communications	-85.66	Check	Accounts Payable
05/17/2018	<a href="#">20588</a>	Frontier Communications	-45.04	Check	Accounts Payable
05/17/2018	<a href="#">20589</a>	Geo-Monitor, Inc.	-776.50	Check	Accounts Payable
05/17/2018	<a href="#">20590</a>	Harbor Freight Tools	-887.18	Check	Accounts Payable
05/17/2018	<a href="#">20591</a>	Home Depot Credit Services	-304.55	Check	Accounts Payable
05/17/2018	<a href="#">20592</a>	Liberty Composting, Inc.	-364.75	Check	Accounts Payable
05/17/2018	<a href="#">20593</a>	Lowe's	-554.39	Check	Accounts Payable
05/17/2018	<a href="#">20594</a>	On Line	-40.48	Check	Accounts Payable
05/17/2018	<a href="#">20595</a>	San Bernardino County Code Enforcement	-118.00	Check	Accounts Payable
05/17/2018	<a href="#">20596</a>	SB County Office of the Assessor	-10.75	Check	Accounts Payable
05/17/2018	<a href="#">20597</a>	Site One Landscaping Supply	-359.79	Check	Accounts Payable
05/17/2018	<a href="#">20598</a>	Southern California Edison	-359.04	Check	Accounts Payable
05/17/2018	<a href="#">20599</a>	Southern California Edison	-10,570.78	Check	Accounts Payable
05/17/2018	<a href="#">20600</a>	Southern California Edison	-620.18	Check	Accounts Payable
05/17/2018	<a href="#">20601</a>	Uline	-889.63	Check	Accounts Payable
05/17/2018	<a href="#">20602</a>	EDWARD F GREEN	-179.74	Check	Utility Billing
05/17/2018	<a href="#">20603</a>	WILLIAM R. SINISCHO JR	-221.44	Check	Utility Billing
05/17/2018	<a href="#">20604</a>	DUNCAN LIVINGSTON	-136.61	Check	Utility Billing
05/17/2018	<a href="#">20605</a>	MARY ANN HASSO	-178.61	Check	Utility Billing
05/17/2018	<a href="#">EFT0002301</a>	To record Tasc Flex Claim Pmt	-619.21	EFT	General Ledger
05/17/2018	<a href="#">EFT0002302</a>	To post Payroll pmt - Dir Deposit	-32,383.23	EFT	General Ledger
05/17/2018	<a href="#">EFT0002303</a>	To post Payroll pmt - PR Tax Pmt	-7,639.47	EFT	General Ledger
05/23/2018	<a href="#">20606</a>	Frontier Communications	-58.26	Check	Accounts Payable
05/23/2018	<a href="#">20607</a>	Frontier Communications	-77.98	Check	Accounts Payable
05/23/2018	<a href="#">20608</a>	Frontier Communications	-53.52	Check	Accounts Payable
05/23/2018	<a href="#">20609</a>	Henry Spiller	-769.08	Check	Accounts Payable
05/23/2018	<a href="#">20610</a>	I Candy Website & Graphic Design	-82.50	Check	Accounts Payable
05/23/2018	<a href="#">20611</a>	Official Payments Corp	-58.40	Check	Accounts Payable
05/23/2018	<a href="#">20612</a>	Paul Harvey	-300.00	Check	Accounts Payable
05/23/2018	<a href="#">20613</a>	Sandy Haas	-750.00	Check	Accounts Payable
05/23/2018	<a href="#">20614</a>	Sierra Analytical	-2,136.00	Check	Accounts Payable
05/23/2018	<a href="#">20615</a>	Southern California Edison	-1,789.13	Check	Accounts Payable
05/23/2018	<a href="#">20616</a>	Tyler Technologies, Inc.	-30.00	Check	Accounts Payable
05/23/2018	<a href="#">20617</a>	United Site Services	-103.62	Check	Accounts Payable
05/23/2018	<a href="#">20618</a>	USA Blue Book	-284.63	Check	Accounts Payable
05/23/2018	<a href="#">20619</a>	Verizon Wireless	-698.75	Check	Accounts Payable
05/23/2018	<a href="#">20620</a>	Verizon Wireless	-96.90	Check	Accounts Payable
05/23/2018	<a href="#">20621</a>	Water Plus Corporation	-611.00	Check	Accounts Payable
05/25/2018	<a href="#">EFT0002305</a>	To record Payroll Fee Pmt	-170.23	EFT	General Ledger
05/30/2018	<a href="#">EFT0002306</a>	To record CalPERS Pmt Classic	-5,355.60	EFT	General Ledger
05/30/2018	<a href="#">EFT0002307</a>	To record CalPERS Pmt 457 Contribution	-575.00	EFT	General Ledger
05/30/2018	<a href="#">EFT0002308</a>	To record unfunded accrued liability - Classic	-1,152.49	EFT	General Ledger
05/30/2018	<a href="#">EFT0002309</a>	To record Unfunded Accrued Liability - PEPPRA	-24.77	EFT	General Ledger

**Bank Transaction Report**

**Issued Date Range: -**

Issued					
Date	Number	Description	Amount	Type	Module
05/31/2018	<a href="#">20622</a>	Bill Crane	-100.00	Check	Accounts Payable
05/31/2018	<a href="#">20623</a>	Gary Whitesides	-100.00	Check	Accounts Payable
05/31/2018	<a href="#">20624</a>	Jon Uzoni	-100.00	Check	Accounts Payable
05/31/2018	<a href="#">20625</a>	Mike Keith	-100.00	Check	Accounts Payable
05/31/2018	<a href="#">20626</a>	Virginia Woolley	-28.88	Check	Accounts Payable
05/31/2018	<a href="#">20627</a>	Tim Smith	-750.00	Check	Accounts Payable
05/31/2018	<a href="#">EFT0002310</a>	To record Tasc Flex Claim Pmt	-619.21	EFT	General Ledger
05/31/2018	<a href="#">EFT0002311</a>	To post Payroll pmt - Dir Deposit	-32,803.80	EFT	General Ledger
05/31/2018	<a href="#">EFT0002312</a>	To post Payroll pmt - PR Tax Pmt	-7,901.54	EFT	General Ledger
06/04/2018	<a href="#">EFT0002299</a>	To record CalPERS Pmt Classic	-5,333.04	EFT	General Ledger
06/04/2018	<a href="#">EFT0002300</a>	To record CalPERS Pmt PEPR	-1,124.96	EFT	General Ledger
<b>Bank Account 251229590 Total: (63)</b>			<b>-186,305.23</b>		
<b>Report Total: (63)</b>			<b>-186,305.23</b>		



**Bank Transaction Report**

<b>Bank Account</b>	<b>Count</b>	<b>Amount</b>
<a href="#">251229590 CBB Checking</a>	63	-186,305.23
<b>Report Total:</b>	<b>63</b>	<b>-186,305.23</b>

<b>Cash Account</b>	<b>Count</b>	<b>Amount</b>
<a href="#">99 99-111000 Cash in CBB - Checking</a>	63	-186,305.23
<b>Report Total:</b>	<b>63</b>	<b>-186,305.23</b>

<b>Transaction Type</b>	<b>Count</b>	<b>Amount</b>
Check	49	-90,430.30
EFT	14	-95,874.93
<b>Report Total:</b>	<b>63</b>	<b>-186,305.23</b>



# Helendale Community Services District

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**Date:** June 7, 2018  
**TO:** Board of Directors  
**FROM:** Kimberly Cox, General Manager  
**SUBJECT:** Agenda item #5  
Public Hearing to Receive Comment and Possible Adoption of Resolution 2018-10;  
a Resolution of the Board of Directors of the Helendale Community Services  
District Approving and Adopting the 2019 Annual Budget and Authorizing  
Appropriations Therefrom

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## **Staff Recommendation**

Consider approval of the FY 2019 Annual Budget.

## **Staff Report**

The public notice for budget adoption was published identifying the date and time of the public hearing at which the public can provide comment on how the District expends the funds collected. Over the past two months, District staff and consultant have presented the new budget detail at both a special budget meeting and regular board meetings. The structure and composition of the budget is intended to provide greater depth of information and transparency as requested by the Board. Staff will make a detailed presentation to the Board and the public during the hearing.

Each budget is developed using the “zero-based budget” technique, which means all line items started at “zero” and were calculated using annual recurring expenditures and anticipated new expenses such as projected equipment repairs, contract services or other purchases needed to conduct business. The Budget Summary pages show the projected results of operations for fiscal year 2018 and for the proposed fiscal year 2019 budget. The estimated ending fund balance represents the projected cash balance held by the District at the end of the fiscal year with no capital improvement program expenditures.

## **Budget Modifications**

In an effort to provide additional clarity two additional funds have been created. The Recycling Center operation now appears as Fund 03 and the Rental Income is Fund 04. This will provide the ability to separately track the transactions in the two new funds. In addition, greater transparency exists for the public by separating these from the park fund. For account reporting purposes, these funds along with the Park fund will appear as part of the general government fund in the budget to be more consistent with standard budgeting practices. Typically, the general government fund encompasses all other funds that are not enterprise funds.

### **Capital Improvement Plan**

The contemplated capital improvement expenditures will be discussed with the Board on a case-by-case and a designated funding source will be contemplated as part of the Board approval process. Funding for capital items could include grant funding, reserves or projected ending balances. A projected five-year Capital Improvement Plan (CIP) is included in the Budget for your information. The CIP is a look ahead by Staff as to what project are considered necessary for the water and wastewater operations. For the Park CIP, the projects have been envisioned by the Park committee and the Board as desirable amenities and have been discussed at meetings from time to time.

### **Availability of the Budget**

Copies of the draft detailed budget for fiscal year 2019 are available at the District administrative office for public viewing and are port of the agenda material scanned and available on the District's website. The FY19 budget will also be posted on the website.

### **Staffing**

The organizational chart included within the budget depicts the contemplated staffing changes that were previously discussed with the Board. These changes are intended to better address the needs of the organization. Staffing is discussed in full-time equivalents or FTE's which represents 2080 working hours in a year. Staffing has increased from 23.14 FTE to 23.87 FTE. A part-time Maintenance Worker I was added to Water/Parks to fill the vacant .5 FTE position. The .25 Solid Waste Maintenance Worker was increased by .25 FTE to .50 FTE due to the amount of time the assigned responsibilities have been taking. A Rec Aid position has been added to assist the Program Coordinator with events at 150 hours or .072 FTE. The Rec Lead position was increased by approximately 50 hours to provide support for the basketball season. Overall, staffing costs increased based upon the cost of living adjustment of three percent and a slight increase in the CalPERS retirement contribution. The ranges and titles were previously discussed by the Board and are included in the budget document.

### **Solid Waste Fund**

The Solid Waste Fund is projected to have a deficit based upon expenditures exceeding revenue. The Board previously directed staff to resolve the projected shortfall with \$20,277 from the Board's discretionary funds and the balance from reserves. The draft budget will shows a negative balance because the reserve funds will not be applied until end of the Fiscal Year (June 30, 2019) at which time the fund will be balanced.

### **Fiscal Impact**

The projected net surplus/deficit based upon the revenue and expenditures contained within the draft budget document are as follows:

Water:	\$698,385
Wastewater:	\$173,654
Solid Waste:	\$(20,277)
Gen Fund (including park):	\$342,358



**RESOLUTION NO. 2018-10**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT APPROVING AND ADOPTING THE 2019 ANNUAL BUDGET AND AUTHORIZING APPROPRIATIONS THEREFROM.**

**WHEREAS**, a proposed annual budget for the Helendale Community Services District for the fiscal year commencing July 1, 2018, and ending June 30, 2019 was submitted to the Board of Directors and is on file in the District Administration office; and

**WHEREAS**, the proceedings for adoption of the budget have been duly taken; and

**WHEREAS**, the Board of Directors conducted budget workshops open to the public and has made certain revisions and modifications to the proposed budget; and

**WHEREAS**, the General Manager has caused the proposed document to reflect the changes ordered by the Board of Directors.

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

**Section 1.** The budget incorporated herein by reference, is adopted by Resolution as the Annual Budget for the Helendale Community Services District for the fiscal year commencing July 1, 2018 and ending June 30, 2019.

**Section 2.** There is hereby appropriated to each account set forth in the said budget, incorporated herein by reference, the sum shown for each account in the Fiscal Year 2018 Budget, and the General Manager is authorized and empowered to expend such sum for the purpose of such account within the purchasing limits adopted by prior Board resolution. No expenditure by any department for any items within an account shall exceed the amount budgeted therefore without prior approval of the General Manager, and/or prior approval of the District Board of Directors.

**APPROVED AND ADOPTED** this 7th day of June, 2018.

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

By: \_\_\_\_\_  
Ron Clark, President

Attest: \_\_\_\_\_  
Sandy Haas, Secretary



# Helendale Community Services District

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**Date:** June 7, 2018  
**TO:** Board of Directors  
**FROM:** Kimberly Cox, General Manager  
**SUBJECT:** Agenda item #6  
Discussion and Possible Action Regarding Adoption of Resolution 2018-11: A Resolution of the Board of Directors of the Helendale Community Services District Establishing the Appropriations Limit for Fiscal Year 2018 Pursuant to Article XIII B of the California State Constitution

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## Staff Recommendation

Adopt Resolution 2018-11 establishing the Helendale Community Services District Appropriations Limit for Fiscal Year 2019.

## Staff Report

Article XIII B of the California Constitution and related implementing legislation provide for an annual "appropriations limit" for each entity of local government, including special districts, and require the governing body of each local jurisdiction to establish its appropriation limit by resolution each year.

The appropriations limit does not apply to the entire District budget but only to the appropriation of "proceeds of taxes". In the District's case this is represented solely by property taxes and special assessments. Each year the limit is adjusted by two factors: Price and Population. For 2019 the California Department of Finance provided these factors for San Bernardino County. The Price Factor is 3.67 and the Population Growth Factor for San Bernardino County is 1.0095%. The attached chart shows the calculation for fiscal year 2019 as well as for the last six fiscal years. For Fiscal Year 2019 the District Appropriation Limit is \$720,267. Included in the appropriation limit are the following "proceeds from taxes": Solid Waste Disposal per parcel assessment; Water and WWTP standby assessments; and general property taxes that are shared with the Park and Solid Waste Funds. For fiscal year 2019, the total of these taxes and property assessments is estimated to be \$395,238, which is below the limit. Should appropriations exceed the limit, the excess taxes are required to be returned by a revision of the tax rates within the next two subsequent fiscal years.

## Fiscal Impact

Resolution 2018-11 establishes the District 2018-19 appropriation limit for proceeds of taxes at \$720,267 in accordance with Article XIII B of the California State Constitution.



**RESOLUTION NO. 2018-11**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2019 PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA STATE CONSTITUTION**

**WHEREAS**, Article XIII B of the Constitution of the State of California provides that the total annual appropriations subject to limitation for each government entity shall not exceed the appropriations limit of each governmental agency for the prior year adjusted for certain changes mandated by Proposition 4 passed on November 4, 1979 and Proposition 111 passed June, 1990, except as otherwise provided for in Article XIII B and implementing State statutes; and

**WHEREAS**, pursuant to Article XIII B, and Section 7900 *et seq.* of the California Government Code, the District is required to set its appropriation limit for each fiscal year; and

**WHEREAS**, the General Manager for the Helendale Community Services District has conducted the necessary analysis and calculations to determine the appropriations limit for Fiscal Year 2018-19, relying on the approved limit from fiscal year 2018-19, and the following two adjustment factors: Annual Percent Change in Population for FY 2018-19 for San Bernardino County and the state-wide Per Capita Personal Income Change; and

**WHEREAS**, based on such calculations, the General Manager has determined the said appropriations limit to be \$720,267 and pursuant to Section 7910 of the Government Code, has made available to the public the documentation used in the determination of the limit. (Exhibit "A" attached and made of part hereto).

**NOW, THEREFORE, BE IT RESOLVED, ORDERED AND DETERMINED BY THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT.**

**APPROVED AND ADOPTED** this 7th day of June, 2017.

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

By: \_\_\_\_\_  
Ron Clark, President

Attest: \_\_\_\_\_  
Sandy Haas, Secretary

**Exhibit A**  
**HELENDALE COMMUNITY SERVICE DISTRICT**  
**Appropriations Limit (Gann)**  
**2018/2019**

<u>Year</u>	<u>Prior Year Appropriations Limit</u>	<u>CA per Capita Personal Income</u>		<u>Change in Population</u>		<u>Calculation Factor</u>	<u>Appropriations Limit</u>
2013-2014	\$ 553,066	5.12%	1.0512	0.65%	1.0065	1.0580	\$ 585,162
2014-2015	\$ 585,162	-0.23%	0.9977	0.69%	1.0069	1.0046	\$ 587,844
2015-2016	\$ 587,844	3.82%	1.0382	1.09%	1.0109	1.0495	\$ 616,952
2016-2017	\$ 616,952	5.37%	1.0537	0.93%	1.0093	1.0635	\$ 656,128
2017-2018	\$ 656,128	3.69%	1.0369	1.16%	1.0116	1.0489	\$ 688,231
2018-2019	\$ 688,231	3.67%	1.0367	0.95%	1.0095	1.0465	\$ 720,267



# Helendale Community Services District

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Date: June 7, 2018  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #7  
Discussion and Possible Action Regarding Adoption of Employee Pay Schedule for Fiscal Year 2019

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**Staff Recommendation:**

Staff recommends approval.

**Staff Report:**

Statutory and regulatory requirements from CalPERS require that the pay schedules for District Staff be publicly available and adopted in a separate action duly noticed according to the Brown Act. Attached for the Board's consideration are the current ranges and series that meet the specific requirements. The "Table of Organization" includes all ranges, hourly starting pay and top hourly salary for each position, the number of Full-Time Equivalents (FTE's) for each position and the title for each position. The General Manager Contract amount is listed as a lump sum.

As a result of non-compliance, some PERS retirees have had a negative impact to retirement pay calculation if their employer failed to follow the specific criteria outlined in California Code of Regulations, section 570.5. These requirements were stated in CalPERS Circular Letter 200-050-12 dated 10/25/2012 and reiterated in CalPERS Circular Letter 200-050-16 (attached) with greater specificity. There are eight requirements that must be met to satisfy the criteria.

- Approved and adopted by the Board in a duly agendized meeting
- Identify position title for every employee
- Show payrate for each position
- Indicate the time base (i.e. hourly, etc.)
- Make it available for the public via posting in office, website or make available upon request
- List effective date
- Retain for five years and have available for public review for that duration.
- Does not reference another document (i.e. contract) instead of disclosing the payrate

If these requirements are not met than the CalPERS "Board in it sole discretion, may determine an amount that will be considered to be payrate" for the perspective retiree.

**Fiscal Impact:** None





California Public Employees' Retirement System  
P.O. Box 942715  
Sacramento, CA 94229-2715  
(888) CalPERS (or 888-225-7377)  
TTY: (877) 249-7442  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

Circular Letter: 200-050-16  
Distribution: IV, V, VI, X, XII, XVI

## Circular Letter

November 4, 2016

**TO: ALL CALPERS EMPLOYERS**

**SUBJECT: STATUTORY AND REGULATORY REQUIREMENTS FOR COMPENSATION  
EARNABLE AND PUBLICLY AVAILABLE PAY SCHEDULES**

Accurate Payroll reporting is crucial for providing accurate member benefits. The purpose of this letter is to remind employers of the requirements for compensation earnable and publicly available pay schedules.

### **Compensation Earnable**

Only those pay amounts that meet the definition of compensation earnable are used when calculating retirement benefits. For more information about compensation earnable, please refer to the Public Employees' Retirement Law (PERL) Government Code (GC) sections 20636 and 20636.1 which define compensation earnable for State, School, and Public Agency members. Compensation earnable is further clarified by California Code of Regulations (CCR) Section 570.5.

All employers must comply with the compensation earnable provisions and corresponding regulations of the PERL. Where employers fail to comply, pay amounts will be determined to not constitute payrate, and accordingly, CalPERS will be unable to use such pay amounts when calculating members' retirement benefits.

### **Requirement for Publicly Available Pay Schedules**

To meet the definition of compensation earnable, an amount of pay must either constitute payrate or special compensation as defined in the statutes. GC section 20636(d) further requires that payrate and special compensation schedules, ordinances, or similar documents are public records.

Employers must review their pay schedules to verify that all members' pay amounts are included within a publicly available pay schedule.

**Compensation Earnable Government Codes**

GC section 20636(b)(1) (applicable to Public Agency members) and 20636.1(b)(1) (applicable to School members) require pay amounts to be paid pursuant to publicly available pay schedules. For example, GC section 20636 (b)(1) states:

“Payrate means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules. “Payrate,” for a member who is not in a group or class, means the monthly rate of pay or base pay of the member, paid in cash and pursuant to publicly available pay schedules, for services rendered on a full-time basis during normal working hours, subject to the limitations of paragraph (2) of subdivision (e).”

CCR 570.5 specifies the required elements necessary to meet the definition of a publicly available pay schedule as follows:

- (a) For purposes of determining the amount of “compensation earnable” pursuant to GC sections 20630, 20636, and 20636.1, payrate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:
  - (1) Has been duly approved and adopted by the employer’s governing body in accordance with requirements of applicable public meetings laws;
  - (2) Identifies the position title for every employee position;
  - (3) Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
  - (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
  - (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer’s internet website;
  - (6) Indicates an effective date and date of any revisions;
  - (7) Is retained by the employer and available for public inspection for not less than five years; and
  - (8) Does not reference another document in lieu of disclosing the payrate.

All eight (8) requirements must be met in one salary schedule for each member’s pay, in order for CalPERS to approve the pay amount as payrate and reportable compensation earnable.

**Publicly Available Pay Schedules Government Code**

If an agency cannot provide a document meeting the requirements for a publicly available pay schedule, then CalPERS must determine that the pay amount fails to meet the definition of payrate. CCR 570.5 (b)(1)-(4) outlines the process by which CalPERS may determine a member's payrate when there is no publicly available pay schedule provided.

CCR 570.5 (b) states:

(b) Whenever an employer fails to meet the requirements of subdivision (a) above, the CalPERS Board, in its sole discretion, may determine an amount that will be considered to be payrate, taking into consideration all information it deems relevant including, but not limited to, the following:

- (1) Documents approved by the employer's governing body in accordance with requirements of public meetings laws and maintained by the employer;
- (2) Last payrate listed on a pay schedule that conforms to the requirements of subdivision (a) with the same employer for the position at issue;
- (3) Last payrate for the member that is listed on a pay schedule that conforms with the requirements of subdivision (a) with the same employer for a different position;
- (4) Last payrate for the member in a position that was held by the member and that is listed on a pay schedule that conforms with the requirements of subdivision (a) of a former CalPERS employer.

For assistance or questions, please direct your inquiries to the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief  
Employer Account Management Division

**HELENDALE COMMUNITY SERVICES DISTRICT  
TABLE OF ORGANIZATION FY 2019**

Effective Date July 1, 2018 through June 30, 2019

Ranges			
Range	Hourly Pay (unless otherwise noted)		
25	\$	11.00	\$ 16.46
34	\$	11.00	\$ 17.28
40	\$	14.67	\$ 19.86
45	\$	15.41	\$ 19.67
55	\$	16.99	\$ 24.15
70	\$	19.66	\$ 26.62
75	\$	20.00	\$ 28.43
85	\$	21.50	\$ 29.67
95	\$	24.10	\$ 34.27
97	\$	27.82	\$ 45.78
110	\$	33.20	\$ 49.56
125	\$164,800/Anum by contract		

Funded Positions		
Range	FTE <sup>(1)</sup>	Titles
25	3.58	Recycling Center Worker (P/T)
25	0.072	Recreation Aide (P/T)
34	1.42	Recycling Center Lead Worker (P/T)
34	0.41	Office Assistant (P/T)
34	1	Maint Aide Recycling Cntr Whse
40	0.125	Recreation Leader (P/T)
40	2	Customer Service Rep II
40	0.5	Operator In Training (OIT)
40	1	Maintenance Worker I
45	1	Recycling Coordinator/T.S. Spv
55	1	Maintenane Worker III
70	1	Sr. Account Technician
75	1	Customer Service Supervisor
75	1	Program Coordinator
85	1	Water System Operator II
85	2	Treatment Plant Operator II
95	2	Water System Operator III
97	0.48	Mechanic
110	1	Water Operations Manager
110	1	Wastewater Operations Manager
125	1	General Manager
	23.587	FTE

**Footnotes:**

<sup>(1)</sup> FTE's = Fulltime Equivalent (2080 hrs = FT)

In compliance with CCR Section 570.5

Approved 6/7/2018



# Helendale Community Services District

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Date: May 17, 2018  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #8  
Discussion Only Regarding Proposed Increase in Solid Waste Fees Based Upon the Consumer Price Index (CPI) and Other Related Fees

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## **STAFF RECOMMENDATION:**

None

## **STAFF REPORT:**

No action is required on this item at this time. The purpose of this agenda item and the Staff presentation at the Board meeting is to provide information relevant to the proposed rate increase prior to the public hearing on June 21 to allow the opportunity for interested member of the public to gain additional information on the matter.

Per the contract with Burrtec Waste Industries the District accepted the request dated March 8, 2018 (attached) and directed Staff to proceed with the necessary legal process according to Proposition 218. Burrtec is allowed to request an annual increase based upon the Consumer Price Index for local market index that includes LA-Orange County-Riverside-San Bernardino Counties as outlined in Section 10.05 which states as follows:

*" The maximum rates set forth in Attachment D, Residential Bin and commercial Services may be adjusted annually effective each July 1<sup>st</sup> by an amount equal to the calendar year annual twelve-month mean average change in the Consumer Price Index for All Urban Consumers for Los Angeles-Riverside-Orange Counties as published by the United States Department of Labor, Bureau of Labor Statistics for the previous calendar year annual twelve-month period ("CPI"). ...It is understood by both parties that the maximum annual CPI increase shall be no greater than four percent (4%) in any given adjustment period."*

The CPI request results in a forty-cent increase over current rates as outlined below:

Trash service	\$0.42
Recycling Fee	(\$0.13)
Admin Fee	\$0.06
218 Recovery	\$0.01
Franchise Fee	<u>\$0.04</u>
<b>TOTAL</b>	<b>\$0.40</b>

The proposed rate increase, if approved, will be implemented July 1, 2018. The District has received no written comments or other inquiries related to this matter as of the date of this staff report. Attached for your review is a copy of the rate notification that was sent to both commercial and residential customers within the District.

A public hearing is scheduled for June 21 at which time the Board will receive public comments, consider any protests and make a final determination.

**FISCAL IMPACT:** CPI increase will result in a slight increase of \$0.04 cents in the franchise fee currently received by the District per months per each residential customer and an increase in the administration fee paid to the District for handling the billing process for residential customers of \$0.06. The increase in the franchise fee for commercial customers varies based upon services options. The increase is a function of the application of the requested CPI increase.

## NOTICE OF PUBLIC HEARING

### HELENDALE COMMUNITY SERVICES DISTRICT REFUSE COLLECTION SERVICE CHARGES

Article XIID of the California Constitution requires the Helendale Community Services District (HCSD) to send notification of a proposed rate increase to all owners and tenants of real property within HCSD's service area who would be directly liable to pay for refuse collection services to the property at least 45 days prior to a public hearing at which adoption of the proposed rate increases will be considered. In accordance with those requirements, please be advised that HCSD is proposing an increase in its refuse collection service charges. This Notice identifies the amount of the proposed rate increases; the basis upon which the proposed increases were calculated; the reason for the proposed rate increases; the date, time, and location of a public hearing on the proposed rate increases; and the manner in which all persons opposed to the proposed increases 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 Meeting on June 7, 2018 and a Public Hearing on June 21, 2018, on the proposed rate increases described herein, at 6:30 p.m., in the HCSD Board Room located at 26540 Vista Road, Suite C, Helendale, California.

### INFORMATION ABOUT THE CHARGES

- A. Basis upon which the charges were calculated.** The HCSD Board of Directors has previously determined that the collection and disposal of refuse in its service area shall be performed by Burrtec Waste Industries, Inc. ("Burrtec"), under the terms of an exclusive franchise agreement. The monthly residential curbside collection charge is comprised of five components: (1) an amount for the administration and operation of automated curbside refuse collection service, which includes the provision of collection carts - a 95 gallon refuse cart and up to two 65-gallon recycling carts - with weekly pick-up service; (2) the cost of recycling; (3) an amount to compensate HCSD for its administrative costs in connection with billing, customer service and noticing requirements; (4) an amount to compensate HCSD for franchise service provision as assumed from the County of San Bernardino; and (5) the cost of residential disposal at the landfill. Typically, residential disposal costs are paid out of a disposal fee listed on the property tax bill. If this fee is not paid on the tax bill then the disposal costs are added to the monthly bill for those accounts receiving curbside service. The commercial charge is comprised of three components: (1) An amount for the administration and operation of commercial bin refuse and recycling collection service; (2) the tipping/disposal fee; and (3) an amount to compensate HCSD for franchise service provision as assumed from the County of San Bernardino.
- B. Reason for the proposed increases.** The proposed increase per month represents a rate adjustment of 2.79 percent based on the annual twelve-month mean average change in the Consumer Price Index (CPI) for All Urban Consumers for Los Angeles-Riverside-San Bernardino-Orange Counties as published by the United States Department of Labor, Bureau of Labor Statistics, for the previous calendar year; an increase in the Administration fee and franchise fee to reflect the CPI increase; a reimbursement for noticing requirements; and a slight decrease in the cost of recycling.
- C. Charge per parcel.** HCSD proposes to adopt rate increases for residential and commercial refuse collection services charges as described in Exhibit A on the reverse side of this Notice. If you need assistance determining the charge for your property or parcel for residential service, you may contact HCSD by calling (760) 951-0006, by mail to PO BOX 359, Helendale, CA 92342, or in person at 26540 Vista Road, Suite B, Helendale, California. For questions about commercial refuse service you may contact Burrtec by calling (760) 245-8607.
- D. Written report.** A written report has been prepared and filed with HCSD's General Manager regarding the proposed new commercial and residential refuse collection service charges. As required by California Government Code Section 66016, the written report also provides data indicating the amount of cost, or estimated cost, to provide refuse collection service and the revenue sources anticipated to provide the service. A copy of the written report is available at HCSD's offices located at 26540 Vista Road, Suite B, Helendale, California.

### HOW TO PARTICIPATE

If you have any questions or comments about the proposed rates or wish to protest 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 administration office at 26540 Vista Road, Suite B, Helendale, California. 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 also be submitted at the Public Hearing on June 21, 2018 at 6:30 p.m., in HCSD's Board Room located at 26540 Vista Road, Suite C, Helendale, California. All written protests must be received before the conclusion of the Public Hearing. You may address the Board; however, oral comments do not qualify as a formal protest unless accompanied by a written protest.

**Information available to you** – Copies of the written report, the proposed Resolution, HCSD's exclusive franchise agreement with Burrtec, and further details concerning the reasons for the proposed rate increases and the basis upon which they were calculated, are available for review at the HCSD office located at 26540 Vista Road, Suite B, Helendale, California.

**Public Hearing process** – At the time of the Public Hearing, the Board of Directors will hear and consider all protests and objections. After the Public Hearing, if a majority of the property owners and tenants of real property directly liable for paying refuse collection service bills for the affected parcels file written protests in opposition to the proposed rate increases, the increases will not be imposed. However, if a majority protest is not received, HCSD's Board of Directors may increase the refuse collection service rates in the manner described in this Notice. If adopted, the proposed rates would become effective July 1, 2018.

**EXHIBIT A**  
**HELENDALE CSD PROPOSED RATE INCREASE**

Service Type		Current Rate	Proposed Rate	Service Type		Current Rate	Proposed Rate
<b><u>Residential Service</u></b>				<b><u>Commercial Trash Service</u></b>			
95-gallon barrel w/paid disposal costs	\$	20.24	\$	20.64	<b>Size</b>	<b>Freq</b>	
95-gallon barrel w/o paid disposal costs	\$	27.50	\$	27.90	1.5	1	\$82.31 \$84.12
Extra 95-gallon trash barrel	\$	7.41	\$	7.62	1.5	2	\$156.18 \$159.57
65/95-gallon recy. 1st extra		N/C		N/C	1.5	3	\$230.11 \$235.06
65/95-gallon recy. extra	\$	1.46	\$	1.50	2	1	\$106.90 \$109.24
Extra pick-up (barrels)	\$	22.04	\$	22.66	2	2	\$205.45 \$209.88
					2	3	\$303.99 \$310.52
					3	1	\$147.81 \$150.97
					3	2	\$295.58 \$301.88
					3	3	\$443.43 \$452.89
					3	4	\$591.23 \$603.83
					3	5	\$739.01 \$754.76
					3	6	\$886.82 \$905.72
<b><u>Commercial Barrel Service</u></b>							
95-gallon barrel -1x	\$	16.91	\$	17.21			
95-gallon barrel -2x	\$	42.86	\$	43.70			
95-gallon barrel -3x	\$	63.25	\$	64.49			
Automated Recy 65g - 1x	\$	7.22	\$	7.27			
<b><u>Residential Bin Service</u></b>				<b><u>Recycling Bin Service</u></b>			
<b>Size</b>	<b>Freq</b>			<b>Size</b>	<b>Freq</b>		
1.5	1	\$64.84	\$66.66	1.5	1	\$74.15	\$70.91
1.5	2	\$129.67	\$133.29	1.5	2	\$148.29	\$141.79
1.5	3	\$194.51	\$199.93	1.5	3	\$222.44	\$212.68
2	1	\$83.63	\$85.97	2	1	\$96.04	\$91.64
2	2	\$167.27	\$171.93	2	2	\$192.09	\$183.27
2	3	\$250.89	\$257.89	2	3	\$288.12	\$274.90
3	1	\$112.91	\$116.07	3	1	\$131.53	\$124.57
3	2	\$225.83	\$232.13	3	2	\$263.07	\$249.13
3	3	\$338.76	\$348.21	3	3	\$394.62	\$373.71
				3	4	\$526.16	\$498.28
				3	5	\$657.68	\$622.83
				3	6	\$789.23	\$747.41
<b><u>Permanent (Trash) + Disposal/Processing</u></b>				<b><u>Temporary Bins</u></b>			
40 yard		\$194.70	\$200.13	Temporary Bins		\$105.32	\$108.26
20 yard		\$194.70	\$200.13				
10 yard		\$194.70	\$200.13				
40 yard compactor		\$194.70	\$200.13				
Dry Run /Relocate		\$70.06	\$72.01				
Rental Fee (per day)		\$23.70	\$24.37				
Disposal (per ton)		\$59.94	\$59.94				
<b><u>Temporary Roll-Offs (Trash)</u></b>				<b><u>Miscellaneous Bin Charges</u></b>			
40 yard		\$554.34	\$559.77	Locking container	\$	7.41	\$ 7.62
20 yard		\$794.10	\$799.53	Container steam clean	\$	36.70	\$ 37.72
10 yard		\$794.10	\$799.53	Pull-out service	\$	36.70	\$ 37.72
Dry Run /Relocate		\$70.06	\$72.01	Extra pick-up	\$	44.11	\$ 45.34
Disposal (per ton)		\$59.94	\$59.94	Recy contamination	\$	42.99	\$ 44.19
<b><u>Roll-Offs (Recycling) + Disposal/Processing</u></b>				<b><u>Concrete Washout</u></b>			
40 yard		\$194.70	\$200.13	Delivery		\$511.82	\$526.10
20 yard		\$194.70	\$200.13	Pump		\$377.13	\$387.66
10 yard		\$194.70	\$200.13	Pump Service		\$511.82	\$526.10
40 yard compactor		\$194.70	\$200.13	Relocate		\$129.30	\$132.91
				Rental Fee (per day)		\$10.77	\$11.07





# Helendale Community Services District

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**Date:** June 7, 2018  
**TO:** Board of Directors  
**FROM:** Kimberly Cox, General Manager  
**SUBJECT:** Agenda item #9  
Discussion and Possible Action Regarding Adoption of Resolution 2018-01: A Resolution of the Board of Directors of the Helendale Community Services District Transferring an Asset and Associated Liability from the Parks Department to the Wastewater and Establishing a Pay-Back Agreement

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**STAFF RECOMMENDATION:**

Staff seeks input from the Board regarding the proposed resolution, property transfer and pay-back agreement.

**STAFF REPORT:**

This matter was previously discussed in January of this year. Staff was directed to include the financial implications of the transfer and a payback scenario in the FY19 budget, therefore this item is scheduled for this agenda. If the Board feels it needs more time to evaluate the information presented or would like to see alternative scenarios this discussion can be put on a future agenda.

The purpose of this agenda item is to address the need to transfer certain property to the Wastewater Department and to memorialize a repayment plan for funds borrowed from Wastewater over time to cover budget shortfalls in the Park budget.

In the past two years Wastewater Staff has been working with the Regional Water Quality Control Board on a revision to the Wastewater permit which was approved in April of this year. This revision includes expansion of the irrigation area to the park and will encompass up to 35 acres. This area, once under irrigation with secondary water, will have to be segregated from general public access due to health and safety concerns. The Parks Department, upon Board approval will transfer this acreage and loan burden to the Wastewater Division.

As directed during the discussion in January of this year, Staff received a Broker's Opinion of Value for the property under consideration. The majority of the transfer is frontage property along Helendale Road which is typically valued at a higher property value than non-frontage property. The Broker placed a value of \$9,995 per acre for 30.87 acres on frontage property and \$4,600 for

the balance of 4.13 interior acres that are unimproved non-frontage property. Staff incorporated these value conclusions in developing the transfer consideration.

Since this area has never been developed for park use Staff recommends that the Board transfer this property from the point of purchase in August 2008 which would include all principle and interest payments to Wastewater. The 35-acres is valued at \$326,154 according to the Broker's Opinion of Value in 2008 dollars. Prior principle and interest payments on the 35 acres total \$227,842 which will be deducted from the estimated balance owed from Parks to Wastewater of \$1,069,848 leaving an estimated repayment balance due of \$842,007 with interest. These numbers are estimated and cannot be confirmed until year-end adjustments are completed. The remaining term of the loan which was refinance in 2014 is fifteen-year and concludes in December 2028. The loan balance on the 35 acres of \$214,740 will be transferred to Wastewater as a liability.

<b>Cash Reserve as of 6/30/17</b>	<b>\$(1,160,944)</b>
YTD Net change in cash as of 4/30/2018	\$167,261
May - June 2018 Net Surplus	\$8,301
Debt Service in June 2018	\$(42,944)
Capital Project in May & June 2018	\$(41,522)
Broker's estimated value of WWTP Expanded Irrigation Site	\$227,842
<b>Cash Reserve as of 6/30/18</b>	<b>\$(842,007)</b>

Staff recommends:

- (1) That the loan balance for the 35 acres be transferred to Wastewater and;
- (2) That \$227,842 be deducted from the outstanding debt owed by the Parks Department which would leave an estimated balance of \$842,007 to be repaid over a 10-year period with interest at a rate of 2% as outlined in the attached amortization schedule.

If additional revenue becomes available more could be paid towards the outstanding balance. This would require an annual payment of \$93,737.72 for the next ten years. This includes total interest payments of \$95,370. If the Board disagrees with the interest payment of 2% another method could be evaluated that would reflect interest earnings lost over the repayment period.

**FISCAL IMPACT:**

As outlined in the staff report.



**RESOLUTION NO. 2018-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING THE REPAYMENT OF INTERFUND LOAN FROM THE WASTEWATER FUND TO THE PARK FUND AND EXCHANGE OF CERTAIN REAL PROPERTY FROM PARK TO WASTEWATER**

**WHEREAS**, the Helendale Community Services District assumed responsibility for water, sewer and park services in December 2006, with funds from San Bernardino County Special Districts distributed between the Water and Sewer Funds; and

**WHEREAS**, the Park Fund purchased building assets and improved the Helendale Community Park infrastructure in excess of its operating revenue available; and

**WHEREAS**, the only source of funds available in the short term was to borrow from the Wastewater Fund Reserve to fund improvements as described; and

**WHEREAS**, the Fiscal Year 2017 annual audit provided by Fedak & Brown, CPA's, stated the amount owed by the Park Fund to the Wastewater Fund as \$1,160,944; and

**WHEREAS**, a payback method is required to establish the means and timeframe to repay the Wastewater Fund; and

**WHEREAS**, the Wastewater operation is in need of 35 acres currently owned by the Parks Department that will be transferred to Wastewater for use as additional secondary irrigation area as required by the Lahontan Regional Water Quality Control Board;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Helendale Community Services District desires to establish the following repayment schedule for the Park Fund:

- A. The value of the property to be transferred from Park to Wastewater is detailed in the Brokers Opinion of Value attached hereto as Attachment A.
- B. The amount of principle and interest payments previously made by Parks to be now attributed to Wastewater as a offset against funds borrowed are outlined in Attachment B.
- C. The Park Fund shall repay the Sewer Fund a sum of \$93,737.72 per fiscal year until the interfund loan balance of \$842,007 is repaid as outlined in Attachment C.
- D. Any additional operating fund borrowing during any subsequent fiscal year will require adoption of a new resolution acknowledging the outstanding balance and the repayment terms.

- E. Each budget will include a line item repayment to Wastewater in accordance with the repayment plan outlined in Attachment C.
- F. During any fiscal year, the Board of Directors can adjust the annual repayment amount if extraordinary revenue or expenses exist.
- G. Adoption of this Resolution rescinds Resolution 2012-15.

**APPROVED AND ADOPTED** this 7th day of June, 2018.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

By: \_\_\_\_\_  
Ron Clark, President

Attest: \_\_\_\_\_  
Sandy Haas, Secretary

***Land Pro Associates Inc***  
a real estate company

August 22, 2008

Mrs. Kimberly Cox  
General Manager  
Helendale CSD  
26540 Vista Road  
P.O. Box 359  
Helendale, CA 92342  
[KCox@helendalecsd.org](mailto:KCox@helendalecsd.org)

**Re: Broker Opinion of Value – APN: 0466-181-25 & 0466-181-26 / 74.78 Acres**

Dear Mrs. Cox,

Thank you for the opportunity to work with the Helendale Community Services District (CSD) on the evaluation of 74.78 acres of property along Helendale Road, in the Town of Helendale, California. As discussed we have prepared this Broker Opinion of Value for the subject property for the purpose of providing the CSD with an initial opinion of value for the purpose of transferring +/-35 acres of excess land to the WWTP Operation, as the park only requires the balance of the land. Below is a summary table:

<b>Property &amp; Valuation Summary</b>		
Assessor Parcel Numbers	0466-181-25	37.39 acres
	0466-181-26	37.39 acres
<b><u>Total Acres</u></b>	<b><u>74.78 acres</u></b>	
• Future Commercial Acreage	30.87 acres	
• Interior Acreage	4.13 acres	
• Balance of Acreage	39.78 acres	
<b><u>Valuation:</u></b>	<b><u>\$USD</u></b>	<b><u>\$K/ACRE</u></b>
Future Commercial Acreage	\$307,156.50	\$ 9,950
Balance of Property 43.91 ac.	\$201,986.00	\$ 4,600
<b>TOTAL VALUE:</b>	<b>\$509,142.50</b>	

Location

The subject property is located just north of the community of Helendale in the County of San Bernardino, State of California. The paved roads of Helendale Road (contiguous east) and Wild Road (contiguous north) provide visibility and access to the subject property. The subject property has approximately 0.50 mile of frontage along Helendale Road.



**Frontage along Helendale Road and Wild Road**



As the present value of the subject property is being valued during the presently announced Real Estate Market Recession and Financial Market Meltdown, values based upon comparable sales are challenging to substantiate. From agricultural zoned land commercial and or residential zoned land, offers submitted within the High Desert market of the Victor Valley (including Hesperia, Adelanto, Victorville, Apple Valley, Oro Grande, Helendale and Barstow) are being withdrawn until the US Economy begins to stabilize.

Of the total acreage of the subject site, there is inherent value in having property with direct frontage along the area's arterial road Helendale Road. This Brokers Opinion of Value accounted for a 30.87 acre portion of the total acreage that could potentially become future commercial use.

Comparable Sales

Brokers were able to identify one comparable sale in the immediate area:

APN: 0466-081-24

4.34 acres of Land

Transaction Closed on 7/3/08

Total Purchase Price: \$13,400

Price Per Acre: \$3,087

Value Summary and Conclusion

After researching the market, the value given on a price per acre allows for the CSD to provide a longer than usual escrow period should a prospective buyer approach with interest in acquiring the site. In time, when the real estate market recovers, values will begin to increase and establish a Fair Market Value based upon zoning and desirability for development. For now, the value herein is adequate given the proximity to Silver Lakes and with frontage and visibility along Helendale Road.

Land Pro Associates Inc is a well-recognized and respected brokerage and advisory firm with years of experience working in the Helendale market. Specializing in the sale of land and lots to builders, developers and investors.

I look forward to discussing this report in more depth. Please feel free to contact me with any questions or comments.

Best Regards,

Dennis M. Bradley  
Founder and President  
*Land Pro Associates Inc.*  
[760-780-2200](tel:760-780-2200)

Attachment B

**Park Property Valuation**

	Total	
Appraised Value	\$2,300,000	
Total Acres	74.78	
Broker's opinion of value for 30.87 acres of road frontage @ \$9,950/ac	\$ 307,156.50	
Broker's opinion of value for 4.13 acres of interior acreage @ \$4,600/ac	\$ 18,998.00	
Total value of land to transfer as of 2008		<b>\$ 326,154.50</b>
Annual Interest Payment per year on 35 acres	\$ 116,428.37	
Annual Principle Payment per year on 35 acres	\$ 111,413.33	
Total amount paid from 2008-2018 to be transferred to WWTP		<b>\$ 227,841.70</b>
Total cost of land transfer to WWTP		<b>\$ 326,154.50</b>



Attachment C

Annual Interest Rate            2.00%  
 Years                                10  
 Payments Per Year                1  
 Amount                               \$842,007

Payment Number	Payment	Principal	Interest	Balance	
1	(\$93,737.72)	(\$76,897.58)	(\$16,840.14)	\$765,109.42	FY19
2	(\$93,737.72)	(\$78,435.53)	(\$15,302.19)	\$686,673.90	FY20
3	(\$93,737.72)	(\$80,004.24)	(\$13,733.48)	\$606,669.66	FY21
4	(\$93,737.72)	(\$81,604.32)	(\$12,133.39)	\$525,065.34	FY22
5	(\$93,737.72)	(\$83,236.41)	(\$10,501.31)	\$441,828.93	FY23
6	(\$93,737.72)	(\$84,901.14)	(\$8,836.58)	\$356,927.79	FY24
7	(\$93,737.72)	(\$86,599.16)	(\$7,138.56)	\$270,328.63	FY25
8	(\$93,737.72)	(\$88,331.14)	(\$5,406.57)	\$181,997.49	FY26
9	(\$93,737.72)	(\$90,097.77)	(\$3,639.95)	\$91,899.72	FY27
10	(\$93,737.72)	(\$91,899.72)	(\$1,837.99)	\$0.00	FY28



# Helendale Community Services District

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**Date:** June 7, 2018  
**TO:** Board of Directors  
**FROM:** Kimberly Cox, General Manager  
**SUBJECT:** Agenda item #10  
Discussion and Possible Action Regarding Adoption of Resolution 2018-12: A Resolution of the Board of Directors of the Helendale Community Services District Approving Award of Sole Source Contract for High Desert Underground for Helendale Wastewater Recycled Pipeline Project

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**STAFF RECOMMENDATION:**

Staff requests approval for this item.

**STAFF REPORT:**

Cost for the proposed construction project outlined in the staff report is

The District is required to expand the current wastewater irrigation area to avoid any ponding and apply the secondary water at agronomic levels. The Regional Board is also requiring the development of a farm management plan that will outline the types of crop to be irrigated and the water demand. In the recently approved permit the Regional Board will now be more closely monitoring the District's irrigation practices and has requested additional monitoring wells that will be subject to regular testing to ensure the effluent is not contaminating the groundwater.

To facilitate the expanded irrigation mandate a pipeline extending from irrigation pumps to the park property is necessary to allow the transfer of water to the new irrigation site when necessary to meet the application requirements.

In May 2017, the District was informed that County Roads Department was going to overlay Wild Road. In communication with the District they wanted our pipeline installed prior to their road improvements. This option would actually provide cost savings to the District through the avoidance of costs cutting through new roadway work. The District was given a one week notice to complete the necessary road crossing and install a permanent patch over which county would slurry. The District requested the assistance of High Desert Underground to extend the irrigation pipeline under the roadway. This work was done in an expeditious manner due to the limited notice. Had the District installed the pipeline after the new road construction significant costs in road repairs would have been incurred by the District. The cost for that portion of the project was approximately \$11,000.

Based upon High Desert Underground's knowledge of the project and of the existing infrastructure they are uniquely qualified to perform the required scope of work. Additionally, based upon numerous factors, including availability and competence to perform the necessary work; extensive familiarity of the District's water and wastewater systems; and HDU staff's professional certifications and construction competence District Staff is requesting that the Board approve a sole source contract for High Desert Underground, Inc. to complete the Recycled Water Pipeline. HDU installed the water main in close proximity to the project as well as the recycled water line underneath the roadway.

This work is an extension of work previously begun by High Desert Underground in May 2017 as a matter of urgency based upon County's road construction schedule.

**FISCAL IMPACT:**

\$90,862.50

# High Desert Underground Inc.

GENERAL ENGINEERING PIPELINE CONSTRUCTION

19341 Bear Valley Road, Suite 203 Apple Valley Ca. 92308

Office (760) 247-8999 Fax (760) 247-2777

[www.hdupipeline.com](http://www.hdupipeline.com)

Date: 6/3/2018

Company: Helendale CSD

Submitted To: Alex

Project No:

Project Description: Updated Proposal for Recycle 6" Pipeline from Alfalfa operation to the Ranch

**PROPOSAL**

Quantity	Description	Price	Total
1550	C900 DR18 Purple Pipe	\$ 54.75	\$ 84,862.50
1	Tie into Existing at Alfalfa Operation	\$ 3,000.00	\$ 3,000.00
1	6" Tee and 2 each 2 1/2" Connections	\$ 3,000.00	\$ 3,000.00
			\$ -
			\$ -
			\$ -
0			\$ -
0		\$ -	\$ -
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0		\$ -	\$ -
		<b>TOTAL</b>	<b>\$ 90,862.50</b>

**NOTICE:** This project was bid using industry standard tools and equipment. Should underground conditions require special equipment, we will notify the owner and reconsider the proposal.

**EXCLUSIONS INCLUDE (BUT ARE NOT LIMITED TO):** \*\*Exclusions Include but are not limited to: Permits, Fees, Surveying, Compaction Tests, Job Water

Thank you for the opportunity to submit this Proposal

**RESOLUTION NO. 2018-12**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
HELENDALE COMMUNITY SERVICES DISTRICT  
APPROVING AWARD OF SOLE SOURCE CONTRACT  
TO HIGH DESERT UNDERGROUND FOR  
HELENDALE WASTEWATER RECYCLED PIPELINE PROJECT**

WHEREAS, the Helendale Community Services District (“District”) is a Community Services District organized and operating pursuant to California Government Code Section 61000 et seq.;

WHEREAS, the District is subject to Public Contracts Code Section 20682.5(b), which provides that “[a]ll contracts for the construction of completion of any building, structure, or improvement, when the cost exceeds \$25,000 shall be contracted for and let to the lowest responsible bidder after notice”;

WHEREAS, it is well-settled that exceptions to the competitive bidding requirement exist in the event that the specific facts and circumstances surrounding the particular work is such that the services sought for the proposed project are unique to a single contractor and the public agency must use such specialized services for efficient and effective completion thereof [see, e.g., Hiller v. City of Los Angeles (1962) 197 Cal. App. 2d 685, 17 Cal. Rptr. 579], or that engaging in the process would be undesirable or impracticable as a matter of public interest because a delay would result that would operate to undermine the public benefits to be gained by the proposed project [see, e.g., Graydon v. Pasadena Redevelopment Agency (1980) 104 Cal. App. 3d 631, 164 Cal. Rptr. 56];

WHEREAS, on December 20, 2007, the District’s Board of Directors (“Board”) adopted Resolution No. 2007-19 establishing Purchasing Policies and Procedures for the District (“the Purchasing Policy”) which created bidding and contract procedures as part of the District’s Rules and Regulations so as to provide guidance and direction to the District’s staff in obtaining outside services for projects initiated by the District;

WHEREAS, Section 5 of the Purchasing Policy provides that the District must comply with the competitive bidding requirements of Public Contracts Code Section 20682.5 with respect to the construction of completion of any building, structure, or improvement when the cost exceeds \$25,000;

WHEREAS, pursuant to legally-recognized exceptions to competitive bidding requirements, Section 6(D)(4) of the Purchasing Policy provides that the District may procure services on a negotiated basis “when competitive bidding would fail to produce an advantage and/or when the advertisement for Competitive Bidding would be undesirable, impractical, or impossible”;

WHEREAS, pursuant to legally recognized exceptions to competitive bidding requirements, Section 6(D)(3) of the Purchasing Policy also provides that the District may procure services on a negotiated basis for any project in which a “Sole Source Contractor” has been designated;

WHEREAS, for purposes of Section 6(D)(3) of the Purchasing Policy, the term “Sole Source Contractor” is defined in Section 2(O) thereof as “a contractor or consultant that has been evaluated to provide unique or specialized Services or Supplies that cannot be obtained from other contractors or consultants,” which designation must be approved by the Board;

WHEREAS, the facts, circumstances, and challenges surrounding the proposed installation of the new Force Main wastewater line (“the Project”), as described in the staff report attached hereto and incorporated herein (“the Staff Report”), supports a determination by the District’s Board of Directors that imposing a formal competitive bidding requirement for the construction of the proposed Project would be undesirable or impracticable because the process could potentially not be timely completed given all the intervening factors outlined in the staff report specifically the public health and safety risk that could occur if another force main break occurs; and

WHEREAS, as further described in the Staff Report, High Desert Underground possesses unique background and knowledge of the District's water and wastewater systems and existing infrastructure that would be impacted and utilized in connection with the proposed Project, and High Desert Underground has performed all prior pipeline installation and repair services for the District in a timely manner and with high-quality workmanship that has been accepted by both the District and other local governmental agencies possessing regulatory oversight.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Helendale Community Services District that, based upon the unique facts and circumstances described in the Staff Report and other evidence presented to the Board, the Board hereby finds and determines that expedited construction of the Project is exempt from any otherwise-applicable formal competitive bidding requirement pursuant to Section 6(D)(4) of the Purchasing Policy because compliance therewith would be undesirable and impracticable as a matter of public interest since engaging in the process would cause a delay that could result in the Project not achieving satisfactory completion prior to another force main break.

BE IT FURTHER RESOLVED that the Board hereby finds and determines that High Desert Underground be designated as a sole source contractor for the Project pursuant to Section 6(D)(3) of the Purchasing Policy. The Board reserves the right to withdraw this designation in its entirety, or to suspend this designation on a project-by-project basis, in the exercise of its sole discretion.

BE IT FURTHER RESOLVED that the Board hereby approves construction of the Project, and authorizes the award of a contract for the construction thereof to High Desert Underground for a price not to exceed \$90,862.50, based upon the recommendations of the District's General Manager in the Staff Report, as well as the oral and written statements presented to, and considered by, the District's Board of Directors prior to adoption of this Resolution.

**ADOPTED** this 7<sup>th</sup> day of June, 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

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Ron Clark, President, Board of Directors

ATTEST:

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Sandy Haas, Secretary, Board of Directors