



Helendale Community Services District

BOARD OF DIRECTORS MEETING
February 6, 2020 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

- a. Approval of Minutes: January 16, 2019, Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. Modified 2020 Calendar

4. Reports

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

Regular Business:

- 5. Discussion and Possible Action Regarding First Reading of Proposed Ordinance 2020-01: Ordinance of the Board of Directors of the Helendale Community Services District Establishing Policies on Discontinuation of Water Service for Non-Payment
- 6. Discussion and Possible Action Regarding Adoption of Revised Deposit and Application Policy
- 7. Discussion and Possible Action Regarding Adoption of Revised Returned Check Policy and Failed Pre-Authorized Payment Policy and Procedures
- 8. Discussion and Possible Action regarding Nomination of Special District Regular Member on the Local Agency Formation Commission
- 9. Discussion and Possible Action Regarding Review of Resolution 2019-04: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for Its Compensation, Reimbursement, and Ethics Training

Other Business

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

11. 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

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





Helendale Community Services District

Date: February 6, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop / Cheryl Vermette
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: December 5, 2019 Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. District Calendar



Minutes of the Helendale Community Services District

BOARD OF DIRECTORS MEETING

January 16, 2020 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
Cheryl Vermette, Program Coordinator
Sharon Kreinop, Senior Account Specialist

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were five (5) members of the public present.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:30 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 amended. The motion was seconded by Director Haas.

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

2. Public Participation

None

3. Consent Items

a. Approval of Minutes: December 19, 2019 Regular Board Meeting

b. Bills Paid and Presented for Approval

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

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

4. Reports

a. Directors' Reports

Director Schneider wished everyone a Happy New Year

Director Spiller reported that he attended the youth basketball game this past Saturday.

b. General Manager's Report

GM Cox reported that Well 1 is up and running again, we are awaiting water quality results. The second week of basketball is this Saturday from 7 am – noon. The Special Park and Recreation Committee meeting will be held on 2/21. Staff is preparing the OSHA 300 report for posting, the District has had two work related accidents last year. General Manager Cox reported that the total cash balance is \$4,881,613. The water fund has a balance of \$837,677; the wastewater fund has a balance of \$3,708,626; the park fund has a balance of \$109,260; the solid waste fund has a balance of \$388,392. There were 35 account transfers in the month of December. GM Cox presented a chart of how customers pay, which indicates that most customers still pay in person.

Workshop

5. Implementation of SB 998 (Water Shutoff Protection Act)

General Manager Cox and Legal Counsel Kennedy reviewed Senate Bill 998 pertaining to the Discontinuation of residential water service for non-payment. SB 998 was authored by Senator Dodd and signed into law on 9/28/18 by Governor Brown. It is chaptered in the Health & Safety Code Section 116900-116926. Mandatory Implementation for Districts less than 3,000 connections is February 1st and Districts with 200 or more connections is April 1st. This policy will only apply to residential connections. The policy requires the District to have a written policy on "discontinuation of residential service for nonpayment (section 116906). The policy also needs to be translated into 5 languages. SB 998 extends the timeframe for payment prior to disconnection to 60 days (section 116908). The District will need to modify the billing statement which also needs to include additional information translated into 5 languages on the bill. The disconnection notification must be 7 business days and the District must develop payment options (section 116908). There are also requirements for posting written notices at the home (section 116908) and in some cases the District will be prohibited from turning water off (section 116910). Low income requirements (section 116914) is addressed in section 2E of the draft policy and applies to a household if any person in the home meets the qualification. The reconnection fee is set at \$50 and after-hours reconnection fees are set at no more than \$150. The interest can be waived once per year. Staff asked the Board to consider making this option available to all residential water customers regardless of income. The Board agreed with the option. Section 116916 of the Bill dealt with rentals. The District must make a good faith effort to inform tenants of pending water disconnection in writing either 10 or 7 days prior to disconnection. The District must allow renters to become customers provided they agree to comply with the District's rules and processes (including deposit policy, etc.) Proof of prompt payment of rent will qualify in lieu of the District's current requirements. The District is also required to report number of disconnections on our website (section 116918). Section 3C of the policy is not required. Additional payment options to all customers will include deferred payments for 2 weeks one time each year. Reduced fees would include a one-time disconnection fee waiver and a one-time late fee waiver. Staff also asked the Board to consider adding this option to all residential water customers to which the Board agreed. Several of the Districts current policies will need to be revised including: the deposit and application, owner/tenant, disconnection, fee package, door tag, turn on/turn off. New policies and forms will need to be adopted including new bill form; appeal process and forms, payment agreement process and forms, and courtesy notice to landlords. There are some issues with this new bill. The District bills water,

wastewater and solid waste on the same bill. It is cost prohibitive to split the bills. We can keep the same billing cycle for everything that is not residential pending conversation with Tyler. We must modify the door tag to comply with SB998 and consider extending requirements for low income to all customers which will minimize staff requirements to certify those who claim to be low income. General Manager Cox discussed bill due dates, the courtesy landlord notification and the new bill form. The public hearing process will be as follows: a public meeting will be held on 2/6, the public hearing will be held on 2/20 and will be noticed twice in the newspaper. The District will also publish a summary of the Ordinance in the newspaper.

Regular Business

6. Discussion and Possible Action Regarding Dates and Format for 2020 Concert in the Park Series
Discussion: The Concert in the Park have been very popular. Previously the Concerts have been held on the second Saturday of the month from June – October from 6-9 pm. This past season, the October concert was very cold. Staff requested direction from the Board to changing the series to May through September. The Board agreed to this change. Also discussed was the need for an emcee, who would be responsible for getting the band in place, making announcements, and playing during breaks. The cost for this addition would be \$200 per show. Local entertainer and former Mojave Trail Days emcee, Charlie Ray is available. He is a popular local personality, has a good stage presence and will be able to fill in with music. The Board agreed having Charlie Ray as a master of ceremonies would be a good addition to the concert series. Last season, the District sponsored a petting zoo which was very popular for families. The cost was \$350 per concert. The Board agreed the petting zoo was a great addition and would like to have it again this year provided sponsorships will cover the cost.
Action: Director Schneider made a motion to approve the changes to the concert series as presented by staff. Director Haas seconded the motion. The motion was approved by the following vote: 5 – Yes; 0 – No

7. Discussion and Possible Action Regarding Annual Election of Officers for the Board of Directors
Discussion: This item was carried over from the December meeting. The election of officers occurs the first meeting of December in non-election years. The current officers are: President – Ron Clark; Vice President – Tim Smith; and Secretary – Sandy Haas. Director Haas suggested the officers stay the same and all the current officers were amenable to remaining in their current positions.
Action: A motion was made by Director Schneider to nominate Ron Clark to remain President, Tim Smith to remain Vice President, and Sandy Haas to remain Secretary. The motion was seconded by Director Haas.
Vote: The motion was approved by the following roll call vote: 5 – Yes; 0 – No
Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes; Director Spiller: Yes

Other Business

8. Requested items for next or future agendas (Directors and Staff only)
Director Haas requested a presentation on the legislation restricting residential water use to 55 gpd.
Director Schneider requested to discuss the Concert in the Park budget at an upcoming Park & Rec Committee meeting.

9. Adjournment

Action: President Ron Clark adjourned the meeting at 8:02 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 06, 2020
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

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 64 checks and 13 EFT's totaling \$309,311.46

| | | |
|-----------------------|-----------------|-----------------|
| Total cash available: | <u>2/9/20</u> | <u>1/16/20</u> |
| Cash | \$ 5,384,486.75 | \$ 5,294,109.72 |
| Checks/EFT's Issued | \$ 309,311.46 | \$ 194,999.45 |

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 1.82% for CalTRUST Short-Term and 1.71% for Medium-Term Investments, 2.04% for LAIF, and 0.25% for the CBB Sweep Account for Dec 2019. Interest earned in Jan 2020 on the CalTRUST investments and the CBB Sweep Account is \$5,837.56



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 01/13/2020 - 02/03/2020

Cleared Date Range: -

| Issued Date | Number | Description | Amount | Type | Module |
|---|-----------------------|--|------------|-------|------------------|
| Bank Account: 251229590 - CBB Checking | | | | | |
| 01/14/2020 | 22706 | JOHN NOZA | -800.00 | Check | Utility Billing |
| 01/14/2020 | 22710 | ALTEC Land Planning | -1,000.00 | Check | Accounts Payable |
| 01/14/2020 | 22711 | Lowe's | -441.60 | Check | Accounts Payable |
| 01/14/2020 | 22712 | O'Reilly Auto Parts | -366.53 | Check | Accounts Payable |
| 01/16/2020 | 22713 | Southern California Edison | -9,081.80 | Check | Accounts Payable |
| 01/16/2020 | 22714 | Southern California Edison | -591.38 | Check | Accounts Payable |
| 01/16/2020 | 22715 | Southern California Edison | -1,736.67 | Check | Accounts Payable |
| 01/16/2020 | 22716 | Southern California Edison | -1.53 | Check | Accounts Payable |
| 01/16/2020 | 22717 | Aqua-Metric Sales Co. | -13,957.94 | Check | Accounts Payable |
| 01/16/2020 | 22718 | ASBCSD | -72.00 | Check | Accounts Payable |
| 01/16/2020 | 22719 | Burrtec Waste Industries Inc | -1,450.00 | Check | Accounts Payable |
| 01/16/2020 | 22720 | Burrtec Waste Industries, Inc. | -56,335.86 | Check | Accounts Payable |
| 01/16/2020 | 22721 | California Park & Recreation Society | -555.00 | Check | Accounts Payable |
| 01/16/2020 | 22722 | Cardmember Services | -1,688.59 | Check | Accounts Payable |
| 01/16/2020 | 22723 | DOS COSTAS COMMUNICATIONS | -400.00 | Check | Accounts Payable |
| 01/16/2020 | 22724 | Frontier Communications | -48.66 | Check | Accounts Payable |
| 01/16/2020 | 22725 | Frontier Communications | -127.52 | Check | Accounts Payable |
| 01/16/2020 | 22726 | G.A. Osborne Pipe & Supply Inc. | -213.44 | Check | Accounts Payable |
| 01/16/2020 | 22727 | Government Finance Officers Association | -160.00 | Check | Accounts Payable |
| 01/16/2020 | 22728 | Harbor Freight Tools | -51.70 | Check | Accounts Payable |
| 01/16/2020 | 22729 | Heritage Victor Valley Medical Group | -65.00 | Check | Accounts Payable |
| 01/16/2020 | 22730 | Home Depot Credit Services | -237.84 | Check | Accounts Payable |
| 01/16/2020 | 22731 | I Candy Website & Graphic Design | -1,700.00 | Check | Accounts Payable |
| 01/16/2020 | 22732 | Infosend | -1,822.51 | Check | Accounts Payable |
| 01/16/2020 | 22733 | Inland Water Works Supply Co. | -242.88 | Check | Accounts Payable |
| 01/16/2020 | 22734 | Konica/Minolta | -674.09 | Check | Accounts Payable |
| 01/16/2020 | 22735 | Liberty Composting, Inc. | -205.75 | Check | Accounts Payable |
| 01/16/2020 | 22736 | Mojave Water Agency | -8,262.05 | Check | Accounts Payable |
| 01/16/2020 | 22737 | Robert Yeghoian Co., Inc. | -2,500.00 | Check | Accounts Payable |
| 01/16/2020 | 22738 | SWRCB FEES | -13,607.00 | Check | Accounts Payable |
| 01/16/2020 | 22739 | SWRCB, DWOCP | -60.00 | Check | Accounts Payable |
| 01/16/2020 | 22740 | Tunnel Vision Pipeline Cleaning | -900.00 | Check | Accounts Payable |
| 01/16/2020 | 22741 | Tyler Technologies, Inc. | -2,342.91 | Check | Accounts Payable |
| 01/16/2020 | 22742 | USA of So. California | -43.00 | Check | Accounts Payable |
| 01/16/2020 | 22743 | Void Check | 0.00 | Check | Accounts Payable |
| 01/16/2020 | 22744 | USPS | -220.00 | Check | Accounts Payable |
| 01/16/2020 | 22745 | Cashier, CDFA- Certified Farmer's Market Program 90303 | -542.00 | Check | Accounts Payable |
| 01/16/2020 | 22746 | WaterMaster | -1,413.32 | Check | Accounts Payable |
| 01/17/2020 | 22747 | ROBERT S STERN | -179.00 | Check | Utility Billing |
| 01/14/2020 | 22748 | RICHARD COOPER | -81.33 | Check | Utility Billing |
| 01/23/2020 | 22749 | ASBCSD | -275.00 | Check | Accounts Payable |
| 01/23/2020 | 22750 | Bobby Buroff | -75.00 | Check | Accounts Payable |
| 01/23/2020 | 22751 | Brunick, McElhane & Kennedy | -293.75 | Check | Accounts Payable |
| 01/23/2020 | 22752 | County of San Bernardino, Solid Waste Mgmt. Div. | -471.68 | Check | Accounts Payable |
| 01/23/2020 | 22753 | Frontier Communications | -77.46 | Check | Accounts Payable |
| 01/23/2020 | 22754 | Frontier Communications | -69.63 | Check | Accounts Payable |
| 01/23/2020 | 22755 | Heritage Victor Valley Medical Group | -65.00 | Check | Accounts Payable |
| 01/23/2020 | 22756 | Print Mart | -60.23 | Check | Accounts Payable |
| 01/23/2020 | 22757 | UIA Ultimate Internet Access, Inc | -728.82 | Check | Accounts Payable |
| 01/23/2020 | 22758 | Verizon Wireless | -700.98 | Check | Accounts Payable |
| 01/23/2020 | 22759 | Verizon Wireless | -96.90 | Check | Accounts Payable |
| 01/23/2020 | 22760 | California State Disbursement Unit | -230.76 | Check | Accounts Payable |

Bank Transaction Report

Issued Date Range: -

| Issued Date | Number | Description | Amount | Type | Module |
|---|----------------------------|---|--------------------|-------|------------------|
| 01/23/2020 | 22761 | WILMINGTON SAVINGS FUND SOCIETY (TR) | -49.45 | Check | Utility Billing |
| 01/28/2020 | 22762 | Antonio Alfaro | -171.50 | Check | Accounts Payable |
| 01/28/2020 | 22763 | Citizens Buisness Bank | -149,447.45 | Check | Accounts Payable |
| 01/28/2020 | 22764 | Daily Press | -362.45 | Check | Accounts Payable |
| 01/28/2020 | 22765 | Frontier Communications | -87.36 | Check | Accounts Payable |
| 01/28/2020 | 22766 | Imperial Sprinkler Supply, Inc. | -155.08 | Check | Accounts Payable |
| 01/28/2020 | 22767 | Professional Realty | -125.00 | Check | Accounts Payable |
| 01/28/2020 | 22768 | Shred-it USA LLC | -80.55 | Check | Accounts Payable |
| 01/28/2020 | 22769 | Southern California Edison | -1,460.50 | Check | Accounts Payable |
| 01/28/2020 | 22770 | Uline | -288.15 | Check | Accounts Payable |
| 01/28/2020 | 22771 | USA Blue Book | -271.52 | Check | Accounts Payable |
| 01/30/2020 | 22772 | USPS | -220.00 | Check | Accounts Payable |
| 01/14/2020 | EFT0003077 | To record Sales Tax Pmt - 2nd Quarter Pmt | -1,463.63 | EFT | General Ledger |
| 01/30/2020 | EFT0003080 | To record CalPERS Classic Pmt PPE 1/5/20 | -6,209.34 | EFT | General Ledger |
| 01/30/2020 | EFT0003081 | To record CalPERS PEPRA Pmt PPE 1/5/20 | -1,198.20 | EFT | General Ledger |
| 01/23/2020 | EFT0003089 | To record CalPERS Classic Pmt PPE 1/5/20 | -6,209.34 | EFT | General Ledger |
| 02/01/2020 | EFT0003090 | To record CalPERS PEPRA Pmt PPE 1/5/20 | -1,198.20 | EFT | General Ledger |
| 01/28/2020 | EFT0003091 | To record Tasc Flex Claim Pmt PPE 1/19/20 | -777.07 | EFT | General Ledger |
| 01/24/2020 | EFT0003092 | EDD StatePayroll Tax | -2,029.69 | EFT | General Ledger |
| 01/24/2020 | EFT0003094 | ro record IRS Fed Payroll Tax PE 1/1920 | -6,751.05 | EFT | General Ledger |
| 01/17/2020 | EFT0003095 | to record EDD State Payroll Tax - 4th Quarter 941 | -1,997.68 | EFT | General Ledger |
| 01/23/2020 | EFT0003096 | To record Bank Account Analysis Fees | -430.71 | EFT | General Ledger |
| 01/29/2020 | EFT0003097 | To record payroll fee payment | -282.10 | EFT | General Ledger |
| 01/24/2020 | EFT0003098 | To record CalPERS 457 Pmt - PPE 1/19/20 | -600.00 | EFT | General Ledger |
| 01/31/2020 | EFT0003100 | To record payroll fee payment | -121.33 | EFT | General Ledger |
| Bank Account 251229590 Total: (77) | | | -309,311.46 | | |
| Report Total: (77) | | | -309,311.46 | | |

Bank Transaction Report

Bank Account
[251229590 CBB Checking](#)

| | Count | Amount |
|----------------------|--------------|--------------------|
| | 77 | -309,311.46 |
| Report Total: | <u>77</u> | <u>-309,311.46</u> |

Cash Account
****No Cash Account****
[99 99-111000 Cash in CBB - Checking](#)

Report Total:

| | Count | Amount |
|----------------------|--------------|--------------------|
| | 1 | 0.00 |
| | 76 | -309,311.46 |
| Report Total: | <u>77</u> | <u>-309,311.46</u> |

Transaction Type

Check
EFT

| | Count | Amount |
|----------------------|--------------|--------------------|
| Check | 64 | -280,043.12 |
| EFT | 13 | -29,268.34 |
| Report Total: | <u>77</u> | <u>-309,311.46</u> |



Helendale Community Services District

Date: February 6, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop / Cheryl Vermette
SUBJECT: Agenda item #3c
District Calendar

The following modifications have been made to the District Calendar:

- Concert series moved from June-October to May-September
- Spring Clean-up
Day moved to May 2 to accommodate County's Haz Mat collection
- Open gym closure added for November 29, 2020

2020 HELENDALE CSD CALENDAR

Approved 2/6/2020

| January | | | | | | |
|---------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
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| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

| February | | | | | | |
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| March | | | | | | |
|-------|----|----|----|----|----|----|
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| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

| April | | | | | | |
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| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | | |

| May | | | | | | |
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| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

| June | | | | | | |
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| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
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| July | | | | | | |
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| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |









| August | | | | | | |
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| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
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| September | | | | | | |
|-----------|----|----|----|----|----|----|
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| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | | |

| October | | | | | | |
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| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

| November | | | | | | |
|----------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
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| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | | | | | |

| December | | | | | | |
|----------|----|----|----|----|----|----|
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| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

| | |
|--|-----------------------------------|
|  | HOLIDAY |
|  | COMMUNITY CLEAN UP DAYS |
|  | HCSO 13TH OPERATIONAL ANNIVERSARY |
|  | HCSO BOARD MEETING |
|  | PARK & REC COMMITTEE MEETING |
|  | OPEN GYM CLOSED |
|  | CONCERT IN THE PARK |
|  | NATIONAL NIGHT OUT |

| HOLIDAYS | | | |
|----------|------------------------|------------|----------------|
| Jan. 1 | New Year's Day | Sept. 7 | Labor Day |
| Jan. 20 | Martin Luther King Day | Nov. 11 | Veterans Day |
| Feb. 17 | Presidents Day | Nov. 26-27 | Thanksgiving |
| May 25 | Memorial Day | Dec. 24-25 | Christmas |
| July 3 | Independence Day | Dec. 31 | New Year's Eve |

* FARMER'S MARKET EVERY WEDNESDAY
 * YOUTH BASKETBALL JANUARY 11 - MARCH 7



Helendale Community Services District

Date: February 6, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
Discussion and Possible Action Regarding First Reading of Proposed Ordinance 2020-01: An Ordinance of the Board of Directors of the Helendale Community Services District Establishing Policies on Discontinuation of Residential Water Service for Non-Payment

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding this matter.

STAFF REPORT:

In January, Staff and Counsel presented a draft policy responsive to the requirements of SB998. Work has continued to be done to the draft policy to further refine the policy. After extensive effort the draft policy is ready for presentation at the public meeting and the public hearing. A presentation will be made and input is invited and welcomed. It is the District's goal to make the policy compliant with the law yet understandable. District's Legal Counsel has reviewed the policy to ensure it complies with SB998.

In addition, SB998 requires modification to other policies and procedures to ensure consistency with the new legislation. These policies will be brought to the Board over the next few meetings. Staff will be working on internal administrative procedures as well to ensure the implementation of SB998 is accurate and there are no conflicts between administrative practices and the new law.

Background: SB998 known as the Water Shutoff Protection Act is intended among other things to allow customer's ample time to pay their water bill prior to disconnection by mandating a 60-day timeframe prior to disconnection. SB998 is codified into the Health and Safety Code sections 116900-116926.

The draft Policy presented for consideration must be translated into five languages along with certain verbiage on the bill form. The disconnection notification period is expanded from a 48-hour notification to a seven business day notification. There are expanded requirements for posting notification at a residence. The law also included a particular scenario in which the District cannot disconnect water service. Further SB998 requires for low income households that the reconnection fee cannot exceed \$50, after-hours reconnection fee cannot exceed \$150 and interest is to be

waived once per year. The Board, upon review, extended this consideration to all residential customers. There are additional considerations related to tenants that have been incorporated into the draft policy. The District will be required to contact a tenant in writing in the event of a pending water disconnection and allow the opportunity for a tenant in certain circumstances to become a customer of the District with or without the owner's approval.

Other Considerations: The District bills monthly not only for water but also for wastewater services and trash. The protracted payment period is anticipated to have an impact on the cash flow, however, the degree to which will not be known for a few months. Further, the law requires, under certain circumstances that the District enter into payment arrangements with customers who meet certain criteria which is also impact cash flow to a lesser degree due to the anticipated low number of payment arrangements.

The Board elected to provide additional considerations for all customers:

- Up to a two-week extension to any customer for any reason once per year
- One-time disconnection fee waiver
- One-time late fee waiver

This consideration is responsive to language in SB998 suggesting consideration of a partial or full reduction in an unpaid balance for those meeting specific criteria contemplated in Health and Safety Code 116910(a)3(C).

Process: The implementation of SB998 requires the District to modify numerous policies to ensure compliance. Over the next few meetings Staff will be presenting policies for consideration and modification to ensure the District's compliance.

FISCAL IMPACT: Additional Staff time due to implementation of legislative requirements.
Lag in cash flow due to extended payment timeframe.

POSSIBLE MOTION: Waive full reading of Ordinance 2020-01 and move it forward to the public hearing scheduled for February 20, 2020.

ATTACHMENTS: Proposed Ordinance 2020-01
Government Code Section 116900-116926



ORDINANCE 2020-01

**ORDINANCE OF THE BOARD OF DIRECTORS
OF THE HELENDALE COMMUNITY SERVICES DISTRICT
ESTABLISHING POLICIES ON DISCONTINUATION OF
RESIDENTIAL WATER SERVICE FOR NON-PAYMENT**

WHEREAS, Helendale Community Services District (“District”) is a public agency created under the Community Services District Law, California Government Code Section 61000 et seq., to, among other purposes, provide water service to the water users within the boundaries of the District; and

WHEREAS, pursuant to applicable law, including but not limited to Government Code Sections 61060(b) and 61100(a), the District’s Board of Directors is authorized to establish by ordinance the rules and regulations for water service by the District.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Helendale Community Services District as follows:

SECTION 1. POLICY. The Policy on Discontinuation of Residential Water Service for Non-Payment attached hereto and incorporated herein by this reference is hereby adopted.

SECTION 2. ENFORCEMENT OFFICER. The District’s General Manager is hereby declared and appointed as the enforcement officer of this Ordinance, and shall be empowered to take such other actions as authorized herein, or as may otherwise be authorized by the District’s Board of Directors or be reasonably necessary, for enforcement of the Ordinance.

SECTION 3. RESERVATION OF RIGHTS. All remedies set forth in this Ordinance are herein declared to be cumulative and non-exclusive, and shall not preclude the District from enforcing any other rights or remedies to discontinue service and/or otherwise enforce this Ordinance or any other rules and regulations of the District.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decisions shall not affect the validity of the remaining portions of this Ordinance.

SECTION 5. PUBLICATION AND POSTING. The District’s General Manager is hereby directed to cause the full text of this Ordinance to be posted at the District office, and a summary thereof to be published in a newspaper of general circulation in the District, within ten (10) days after adoption with the names of the directors voting for and against the adoption.

SECTION 6. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its adoption and shall supersede any inconsistent provisions of the District's rules and regulations for residential water service.

APPROVED AND ADOPTED this 20th day of February 2020.

President, Board of Directors

STATE OF CALIFORNIA)
)
COUNTY OF SAN BERNARDINO)

I, Sandy Haas, Secretary of the Board of Directors of the Helendale Community Services District, do hereby certify that the foregoing Ordinance, being Ordinance No. 2020-01 was duly adopted by the Board of Directors of said District at a regular meeting of said Board held on February 20, 2020, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Secretary of the Helendale Community Services District and of the Board of Directors thereof

SEAL

**HELENDALE COMMUNITY SERVICES DISTRICT
POLICY ON DISCONTINUATION OF
RESIDENTIAL WATER SERVICE FOR NON-PAYMENT**

Notwithstanding any other policy or rule of the Helendale Community Services District, this Policy on Discontinuation of Residential Water Service for Non-Payment shall apply to the District's discontinuation of residential water service for non-payment under the provisions set forth herein. It is the intent of this policy to comply with Government Code Sections 60370-60375.5 and Health and Safety Code ("HSC") Sections 116900-116926. In the event of any conflict between this Policy and applicable law, applicable law shall govern.

I. **Application of Policy; Contact Telephone Number; Translations:** This policy shall apply only to residential water service for non-payment and the District's existing policies and procedures shall continue to apply to all other service accounts. The CSD can be reached at 760-951-0006 for assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service. Translations of this Policy shall be available in English and in the languages listed in Section 1632 of the Civil Code at the District offices, on the District website, and shall be made available as otherwise required.

II. **Discontinuation of Residential Water Service for Non-Payment:**

A. Billing:

1. **Rendering and Payment of Bills:** Bills for water service will be rendered to each customer on a monthly basis. Bills for service are due and payable upon presentation. Bills are late as of the tenth (10th) day of each month with late fees posting to the account on the first normal business day of each month. Residential bills become overdue and subject to discontinuation of service if not paid within sixty (60) days from the date of the bill. Payment may be made at the Helendale Community Services District office, on-line, pay by phone, auto debit or auto credit transaction or through the night-drop box located at the office. It is the customer's responsibility to assure that payments are received at the office in a timely manner. Partial payments are not authorized unless prior approval has been received from the CSD.
2. **Monthly Bills:** On or near the first of each month a new bill will be sent to the customer. This bill will include the current amounts due, enumerate any past due amounts and list the date by which past due payment must be received to avoid discontinuation of service.

B. Overdue Bills:

1. **Disconnection for nonpayment:** The District shall not disconnect/shut-off/discontinue water service for nonpayment until the account has been delinquent for at least sixty (60) days. No less than seven (7) business days before

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

discontinuation of residential water service for nonpayment, the District shall contract the customer named on the account by telephone or written notice.

2. **Customer Contact:** If the District is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place, a notice of imminent discontinuation of service for nonpayment along with a copy of the District's Policy for Discontinuation of Residential Water Service for Nonpayment.
3. **Reconnection of Service:** Customers whose water service has been disconnected may contact the District by telephone or in person regarding reconnection of water service. Restoration of water service will be subject to payment of all delinquent charges on the account plus any additional fees or charges, (including but not limited to disconnection, reconnection, past due, late fees, service fees and deposit), resulting from the disconnection and reconnection process plus any deposits that may be required by the District.
4. **Notices:**
 - a. The District may not terminate residential service on account of non-payment of a delinquent account unless the District first gives notice of the delinquency and impending termination at least ten (10) days prior to the proposed termination, by means of a notice mailed, postage prepaid, to the customer to whom the service is billed not earlier than nineteen (19) days from the date of mailing the District's bill for services, and the ten (10) day period shall not commence until five (5) days after the mailing of the notice. [Government Code Section 60373(a)]
 - b. No less than seven (7) business days before disconnection of residential water service for nonpayment, the District shall contact the customer named on the account by telephone or written notice of any delinquency and impending disconnection of water service. When the District contacts the customers by telephone the District shall offer to provide, inwriting to the customer, the policy on discontinuation of residential service for nonpayment. The District shall offer to discuss options to avert discontinuation of residential service for nonpayment, including but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal. [HSC Section 116908(a)(1)(A) and (B)]
 - c. When the District contacts the customer named on the account by written notice pursuant to subdivisions (a) and (b) above, the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant". A post office box will be considered the customer's address. The notice shall include, but is not limited to, all of the following information in a clear and legible format [Government Code Section 60373(c) and HSC Section 116908(a)(1)(C)]:

- (1) The name and address of the customer whose account is delinquent
 - (2) The amount of the delinquency
 - (3) The date by which payment or arrangements for payment is required in order to avoid termination
 - (4) A description of the process to apply for an extension of time to pay delinquent charges
 - (5) A description of the procedure to petition for bill review and appeal
 - (6) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges
 - (7) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the unpaid charges, consistent with the written policies set forth herein.
 - (8) The procedure for the customer to obtain information on the availability of financial assistance, including private, local, State, or Federal sources, if applicable.
 - (9) The telephone number of a representative of the District who can provide additional information or institute arrangement for payment.
- d. The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least forty-eight (48) hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, the District shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination. [Government Code Section 60373(b)]
- e. If the District is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment. [HSC Section 116908(a)(2)]
- f. All written notices that are provided pursuant to HSC Section 116908 shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by ten percent (10%) or more of the customers in the District's service area.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

5. **Restrictions:** No termination of service may be affected without compliance with Section II.B.4 above, and any service wrongfully terminated shall be restored without charge for the restoration of service [Government Code Section 60373(e)]. The District shall not, by reason of delinquency in payment for any water services, cause cessation of those services on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the District are not open to the public (Government Code Section 60374).
 6. **Late Charge:** A Late Charge, as specified in the District's fees and charges, shall be assessed and added to the outstanding balance on the customer's account if the amount owing on that account is not paid before the due date specified on the bill.
 7. **Turn-Off Deadline:** Payment for water service charges must be received by the District no later than 5:30 p.m. on the date specified on prior billing notice(s) of impending termination. Postmarks are not acceptable.
 8. **Notification of Returned Check or Failed Automatic Debit Transaction (ACH):** Upon receipt of a returned check or failed ACH transaction rendered for water service or other charges, the District will consider the account not paid. The District will attempt to notify the customer via phone and/or posted notice at the residence. Water service will be disconnected if the amount of the returned check and returned check charge are not paid by the due date specified on the notice, which due date shall not be sooner than the date specified in the Notice of Impending Termination. To redeem a returned check and to pay a returned check charge, all amounts owing must be paid by credit/debit card, cashier's check or money order.
 9. **Returned Check Tendered as Payment for Water Service Disconnected for Nonpayment:**
 - a. If the check tendered and accepted as payment which resulted in restoring service to an account that had been disconnected for nonpayment is returned as non-negotiable, the District may disconnect said water service upon at least three (3) days' written notice. The customer's account may only be reinstated by receipt of outstanding charges in the form of a credit/debit card, cashier's check or money order. Once the customer's account has been reinstated, the account will be flagged for a one-year period indicating the fact that a non-negotiable check was issued by the customer. A deposit may be required to reinstate service.
 - b. If at any time henceforth, the customer's account is again disconnected for nonpayment, the customer will be required to pay by credit/debit card, money order or cashier's check to have said water service restored.
- C. **Conditions Prohibiting Discontinuation:** The District shall not discontinue residential water service if all the following conditions are met:

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

1. Health Conditions – The customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a resident;
 2. Financial Inability – The customer demonstrates he or she is financially unable to pay for water service within the District’s normal billing cycle. The customer is deemed “financially unable to pay” if any member of the customer’s household is: (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the customer declares the household’s annual income is less than 200% of the federal poverty level; and
 3. Alternative Payment Arrangements –The customer is willing to enter into an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment, consistent with the provisions of Section III, below.
- D. **Process for Determination of Conditions Prohibiting Discontinuation of Service:** The burden of proving compliance with the conditions described in Subdivision (C), above, is on the customer. In order to allow the District sufficient time to process any request for assistance by a customer, the customer is encouraged to provide the District with the necessary documentation demonstrating the medical issues under Subdivision (C)(1), financial inability under Subdivision (C)(2) and willingness to enter into any alternative payment arrangement under Subdivision (C)(3) as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the District’s General Manager, or his or her designee, shall review that documentation and respond to the customer within seven (7) days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the customer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the District will allow the customer to participate. If the District has requested additional information, the customer shall provide that requested information within five (5) days of receipt of the District’s request. Within five (5) days of its receipt of that additional information, the District shall either notify the customer that the customer does not meet the conditions under Subdivision (C), above, or notify the customer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the District will allow the customer to participate.
- E. Upon request by a water customer, the District will perform the following:
1. Reconnection Fees: Any reconnection fees during the District’s normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the CPI beginning January 1, 2021.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

2. Interest Waiver: The District shall waive interest charges (late fees) on delinquent bills once every 12 months.

F. Landlord-Tenant Scenario: The following procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record.

1. Required Notice:

- a. At least 10 days prior if the property is a multi-unit residential structure or mobile home park, or 7 days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the District must make a good faith effort to inform the tenants/occupants at the property by written notice that the water service will be discontinued.
- b. The written notice must also inform the tenants/occupants that they have the right to become customers to whom the service will be billed (see Subdivision 2, below), without having to pay any of the delinquent amounts. Delinquent charges will remain the responsibility of the property owner.

2. Tenants/Occupants Becoming Customers:

- a. The District is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the District's requirements and rules.
- b. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.
- c. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District's satisfaction, is a satisfactory equivalent.
- d. If a tenant/occupant becomes a customer of the District and the tenant's/occupant's rent payments include charges for residential water service where those charges are not separately stated, the tenant/occupant may deduct from future rent payments all reasonable charges paid to the District during the prior payment period.

III. **Alternative Payment Arrangements**: For any customer who meets the three conditions under Section II(C), above, in accordance with the process set forth in Section II(D), above,

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

the District shall offer the customer one of the following alternative payment arrangements, to be selected by the District in its discretion: (i) amortization of the unpaid balance under Subdivision (A), below; (ii) alternative payment schedule under Subdivision (B), below; (iii) partial or full reduction of unpaid balance under Subdivision (C), below; or (iv) temporary deferral of payment under Subdivision (D), below. The General Manager, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the customer and taking into consideration the customer's financial situation and District's payment needs. A customer is allowed one active payment arrangement at a time.

A. **Amortization:** Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section II(C), above, as the District shall confirm, may, if the District has selected this alternative, enter into an amortization plan with the District on the following terms:

1. **Term:** The customer shall pay the unpaid balance, with the administrative fee as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the District's General Manager or his or her designee. The unpaid balance, together with the applicable administrative fee, shall be divided by the number of months in the amortization period and that amount shall be added each month to the customer's ongoing monthly bills for water service.

2. **Administrative Fee:** For any approved amortization plan, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering the plan.

3. **Compliance with Plan:** The customer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. If the customer fails to comply with the terms of the amortization plan for sixty (60) days, or fails to pay the customer's current service charges for sixty (60) days, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.

B. **Alternative Payment Schedule:** Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section II(C), above, as the District shall confirm, may, if the District has selected this alternative, enter into an alternative payment schedule for the unpaid balance in accordance with the following:

1. **Repayment Period:** The customer shall pay the unpaid balance, with the administrative fee as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the District's General Manager or his or her designee.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

2. **Administrative Fee:** For any approved alternative payment schedule, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering the schedule.
 3. **Schedule:** After consulting with the customer and considering the customer's financial limitations, the District's General Manager or his or her designee shall develop an alternative payment schedule to be agreed upon with the customer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the District's established payment date, may provide for payments to be made more frequently than monthly, or may provide that payments be made less frequently than monthly, provided that in all cases, the unpaid balance and administrative fee shall be paid in full within twelve (12) months of establishment of the payment schedule. The agreed upon schedule shall be set forth in writing and be provided to the customer.
 4. **Compliance with Plan:** The customer must comply with the agreed upon payment schedule and remain current as charges accrue in each subsequent billing period. The customer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previously agreed upon schedule. If the customer fails to comply with the terms of the agreed upon schedule for sixty (60) days or more, or fails to pay the customer's current service charges for sixty (60) days or more, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.
- C. **Additional Payment Options:** Any customer within the District's normal payment period may be eligible for one or more of the following:
1. **Deferred Payment to avoid disconnection:** A payment extension of up to two weeks is available to customers one time per year. Applicable penalties will apply during the extension period. Failure to comply with payment extension will result in discontinuation of service upon a forty-eight (48) hour courtesy phone notification.
 2. **Reduced Fees:** A one-time disconnection fee waiver and a one-time late fee waiver are available to any customer upon request. These waivers are available one-time over the life of the account.

IV. Appeals: The procedure to be used to appeal the amount set forth in any bill for residential water service is as follows:

- A. **Time for Appeal:** Within ten (10) days of receipt of the bill for water service, but no later than the last business day of the month, the customer has a right to initiate a complaint or request an investigation regarding any bill or charge rendered by the

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

District. Such protest shall be made in writing and be delivered to the District's office. While the customer's appeal and any resulting investigation is pending, the District cannot discontinue water service to the customer.

- B. **Appeal Hearing:** Following receipt of a complaint or a request for an investigation, a hearing date shall be set before the General Manager, or his or her designee (the "Hearing Officer"). After evaluation of the evidence provided by the customer and the information on file with the District concerning the water charges in question, the Hearing Officer shall render a decision as to the accuracy of the water charges and shall provide the appealing customer with a brief written summary of the decision.
1. If water charges are determined to be incorrect, a corrected invoice will be provided and payment of the revised charges will be due within ten (10) days of the invoice date for revised charges. If the revised charges remain unpaid for more than sixty (60) days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) day period; provided that the District shall provide the customer with the Overdue Notice in accordance with Section II(B), above. Water service will only be restored upon full payment of all outstanding water charges, penalties, and any and all applicable reconnection charges.
 2.
 - a. If the water charges in question are determined to be correct, the water charges are due and payable at the time the Hearing Officer's decision is rendered. At the time the Hearing Officer's decision is rendered, the customer will be advised of the right to further appeal before the District's Board of Directors. Any such appeal must be filed in writing within seven (7) days after the Hearing Officer's decision is rendered and will be heard as soon as possible at the next regularly-agendized meeting of the District's Board of Directors, or at a special meeting of the District's Board of Directors as agreed upon by customer and District.
 - b. If the customer does not timely appeal to the District's Board of Directors, the water charges in question shall be immediately due and payable. In the event the charges are not paid in full within sixty (60) days after the original billing date, then the District shall proceed with the Notice of Impending Termination in accordance with Section II(B), above, and may proceed in potentially discontinuing service to the customer's property.
 3. When an appeal hearing before the Board of Directors is requested, such request shall be made in writing and delivered to the District at its office. The customer will be required to personally appear before the Board and present evidence and reasons as to why the water charges in question are not accurate. The Board shall evaluate the evidence presented by the customer, as well as the information on file with the District concerning the water charges in question, and render a decision as to the accuracy of said charges.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

a. If the Board finds the water charges in question are incorrect, the customer will be invoiced for the revised charges. If the revised charges remain unpaid for more than sixty (60) days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) day period; provided that the District shall provide the customer with the Notice of Impending Termination in accordance with Section II(B), above. Water service will be restored only after outstanding water charges and any and all applicable reconnection charges are paid in full.

b. If the water charges in question are determined to be correct, the water charges are due and payable at the time the decision of the Board is rendered. In the event the charges are not paid in full within sixty (60) days after the original billing date, then the District shall proceed with the Notice of Impending Termination in accordance with Section II(B), above, and may proceed in potentially discontinuing service to the customer's property.

c. Any overcharges will be reflected as a credit on the next regular bill to the customer, or refunded directly to the customer, at the sole discretion of the Board.

d. Water service to any customer shall not be discontinued at any time during which the customer's appeal to the District or its Board of Directors is pending.

e. The Board's decision is final and binding.

V. **Restoration of Service:** In order to resume or continue service that has been discontinued by the District due to non-payment, the customer may be required to pay a security deposit and will be required to pay a Reconnection Fee established by the District, subject to the limitation set forth in Section II(D), above. The District will endeavor to make such reconnection as soon as practicable as a convenience to the customer. The District shall make the reconnection no later than the end of the next regular working day following the customer's request and payment of any applicable Reconnection Fee.

VI. **Unauthorized Action:** This policy does not apply to the termination of a service connection by the District due to an unauthorized action of a customer.

HEALTH AND SAFETY CODE - HSC

DIVISION 104. ENVIRONMENTAL HEALTH [106500 - 119406]

(Division 104 added by Stats. 1995, Ch. 415, Sec. 6.)

PART 12. DRINKING WATER [116270 - 117130]

(Part 12 added by Stats. 1995, Ch. 415, Sec. 6.)

CHAPTER 6. Discontinuation of Residential Water Service [116900 - 116926]

(Chapter 6 added by Stats. 2018, Ch. 891, Sec. 2.)

116900.

This chapter shall be known, and may be cited, as the Water Shutoff Protection Act.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116902.

For the purposes of this chapter, the following definitions apply:

- (a) "Board" means the State Water Resources Control Board.
- (b) "Public water system" has the same meaning as defined in Section 116275.
- (c) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.
- (d) "Urban and community water system" means a public water system that supplies water to more than 200 service connections.
- (e) "Urban water supplier" has the same meaning as defined in Section 10617 of the Water Code.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116904.

- (a) An urban water supplier not regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020.
- (b) An urban and community water system regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020. The urban and community water system regulated by the Public Utilities Commission shall file advice letters with the commission to conform with this chapter.
- (c) An urban and community water system not described in subdivision (a) or (b) shall comply with this chapter on and after April 1, 2020.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116906.

(a) An urban and community water system shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The policy shall include all of the following:

- (1) A plan for deferred or reduced payments.
- (2) Alternative payment schedules.
- (3) A formal mechanism for a customer to contest or appeal a bill.
- (4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) The policy shall be available on the urban and community water system's Internet Web site, if an Internet Web site exists. If an Internet Web site does not exist, the urban and community water system shall provide the policy to customers in writing, upon request.

(c) (1) The board may enforce the requirements of this section pursuant to Sections 116577, 116650, and 116655. The provisions of Section 116585 and Article 10 (commencing with Section 116700) of Chapter 4 apply to enforcement undertaken for a violation of this section.

(2) All moneys collected pursuant to this subdivision shall be deposited in the Safe Drinking Water Account established pursuant to Section 116590.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116908.

(a) (1) (A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system shall contact the customer named on the account by telephone or written notice.

(B) When the urban and community water system contacts the customer named on the account by telephone pursuant to subparagraph (A), it shall offer to provide in writing to the customer the urban and community water system's policy on discontinuation of residential service for nonpayment. An urban and community water system shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(C) When the urban and community water system contacts the customer named on the account by written notice pursuant to subparagraph (A), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

(i) The customer's name and address.

(ii) The amount of the delinquency.

(iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.

(iv) A description of the process to apply for an extension of time to pay the delinquent charges.

(v) A description of the procedure to petition for bill review and appeal.

(vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 116906.

(2) If the urban and community water system is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the urban and community water system shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.

(b) If an adult at the residence appeals the water bill to the urban and community water system or any other administrative or legal body to which such an appeal may be lawfully taken, the urban and community water system shall not discontinue residential service while the appeal is pending.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116910.

(a) An urban and community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (a) are met, the urban and community water system shall offer the customer one or more of the following options:

(A) Amortization of the unpaid balance.

(B) Participation in an alternative payment schedule.

(C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.

(D) Temporary deferral of payment.

(2) The urban and community water system may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. An urban and community water system may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

(3) Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

(A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

(B) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116912.

An urban and community water system that discontinues residential service for nonpayment shall provide the customer with information on how to restore residential service.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116914.

(a) For a residential customer who demonstrates to an urban and community water system household income below 200 percent of the federal poverty line, the urban and community water system shall do both of the following:

(1) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, an urban and community water system shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(2) Waive interest charges on delinquent bills once every 12 months.

(b) An urban and community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116916.

(a) This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.

(b) If an urban and community water system furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the urban and community water system shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(c) The urban and community water system is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the urban and community water system's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the urban and community water system of selectively terminating service to those residential occupants who have not met the requirements of the urban and community water system's rules and tariffs, the urban and community water system shall make service available to those residential occupants who have met those requirements.

(d) If prior service for a period of time is a condition for establishing credit with the urban and community water system, residence and proof of prompt payment of rent or other credit obligation acceptable to the urban and community water system for that period of time is a satisfactory equivalent.

(e) Any residential occupant who becomes a customer of the urban and community water system pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the urban and community water system for those services during the preceding payment period.

(f) In the case of a detached single-family dwelling, the urban and community water system may do any of the following:

(1) Give notice of termination at least seven days prior to the proposed termination.

(2) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116918.

An urban and community water system shall report the number of annual discontinuations of residential service for inability to pay on the urban and community water system's Internet Web

site, if an Internet Web site exists, and to the board. The board shall post on its Internet Web site the information reported.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116920.

(a) The Attorney General, at the request of the board or upon his or her own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in this chapter to be unlawful.

(b) For an urban and community water system regulated by the Public Utilities Commission, the commission may bring an action in state court to restrain by temporary or permanent injunction the use by an urban and community water system regulated by the commission of any method, act, or practice declared in this chapter to be unlawful.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116922.

All written notices required under this chapter shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the urban and community water system's service area.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116924.

Where provisions of existing law are duplicative of this chapter, compliance with one shall be deemed compliance with the other. Where those provisions are inconsistent, the provisions of this chapter shall apply. Nothing in this chapter shall be construed to limit or restrict the procedural safeguards against the disconnection of residential water service existing as of December 31, 2018.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116926.

This chapter does not apply to the termination of a service connection by an urban and community water system due to an unauthorized action of a customer.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)



Helendale Community Services District

Date: February 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Adoption of Revised Deposit and Application Policy

STAFF RECOMMENDATION:

Staff request approval of this item.

STAFF REPORT:

In light of the proposed policy on Discontinuation of Residential Water Service for Non-Payment, Staff has been reviewing many other policies that require modification to ensure consistency with the new regulations. Over the next several meetings Staff will be presenting the policies and the necessary modifications. This is an excellent opportunity to review, revise and improve our processes for the benefit of our customers.

The Deposit and Application include several modification related to SB998 and additional changes that improve the policy in general. Staff will provide a review of the policy in its entirety.

Section A(4)(c) and A(6) clarifies the process for running a credit check for existing customers.

Section D(1,2,3) is an excerpt from the Discontinuation of Water Service policy while D(4,5) imposes administrative conditions where the law is silent.

Section 3(A)(1) discusses how the deposit is calculated. Staff is requesting that the amount be reinstated as 3-months of usage at a property rather than 2-months. Staff has found that two-months of deposits do not in most cases cover the closing bill.

Section 3(A)(5) defines a high-risk customer which is important in requiring deposits in the future.

Section 7 clarifies responsibility of notification

Section 8(2) clarified reinstatement for ACH

FISCAL IMPACT: None

POSSIBLE MOTION: Adopt Revised Deposit and Application Policy with an effective date of 4/1/2020

ATTACHMENTS: Draft Deposit and Application Policy

HELENDALE COMMUNITY SERVICES DISTRICT

Deposit and Application Policy and Procedures

Effective 4/1/2020

Section 1. Purpose

The purpose of this policy is to establish the water and sewer and trash 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 an 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 or e-mail. The District Office is 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 or e-mail an original copy must be notarized and delivered to the office. A previously 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 California, 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~~ more of the following:

- a. By reference of District records;
- b. By written statements reflecting payment experience with other water and sewer ~~companies~~ service providers;
- c. By running a credit check on applicant(s) to determine credit worthiness. For existing customers ~~a~~ credit check will only be run if customer has had ~~less than~~ no more than three (3) late payments and not disconnection of water service in the past twelve (12) months of service with the District.

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

6. Written Statements reflecting payment experience, or in person credit check must be received/completed within 3 weeks of close of escrow. Deposit will not be waived if letter of credit is not received by the timeframe listed above or if the credit check has not been completed within that timeframe.

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) and last four digits of Social Security number of person(s) liable for payment of the bill. Additional information shall include Owner's or Agent's home, cell, 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~~ a property 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. In the event, water, sewer, or trash service has been turned off due to non-payment of balance, Water 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), and last four digits of Social Security number of person(s) liable to the property owner for the rental/lease of said property. Additional information shall include tenant home, cell, 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.

D. Tenant Water Disconnection (HSC Section 116916).

In the event of a water service disconnection involving an unknown or known tenant the District will inform the tenant(s)/occupant(s) of options listed below:

1. The District is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the District's requirements and rules.
2. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.
3. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District's satisfaction, is a satisfactory equivalent.
4. Proof of Legal Tenancy will be required as a condition of service. A tenant shall be required to provide proof of legal occupancy, such as a rental agreement, lease agreement, cancelled checks to the owner of record, and/or notarized document by the owner of record of the property, in order to be considered an acceptable applicant for water services.
5. Termination of Assignment: In the event that the water service established under the terms and conditions listed herein becomes disconnected for nonpayment said service shall no longer be deemed eligible for assignment of the account. Assignment of the customer account will be terminated and the customer account shall revert to the owner.

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. The minimum deposits shall be determined based upon the basic monthly meter size charges and sewer charges multiplied by three. In the event of a new residential service connection (new construction), the deposit shall be equal to 2-3 months of 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 or wastewater 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. 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 three (3) or more past delinquency, and one (1) or more turnoffs for non-payment, and/or one (1) or more returned checks to place a security deposit with the District to secure the District’s customers from significant financial losses resulting from the non-payment of bills. Deposit amount is a factor of calculating three months of usage by the rates.

6. In lieu of paying a deposit the new residential owner or tenant can opt for a credit check. Once obtained by District staff, in the exercise of its sole discretion, the deposit may be waived. (See Exhibit A Deposit Waiver Option.)

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 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. Responsibility of notification:

a. ~~1. Sale of property: When a property owner sells a property where service has been established and a security deposit is still on file, it is the owner's responsibility to notify the District of the termination of ownership.~~

b. Tenant vacancy: When a tenant intends to vacate a property where service has been established in tenants name, it is the tenant's responsibility to notify the District of the termination of tenancy.

2. Foreclosure: Foreclosure is not a termination of ownership and not refund of deposit will be processed.

~~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.~~

~~1. — 3. — 2.~~ Upon notice of service termination, a final meter reading (where applicable) shall establish all charges for service then due.

~~4.~~

~~— 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.

~~4.5.~~ Any and all charges on the final bill that exceed the deposit on ~~reserve account~~ shall be the responsibility of the owner ~~or of record or~~ tenant of record for payment. Any utility balance left unpaid by ~~the a~~ tenant shall become the responsibility of the owner.

~~5.6.~~ 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. This service deducts the payment on the last day of the billing cycle and ensures the customer is not charged a late fee.

2. Customers enrolled in the program can only have two (2) occurrences of Non-Sufficient Funds within a twelve-month period. After the second NSF occurrence, the District shall ~~have the option of canceling remove~~ the customer's participation in the ACH Payment Plan. Upon twelve (12) months of on-time payments the customer can re-apply for the ACH program.

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 prior deposit and application policy and procedures adopted by the Board of Directors of the Helendale Community Services District.

EXHIBIT A

DEPOSIT WAIVER OPTION

| LEVEL | CREDIT SCORE RANGE | DECISION |
|--------------|---------------------------|-------------------------------------|
| GREEN | 700-850 | WAIVE DEPOSIT |
| RED | Under 700 | COLLECT 2 3x AVG BILL |

A customer wishing to have his/her credit score run will be required to pay the direct costs for this service. Currently the cost is \$5 and may be adjusted from time to time. Refer to the fee package for costs.



Helendale Community Services District

Date: February 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Adoption of Revised Returned Check and Failed Pre-Authorized Payment Policy and Procedures

STAFF RECOMMENDATION:

Staff request approval of this item.

STAFF REPORT:

In light of the proposed policy on Discontinuation of Residential Water Service for Non-Payment, Staff has been reviewing many other policies that require modification to ensure consistency with the new regulations. Over the next several meetings Staff will be presenting the policies and the necessary modifications. This is an excellent opportunity to review, revise and improve our processes for the benefit of our customers.

The Returned Check and Failed Pre-Authorized Payment Policy includes several modifications related to SB998 and additional changes that improve the policy in general. Staff will provide a review of the policy in its entirety.

Section 3 is added to provide clarity and synthesis with SB998 requirements.

Section 4 has been modified to provide greater clarity regarding the process.

Section 5 has been modified to provide greater clarity regarding the process related to reinstatement of Check or ACH payment privileges.

FISCAL IMPACT: None

POSSIBLE MOTION: Adopt Revised Returned Check and Failed Pre-Authorized Payment Policy and Procedures with an effective date of 4/1/2020

ATTACHMENTS: Draft Returned Check and Failed Pre-Authorized Payment Policy and Procedures

HELENDALE COMMUNITY SERVICES DISTRICT
Returned Check and Failed Pre-Authorized Payment Policies & Procedures
Effective 4/1/2020

Section 1. Purpose

These procedures are intended to outline the steps that are to be taken in the event of one or more ~~a returned check(s), and multiple returned checks or failed pre-authorized payment(s)~~ from a customer.

Section 2. Returned Check ~~Payment~~

- 1) A customer makes payment in the form of a check and that payment is returned (for non-sufficient funds, bank account is closed, etc.)

Section 3. Processing a Returned Check ~~Payment~~

- 1) ~~Customer is notified of returned item and has 48 hours to make good on payment. Form of payment must be money order and must include a returned check fee. Notification of Returned Check or Failed Automatic Debit Transaction (ACH): Upon receipt of a returned check or failed ACH transaction rendered for service or other charges, the District will consider the account not paid. The District will attempt to notify the customer via phone and/or posted notice at the residence. Water service will be disconnected if the amount of the returned item and returned check charge are not paid by the due date specified on the notice, which due date shall not be sooner than the date specified in the Notice of Impending Termination. To redeem a returned check and to pay a returned check charge, all amounts owing must be paid by credit/debit card, cashier's check or money order. In the event credit or debit card payment failed, customer must pay with money order or cashier's check.~~
- 2) Returned Check Tendered as Payment for Water Service Disconnected for Nonpayment:
 - a. If the check tendered and accepted as payment which resulted in restoring service to an account that had been disconnected for nonpayment is returned as non-negotiable, the District may disconnect said water service upon at least three (3) days' written notice. The customer's account may only be reinstated by receipt of outstanding charges in the form of a credit/debit card, cashier's check or money order. Once the customer's account has been reinstated, the account will be flagged for a one-year period indicating the fact that a non-negotiable check was issued by the customer. A deposit may be required to reinstate service.

b. If at any time henceforth, the customer's account is again disconnected for nonpayment, the customer will be required to pay by credit/debit card, money order or cashier's check to have said water service restored.

~~1)~~

Section 4. ~~Money Order Only~~No Check Status

1) When the customer has presented ~~more than one check~~two or more checks that resulted in non-sufficient funds within a 12-month period, their account is flagged to not accept checks.

2) When a customer has had two or more failed pre-authorized payments within a 12-month period, their account is flagged to not accept pre-authorized payments.

~~1)3)~~ When a customer has presented one check resulting in non-sufficient funds and one failed pre-authorized payment within a 12-month period, their account is flagged to not accept the forms of payment discussed above.

Section 5. Length of "No Checks Accepted" Status

~~1) Customer must make all future payments in the form of a money order, cashier's check, credit card, or debit card.~~

~~2)1)~~ After customer has 12 consecutive payments with no late fees, on-time payments, the customer can begin presenting payment in the form of a check or pre-authorized payment, or continue with the forms of payments listed in Section 5.1.



Helendale Community Services District

Date: February 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Nomination of Special District Regular Member on the Local Agency Formation Commission

STAFF RECOMMENDATION:

Staff request approval of this item.

STAFF REPORT:

Every two years the Board has the opportunity to select representation for the Local Agency Formation Commission. Attached for your use is information related to one Regular member seat. Special District's has two Regular representatives and one Alternate representative. Two years ago the Board selected a Regular member and an Alternate member. This cycle the Board is to select the other Regular member who is on a staggered term.

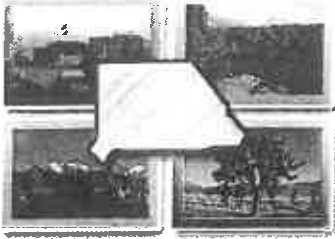
The purpose of the action for consideration is to submit a nomination for the Regular member. The Board may or may not choose to submit a nominee. Nominations are due on March 9 after which the ballots will be sent to all Special District for consideration.

For the past 14 years the District's General Manager has filled that position.

FISCAL IMPACT: None

POSSIBLE MOTION: Select a nominee for Lafco Regular Member

ATTACHMENTS: LAFCO Documents.



LAFCO

Local Agency Formation Commission for San Bernardino County

1170 West 8th Street, Unit 150
San Bernardino, CA 92415-0480
909.389.0400 | Fax: 909.388.0451
lafco@lafco.sbcounty.gov
www.lafco.org

COMMISSIONERS

JIM BAGLEY
Public Member

DR. KIMBERLY COX
Special District

JAMES V. DURATALO, Vice Chair
Special District

ROBERTA L. LOMINGOOD
Board of Supervisors

LARRY MCCALLON, Chair
City Member

DAWN FOWE
Board of Supervisors

AGLIANETTA WARREN
City Member

ALTERNATES

LOUISA NEUSTRAD AMIS
Public Member

RICK DENSON
City Member

STEVEN FARRELL
Special District

JANICE RUTHERFORD
Board of Supervisors

EXECUTIVE OFFICER

SAMUEL MARTINEZ

LEGAL COUNSEL

PAULA DE SOUSA

January 29, 2020

TO: Presidents of the Boards of Directors of the
Independent Special Districts in San Bernardino
County

SUBJECT: Special Districts Selection Committee

This letter will officially open the nomination period for the position of Regular Special District member on the Local Agency Formation Commission (LAFCO) for San Bernardino County. The regular voting member position is currently held by Kimberly Cox, of whom have indicated a desire to run again. The term of office is scheduled to expire May 4, 2020 pursuant to the provisions of Government Code Section 56334. The nomination period for this position will be 34 days, opening on Wednesday, February 5, 2020, and ending at the close of business at 5:00 p.m. on Monday, March 9, 2020.

Nominations for the position will need to be submitted by District Board vote. The signed original nomination form, with the name of each voting Board Member outlined, must be received in the LAFCO office by 5:00 p.m. on **March 19, 2020**, or the nomination will be declared invalid.

Enclosed with this letter is a sample nomination form for the positions outlining the date of the action and District Board vote. Nominations submitted without a date will be returned to the District and will need to be re-submitted within the nomination period in order to be considered valid. If only a single candidate is nominated for the position, pursuant to the provisions of Government Code Section 56332(f)(2), that candidate shall be deemed selected with no further vote required.

At the end of the nomination period, LAFCO staff will prepare and send, by certified mail, to each independent special district a ballot with the candidates nominated and the voting instructions.

A long-standing policy of the Selection Committee is to encourage balanced geographic representation with valley, desert and mountain districts seated on the Commission as voting or alternate members. The position up for nomination is represented by the desert area and the incumbent represents a county water district. A copy of the Policy Statement is attached for your information.

Please let me know if you have any questions concerning the nomination process. You may contact me at the address listed above, by email at smartinez@lafco.sbcounty.gov, or by phone at (909) 388-0480.

Sincerely,


SAMUEL MARTINEZ
Executive Officer

SM/lj

Enclosures:

- 1) Regular Member Nomination Form
- 2) Policy Statement

**NOMINATION FOR
REGULAR SPECIAL DISTRICT MEMBER
MEMBER OF THE
LOCAL AGENCY FORMATION COMMISSION**

The _____
(Name of District)

hereby nominates the following person for the position on the Local Agency
Formation Commission

_____ REGULAR SPECIAL DISTRICT MEMBER
(Name of Nominee)

I, _____, do hereby certify that at its regularly
(Name of President or Designee of District)
scheduled meeting of _____, the Board of Directors voted to
nominate the above-identified candidate for the Regular Special District Member
of the Local Agency Formation Commission of San Bernardino County, by the
following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

District President/Authorized Board Member

Dated: _____

Attach – Letter of Interest or Resume of Nominee

SECTION VI
SPECIAL DISTRICTS

CHAPTER 1: INTRODUCTION AND POLICIES

INTRODUCTION:

In 1975 the San Bernardino LAFCO received a request from the independent special districts within the County to approve the seating of Special Districts on the Commission pursuant to the provisions of the Knox-Nisbet Act (the predecessor of the Cortese-Knox-Hertzberg Reorganization Act of 2000). The original rules and regulations were adopted concurrent with an order for representation on the Commission by Independent Special Districts in 1976. As a function of the seating of Special Districts within San Bernardino County an inventory of the existing functions and classes of service were to be determined. The process that was undertaken at that time was that the Commission would:

1. Classify the various types of services which customarily are or can be provided within a single function of a special district.
2. Require existing districts to file written statements with the commission specifying the functions or classes of service provided by such district.
3. Establish the nature, location, and extent of any functions or classes of service provided by existing districts
4. Determine that, except as otherwise authorized by such rules and regulations, no new or different function or class of service shall be provided by any existing district.

Once the inventory was completed, the rules and regulations did not apply to the extension or enlargement, within the boundaries of an existing district, of any function or service which the commission, pursuant to these rules and regulations, has established as currently being provided by such special district. A listing of the Special Districts and the authorized functions and services was historically identified as the "Exhibit A" but is now outlined in Chapter 3 of the Special Districts Section of the Manual.

The San Bernardino County Special Districts Association has historically offered its services to work with the special districts and San Bernardino LAFCO to provide assistance and coordination, to act as a forum to air and discuss problems affecting all special districts, and to provide a forum for the review of candidates for the Special District seats on the Commission.

- E. Those districts with Total Revenue of between \$2,000,000 to \$5,000,000 shall contribute an amount not to exceed \$5,000.
- F. Those districts with Total Revenue of less than \$2,000,000 shall be apportioned an amount to be determined by the ratio of each district's Total Revenue as compared to the Total Revenues whose share does not exceed \$5,000.

4. **CONVERSION TO ALL MAIL BALLOTING FOR SPECIAL DISTRICT SELECTION COMMITTEE BUSINESS** *(Adopted by Special District Vote April 2008)*

The business of the Special District Selection Committee shall be routinely conducted by mail. The procedures for such processing are outlined in Government Code Section 56332(f).

5. **SELECTION OF INDEPENDENT SPECIAL DISTRICT REPRESENTATIVES (REGULAR AND ALTERNATE) TO THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD** *(Adopted November 15, 2017)*

Effective July 1, 2018, the redevelopment oversight boards in each county in the State of California will be consolidated into one seven-member board (Health & Safety Code § 34179(j)). One of the members of the consolidated board "may be appointed by the independent special district selection committee established under Government Code Section 56332 for the types of special districts that are eligible to receive property tax revenues pursuant to the redevelopment agency (RDA) dissolution law. The Auditor-Controller/Treasurer/Tax Collector for San Bernardino County has requested that such representatives (regular and alternate) be selected.

Only the agencies that receive RDA funding are deemed eligible agencies for the purposes of appointing a special district representative and alternate to the countywide redevelopment oversight board per Health and Safety Code Section 34179(j)(3) and must be members of the Special Districts Selection Committee for San Bernardino County per Government Code Section 56332. In addition, eligibility requires special districts that have territory in the territorial jurisdiction of a former RDA and are eligible to receive property tax residual for the Redevelopment Property Tax Trust Fund (RPTTF) may serve on the new Oversight Board. In San Bernardino County, the committee members for the RPTTF-qualifying districts are:

- Apple Valley Fire Protection District
- Barstow Cemetery District
- Bear Valley Community Health Care
- Big Bear Airport District
- Big Bear Municipal Water District

SECTION VI **SPECIAL DISTRICTS**

CHAPTER 1: INTRODUCTION AND POLICIES

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POLICIES:

1. **METHOD OF SELECTION** *(Amended April 17, 2002)*

An Independent Special Districts Selection Committee shall be composed of the presiding officers of the legislative body of each independent special district located wholly within the County of San Bernardino and those containing territory within said County representing 50% or more of the assessed value of taxable property of each district. The Selection Committee shall appoint all independent special district representatives and alternate. Each member of the Selection Committee shall be entitled to one vote for each independent special district for which they are presiding officer. The meetings of the Selection Committee shall be in accordance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 et seq.

2. **SPECIAL DISTRICT REPRESENTATIVES** *(Amended April 17, 2002)*

It is the policy of San Bernardino LAFCO that special district representatives and alternate should represent districts located in the San Bernardino Valley area, the desert area, and the mountain area. Inasmuch as possible, they should not represent agencies that provide like service, (i.e., they should represent fire protection service, water service, sewer service, cemetery service, etc.). They shall be chosen as provided by the provisions within Government Code Section 56000 et seq.

3. **ALTERNATIVE FUNDING FORMULA** *(Adopted by Special District Vote July 2002; Amended by Special District Vote March 2, 2010)*

Pursuant to authority provided by Government Code Section 56381, the Independent Special Districts, by majority vote, have determined an Alternative Funding Formula to the Independent Special Districts' mandatory share of the LAFCO net operating costs as follows:

- A. Healthcare (Hospital) Districts shall be limited to payment of \$1,500 regardless of Total Revenue.
- B. Those districts with Total Revenue of more than \$50,000,000 shall pay \$30,000.
- C. Those districts with Total Revenue of between \$20,000,000 to \$50,000,000 shall pay \$20,000.
- D. Those districts with Total Revenue of between \$5,000,000 to \$20,000,000 shall pay \$10,000.

- E. Those districts with Total Revenue of between \$2,000,000 to \$5,000,000 shall contribute an amount not to exceed \$5,000.
- F. Those districts with Total Revenue of less than \$2,000,000 shall be apportioned an amount to be determined by the ratio of each district's Total Revenue as compared to the Total Revenues whose share does not exceed \$5,000.

4. CONVERSION TO ALL MAIL BALLOTING FOR SPECIAL DISTRICT SELECTION COMMITTEE BUSINESS (Adopted by Special District Vote April 2008)

The business of the Special District Selection Committee shall be routinely conducted by mail. The procedures for such processing are outlined in Government Code Section 56332(f).

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Effective July 1, 2018, the redevelopment oversight boards in each county in the State of California will be consolidated into one seven-member board (Health & Safety Code § 34179(j)). One of the members of the consolidated board "may be appointed by the independent special district selection committee established under Government Code Section 56332 for the types of special districts that are eligible to receive property tax revenues pursuant to the redevelopment agency (RDA) dissolution law. The Auditor-Controller/Treasurer/Tax Collector for San Bernardino County has requested that such representatives (regular and alternate) be selected.

Only the agencies that receive RDA funding are deemed eligible agencies for the purposes of appointing a special district representative and alternate to the countywide redevelopment oversight board per Health and Safety Code Section 34179(j)(3) and must be members of the Special Districts Selection Committee for San Bernardino County per Government Code Section 56332. In addition, eligibility requires special districts that have territory in the territorial jurisdiction of a former RDA and are eligible to receive property tax residual for the Redevelopment Property Tax Trust Fund (RPTTF) may serve on the new Oversight Board. In San Bernardino County, the committee members for the RPTTF-qualifying districts are:

- Apple Valley Fire Protection District
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- Bear Valley Community Health Care
- Big Bear Airport District
- Big Bear Municipal Water District

*San Bernardino LAFCO Policy and Procedure Manual
Section VI – Special Districts*

**Chino Basin Water Conservation District
Chino Valley Independent FPD
Crestline-Lake Arrowhead Water Agency
Hesperia Park and Recreation District
Hi-Desert Water District
Inland Empire Resource Conservation
Inland Empire Utilities Agency
Lake Arrowhead Community Services District
Mojave Desert Resource Conservation District
Mojave Water Agency
Monte Vista County Water District
Morongo Basin Healthcare District (formerly known as the Hi-Desert
Memorial Hospital District)
San Bernardino Valley Water Conservation District
San Bernardino Mountains Community Healthcare District
San Bernardino Valley Municipal Water District
Twenty-nine Palms Public Cemetery District
West Valley Water District
Yucaipa Valley Water District**

The San Bernardino LAFCO Executive Officer is responsible for conducting the business of the Special Districts Selection Committee for the RPTTF-qualifying appointment and pursuant to local procedures the committee's business shall be conducted by mail to nominate and appoint a representative and alternate. Elections by mail shall be conducted in accordance with Government Code Section 56332(f). The independent special district members appointed to the consolidated redevelopment oversight board shall be appointed by a majority of those RPTTF-qualifying committee members voting once a quorum has been established. The terms of office for regular and alternate committee members shall be staggered by action of the Oversight Board following its reorganization in July 2018.



Helendale Community Services District

Date: February 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion and Possible Action Regarding Review of Resolution 2019-04: A
Resolution of the Board of Directors of the Helendale Community Services District
Establishing Policies for Its Compensation, Reimbursement, and Ethics Training

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding this item.

STAFF REPORT:

The resolution requires annual review and was last discussed May 2019. District Legal Counsel will review the Resolution with the Board as it serves as one of the Board's governing documents. In light of the transition in Board compensation from 1099's to payroll the Board may wish to specifically review section 1.3 and 2.6 as it relates to procedures for monthly compensation.

Lastly, the Board may wish to review Exhibit A and determine if additional meetings should be added to the Exhibit.

Based upon the discussion, Staff will bring back a modified resolution at a subsequent meeting for the Board's consideration.

FISCAL IMPACT: None

POSSIBLE MOTION: No motion. Provide direction to staff.

ATTACHMENTS: Resolution 2019-04



RESOLUTION NO. 2019-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING POLICIES FOR ITS
COMPENSATION, REIMBURSEMENT, AND ETHICS TRAINING**

WHEREAS, the Board of Directors of the Helendale Community Services District finds as follows:

A. The Helendale Community Services District (the District) is a community services district organized and operating pursuant to California Government Code Section 61000 et seq.

B. The District is governed by an elected Board of Directors (the Board) whose activities are subject to the requirements of California law, including but not limited to the Local Government Sunshine Bill (AB 1234).

C. The purpose of this resolution is to ensure compliance with AB 1234 and to establish policies with respect to (1) Board member compensation, (2) Board member reimbursement, and (3) Board member ethics training.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS of the Helendale Community Services District as follows:

Section 1. **COMPENSATION.**

1.1. **Amount.** The amount of Board member compensation by the District shall be determined in accordance with all applicable requirements of California law. Pursuant to said requirements, the Board shall set the amount of such compensation at a rate established by adoption of a separate ordinance or resolution.

1.2. Day of Service.

1.2.1. Definition. For purposes of determining eligibility for compensation of Board members pursuant to the ordinance or resolution referred to in Section 1.1 above, the term “day of service” is defined as follows, and Board member attendance, representation, and participation shall be deemed previously approved by the Board, pursuant to Government Code Section 61047(e):

- (a) Attendance at a meeting of the Board;**
- (b) Participation at a meeting of a standing committee of the Board;**
- (c) Attendance at a meeting of an ad hoc committee of the Board;**
- (d) Attendance at a meeting with the District’s General Manager involving the operations of the District;**
- (e) Attendance at a meeting with the District’s auditors, attorneys, or other consultants involving matters for which the consultants have been retained by the District;**
- (f) Attendance at a meeting of a local, state, or federal body with subject matter jurisdiction affecting the operations of the District;**
- (g) Attendance at a meeting with a local, state, or federal representative concerning matters involving the operations of the District;**
- (h) Participation in the following activities, provided that the Board member delivers a written or oral report to the Board regarding the member’s participation at the next Board meeting following the event:**
 - (1) A conference, seminar, or organized educational or training**

activity involving matters related to the functions and operations of the District; and

(2) A meeting of organizations or community members with interests in matters involving the function and operations of the District;

(i) Representation of the District at the following events, provided that the Board member delivers a written or oral report to the Board regarding the member's representation at the next Board meeting following the event:

(1) A public meeting or a public hearing conducted by another public agency;

(2) A public benefit nonprofit corporation on whose board the District has membership;

(j) Any occurrence that is listed in Exhibit "A" attached hereto and incorporated herein by this reference; and

(k) All other occurrences for which the Board member has obtained prior approval from the Board to attend or participate on behalf of the District.

1.2.2. Daily Limitation. If a Board member attends or participates in multiple meetings in a single day, the Board member shall only be eligible for compensation for one meeting on that day.

1.3. Procedure. To receive compensation for attendance or participation at approved meetings, a Board member shall submit to the District's General Manager a payment request for the calendar month by the first regular Board meeting of the following month. Thereafter, the District's General Manager will issue a check to the Board member in the amount of the payment

request to the extent consistent with this Resolution. The check number, name of the Board member, and amount of the check shall be included in the agenda materials for the next public meeting. If a Board member fails to timely submit his or her compensation request in the manner set forth above, payment thereof will only be made to the Board member upon formal approval by the Board taken in the exercise of its discretion within the same fiscal year in which the day of service was provided.

Section 2. **REIMBURSEMENT.**

Pursuant to Government Code Section 61047(c), the District shall reimburse Board members for their actual and necessary traveling and incidental expenses incurred while on official business as provided herein.

2.1. **Qualifying Events.** Pursuant to Government Code Section 53232.2(b), the types of occurrences that qualify a Board member to receive reimbursement of eligible expenses set forth in Section 2.2 below shall be any occurrence that is listed in Section 1.2.1 of this Resolution.

2.2. **Eligible Expenses.** Expenses eligible for reimbursement shall be limited to (1) registration or tuition costs, or other charges for participation at the meeting; (2) transportation to and from the meeting, including airfare, car rental, or mileage for use of a Board member's own automobile, and other miscellaneous transportation costs (shuttle, taxi, parking, etc.); (3) lodging at the single-room rate; and (4) costs of meals as set forth in Section 2.3.4.

2.3. **Rates.**

2.3.1. **Registration, Tuition, and Meeting Charges.** The District reimbursement rate for registration or other charges for participation at a meeting shall be the actual amount

incurred, not to exceed the maximum rate published by the conference or activity sponsor for timely registration after applying all applicable deductions for any available discounts.

2.3.2. Transportation.

(a) Members of the Board must use government and group rates offered by a provider of transportation services for travel when available. If such rates are not available, the District reimbursement rate for Board member transportation shall be the actual amount incurred, not to exceed the cost of round-trip coach airfare.

(b) The District reimbursement rate for mileage by use of a Board member's own vehicle shall be calculated on the basis of total miles driven for District purposes at the rate specified in the Internal Revenue Code in effect at the time of the vehicle usage.

(c) The District reimbursement rate for vehicle parking by a Board member shall be the actual amount incurred.

2.3.3. Lodging. Members of the Board must use government and group rates offered by a provider of lodging services when available. If the lodging is in connection with an accepted conference or organized educational activity, lodging costs must not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board at the time of booking. If a government or group rate is not available, the District reimbursement rate for Board member lodging shall be the actual amount incurred, not to exceed the rate for comparable lodging.

2.3.4. Meals. The District reimbursement rate for Board member meals shall be the actual amount incurred, not to exceed the applicable Internal Revenue Service rates for reimbursement as established in Publication 463 or any successor publication, or \$100.00,

whichever is less, for each day of service outside the District's boundaries.

2.3.5. Other. District reimbursement of all other actual and necessary expenses incurred by a Board member shall be computed using the applicable Internal Revenue Service rates for reimbursement as established in Publication 463, or any successor publication. All expenses that do not fall within this reimbursement policy or the Internal Revenue Service reimbursable rates, as provided above, shall be approved by the Board in a public meeting before the expense is incurred.

2.4. Budget Limits. The maximum amount of District-paid expenses that each Board member may annually incur without separate prior Board approval is \$2,000 each fiscal year.

2.5. Ineligible Expenses. Board members shall not be eligible for District reimbursement of any expenses incurred by any person traveling or attending a meeting as a guest of the Board member. No Board member shall be eligible for District reimbursement of any expenses for personal services not related to District business.

2.6. Expense Forms. The District shall provide expense report forms to be filed by the members of the Board for reimbursement for actual and necessary expenses incurred on behalf of the District in the performance of official duties. The expense reports shall document that expenses meet the policy reflected in this Resolution for expenditure of public resources. Board members shall submit to the District's General Manager expense reports for the calendar month by the first regular Board meeting of the following month, and the reports shall be accompanied by the receipts documenting each expense. Thereafter, the District's General Manager will issue a check to the Board member in the amount requested in the expense report to the extent consistent with this Resolution. The check number, name of the Board member, and amount of

the check shall be included in the agenda materials for the next public meeting. If a Board member fails to timely submit his or her expense report in the manner set forth above, payment thereof will only be made to the Board member upon formal approval by the Board taken in the exercise of its discretion within the same fiscal year in which the day of service was provided. All documents related to reimbursable District expenditures are public records subject to disclosure under the California Public Records Act.

2.7. **Report.** Board members shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board.

Section 3. **ETHICS TRAINING.**

3.1. **Requirement.** Each local agency official of the District must receive training in ethics laws no later than one year from the first day of service with the District. Thereafter, each local agency official must receive such training at least once every two years.

3.2. **Application.**

3.2.1. **Local Agency Official.** As used in Section 3.1 of this Resolution, the term “local agency official” means all of the following:

- (a) All Board members; and
- (b) All executive staff of the District.

3.2.2. **Ethics Laws.** As used in Section 3.1 of this Resolution, the phrase “ethics laws” includes, but is not limited to, the following:

- (a) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws;
- (b) Laws relating to claiming prerequisites of office, including, but not

limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies;

(c) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws; and

(d) Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

3.3. District Responsibilities.

3.3.1. Records. The District shall maintain records indicating (a) the dates that local agency officials satisfied the requirements of Section 3 of this Resolution and (b) the entity that provided the training. The District shall maintain these records for at least five years after local agency officials receive the training. These records are public records subject to disclosure under the California Public Records Act.

3.3.2. Notice. The District is required to provide information on training available to meet the requirements of Section 3 of this Resolution to its local agency officials at least once annually.

Section 4. REVIEW OF RESOLUTION ON ANNUAL BASIS.

Each year the Board shall review this Resolution to determine its effectiveness and the necessity for its continued operation. The District's General Manager shall report to the Board

on the operation of this Resolution, and make any recommendations deemed appropriate, including proposals to amend the Resolution. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Resolution. Nothing herein shall preclude the Board from taking action on the Resolution at times other than upon conclusion of the annual review.

Section 5. **SEVERABILITY.**

If any provision of this Resolution or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

Section 6. **EFFECTIVE DATE.**

This Resolution supersedes Resolution No. 2018-19 adopted by the Board on October 4, 2018, and shall take effect immediately upon its adoption.

ADOPTED this 2nd day of May, 2019

AYES:
NOES:
ABSTAIN:
ABSENT:

Ron Clark, Vice President

ATTEST:

Sandy Haas, Secretary

Exhibit "A"

This list is to be used as examples of meetings outlined under Section 1.2.1 and is subject to change at the discretion of the Board.

Brown Act Meetings

Regular and Special Board Meetings

Representation at a public hearing or public meeting of another government agency

Mojave Water Agency

Watermaster

San Bernardino County

LAFCO

Various City Councils

VVWRA

Meeting with a representative from County, State, or Federal Government

Elected officials or representatives

Ad hoc committees of the Board

Park and Rec Committee

Recycled Water Committee

Meeting with District Consultants

Attorney, Engineer, Auditor, etc.

Meetings of County, Special District or LAFCO

Tri-Communities Special District Luncheon

Association of San Bernardino County Special Districts (ASBCSD)

Representation of the District on a non-profit Board

Chamber of Commerce

Homeowners Association

Training or education involving matters related to the functions and operations of the District

Board member training through CSDA

ABC's of Water seminars (Mojave Water Agency)

Mojave Water Agency Tours