



Helendale Community Services District

BOARD OF DIRECTORS MEETING

June 6, 2019 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: May 16 Regular Board Meeting
- b. Bills Paid and Presented for Approval

4. Reports

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

New Business

5. Public Hearing to Receive Comment and Possible Action Regarding Adoption of Resolution 2019-05: A Resolution of the Helendale Community Services Determining That There was No Majority Protest to Proposed Increases to Refuse Collection Services and Adopting a Rate Schedule for Such Charges and Superseding Existing Applicable Rates
6. Public Hearing to Receive Comment and Possible Adoption of Resolution 2019-06; a Resolution of the Board of Directors of the Helendale Community Services District Approving and Adopting the Fiscal Year 2020 Annual Budget and Authorizing Appropriations Therefrom
7. Discussion and Possible Action Regarding Adoption of Resolution 2019-07: A Resolution of the Board of Directors of the Helendale Community Services District Establishing the Appropriations Limit for Fiscal Year 2020 Pursuant to Article XIII B of the California State Constitution
8. Discussion and Possible Action Regarding Adoption of Resolution 2019-08: A Resolution of the Board of Directors of the Helendale Community Services District Initiating Procedures to Continue Collection of Water and Sewer Standby Fees for Fiscal Year 2020
9. Discussion and Possible Action Regarding Adoption of Employee Pay Schedule for Fiscal Year 2020
10. Discussion and Possible Action Regarding Adoption of Resolution 2019-09: A Resolution of the board of Directors of the Helendale Community Services District Approving Award of a Sole-Source Contract to Westech Engineering for Replacement Grit Removal System

Other Business

11. Requested items for next or future agendas (Directors and Staff only)
12. Adjournment

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

Providing:

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

OFFICE HOURS:

Monday-Friday
8:00 – 5:30 p.m.

PHONE:

760-951-0006

FAX:

760-951-0046

ADDRESS:

26540 Vista Road
Suite B
Helendale, CA
92342

MAILING

ADDRESS:
PO BOX 359
Helendale, CA
92342

Visit us on the Web
at:

www.helendalecsd.org





Helendale Community Services District

Date: June 6, 2019
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: May 16 Regular Board Meeting
- b. Bills Paid and Presented for Approval



Minutes of the Helendale Community Services District
REGULAR BOARD OF DIRECTORS MEETING FOR
May 16, 2019 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
Craig Carlson, Water Operations Manager

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were twenty-nine (29) 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 presented. The motion was seconded by Director Haas.

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

2. Public Participation

Deputy Gates reported the crime statistics for April 2019.

3. Consent Items

- a. Approval of Minutes: May 2, 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

Vice President Smith reported that he attended the Association of San Bernardino County Special Districts meeting and briefly discussed some of the Bills that were talked about at the meeting.

- b. General Manager's Report

General Manager Cox reported that the Burrtec rate increase public hearing is scheduled for June 6th. The budget public hearing is scheduled for adoption on June 6th.

Water Operations Manager Carlson gave the water report. Staff has been vactoring out meter boxes for the meter replacement program, we currently have 500 AMI meters installed. Staff replaced two broken A-Stops on Chaparral and Lakeview, completed monthly coliform report and well site inspections, completed well sounding and specific capacity calculations, repaired a service line leak on Bluegrass, met with hydrogeologist to go over water quality result to determine a possible well location, repaired leaking chlorine pump at Well 4A, and repaired blown fuse and extended electrical outlet at well 1A.

General Manager Cox gave the administration and financial reports. There were 60 account transfers for the month of April, there have only been 9 other months since 2015 where there were more than 60 account transfers. A graph of how customers make their payments, with the majority of customers, 31% pay in person, 22% use auto pay (ACH), 16% use the CSD website, 16% use bill pay through their own bank, 13% mail in payments, and 3% pay by phone. The District currently has a total cash balance of \$5,936,690, with \$1,355,258 in the water fund, \$3,862,484 in wastewater, \$80,887 in park, \$437,584 in solid waste, and \$200,477 in the admin fund.

New Business

5. Special Presentation to Recycled Art Contest Winners

Discussion: Every year Helendale CSD and Burrtec Waste partner to offer a recycled art contest to children in the Helendale School District. General Manager Cox introduced Josie Vargas, Burrtec's Municipal Program Coordinator to present the awards. Josie presented the awards to the following winners: Honorable Mention - Allan Terry for his "Silly Squirmmy Shark", Honorable Mention to Dilynn Jackman & Sabrina Jacobsen with their "A Day at the Ball Park" (not present). Third place went to Maximo & Matteo Danczyk for the "Little Dinosaur" (not present), second place went to Seth Antekeier for his "Fortnite Mountain", and First place went to Katelyn Casarez & Savana Cerda for their "Owl" (not present). She also presented a special honorable mention went to Malia Hands and Aubrey Jennings for their "Big Red Dog" sculpture.

Action: There was no action on this item.

President Clark announced a brief recess for members of the public to view the recycled art projects.

6. Discussion and Possible Action Regarding Proposed Burrtec Rate Increase

Discussion: Each year Burrtec presents the CPI increase for solid waste pickup services. Section 10.05 of the Burrtec contract outlines the annual formula-based compensation adjustment. Once submitted to the Board, request is accepted upon verification of the CPI by Staff. The Board directs Staff to comply with public noticing requirements and schedules the public meeting and hearing. The increase can be no more that 4% in any given year. The requested CPI for this year is 3.81%. The presentation only discussed residential rates; the commercial rates were included in "Exhibit A." Residential customers who do not pay for disposal on their tax bill pay an additional \$7.26 per month to cover that cost. GM Cox presented a chart comparing the current rate to the proposed rate. The proposed increase of \$1.06 for weekly residential curb-side pickup will be discussed at the public hearing on June 6th.

Public Comment: Resident Pashko Nikac expressed his concerns regarding the rate increase and his opposition to it.

Action: There was no action on this item.

7. Discussion and Possible Action Regarding Revisions to the Reimbursement Policy

Discussion: Sections 3& 4 of the policy discuss applicability to job duties and relevancy; section 5 states that the District can pay for refresher seminars for certification exams; section 6 discusses required CEU's for certified staff; section 7 discusses reimbursement for classes up to the specified amount, section 8 discusses eligibility requirements, and section 9 discusses separation from employment and reimbursement requirements. The initial tuition reimbursement policy was adopted in 2009 and has not been modified since. The reimbursement is currently set at \$1,000 per year. A recent survey of other local agencies showed that reimbursements ranged from \$3,000 to no limit, with the majority of the agencies surveyed offering a \$3,000 reimbursement. Several employees have mentioned an interest in additional schooling but noted that cost of schooling has been a factor. Staff is recommending an increase to \$3,000 due to the comparisons; however, the Board can select an amount greater than the current benefit or leave the policy the same.

The Board asked how the employee would pay back the reimbursement if they left the District prior to the two years as referenced in Section 9 of the policy, Legal Counsel advised that the District can have a written contract between the employee and the District to withhold funds from the employee's final paycheck if that employee were to part ways with the District before the two years. The Board had questions about the rate of reimbursement and whether reimbursement amounts should be based on academic grades. They also discussed the amount of money that a reimbursement policy may cost the District, and discussed a possible lottery system for employees interested in the reimbursement. Another concern was whether the reimbursement should be for employees that have been with the District for a certain amount of time before being able to qualify. Another question the Board had is whether or not there should be a cap on the amount for reimbursement every year. The Board requested additional information from staff and wanted to table this item for now. The item was requested to be brought back to the Board in July.

Action: No action

8. Discussion and Possible Action Regarding Award of a Professional Services Agreement for Accounting Support Services for Fiscal Year 2020.

Discussion: The current accounting support services are provided by RAMS. The District has had an excellent relationship with RAMS as our auditors and as accounting support. This recommendation is made solely as a cost-savings measure. The GM met with a Platinum Consulting rep over a year ago and contacted them recently for a quote for services. The proposed amount would save the District approximately \$15,000 over the current service provider. The GM contacted references. The consultant's scope of services and draft PSA are included in the agenda for review. Fees for service range from \$115, \$125 and \$175 depending upon the staff member assigned to the District, this compares to \$150 and \$300 from RAMS. The proposed consultant works primarily for small special districts including: Chino Basin Water Conservation District, Trabuco Canyon Water District, 29 Palms Water District, and LA LAFCO. The consultants will be on site at least one day per month and use a remote interface for the majority of their work. If a contract is approved the consultant will meet with staff in June and begin the transition. The RAMS contract will phase out on June 30.

Action: Vice President Smith made the motion to approve an amount not to exceed \$60,000 for accounting support services and direct Staff and Counsel to work with consultant on a Professional Services Agreement. Director Schneider seconded the motion.

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

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

9. Discussion and Possible Action Regarding the Addition of a Full-Time Maintenance Worker I to the Organization Chart.

Discussion: As the park facilities have grown and expanded so has the demand for maintenance. The district currently maintains approximately 10 acres of turf, plants and over 100 trees, soccer/football fields, two baseball fields, dog park, the 4-plex, expanded playground and other amenities as well as the community center property including a 50,000 sq. ft. building and 10 acres. The annual cost of a full-time Maintenance Worker I is \$35,443 annually the mandatory fees and benefits package is \$14,732. The cost savings found in reducing hours for the current part-time Maintenance Worker I to offset the new position is \$7,272. The total draft budget increase would be \$43,902 for new full-time position. The draft FY2020 Budget shows park fund is healthy thanks to discretionary funds contribution. There is a projected ending balance of \$340,000 before any capital projects. As amenities are expanded staffing requirements will continue to increase.

Action: Director Schneider made the motion to approve the addition of a Maintenance Worker I assigned to Parks to the Districts Organizational Chart. Director Spiller seconded the motion.

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

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

Other Business

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

President Clark called for a brief recess at 7:51 pm after which Closed Session began.

Closed Session

President Clark called the Closed Session to Order at 7:58 pm

10. Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation
Pursuant to Government Code Section 54956.9 (d)(2)
One Potential Case
12. Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation
Pursuant to Government Code Section 54956 (d)(4)
One Potential Case

11. Announcement of Closed Session Actions

President Clark called to order the Open Session of the Board meeting at 8:20 pm and Legal Counsel announced there was no reportable action resulting from closed session items.

12. **Adjournment**

Action: President Ron Clark adjourned the meeting at 8:21 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: June 6, 2019
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 55 checks and 23 EFT's totaling \$1,548,307.06

Total cash available:	<u>6/3/19</u>	<u>4/27/19</u>
Cash	\$ 4,704,863.23	\$ 5,823,612.66
Checks/EFT's Issued	\$ 1,548,307.06	\$ 208,708.61

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 2.54% for CalTRUST Short-Term and 2.33% for Medium-Term Investments, 2.45% for LAIF, and 0.25% for the CBB Sweep Account for April 2019. Interest earned in May 2019 on the CalTrust investments and the CBB Sweep Account is \$8,146.77



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 05/09/2019 - 06/03/2019

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
05/09/2019	21874	Void	0.00	Check	Bank Reconciliation
05/09/2019	21875	Void	0.00	Check	Bank Reconciliation
05/09/2019	21876	CageCo Inc.	-1,821.58	Check	Accounts Payable
05/10/2019	EFT0002748	To record payroll fee payment	-177.06	EFT	General Ledger
05/16/2019	EFT0002753	To post Payroll pmt - Dir Deposit	-33,967.59	EFT	General Ledger
05/16/2019	EFT0002754	To post Payroll pmt - PR Tax Pmt	-8,604.32	EFT	General Ledger
05/16/2019	EFT0002758	To record Tasc Flex Claim Pmt	-559.00	EFT	General Ledger
05/16/2019	EFT0002759	To record Bank Account Analysis Fees	-445.05	EFT	General Ledger
05/17/2019	21877	Rogers, Anderson, Malody & Scott	-6,615.00	Check	Accounts Payable
05/17/2019	21878	Aqua-Metric Sales Co.	-6,204.58	Check	Accounts Payable
05/20/2019	21897	MICHAEL BUTOLPH	-165.35	Check	Utility Billing
05/20/2019	21898	DANIELLE HOFFER	-211.87	Check	Utility Billing
05/20/2019	21899	PDQ INVESTMENTS	-65.40	Check	Utility Billing
05/21/2019	21879	High Desert Underground Inc	-32,376.50	Check	Accounts Payable
05/21/2019	21880	Brunick, McElhane & Kennedy	-2,412.50	Check	Accounts Payable
05/21/2019	21881	Burrtec Waste Industries Inc	-1,049.38	Check	Accounts Payable
05/21/2019	21882	Burrtec Waste Industries Inc	-1,450.00	Check	Accounts Payable
05/21/2019	21883	Burrtec Waste Industries, Inc.	-53,692.98	Check	Accounts Payable
05/21/2019	21884	Choice Builder	-931.11	Check	Accounts Payable
05/21/2019	21885	Employment Development Department	-124.97	Check	Accounts Payable
05/21/2019	21886	Home Depot Credit Services	-591.36	Check	Accounts Payable
05/21/2019	21887	Imperial Sprinkler Supply, Inc.	-816.54	Check	Accounts Payable
05/21/2019	21888	Infosend	-1,843.43	Check	Accounts Payable
05/21/2019	21889	Lowe's	-1,034.41	Check	Accounts Payable
05/21/2019	21890	Michael Cacciatori	-243.00	Check	Accounts Payable
05/21/2019	21891	Mojave Resource Management	-945.00	Check	Accounts Payable
05/21/2019	21891	Mojave Resource Management Reversal	945.00	Check Reversal	Accounts Payable
05/21/2019	21892	Southern California Edison	-1,574.16	Check	Accounts Payable
05/21/2019	21893	Southern California Edison	-918.33	Check	Accounts Payable
05/21/2019	21894	Southern California Edison	-338.41	Check	Accounts Payable
05/21/2019	21895	Southern California Edison	-11,702.38	Check	Accounts Payable
05/21/2019	21896	State of California Department of Justice	-98.00	Check	Accounts Payable
05/21/2019	21900	Boot Barn Inc.	-200.00	Check	Accounts Payable
05/21/2019	21901	Cardmember Services	-2,834.75	Check	Accounts Payable
05/21/2019	21902	Clemmer Services, Inc.	-3,691.04	Check	Accounts Payable
05/21/2019	21903	Heather L. Starstman	-389.70	Check	Accounts Payable
05/21/2019	21904	Paul Harvey	-550.00	Check	Accounts Payable
05/21/2019	21905	Verizon Wireless	-631.54	Check	Accounts Payable
05/21/2019	21906	Verizon Wireless	-96.90	Check	Accounts Payable
05/21/2019	21907	Heritage Victor Valley Medical Group	-65.00	Check	Accounts Payable
05/21/2019	21908	John E. Payton	-50,000.00	Check	Accounts Payable
05/21/2019	21909	Mojave Resource Management	-19,400.00	Check	Accounts Payable
05/21/2019	21910	Robert D. Sapp & Teresa J.Lee	-203,700.00	Check	Accounts Payable
05/21/2019	21910	Robert D. Sapp & Teresa J.Lee Reversal	203,700.00	Check Reversal	Accounts Payable
05/22/2019	21911	MOHAMMAD AZADZOI	-72.89	Check	Utility Billing
05/22/2019	21912	BRENDA FINDLEY	-163.33	Check	Utility Billing
05/22/2019	21913	TAMERIA RUSSELL	-91.79	Check	Utility Billing
05/22/2019	MISC0000605	Laguna Water Permanent Water Rights (Wire)	-1,022,160.00	Miscellaneous	General Ledger
05/23/2019	21914	AQUA Capital Management LP	-945.00	Check	Accounts Payable
05/23/2019	21915	Robert D. Sapp & Teresa J.Lee	-203,700.00	Check	Accounts Payable
05/24/2019	EFT0002760	To record payroll fee payment	-179.29	EFT	General Ledger
05/28/2019	21916	DONNA M GRANGER	-1,241.04	Check	Utility Billing

Bank Transaction Report

Issued Date Range: -

Issued Date	Number	Description	Amount	Type	Module
05/28/2019	21917	CA-NV Section, AWWA	-80.00	Check	Accounts Payable
05/28/2019	21918	County of San Bernardino, Solid Waste Mgmt. Div.	-472.71	Check	Accounts Payable
05/28/2019	21919	Craig Schneider	-800.16	Check	Accounts Payable
05/28/2019	21920	DMV	-3,890.00	Check	Accounts Payable
05/28/2019	21921	Frontier Communications	-62.19	Check	Accounts Payable
05/28/2019	21922	Frontier Communications	-78.74	Check	Accounts Payable
05/28/2019	21923	Frontier Communications	-56.45	Check	Accounts Payable
05/28/2019	21924	Hi Desert Fire Protection	-554.00	Check	Accounts Payable
05/28/2019	21925	Inland Water Works Supply Co.	-977.66	Check	Accounts Payable
05/28/2019	21926	Meridian Urgent Care	-75.00	Check	Accounts Payable
05/28/2019	21927	Minuteman Press	-97.52	Check	Accounts Payable
05/28/2019	21928	Recdesk Software	-1,900.00	Check	Accounts Payable
05/28/2019	21929	UIA Ultimate Internet Access, Inc	-687.80	Check	Accounts Payable
05/28/2019	21930	USA Blue Book	-719.23	Check	Accounts Payable
05/30/2019	EFT0002749	To record CalPERS Pmt Classic PP 4/1/19 - 4/14/19	-5,805.07	EFT	General Ledger
05/30/2019	EFT0002750	To record CalPERS Pmt PEPRA PP 4/1/19 - 4/14/19	-906.44	EFT	General Ledger
05/30/2019	EFT0002751	To record CalPERS Pmt 457 Contribution PP 3/18/19 - 3/31/19	-575.00	EFT	General Ledger
05/30/2019	EFT0002752	To record CalPERS Pmt PP 4/1/19 - 4/14/19	-675.00	EFT	General Ledger
05/30/2019	EFT0002761	To record Tasc Flex Claim Pmt	-559.59	EFT	General Ledger
05/30/2019	EFT0002762	To post Payroll pmt - Dir Deposit	-33,229.43	EFT	General Ledger
05/30/2019	EFT0002764	To post Payroll pmt - PR Tax Pmt	-8,305.95	EFT	General Ledger
05/30/2019	EFT0002765	To record CalPERS Pmt Classic PP 4/15/19 - 4/28/19	-5,891.50	EFT	General Ledger
05/30/2019	EFT0002766	To record CalPERS Pmt PEPRA PP 4/15/19 - 4/28/19	-1,002.69	EFT	General Ledger
05/30/2019	EFT0002767	To record Sales Tax Pmt - 2nd Quarter Pmt	-1,794.00	EFT	General Ledger
05/30/2019	EFT0002768	To record CalPERS Pmt 457 Contribution	-675.00	EFT	General Ledger
06/03/2019	EFT0002770	To record ETS Fees - #9691	-352.47	EFT	General Ledger
06/03/2019	EFT0002771	To record ETS Fees - #9692	-1,079.59	EFT	General Ledger
06/03/2019	EFT0002772	To record ETS Fees - #557	-86.48	EFT	General Ledger
06/03/2019	EFT0002773	To record EVO Thrift Store CC Fees 23099	-382.36	EFT	General Ledger
06/03/2019	EFT0002774	To record EVO Rec Desk CC Fees 22567	-88.50	EFT	General Ledger
Bank Account 251229590 Total: (82)			-1,548,307.06		
Report Total: (82)			-1,548,307.06		

Bank Transaction Report

Bank Account	Count	Amount
251229590 CBB Checking	82	-1,548,307.06
Report Total:	82	-1,548,307.06

Cash Account	Count	Amount
No Cash Account	2	0.00
99 99-111000 Cash in CBB - Checking	80	-1,548,307.06
Report Total:	82	-1,548,307.06

Transaction Type	Count	Amount
Check	57	-625,450.68
Check Reversal	2	204,645.00
EFT	22	-105,341.38
Miscellaneous	1	-1,022,160.00
Report Total:	82	-1,548,307.06



Helendale Community Services District

Date: June 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
 Discussion and Possible Action Regarding Adoption of Resolution 2019-05: A Resolution of the Helendale Community Services District of Determining That There Was No Majority Protest to Proposed Increases to Refuse Collection Services and Adopting a Rate Schedule for Such Charges and Superseding Existing Applicable Rates

STAFF RECOMMENDATION:

Hold a public hearing and make appropriate determination.

STAFF REPORT:

The purpose of this agenda item is to review the proposed rate increase and answer any questions the Board and/or members of the public may have regarding the proposed increase and the public hearing process. The Board has certain requirements per the contract with the franchise waste hauler. Section 10.05 of the contract outlines the annual formula-based compensation adjustment as follows:

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

The noted CPI is 3.81% which is below the maximum increase allowed by the contract of 4%. The CPI increase and related adjustments result in a monthly increase of \$1.06 over last year's rates. The breakdown is as follows:

	Current	Proposed	Difference
Curb PU	15.41	16.00	0.59
Recycling	0.89	1.18	0.29
Admin Fee	2.21	2.29	0.08
Recovery	0.07	0.07	0
Franchise	2.06	2.16	0.1

1.06 Total

The Board accepted the submittal from Burrtec per the contract and directed Staff to circulate the public notification outlining the rate increase. The notice that outlined the proposed increases for both commercial and residential rate increases was mailed to each affected rate payer noticing the public meeting and the public hearing. To date the District has received three written protests to the proposed rate increase.

FISCAL IMPACT: As outlined in the staff report and Exhibit A (attached).

REQUESTED ACTION: Hold a public hearing and adopt proposed resolution if deemed appropriate

ATTACHMENTS:

Resolution 2019-05

Burrtec letter requesting a CPI adjustment

Rate notice mailed to all affected rate payer

Exhibit A of the rate notice outlining the current and proposed rates.



RESOLUTION NO. 2019-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT DETERMINING THAT THERE WAS NO MAJORITY PROTEST TO PROPOSED INCREASES TO REFUSE COLLECTION SERVICES CHARGES AND ADOPTING A RATE SCHEDULE FOR SUCH CHARGES AND SUPERSEDING EXISTING APPLICABLE RATES

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

WHEREAS, on or about June 21, 2006, the Local Agency Formation Commission of the County of San Bernardino (“LAFCO”) adopted Resolution No. 2927 which made determinations on, and approved the incorporation of, the District, which was subsequently approved by the electorate pursuant to an election held on November 7, 2006, and thereafter confirmed by LAFCO pursuant to its adoption of Resolution No. 2951 on December 4, 2006, all of which operated to authorize the formation of the District as the successor agency for the performance of water, sewer, streetlighting, refuse collection, parks and recreation, and graffiti abatement functions and services within the prior County Service Area 70, Improvement Zones B and C (the “District Boundaries”).

WHEREAS, LAFCO Resolution No. 2951 specifically authorizes the District to collect, transfer, and dispose of solid waste and to provide solid waste handling services, including but not limited to source reduction, recycling, and composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code (“Solid Waste Services”), within the District Boundaries.

WHEREAS, pursuant to the authority expressly set forth in LAFCO Resolution No. 2951, the District entered into an Exclusive Franchise Agreement with Burrtec Waste Industries, Inc. (“Burrtec”), effective December 1, 2011, and updated effective January 1, 2018 (the “Franchise Agreement”), which granted to Burrtec the exclusive right, privilege, and franchise to provide certain Solid Waste Services (as described in the Franchise Agreement) within the District Boundaries, subject to the terms and conditions of said Franchise Agreement.

WHEREAS, the Franchise Agreement established a rate schedule for the refuse collection service charges for the Solid Waste Services, subject to potential annual adjustment in an amount equal to the calendar year annual twelve-month mean average change in the Consumer Price Index for All Urban Consumers for Los Angeles-Riverside-Orange Counties as published by the United States Department of Labor, Bureau of Labor Statistics, for the previous calendar year annual twelve-month period (“CPI”).

WHEREAS, pursuant to the Franchise Agreement, Burrtec submitted to the District a written request not later than April 1, 2019, for a CPI-based rate adjustment of 3.81 percent to the refuse collection service charges for Residential Cart Solid Waste Services resulting in an increase of **\$0.59**

per month totaling \$7.08 per year per residential customers.

WHEREAS, the cost of processing residential recycled materials and the value to resell such items for beneficial use has significantly diminished over the last year however, an increase in processing costs is realized in the increased cost of recycling of **\$0.29** cents per month or \$3.48 per year.

WHEREAS, the revenue raised by the proposed rate increases to the refuse collection service charges will be used to provide adequate Solid Waste Services within the District Boundaries and do not exceed the total cost of such services.

WHEREAS, the District is allowed to collect certain administrative fees in relation to residential cart service for billing and processing residential solid waste customer payments and other related costs of **\$0.08** cents, in addition to a franchise fee that has also increased by **\$0.10** cents, and the costs of printing and postage to mail notifications of \$0.07 per customer per month which is unchanged from last year for a total cost increase of \$2.16 per residential customer per year.

WHEREAS, this action is necessary to meet operation and administration expenses for refuse disposal and recycling programs, and to obtain funds necessary to maintain adequate Solid Waste Services within the District Boundaries, and is therefore exempt from the requirements of the California Environmental Quality Act as provided by Public Resources Code Section 21080(b)(8).

WHEREAS, rates for commercial solid waste customers varies by numerous factors and are outlined on Exhibit A based upon service specifics

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Helendale Community Services District does hereby resolve and determine that the written protests against the rates and charges set forth herein that were received by the District prior to the close of the public hearing hereon represented less than a majority of the parcels subject to the rates and charges set forth below and, thus, the District's Board of Directors further finds that the public interest and necessity requires the adoption of the following rates and charges for Solid Waste Services, as well as

affirmation and ratification of all prior rates and charges previously approved and/or adopted by the District's Board of Directors:

SECTION 1. REFUSE COLLECTION SERVICE CHARGES

The rates for residential and commercial refuse collection service charges for Solid Waste Services within the District Boundaries are hereby established in the amounts listed in Exhibit "A" attached hereto and incorporated herein by this reference.

SECTION 2. GENERAL MANAGER AUTHORITY

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

SECTION 3. EFFECTIVE DATE

This Resolution shall take effect on July 1, 2019, and shall supersede any and all prior resolutions and ordinances applicable to the District only to the extent expressly inconsistent with the terms hereof.

APPROVED AND ADOPTED by the Board of Directors of the Helendale Community Services District at a regular meeting held on June 6, 2019, by the following vote:

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

By:

Ron Clark, Vice President

Attest:

Sandy Haas, Secretary



BURRTEC

WASTE INDUSTRIES, INC.

"We'll Take Care Of It"

March 1, 2019

Kimberly Cox
Helendale Community Services District
26540 Vista Rd, Suite B
P.O. Box 359
Helendale, CA 92342

RE: 2019 Rate Review Report

Dear Ms. Cox:

Pursuant to the Agreement for Solid Waste Handling and Recycling Services, Burrtec respectfully requests a 2019 rate adjustment and submits the following rate review information.

This year's rate adjustment is comprised of the following factors:

- A trash collection service adjustment based on the average 2018 Consumer Price Index at 3.81%.
- Estimating no change in the per ton disposal fee as charged by San Bernardino County.
- A residential recycling service cost factor based on 2018 recyclable commodity values and material processing costs of \$1.18 per month.
- Introducing a compliance fee component to address new compliance and reporting requirements.

Enclosed please find the detailed rate review work sheets.

Thank you for the consideration.

Sincerely,

Richard Niño
Vice President

Helendale CSD
 Rate Components
 Residential Service
 Admin Fee & 218 Adjustment

Service Level	Current Components - July 2018						Proposed Components - July 2019							
	2017 CPI 2.79%	Trash Service	Recycling Service	Admin Fee (incl CPI)	218 Recovery	10% Fran. Fee	Total	2018 CPI 3.81%	Trash Service	Recycling Service	Admin Fee (incl CPI)	218 Recovery	10% Fran. Fee	Total
95 gallon (and recy)		15.41	0.89	2.21	0.07	2.06	20.64		16.00	1.18	2.29	0.07	2.16	21.70
95 gallon trash extra		6.86		-		0.76	7.62		7.12		-		0.79	7.91
65/95 gallon recy. 1st extra							No Charge							No Charge
65/95 gallon recy. extra		1.35		-		0.15	1.50		1.40		-		0.16	1.56

Helendale CSD
 Rate Components
 Residential Service with ESFR Disposal
 Admin Fee & 218 Adjustment

Service Level	Current Components - July 2018							Proposed Components - July 2019								
	2017 CPI 2.79%	Trash Service	Recycling Service	ESFR Disposal	Admin Fee (Incl CPI)	218 Recovery	10% Fran. Fee	Total	2018 CPI 3.81%	Trash Service	Recycling Service	ESFR Disposal	Admin Fee (Incl CPI)	218 Recovery	10% Fran. Fee	Total
95 gallon (and recy)		15.41	0.89	7.26	2.21	0.07	2.06	\$ 27.90		16.00	1.18	7.26	2.29	0.07	2.16	\$ 28.96
95 gallon trash extra		6.86			-		0.76	\$ 7.62		7.12			-		0.79	\$ 7.91
65/95 gallon recy. 1st extra								No Charge								No Charge
65/95 gallon recy. extra		1.35			-		0.15	\$ 1.50		1.40			-		0.16	\$ 1.56
ESFR = \$87.14/12								ESFR = \$87.14/12								

Helendale CSD
 Rate Components
 Commercial Barrels

Refuse	Current Components - July 2018					Proposed Components - July 2019				
	2017 CPI	2018 CPI	Fee per Barrel	Est'd		2018 CPI	Fee per Barrel	Est'd		
Service Level	2.79%	3.81%	\$ 0.46	\$ 47.94	10%	3.81%	\$ 0.46	\$ 47.94	10%	
	Trash	Trash	Compliance	Disposal	Fran. Fee	Trash	Compliance	Disposal	Fran. Fee	
	Service	Service	Fee to Burretec	Total	Total	Service	Fee to Burretec	Total	Total	
95 gallon - 1x	9.88	10.26	0.46	6.23	1.19	18.14				
95 gallon - 2x	28.12	29.19	0.46	12.46	3.29	45.40				
95 gallon - 3x	41.22	42.79	0.46	18.69	4.81	66.75				

Recycling	Current Components - July 2018					Proposed Components - July 2019				
	2017 CPI	2018 CPI	10%	Total		2018 CPI	10%	Total		
Service Level	2.79%	3.81%	10%	Total		3.81%	10%	Total		
	Trash	Trash	Recycling Fran. Fee		Recycling Fran. Fee		Trash	Recycling Fran. Fee		
Service	Service	Service			Service	Service				
Automated Recy 65g - 1x	5.74	5.96	0.89	0.64	7.27	5.96	1.18	0.66	7.80	

Helendale CSD
Rate Components
Commercial Refuse Bin Service

Current Components - July 2018				Proposed Components - July 2019			
Bin Size	Freq	CPI	Franchise Fee	Total Rate	CPI	Franchise Fee	Total Rate
		Trash Service			Fee per Yard		
1.5	1	60.00	17.45	\$84.12	62.29	7.03	\$87.75
1.5	2	112.20	34.90	\$159.57	116.47	13.16	\$166.48
1.5	3	164.44	52.35	\$235.06	170.71	19.29	\$245.28
2	1	77.37	23.27	\$109.24	80.32	9.07	\$113.96
2	2	147.01	46.54	\$209.88	152.61	17.25	\$219.00
2	3	216.64	69.81	\$310.52	224.89	25.42	\$324.02
3	1	104.46	34.90	\$150.97	108.44	12.27	\$157.56
3	2	208.87	69.80	\$301.88	216.83	24.53	\$315.06
3	3	313.37	104.70	\$452.89	325.31	36.80	\$472.66
3	4	417.81	139.60	\$603.83	433.73	49.06	\$630.19
3	5	522.23	174.50	\$754.76	542.13	61.32	\$787.70
3	6	626.69	209.40	\$905.72	650.57	73.59	\$945.26
T. Bin 3 yd		97.43	-	\$108.26	101.14	11.24	\$112.38

Helendale CSD
 Rate Components
 Residential Refuse Bin Service

Bin Size	Freq	Current Components - July 2018			Proposed Components - July 2019		
		CPI		Franchise Fee	CPI		Franchise Fee
		Trash Service	Total Rate		Trash Service	Total Rate	
1.5	1	59.99	6.67	\$66.66	62.28	6.92	\$69.20
1.5	2	119.96	13.33	\$133.29	124.53	13.84	\$138.37
1.5	3	179.94	19.99	\$199.93	186.80	20.76	\$207.56
2	1	77.37	8.60	\$85.97	80.32	8.92	\$89.24
2	2	154.74	17.19	\$171.93	160.64	17.85	\$178.49
2	3	232.10	25.79	\$257.89	240.94	26.77	\$267.71
3	1	104.46	11.61	\$116.07	108.44	12.05	\$120.49
3	2	208.92	23.21	\$232.13	216.88	24.10	\$240.98
3	3	313.39	34.82	\$348.21	325.33	36.15	\$361.48
T. Bin 3 yd		97.43	10.83	\$108.26	101.14	11.24	\$112.38

Helendale CSD
 Rate Components
 Recycling Bin Service

Current Components - July 2018							Proposed Components - July 2019						
Bin Size	Freq	CPI		Franchise Fee	Total Rate	Bin Size	Freq	CPI		Franchise Fee	Total Rate		
		Trash Service	Recycling					Trash Service	Recycling				
1.5	1	59.99	4.25	6.67	\$70.91	1.5	1	62.28	9.99	6.92	\$79.19		
1.5	2	119.96	8.50	13.33	\$141.79	1.5	2	124.53	19.98	13.84	\$158.35		
1.5	3	179.94	12.75	19.99	\$212.68	1.5	3	186.80	29.97	20.76	\$237.53		
2	1	77.37	5.67	8.60	\$91.64	2	1	80.32	13.32	8.92	\$102.56		
2	2	154.74	11.34	17.19	\$183.27	2	2	160.64	26.64	17.85	\$205.13		
2	3	232.10	17.01	25.79	\$274.90	2	3	240.94	39.96	26.77	\$307.67		
3	1	104.46	8.50	11.61	\$124.57	3	1	108.44	19.97	12.05	\$140.46		
3	2	208.92	17.00	23.21	\$249.13	3	2	216.88	39.94	24.10	\$280.92		
3	3	313.39	25.50	34.82	\$373.71	3	3	325.33	59.91	36.15	\$421.39		
3	4	417.85	34.00	46.43	\$498.28	3	4	433.77	79.88	48.20	\$561.85		
3	5	522.30	42.50	58.03	\$622.83	3	5	542.20	99.85	60.24	\$702.29		
3	6	626.77	51.00	69.64	\$747.41	3	6	650.65	119.82	72.29	\$842.76		

Helendale CSD
Rate Components
Roll Off Service

Size	Current Components - July 2018				Proposed Components - July 2019				
	CPI %	\$ 59.94	10.00%	Rate	CPI %	Fee per Load	Estd \$ 59.94	10.00%	Rate
	2.79%				3.81%	\$2.75			
	(See Note)				(See Note)				
	Trash Service	Disposal	Franchise Fee	Rate	Trash Service	Compliance Fee to Burrtec	Disposal	Franchise Fee	Rate
<u>Permanent</u>									
40 Yard	180.12	Actual	20.01	\$200.13	186.98	2.75	Actual	21.08	\$210.81
20 Yard	180.12	Actual	20.01	\$200.13	186.98	2.75	Actual	21.08	\$210.81
10 Yard	180.12	Actual	20.01	\$200.13	186.98	2.75	Actual	21.08	\$210.81
40 Yard (compactor)	180.12	Actual	20.01	\$200.13	186.98	2.75	Actual	21.08	\$210.81
Dry Run/Relocate	64.81		7.20	\$72.01	67.28			7.48	\$74.76
Rental Fee (per day)	21.93		2.44	\$24.37	22.77			2.53	\$25.30
<u>Temporary</u>									
40 Yard - 6 ton	180.12	359.64	20.01	\$559.77	186.98	2.75	359.64	21.08	\$570.45
20 Yard - 10 ton	180.12	599.40	20.01	\$799.53	186.98	2.75	599.40	21.08	\$810.21
10 Yard - 10 ton	180.12	599.40	20.01	\$799.53	186.98	2.75	599.40	21.08	\$810.21
Excess Disposal		59.94	0.00	\$59.94			59.94	0.00	\$59.94
<u>Recycling</u>									
40 Yard	180.12	Actual	20.01	\$200.13	186.98		Actual	20.78	\$207.76
20 Yard	180.12	Actual	20.01	\$200.13	186.98		Actual	20.78	\$207.76
10 Yard	180.12	Actual	20.01	\$200.13	186.98		Actual	20.78	\$207.76
40 Yard (compactor)	180.12	Actual	20.01	\$200.13	186.98		Actual	20.78	\$207.76
40 Yard Green Waste	225.89	Actual	25.10	\$250.99	234.50		Actual	26.06	\$260.56
<u>Concrete Washout</u>									
Concrete wash-out box (delivery)	473.49		52.61	\$526.10	491.53			54.61	\$546.14
Concrete wash-out box (pump)	348.89		38.77	\$387.66	362.18			40.24	\$402.42
Pump service	473.49		52.61	\$526.10	491.53			54.61	\$546.14
Relocate	119.62		13.29	\$132.91	124.18			13.80	\$137.98
Rental Fee (per day)	9.96		1.11	\$11.07	10.34			1.15	\$11.49

RENTAL CHARGES:

Permanent Boxes

A minimum of four (4) loads per month is needed for boxes to be serviced on a permanent basis.

Notes:

Roll off disposal rate = 7/1/18 SB Co Gate of \$47.94 per ton + CSDSP of \$12.00 per ton.

Helendale CSD
 Rate Components
 Special Services

Service	Current Components - July 2018			Proposed Components - July 2019		
	CPI 2.79%	10% Fran. Fee	Total	CPI 3.81%	10% Fran. Fee	Total
	Trash Service			Trash Service		
Locking bin	6.86	0.76 \$	7.62	7.12	0.79 \$	7.91
Container steam cleaning	33.95	3.77 \$	37.72	35.24	3.92 \$	39.16
Pull-out service (bins)	33.95	3.77 \$	37.72	35.24	3.92 \$	39.16
Extra pick-up on non-service day (barrels)	20.39	2.27 \$	22.66	21.17	2.35 \$	23.52
Extra pick-up on service day (trash barrels)				7.12	0.79 \$	7.91
Extra pick-up (bins)	40.81	4.53 \$	45.34	42.36	4.71 \$	47.07
Recycling contamination fee Bins	39.77	4.42 \$	44.19	41.29	4.59 \$	45.88
Recycling contamination fee Barrels				31.29	3.48 \$	34.77

Helendale CSD
 Rate Components
 Green Waste R/O Drop off Program

Service	Current Components - July 2018			Proposed Components - July 2019		
	CPI 2.79%	Per Box	Disposal Total	CPI 3.81%	Per Box	Disposal Total
Green Waste R/O drop off program (2 boxes)		250.99	Actual \$ 250.99		260.55	Actual \$ 260.55

NOTICE OF PUBLIC HEARING

HELENDALE COMMUNITY SERVICES DISTRICT REFUSE COLLECTION SERVICE CHARGES

Article XIID of the California Constitution requires the Helendale Community Services District (HCSD) to send notification of a proposed rate increase to all owners and tenants of real property within HCSD's service area who would be directly liable to pay for refuse collection services to the property at least 45 days prior to a public hearing at which adoption of the proposed rate increases will be considered. In accordance with those requirements, please be advised that HCSD is proposing an increase in its refuse collection service charges. This Notice identifies the amount of the proposed rate increases; the basis upon which the proposed increases were calculated; the reason for the proposed rate increases; the date, time, and location of a public hearing on the proposed rate increases; and the manner in which all persons opposed to the proposed increases may object and/or file a written protest thereto. Consequently, please be advised that this document shall serve as formal notification to you that HCSD's Board of Directors will hold a Public Meeting on May 16, 2019 and a Public Hearing on June 6, 2019, on the proposed rate increases described herein, at 6:30 p.m., in the HCSD Board Room located at 26540 Vista Road, Suite C, Helendale, California.

INFORMATION ABOUT THE CHARGES

- A. Basis upon which the charges were calculated.** The HCSD Board of Directors has previously determined that the collection and disposal of refuse in its service area shall be performed by Burrtec Waste Industries, Inc. ("Burrtec"), under the terms of an exclusive franchise agreement. The monthly **residential** curbside collection charge is comprised of five components: (1) an amount for the administration and operation of automated curbside refuse collection service, which includes the provision of collection carts - a 95 gallon refuse cart and up to two 65-gallon recycling carts - with weekly pick-up service; (2) the cost of recycling; (3) an amount to compensate HCSD for its administrative costs in connection with billing, customer service and noticing requirements; (4) an amount to compensate HCSD for franchise service provision as assumed from the County of San Bernardino; and (5) the cost of residential disposal at the landfill. Typically, residential disposal costs are paid out of a disposal fee listed on the property tax bill. If this fee is not paid on the tax bill then the disposal costs are added to the monthly bill for those accounts receiving curbside service. The **commercial** charge is comprised of three components: (1) An amount for the administration and operation of commercial bin refuse and recycling collection service; (2) the tipping/disposal fee; and (3) an amount to compensate HCSD for franchise service provision as assumed from the County of San Bernardino.
- B. Reason for the proposed increases.** The proposed increase per month represents a rate adjustment of 3.81 percent based on the annual twelve-month mean average change in the Consumer Price Index (CPI) for All Urban Consumers for Los Angeles-Riverside-San Bernardino-Orange Counties as published by the United States Department of Labor, Bureau of Labor Statistics, for the previous calendar year; an increase in the Administration fee and franchise fee to reflect the CPI increase; a reimbursement for noticing requirements; and a slight decrease in the cost of recycling.
- C. Charge per parcel.** HCSD proposes to adopt rate increases for residential and commercial refuse collection services charges as described in Exhibit A on the reverse side of this Notice. If you need assistance determining the charge for your property or parcel for residential service, you may contact HCSD by calling (760) 951-0006, by mail to PO BOX 359, Helendale, CA 92342, or in person at 26540 Vista Road, Suite B, Helendale, California. For questions about commercial refuse service you may contact Burrtec by calling (760) 245-8607.
- D. Written report.** A written report has been prepared and filed with HCSD's General Manager regarding the proposed new commercial and residential refuse collection service charges. As required by California Government Code Section 66016, the written report also provides data indicating the amount of cost, or estimated cost, to provide refuse collection service and the revenue sources anticipated to provide the service. A copy of the written report is available at HCSD's offices located at 26540 Vista Road, Suite B, Helendale, California.

HOW TO PARTICIPATE

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

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

Attend the Public Hearing – Written protests may also be submitted at the Public Hearing on June 6, 2019 at 6:30 p.m., in HCSD's Board Room located at 26540 Vista Road, Suite C, Helendale, California. All written protests must be received before the conclusion of the Public Hearing. You may address the Board; however, oral comments do not qualify as a formal protest unless accompanied by a written protest.

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

Public Hearing process – At the time of the Public Hearing, the Board of Directors will hear and consider all protests and objections. After the Public Hearing, if a majority of the property owners and tenants of real property directly liable for paying refuse collection service bills for the affected parcels file written protests in opposition to the proposed rate increases, the increases will not be imposed. However, if a majority protest is not received, HCSD's Board of Directors may increase the refuse collection service rates in the manner described in this Notice. If adopted, the proposed rates would become effective July 1, 2019.

EXHIBIT A
HELENDALE CSD PROPOSED RATE INCREASE

Service Type		Current Rate	Proposed Rate	Service Type		Current Rate	Proposed Rate
Residential Service				Commercial Trash Service			
95-gallon barrel w/paid disposal costs		\$ 20.64	\$ 21.70	Size	Freq		
95-gallon barrel w/o paid disposal costs		\$ 27.90	\$ 28.96	1.5	1	\$84.12	\$87.75
Extra 95-gallon trash barrel		\$ 7.62	\$ 7.91	1.5	2	\$159.57	\$166.48
65/95-gallon recy. 1st extra		N/C	N/C	1.5	3	\$235.06	\$245.28
65/95-gallon recy. extra		\$ 1.50	\$ 1.56	2	1	\$109.24	\$113.96
Extra pick-up on non-service day (barrels)		\$ 22.66	\$ 23.52	2	2	\$209.88	\$219.00
Extra pick-up on service day (barrels)			\$ 7.91	2	3	\$310.52	\$324.02
				3	1	\$150.97	\$157.56
				3	2	\$301.88	\$315.06
				3	3	\$452.89	\$472.66
				3	4	\$603.83	\$630.19
				3	5	\$754.76	\$787.70
				3	6	\$905.72	\$945.26
Commercial Barrel Service				Recycling Bin Service			
95-gallon barrel -1x		\$ 17.21	\$ 18.14	1.5	1	\$70.91	\$79.19
95-gallon barrel -2x		\$ 43.70	\$ 45.40	1.5	2	\$141.79	\$158.35
95-gallon barrel -3x		\$ 64.49	\$ 66.75	1.5	3	\$212.68	\$237.53
Automated Recy 65g - 1x		\$ 7.27	\$ 7.80	2	1	\$91.64	\$102.56
				2	2	\$183.27	\$205.13
				2	3	\$274.90	\$307.67
				3	1	\$124.57	\$140.46
				3	2	\$249.13	\$280.92
				3	3	\$373.71	\$421.39
				3	4	\$498.28	\$561.85
				3	5	\$622.83	\$702.29
				3	6	\$747.41	\$842.76
Residential Bin Service				Temporary Bins			
Size	Freq			Temporary Bins		\$108.26	\$112.38
1.5	1	\$66.66	\$69.20	Miscellaneous Bin Charges			
1.5	2	\$133.29	\$138.37	Locking container	\$ 7.62	\$	7.91
1.5	3	\$199.93	\$207.56	Container steam clean	\$ 37.72	\$	39.16
2	1	\$85.97	\$89.24	Pull-out service	\$ 37.72	\$	39.16
2	2	\$171.93	\$178.49	Extra pick-up	\$ 45.34	\$	47.07
2	3	\$257.89	\$267.71	Recy contamination bins	\$ 44.19	\$	45.88
3	1	\$116.07	\$120.49	Recy contamination barrels		\$	34.77
3	2	\$232.13	\$240.98	Concrete Washout			
3	3	\$348.21	\$361.48	Delivery	\$526.10		\$546.14
Permanent (Trash) + Disposal/Processing				Pump	\$387.66		\$402.42
40 yard		\$200.13	\$210.81	Pump Service	\$526.10		\$546.14
20 yard		\$200.13	\$210.81	Relocate	\$132.91		\$137.98
10 yard		\$200.13	\$210.81	Rental Fee (per day)	\$11.07		\$11.49
40 yard compactor		\$200.13	\$210.81				
Dry Run /Relocate		\$72.01	\$74.76				
Rental Fee (per day)		\$24.37	\$25.30				
Disposal (per ton)		\$59.94	\$59.94				
Temporary Roll-Offs (Trash)							
40 yard		\$559.77	\$570.45				
20 yard		\$799.53	\$810.21				
10 yard		\$799.53	\$810.21				
Dry Run /Relocate		\$72.01	\$74.76				
Disposal (per ton)		\$59.94	\$59.94				
Roll-Offs (Recycling) + Disposal/Processing							
40 yard		\$200.13	\$207.76				
20 yard		\$200.13	\$207.76				
10 yard		\$200.13	\$207.76				
40 yard compactor		\$200.13	\$207.76				
40 yard g/w		\$250.99	\$260.56				



Helendale Community Services District

Date: June 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Public Hearing to Received Comments and Possible Adoption of Resolution 2019-06; a Resolution of the Board of Directors of the Helendale Community Services District Approving and Adopting the Fiscal Year 2020 Annual Budget and Authorizing Appropriations Therefrom

STAFF RECOMMENDATION:

Consider approval of the FY 2020 Annual Budget.

STAFF REPORT

The public notice for budget adoption was published on May 23 and 30, identifying the date and time of the public hearing at which the public can provide comment on how the District expends the funds collected.

Over the past two months, District staff has presented various aspects of the budget at both a special budget meeting and regular board meetings. The structure and composition of the budget is intended to provide greater depth of information and transparency as requested by the Board. Staff will make a detailed presentation to the Board and the public during the hearing.

The budget is developed using the “zero-based budget” technique, which means all line items start at “zero” at the beginning of each fiscal year and were calculated using annual recurring expenditures and anticipated new expenses such as projected equipment repairs, contract services or other purchases needed to conduct business. The Budget Summary pages show the projected results of operations for fiscal year 2019 and for the proposed fiscal year 2020 budget. The estimated ending fund balance represents the projected cash balance held by the District at the end of the fiscal year with no capital improvement program expenditures debited.

Capital Improvement Plan

The contemplated capital improvement expenditures are included in the budget and everything over the GM’s signing authority will be discussed with the Board on a case-by-case and a designated funding source identified as part of the Board approval process. Funding for capital items could include grant funding, reserves or projected ending balances. A projected five-year Capital Improvement Plan (CIP) is included in the Budget for your information on page 8. The CIP is a look ahead by Staff as to what projects are considered necessary for the water and wastewater operations. The development of the Park CIP has been a collaborative process involving the public

in workshops, the Park & Rec Committee and the full Board. The projects listed are considered desirable amenities for which the Staff will seek grant funds to contribute to the construction costs. These projects will be discussed with the Board and/or Committee prior to construction. In addition, the Park CIP includes maintenance items for the Community Center.

Availability of the Budget

Copies of the draft detailed budget for fiscal year 2020 are available at the District administrative office for public viewing and is part of the agenda material scanned and available on the District’s website. In addition, once approved, the FY2020 Budget will be posted on the District’s website.

Staffing

The organizational chart included within the budget depicts the contemplated staffing changes that were previously discussed with the Board. These changes are intended to better address the needs of the organization. Staffing is discussed in full-time equivalents or FTE’s which represents 2080 working hours in a year. Staffing has increased slightly from 23.587 FTE to 23.995 FTE. A full-time Maintenance Worker I was added to Parks to assist with the growing responsibilities as amenities are added to the park facility. A .5FTE MWI in Parks was reduced to .28 to align with the needs of the department. A Wastewater Operator position was reduced to a full-time Operator-in-Training and the .5FTE position for an Operator in Training was removed thereby reducing the wastewater staffing by .5FTE. Water staffing essentially remains the same. Since last year’s budget the Park Maintenance Worker III position was reduced to a MW I position and for FY2020 a second MWI is added to the org chart for a total of 2.28FTE in park maintenance. Staffing costs increased based upon the implementation of a comp and class evaluation, a cost of living adjustment of three percent and a slight increase in the CalPERS retirement contribution. The ranges and titles were previously discussed by the Board and are included in the budget document.

Solid Waste Fund

The Solid Waste Fund is projected to have a positive fund balance with a projected ending balance of \$23,782. This is an improvement over last years projected deficit. However, current projections indicate the fund to end FY 2019 with a \$72,954 fund balance.

Fiscal Impact

The projected net surplus based upon the revenue and expenditures contained within the draft budget document as well as projected ending balance **without** any capital expenditures are as follows:

<u>FUND</u>	<u>NET SURPLUS</u>	<u>ENDING FUND BALANCE</u>
Water:	\$886,108	\$ 967,921
Wastewater:	\$199,615	\$4,053,482
Solid Waste:	\$23,782	\$ 375,189
Gen Fund (including park):	\$278,916	<u>\$1,109,505</u>
		\$5,369,593 Reserve balance

FISCAL IMPACT: As outlined in the draft Fiscal Year 2020 Budget

REQUESTED ACTION: Adopt Resolution 2019-06

ATTACHMENTS: Resolution 2019-06
FY 2020 budget



RESOLUTION NO. 2019-06

RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT APPROVING AND ADOPTING THE 2020 ANNUAL BUDGET AND AUTHORIZING APPROPRIATIONS THEREFROM.

WHEREAS, a proposed annual budget for the Helendale Community Services District for the fiscal year commencing July 1, 2019, and ending June 30, 2020 was submitted to the Board of Directors and is on file in the District Administration office; and

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

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

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

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

Section 1. The budget incorporated herein by reference, is adopted by Resolution as the Annual Budget for the Helendale Community Services District for the fiscal year commencing July 1, 2019 and ending June 30, 2020.

Section 2. There is hereby appropriated to each account set forth in the said budget, incorporated herein by reference, the sum shown for each account in the Fiscal Year 2020 Budget, and the General Manager is authorized and empowered to expend such sum for the purpose of such account within the purchasing limits adopted by prior Board resolution. No expenditure by any department for any items within an account shall exceed the amount budgeted therefore without prior approval of the General Manager, and/or prior approval of the District Board of Directors.

APPROVED AND ADOPTED this 6th day of June, 2019.

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

By: _____
Ron Clark, President

Attest: _____
Sandy Haas, Secretary



Helendale Community Services District

Date: June 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Adoption of Resolution 2019-07: A Resolution of the Board of Directors of the Helendale Community Services District Establishing the Appropriations Limit for Fiscal Year 2020 Pursuant to Article XIII B of the California State Constitution

STAFF RECOMMENDATION:

Adopt Resolution 2019-07 establishing the Helendale Community Services District Appropriations Limit for Fiscal Year 2020.

STAFF REPORT

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

The appropriations limit does not apply to the entire District budget but only to the appropriation of "proceeds of taxes". In the District's case this is represented solely by property taxes and special assessments. Each year the limit is adjusted by two factors: Price and Population. For fy 2020 the California Department of Finance provided these factors for San Bernardino County. The Price Factor is 3.85 and the Population Growth Factor for San Bernardino County is 1.0047%. The attached chart shows the calculation for fiscal year 2020 as well as for the last six fiscal years. For Fiscal Year 2020 the District Appropriation Limit is \$754,729. Included in the appropriation limit are the following "proceeds from taxes"; Solid Waste Disposal per parcel assessment; Water and Wastewater standby assessments; and general property taxes that are shared with the Park and Solid Waste Funds. For fiscal year 2020, the total of these taxes and property assessments is estimated to be \$395,238, which is below the limit. Should appropriations exceed the limit, the excess taxes are required to be returned by a revision of the tax rates within the next two subsequent fiscal years.

Fiscal Impact

Resolution 2019-07 establishes the District's FY2019-20 appropriation limit for proceeds of taxes at \$754,729 in accordance with Article XIII B of the California State Constitution.

FISCAL IMPACT: Not Applicable

REQUESTED ACTION: Approve Resolution 2019-07

ATTACHMENTS: Resolution 2019-07 with attachments A & B



RESOLUTION NO. 2019-07

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

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

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

WHEREAS, the General Manager for the Helendale Community Services District has conducted the necessary analysis and calculations to determine the appropriations limit for Fiscal Year 2018-19, relying on the approved limit from fiscal year 2019-20, and the following two adjustment factors: Annual Percent Change in Population for FY 2019-20 for San Bernardino County and the state-wide Per Capita Personal Income Change; and

WHEREAS, based on such calculations, the General Manager has determined the said appropriations limit to be \$754,729 and pursuant to Section 7910 of the Government Code, has made available to the public the documentation used in the determination of the limit. (Exhibit "A" and "B" attached and made of part hereto).

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

APPROVED AND ADOPTED this 6th day of June, 2019.

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

By: _____
Ron Clark, President

Attest: _____
Sandy Haas, Secretary

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2019-20 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

2019-20:

Per Capita Cost of Living Change = 3.85 percent
 Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio: $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20: $1.0385 \times 1.0047 = 1.0434$

HELENDALE COMMUNITY SERVICE DISTRICT
Appropriations Limit (Gann)
2019/2020

<u>Year</u>	<u>Prior Year Appropriations Limit</u>	<u>CA per Capita Personal Income</u>		<u>Change in Population</u>		<u>Calculation Factor</u>	<u>Correction per Resolution</u>	<u>Appropriations Limit</u>
2013-2014	\$ 553,066	5.12%	1.0512	0.65%	1.0065	1.0580		\$ 585,162
2014-2015	\$ 585,162	-0.23%	0.9977	0.69%	1.0069	1.0046		\$ 587,844
2015-2016	\$ 587,844	3.82%	1.0382	1.09%	1.0109	1.0495		\$ 616,952
2016-2017	\$ 616,952	5.37%	1.0537	0.68%	1.0068	1.0609		\$ 654,503
2017-2018	\$ 654,503	3.69%	1.0369	1.16%	1.0116	1.0489	1,704	\$ 688,231
2018-2019	\$ 688,231	3.67%	1.0367	0.95%	1.0095	1.0465		\$ 720,267
2019-2020	\$ 720,267	3.85%	1.0385	0.90%	1.0090	1.0478		\$ 754,729

Fiscal Year 2019-20

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019

County City	<u>Percent Change</u> 2018-2019	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
		1-1-18	1-1-19	1-1-2019
San Bernardino				
Adelanto	0.07	34,466	34,489	35,136
Apple Valley	0.79	72,891	73,464	73,464
Barstow	0.20	23,682	23,730	24,150
Big Bear Lake	0.63	5,427	5,461	5,461
Chino	2.43	82,328	84,329	89,829
Chino Hills	1.18	83,379	84,364	84,364
Colton	0.61	54,061	54,391	54,391
Fontana	1.25	209,455	212,078	212,078
Grand Terrace	0.67	12,570	12,654	12,654
Hesperia	1.30	95,127	96,362	96,362
Highland	0.82	55,326	55,778	55,778
Loma Linda	1.41	23,922	24,259	24,335
Montclair	0.87	39,220	39,563	39,563
Needles	0.36	5,067	5,085	5,085
Ontario	2.31	174,244	178,268	178,268
Rancho Cucamonga	0.44	178,619	179,412	179,412
Redlands	0.56	71,441	71,839	71,839
Rialto	0.65	106,582	107,271	107,271
San Bernardino	0.11	217,452	217,695	219,233
Twentynine Palms	1.85	18,502	18,845	28,958
Upland	0.58	78,027	78,481	78,481
Victorville	0.78	122,052	123,010	126,543
Yucaipa	1.01	54,293	54,844	54,844
Yucca Valley	0.66	21,905	22,050	22,050
Unincorporated	0.53	303,177	304,788	312,654
County Total	0.90	2,143,215	2,162,510	2,192,203

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.



Helendale Community Services District

Date: June 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Adoption of Resolution 2019-08: A Resolution of the Board of Directors of the Helendale Community Services District Initiating Procedures to Continue Collection of Water and Sewer Standby Fees for Fiscal Year 2020

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 2019-08.

STAFF REPORT:

This is a procedural item that comes before the Board on an annual basis. The first part of the process is for the Board to adopt a resolution initiating the procedures that allows for the District to collect the standby fees. The second step occurs in July when the Board to adopts the resolution for the continuation of collection of the standby fees at a public hearing. The last step in the process is for Staff to prepare and submit the final list to the County Tax Collector by August 10th.

As a public agency and consistent with LAFCO 2996, the District is allowed to utilize the County property tax process for collection of various forms of debt as the County had historically done. This would include the annual collection of sewer and water standby fees. A standby fee could best be described as a fee for the availability of service. The fee is appropriate due to the fact that capacity in the system is reserved for that parcel and cannot be allocated to another user. Most of these parcels have water and sewer services stubbed out at the property line and the service is available for connection upon development of the parcel.

In 2014, the District completed an engineering report that provided appropriate substantiation for the Standby Fees. The Standby Fee is a minimum of \$30 for up to a one-acre parcel and increased by \$30 for every additional acre. The total amount of standby fees the District has received to as of 4/30/2019 for fiscal year 2019 is \$17,955 for Water and \$14,990 for Wastewater including penalties and interest. Staff will continue to refine this list prior to the submittal to the County in early August 2019.

A public protest hearing is scheduled for July 18, 2019 at 6:30 p.m. regarding the imposition of the charge. At the hearing, the Board will hear and consider any and all objections or protests to the proposed charges.

FISCAL IMPACT: Potential revenue of approximately \$44,000.



RESOLUTION NO. 2019-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT INITIATING PROCEDURES TO CONTINUE COLLECTION OF WATER AND SEWER STANDBY CHARGES FOR FISCAL YEAR 2020

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

WHEREAS, the District is authorized by Government Code Section 61124(a) to impose standby charges for water services pursuant to the Uniform Standby Charge Procedures Act, Government Code Section 54984 et seq. (“the Act”).

WHEREAS, under the Act, the District is authorized to fix before August 10th of any given year a water standby charge on land within its jurisdiction to which water service is made available for any purpose by the District, whether the water services are actually used or not.

WHEREAS, under the Act, the District’s Board of Directors (“the Board”) may establish schedules varying the charge according to land uses, benefit derived or to be derived from the use, availability of facilities to provide water service, the degree of availability or quantity of the use of the water to the affected lands, and may restrict the assessment to one or more improvement districts or zones of benefit established within the jurisdiction of the District, and may impose the charge on an area, frontage, or parcel basis, or a combination thereof.

WHEREAS, pursuant to Resolution No. 2951 of the Local Agency Formation Commission of the County of San Bernardino (“LAFCO”), the District is the successor agency to County Service Area 70, Improvement Zones B and C (“CSA 70 B&C”).

WHEREAS, Condition No. 10 of LAFCO Resolution No. 2951 expressly states that “[a]ll previously authorized charges, fees, assessments, and/or taxes of [CSA 70 B&C] currently in effect shall be continued and assumed by the [District] as the successor agency in the same manner as provided in the original authorization pursuant to the provisions of Government Code Section 56886(t);”

WHEREAS, Government Code Section 56886(t) provides that LAFCO Resolution No. 2951 contains the exclusive terms and conditions for the change of organization from CSA 70 B&C to the District is it relates to the “extension or continuation of any previously authorized charge, fee, assessment, or tax by [the District as the] successor local agency in the affected territory.”

WHEREAS, prior to the adoption of LAFCO Resolution No. 2951, the territory within the CSA 70 B&C was subject to water and sewer standby and availability charges that had been fixed, levied, and imposed upon such lands.

WHEREAS, the Board wishes to continue, extend, and assume all previously authorized water and sewer standby and availability charges that had been fixed, levied, and imposed upon lands within CSA 70 B&C.

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

1. The public interest and necessity requires the Board to adopt this Resolution initiating proceedings to fix, levy, and collect water standby and availability charges on all properties within the District's jurisdictional boundaries where water service is available pursuant to applicable law, including but not limited to the pertinent provisions of the Act, Condition No. 10 of LAFCO Resolution No. 2951, and/or Government Code Section 56886(t).

2. The public interest and necessity requires the Board to adopt this Resolution initiating proceedings to fix, levy, and collect sewer standby and availability charges on all properties within the District's jurisdictional boundaries where sewer service is available pursuant to applicable law, including but not limited to the pertinent provisions of the Act, Condition No. 10 of LAFCO Resolution No. 2951, and/or Government Code Section 56886(t).

3. The standby charges proposed to be adopted by the Board are based upon the report of a qualified engineer, Bartle Wells Associates, which is attached hereto and incorporated herein by this reference. The content of said report includes, but is not limited to, any and all statements and determinations specifically relating to each of the following:

- a. A description of the charge and the method by which it is proposed to be imposed;
- b. A compilation of the amount of the charge proposed for each parcel subject to the charge;
- c. A statement of the methodology and rationale followed in determining the degree of benefit conferred by the service for which the proposed charge is made;
- d. The District's legal ability to fix and adjust a standby charge, the amount of the proposed charge, and the properties affected thereby;
- e. A description of the lands upon which the charge is proposed to be imposed; and
- f. The amount of the proposed charge for each of the lands so described.

4. On July 18, 2019, at 6:30 p.m., at the District offices located at 26540 Vista Road, Suite C,

Helendale, California, the Board will hold a public protest hearing regarding the imposition of the charge, which hearing shall be conducted in the manner set forth in the Act. At the hearing, the Board may also consider whether to provide that if any charge so adopted becomes delinquent, the amount of the delinquency, together with any interest and penalties thereon, should constitute a lien on the affected property upon the filing of a certificate in the Office of the County Recorder, which lien may have the same force, effect, and priority as a judgment lien. At the hearing, the Board will hear and consider any and all objections or protests to the proposed charges pursuant to the requirements of the Act.

5. The District’s General Manager is hereby authorized and directed to cause notice of the date, time, and place of the public hearing on the proposed charges to be duly published prior thereto as may be required by the Act.

APPROVED AND ADOPTED this 6th day of June, 2019, by the following vote:

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

By: _____
Ron Clark, President

Attest: _____
Sandy Haas, Secretary



Helendale Community Services District

Date: June 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion and Possible Action Regarding Adoption of Employee Pay Schedule for Fiscal Year 2020

STAFF RECOMMENDATION:

Staff recommends approval.

STAFF REPORT

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

In January the Board implemented a new range schedule as a result of a classification study. At that time range adjustments were made and a Table of Organization adopted at the January 17th Board meeting. The Table of Organization for FY2020 reflects those changes and includes a 3% cost of living adjustment (COLA) that will become effective on July 1, 2019.

BACKGROUND:

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

- Approved and adopted by the Board in a duly agendized meeting
- Identify position title for every employee
- Show payrate for each position
- Indicate the time base (i.e. hourly, etc.)
- Make it available for the public via posting in office, website or make available upon request
- List effective date
- Retain for five years and have available for public review for that duration.

- Does not reference another document (i.e. contract) instead of disclosing the payrate

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

FISCAL IMPACT: None

REQUESTED ACTION: Adopt the Table of Organization for FY 2020

ATTACHMENTS: Table of Organization for FY 2020
CalPERS Circular Letter 200-050-16

Helendale CSD Salary Schedule Table of Organization

Effective July 1, 2019 through June 30, 2020

Range & Title	Positions	Pay Period	Beginning	Ending
1 Thrift Store worker Recreation Aide	4.02 0.72 FTE	Hourly Part-Time Maximum 1000 hours per year	\$ 12.00	\$ 14.98
4 Thrift Store worker Recreation Aide	as of 1/1/2020 4.02FTE 0.72 FTE	Hourly Effective 1/1/2020	\$ 13.00	\$ 16.24
9 Recreation Leader - .1 FTE Thrift Store Lead Worker (PT)	.125 FTE .96 FTE	Hourly Part-Time Maximum 1000 hours per year	\$ 14.62	\$ 18.26
13 Maintenance Aid	1 FTE	Hourly Bi-Weekly Monthly Annual	\$ 16.14 \$ 1,290.92 \$ 2,797.00 \$ 33,564	\$ 20.15 \$ 1,612.18 \$ 3,493.00 \$ 41,917
15 Customer Service Representative I	.41 FTE	Hourly Part-Time Maximum 1000 hours per year	\$ 16.95	\$ 21.17
16 Maintenance Worker I	2.28 FTE	Hourly Bi-Weekly Monthly Annual	\$ 17.38 \$ 1,390.18 \$ 3,012.00 \$ 36,145	\$ 21.70 \$ 1,736.14 \$ 3,762.00 \$ 45,140
17 Recycling Center Supervisor	1 FTE	Hourly Bi-Weekly Monthly Annual	\$ 17.81 \$ 1,424.93 \$ 3,087.00 \$ 37,048	\$ 22.24 \$ 1,779.55 \$ 3,856.00 \$ 46,268
19 Operator-in-Training	1 FTE	Hourly Bi-Weekly Monthly Annual	\$ 18.71 \$ 1,497.07 \$ 3,244.00 \$ 38,924	\$ 23.37 \$ 1,869.64 \$ 4,051.00 \$ 48,611
23 Senior Customer Service Rep (III)	2 FTE	Hourly Bi-Weekly Monthly Annual	\$ 20.66 \$ 1,654.49 \$ 3,580.00 \$ 42,965	\$ 25.80 \$ 2,063.73 \$ 4,471.00 \$ 53,657
29 Senior Accounting Technician	1 FTE	Hourly Bi-Weekly Monthly Annual	\$ 23.95 \$ 1,916.38 \$ 4,152.00 \$ 49,826	\$ 29.92 \$ 2,393.29 \$ 5,185.00 \$ 62,226
32 Water System Operator II	1 FTE	Hourly Bi-Weekly Monthly Annual	\$ 25.80 \$ 2,063.73 \$ 4,471.00 \$ 53,657	\$ 32.22 \$ 2,577.31 \$ 5,584.00 \$ 67,010
34 Customer Service Supervisor	1 FTE	Hourly Bi-Weekly Monthly Annual	\$ 27.10 \$ 2,168.20 \$ 4,698.00 \$ 56,373	\$ 33.85 \$ 2,707.79 \$ 5,867.00 \$ 70,403
36 Water System Operator III Wastewater Operator III	2 FTE 1 FTE	(Hourly) (Bi-Weekly) (Monthly) (Annual)	\$ 28.47 \$ 2,277.97 \$ 4,936.00 \$ 59,227.00	\$ 35.56 \$ 2,844.87 \$ 6,164.00 \$ 73,967.00
37 Program Coordinator	1 FTE	(Hourly) (Bi-Weekly) (Monthly) (Annual)	\$ 29.19 \$ 2,334.92 \$ 5,059.00 \$ 60,708.00	\$ 36.45 \$ 2,915.99 \$ 6,318.00 \$ 75,816.00
40 Mechanic	.48 FTE	Hourly Part-Time Maximum 1000 hours per year	\$ 31.43	\$ 39.25
50 Water Operations Manager Wastewater Operations Manager	1 FTE 1 FTE	(Hourly) (Bi-Weekly) (Monthly) (Annual)	\$ 40.23 \$ 3,218.71 \$ 6,974.00 \$ 83,687.00	\$ 50.25 \$ 4,018.73 \$ 8,709.00 \$104,513.00
79 General Manager	1 FTE	Location within range determined by Contract		
		(Current Annual)		\$ 200,000

FTE = 2080 hours/year

23.995



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

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

Circular Letter

November 4, 2016

TO: ALL CALPERS EMPLOYERS

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

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

Compensation Earnable

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

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

Requirement for Publicly Available Pay Schedules

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

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

Compensation Earnable Government Codes

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

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

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

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

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

Publicly Available Pay Schedules Government Code

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

CCR 570.5 (b) states:

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

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

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

Renee Ostrander, Chief
Employer Account Management Division



Helendale Community Services District

Date: June, 6, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Alex Aviles, Wastewater Operations Manager
SUBJECT: Agenda item #10
Discussion and Possible Action Regarding Adoption of Resolution 2019-09: A Resolution of the Board of Directors of the Helendale Community Services District Approving Award of a Sole-Source Contract to Westech Engineering for Replacement Grit Removal System

STAFF RECOMMENDATION:

Staff requests approval for the grit removal system.

STAFF REPORT

In February Staff noticed a failure of the grit pump at the headworks of the wastewater plant. The pump mechanical seal broke and allowed water to flow into the connection where the motor shaft meets the pump shaft causing damage to the motor. The mechanical seal also balances the shaft. When the seal broke it allowed the shaft to flex causing unreparable damage to the shaft. Since that time, Staff has been in communication with Misco Water who is the Southern California Rep for Westech. The conversation included an evaluation of numerous types of grit removal systems. Staff has completed this evaluation and selected a unit that will complete the necessary functions at the least amount of cost.

The grit pump was installed in 2009 and is no longer in warranty. The balance of the grit removal system is over 45 years old and has exceeded its useful life. Staff has observed severe corrosion on the motor and motor mounts, the screw shaft and all internal baffles. This is another costly replacement due to the ageing infrastructure at the wastewater facility.

Staff has standardized much of the equipment at the wastewater plant utilizing primarily Westech parts based upon numerous considerations. Past experience with customer service has been a contributing factor in this decision. This particular unit has an above ground serviceable pump to eliminate confined space entries for de-ragging the pump which helps increase the safety factor by minimizing potential safety hazards due to excessive confined space entries. Currently Staff has to perform a confined space entry every two weeks. Much of the hardware is standardized amongst the various Westech units. Currently the Plant has 4 drives on the primary and secondary clarifiers, 2 distribution arms on the trickling filter, the drive on the digester. Westech has a reputation for the quality of wastewater equipment as exhibited by the current Westech grit classifier lasting 45 years.

Replacement cost for the two separate units that will replace the current grit system is \$84,643. The system includes the grit classifier as well as the new self-priming grit pump and a new control panel. There is a 26-week lead time on these parts.

Staff is contemplating installation by a certified third party due to potential costs savings. This item will be presented at the July meeting.

FISCAL IMPACT: \$84,643 not including shipping from Wastewater Reserves

REQUESTED ACTION: Adopt Resolution 2019-09 Approving the sole source contract for replacement of the wastewater grit removal system

ATTACHMENTS: Resolution 2019-09
Westech Quote

RESOLUTION NO. 2019-09

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
HELENDALE COMMUNITY SERVICES DISTRICT
APPROVING AWARD OF SOLE SOURCE CONTRACT
TO WESTECH ENGINEERING FOR
REPLACEMENT GRIT REMOVAL SYSTEM**

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

WHEREAS, the District is subject to Public Contracts Code Section 20682.(b), which provides that “[c]ontracts for materials and supplies for the construction or completion of any building, structure, or improvement, when the cost exceeds \$25,000 shall be contracted for and let to the lowest responsible bidder after notice”;

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

WHEREAS, on October 21, 2010, the District’s Board of Directors (“Board”) adopted Resolution No. 2010-12 establishing Purchasing Policies and Procedures for the District (“the Purchasing Policy”) which created bidding and contract procedures as part of the District’s Rules and Regulations so as to provide guidance and direction to the District’s staff in obtaining outside services for projects initiated by the District;

WHEREAS, Section 4 of the Purchasing Policy provides that the District must comply with the competitive bidding requirements of Public Contracts Code Section 20682 with respect to the purchase of supplies for the construction or completion of any building, structure, or improvement when the cost exceeds \$25,000;

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

WHEREAS, Section 6(D)(5) of the purchasing policy further provides that the District may procure supplies on a negotiated basis “when the Board of Directors has determined that time is of the essence;”

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

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

WHEREAS, the facts, circumstances, and challenges surrounding the proposed installation of the replacement grit removal system (“the Project”), as described in the staff report attached hereto and incorporated herein (“the Staff Report”), supports a determination by the District’s Board of Directors that imposing a formal competitive bidding requirement for the grit removal equipment of the proposed Project would be undesirable or impracticable because the process could potentially not be timely completed given all the intervening factors

outlined in the staff report specifically the risk of violating permit provisions on the Chemical Oxygen Demand constituent regulated in the District Waster Discharge Requirements and the potential for capacity reduction; and

WHEREAS, as further described in the Staff Report, Westech possesses unique background and knowledge of the District's wastewater equipment and existing infrastructure that would be impacted and utilized in connection with the proposed Project, and Westech has provided seven major drive units for the wastewater infrastructure for the District in a timely manner and with high-quality equipment that has been accepted by both the District and other local governmental agencies possessing regulatory oversight.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Helendale Community Services District that, based upon the unique facts and circumstances described in the Staff Report and other evidence presented to the Board, the Board hereby finds and determines that expedited implementation of the Project is exempt from any otherwise-applicable formal competitive bidding requirement pursuant to Sections 6(D)(4) and (5) of the Purchasing Policy because compliance therewith would be undesirable and impracticable as a matter of public interest since engaging in the process would cause a delay that could result in the Project not achieving satisfactory completion in a timely manner.

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

BE IT FURTHER RESOLVED that the Board hereby approves purchase of equipment for the Project, and authorizes the award of a contract for the equipment to Westech Engineering for a price not to exceed \$84,643, based upon the recommendations of the District's General Manager in the Staff Report, as well as the oral and written statements presented to, and considered by, the District's Board of Directors prior to adoption of this Resolution.

ADOPTED this 6th day of June, 2019.

AYES:

NOES:

ABSTAIN:

ABSENT:

Ron Clark, President, Board of Directors

ATTEST:

Sandy Haas, Secretary, Board of Directors