



Helendale Community Services District Regular Board Meeting

26540 Vista Road, Suite C, Helendale, CA 92342

Thursday, December 17, 2020 at 6:30 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Helendale CSD will hold its board meeting via teleconference. The Helendale CSD Board of Directors will meet in person at the District Office located at 26540 Vista Rd. Suite C. Helendale, CA 92342. This meeting is open to the public via virtual interface and can be accessed by clicking on the link below.

<https://attendee.gotowebinar.com/register/4593832559044925963>
(Dial-in instructions will be provided after registering at the link above)

Call to Order - Pledge of Allegiance

1. Approval of Agenda

2. Public Participation

Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member wishing to make comments may do so by filling out the speaker's card at the following link: <https://www.surveymonkey.com/r/HKGNLL8>.

We request that all speaker's cards are filled out by 6:25 pm.

3. Consent Items

- a. Approval of Minutes: December 3, 2020, Regular Board Meeting
- b. Directors Compensation and Expenses
- c. Bills paid report
- d. COVID Update

4. Reports

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

Regular Business

5. Discussion and Possible Action Regarding Fee Related to Water Purchase
6. Discussion and Possible Action Regarding Water Storage Transfer
7. Discussion and Possible Action Regarding Annual Election of Officers

Other Business

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

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



Helendale Community Services District

Date: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: Regular Board Meeting of December 3, 2020
- b. Bills Paid Report
- c. Directors Expenses



Helendale Community Services District

Date: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3a
Minutes from Board meetings December 3, 2020



*Minutes of the Helendale Community Services District
BOARD OF DIRECTORS MEETING
December 3, 2020 at 6:30 PM
26540 Vista Road, Suite C. Helendale, CA 92342*

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Public Participation in Helendale CSD's Board Meeting was held via teleconference.

Board Members Roll Call:

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

Staff Members Present:

Kimberly Cox, General Manager
Cheryl Vermette, Program Coordinator
Craig Carlson, Water Operations Manager

Consultants:

Steve Kennedy, Legal Counsel
Chris Brown, Auditor (via teleconference)

Members of the Public:

There were no members of the public present via the teleconference link.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:30 pm 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 Spiller.

Vote: Motion carried by the following roll call vote: 5 Yes; 0 No

2. Public Participation

None

3. Consent Items

- a. Approval of Minutes: November 19, 2020, Regular Board Meeting
- b. Bills Paid Report
- c. Director's Compensation and Expenses
- d. October Financials

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

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

4. Reports

- a. Director's Reports

Director Spiller reported there was a comment at the farmers Market regarding vendors wearing masks.

b. General Managers Report

General Manager Cox presented the General Managers Report. She reminded everyone that it is time to winterize your pipes due to freezing temperatures. She also listed the upcoming office closures: 12/24; 12/25; 12/31; and 1/1/2021. The December 17th board meeting will include the biennial ethics training. There is only one meeting in January, which will be held on the 21st. The pavement RFP will go out in the next week or so and Staff anticipates a request for award will come back to the Board on 2/18. The well drilling RFP is essentially finished and awaiting the completion of the environmental to launch. General Manager Cox presented some upcoming expenses: the water and wastewater maintenance buildings which will most likely span two fiscal years; paving at the Community Center which will happen in this fiscal year; water rights which will span three fiscal years; and the well project which will span two fiscal years. Edison will be the most challenging critical path for the well drilling project. GM Cox announced that San Bernardino County Sheriff's Department Captain Crusbe will be moving to a new position in San Bernardino and the current Lieutenant will move up to the Captain position, our Deputy will stay the same for now.

Water Operations Manager Carlson gave the water report. Staff completed all monthly inspections for the month of November. Staff has been cleaning and organizing the operations yard, repaired a leak inside the water operations building, continuing meter replacements, winterized all well and tank sites and repaired a leak at the equestrian area on our property.

Program Coordinator Vermette presented the Board with three options for paint colors for the outside of the Community Center, the unanimous choice of the Board was the color "porous stone."

General Manager Cox reported that the total cash balance was \$5,594,395, \$1,442,458 is in the water fund; \$3,691,127 is in the wastewater fund; \$170,450 is in the solid waste fund and \$265,594 is in the park fund.

Regular Business

5. Discussion Only Regarding COVID-19 Pandemic Update

Discussion: General Manager Cox presented an updated map for the week of 11/18/2020 showing most counties within the State are in the purple tier. Currently five employees are out pending COVID test results. Staff continues to monitor cash flow; the District is over \$90,000 in past due payments (greater than 30 days past due). Staff continues to make reminder calls, contact landlords and file liens.

6. Acceptance of 2020 Fiscal Year Audit

Discussion: Auditor Chris Brown presented. The audit was performed in accordance with auditing standards general accepted in the United States. Interim fieldwork assesses the District's internal controls and the final fieldwork agrees the balances to the supporting documentation. Auditors perform an analysis of key relationships. The independent auditors report was that this was an unmodified "clean" opinion, stating that, "In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the Helendale Community Services District as of June 30, 2020." The management report did not identify any material weaknesses within the District's internal control structure. It is the auditors responsibility under U.S. GAA5 to communicate to the governing board the scope of the audit,

the District's accounting practices, the corrected and/or uncorrected misstatements. There were no difficulties encountered in performing the audit and no disagreements with management. Brown went over a chart of the financial highlights. In 2020 the net position of the District increased by \$1,557,071 to \$18,039,784 as a result of ongoing operations and the effect of a prior period adjustment to fund balance/net position. The total revenues increased by \$355,426 to \$6,185,542. Program revenue increased by \$394,842 due to increases of \$311,827 in charges for services and \$83,015 in capital grants and contributions. General revenues decreased by \$39,416 due to decreases of \$47,850 in interest earnings and \$24,329 in other revenues which were offset by increases of \$20,259 in property taxes and \$12,504 in rental income from the prior year. Total expenses increased by \$226,330 to \$4,628,471. This was due primarily to increases of \$111,917 in general fund expenses; \$60,009 in solid waste expenses; \$42,084 in water fund expenses and \$31,632 in wastewater fund expenses which were offset by decreases of \$6,297 in recycle fund expenses and \$5,481 in parks and recreation expenses as compared to the prior year. The Board requested that Staff write an article for the newsletter and post something on our website regarding the District's audit. The Board would like the draft to be brought to the January meeting for approval.

Action: A motion was made by Director Spiller to accept the 2020 Fiscal Year Audit. The motion was seconded by Vice President Smith.

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

7. Discussion and Possible Action Regarding Adoption of Resolution 2020-15: A Resolution of the Board of Directors of the Helendale Community Services District Approving a Debt Management Policy

Discussion: This policy was recommended by the debt placement firm (Municipal Finance Corp) and is required by Government Code Section 8855(i) that became effective on 1/1/17. The District had not incurred debt since 2014 and the guidance for debt management is a commonsense document. It outlines the commitment to financial planning, appropriates reserves and takes a conservative approach to debt. The District's Counsel has reviewed the document. The District acknowledges that a fiscally prudent debt policy is necessary (Section 1); the purpose of long term debt is outlined in Section 2A; the types of debt are outlined in Section 2B; the relationship of debt to CIP is outlined in Section 2C; the relationship of policy to planning goals is outlined in Section 2D; and internal controls are outlined in Section 2E.

Action: A motion was made by Director Schneider to adopt Resolution 2020-15, approving a Debt Management Policy. The motion was seconded by Vice President Smith.

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

8. Discussion and Possible Action Regarding Adoption of Resolution 2020-16: A Resolution Authorizing the Execution and Delivery of a Loan Agreement and Authorizing and Directing Certain Actions in Connection with the Refinancing of a Prior Obligation

Discussion: The Board directed Staff to seek refinancing of the 2008 City National Bank Loan. The loan amount is \$2,832,000 at a 4.1% interest rate. The loan is paid by the Water Fund (23%); the Wastewater Fund (37.7%) and the Park Fund (40%). The purpose of the loan was to purchase the park property; rehabilitate the headworks and clarifier and add new drying

beds at the Wastewater Treatment Plant; and to purchase water rights and make water system improvements. Citizens Business Bank will carry the loan of \$1,446,206.61 at a 2.75% interest rate. There will be no finance charge for the refinance. The total interest paid over the life of the loan is \$175,791, the total repayment will be \$1,620,998. This loan can be refinanced after payment 6 on 12/23/2023 with a prepayment penalty of 2% (Section 6.2). New annual payments will reduce by \$8,000 per year. The proposed Resolution 2020-16 authorizes the execution of the loan. The loan agreement details the terms including subordination of other debt, etc. This loan is essentially the same as the 2014 loan agreement. Legal Counsel and Management will work with Municipal Finance Corp to finalize all documents pertaining to this loan.

Action: A motion was made by Director Schneider to adopt Resolution 2020-16. The motion was seconded by Director Spiller.

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

9. Discussion and Possible Action Regarding Approval of Additional Funds for the AMI Meter Rotation Program

Discussion: In 2016, Staff began testing the efficiency of the District's meters and found that many of our meters were over 20 years old. Older meters do not read as accurately and do not read very low flows. It was determined a meter rotation program was necessary. Staff performed bench tests on a variety of smart meters and found that the Sensus iPerl meter would be the best fit for the District. Funding for this program has been comprised of Strategic Partners grants, Bureau of Reclamation grants and District funding. By the end of the Bureau of Reclamation Phase II grant, there will be 1,578 new AMI meters installed. The approximate cost to complete the remaining 1" residential connections is \$221,084.68. The estimated installation schedule would be to install 705 meters by November 2021; 420 meters between December 2021 and June 2021 and 673 between July 2021 and June 2022. The Strategic Partners Grant program funded the installation of 237 meters, 148 radios and helped fund the installation of the radio tower. The total cost to complete the Strategic Partners grants was \$53,841.53 and the District was reimbursed \$52,237.65. The Bureau of Reclamation funded or will fund the installation of 1317 meters, 778 radios and a portion of the radio tower. The total cost for this portion of the meter replacement program is \$309,049.14 of which \$151,291.51 will be reimbursed. A total of 112 non-grant funded meters and 81 non-grant funded radios were installed at a cost of \$2,861.60. In summary 1,556 meters and 1,007 radios will be installed by the end of the Bureau of Reclamation Phase II. The total cost will be \$391,052.25 of which \$203,529.15 will be reimbursed. The District is very close to going live with the Sensus Analytics Program, which will allow our Staff to get reads remotely for monthly and closing bills. Staff will also be able to monitor unusually high, low or continuous usage. These features will help with our conservation programs as well as save the District time and resources. In August 2020, the Board approved expenditures to Aqua Metrics (our meter supplier) in an amount not to exceed \$60,000. In order to complete the installations necessary under the grant for this fiscal year staff is requesting an additional \$68,948.03 plus \$2,000.00 for non-grant related expenses for a total request of \$70,948.03 in expenditures for Aqua Metrics. Staff will bring a similar request to the Board next fiscal year to complete the remaining installations necessary under the Bureau of Reclamation Phase II grant.

Action: A motion was made by Director Spiller to approve additional funds for the AMI Meter Rotation Program in an amount not to exceed \$70,948.03. The motion was seconded by Director Schneider.

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

Other Business

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

President Clark recessed the Open Session at 7:40 pm after which Closed Session immediately commenced.

Closed Session

11. Conference with Real Property Negotiators (Government Code Section 54956.8)
Property: 26540 Vista Rd. Ste C
District Negotiator: Kimberly Cox
Negotiating Parties: Calvary Chapel, Helendale
Under Negotiation: Price and Terms of Payment

Closed Session was adjourned at 7:53 pm

12. Report of Closed Session Items

Discussion: Legal Counsel Kennedy announced there was no reportable action resulting from closed session items.

13. Adjournment

Action: President Ron Clark adjourned the meeting at 7:53 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: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop
SUBJECT: Agenda item #3b
Bills Paid Report



Helendale Community Services District

Date: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item #3 b
Consent Items: Updated Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Updated Report Only. Receive and File

STAFF REPORT:

Staff issued 52 checks and 20 EFT's totaling \$268,362.35

Total Cash Available:	<u>12/14/20</u>	<u>11/30/20</u>
Cash	\$5,544,713.08	\$5,648,236.09
Checks/EFT's Issues	\$ 268,362.35	\$ 340,779.27

Investment Report

The Investment Report shows the status of the invested District funds. The current interest rate is 0.05% for LAIF and 0.15% for the CBB Sweep Account for November 2020. Interest earned in November 2020 on CBB Sweep Account is \$689.86



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 11/30/2020 - 12/14/2020

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
11/30/2020	23699	Desert Community Bank	-230.83	Check	Accounts Payable
11/30/2020	23700	Hartford Life	-1,438.54	Check	Accounts Payable
12/02/2020	23701	Void Check	0.00	Check	Accounts Payable
12/02/2020	23702	Void Check	0.00	Check	Accounts Payable
12/02/2020	23703	Void Check	0.00	Check	Accounts Payable
12/02/2020	23704	Void Check	0.00	Check	Accounts Payable
12/02/2020	23705	Sonic Systems, Inc	-1,455.90	Check	Accounts Payable
12/02/2020	23706	Sonic Systems, Inc	-1,400.90	Check	Accounts Payable
12/02/2020	23707	Brunick, McElhaney & Kennedy	-5,487.50	Check	Accounts Payable
12/02/2020	23708	Eide Bailly	-6,159.51	Check	Accounts Payable
12/03/2020	23709	ACI Payments, Inc	-57.70	Check	Accounts Payable
12/03/2020	23710	AVCOM Services Inc.	-134.00	Check	Accounts Payable
12/03/2020	23711	Burrtec Waste Industries Inc	-1,144.53	Check	Accounts Payable
12/03/2020	23712	Burrtec Waste Industries Inc	-474.24	Check	Accounts Payable
12/03/2020	23713	Burrtec Waste Industries Inc	-124.18	Check	Accounts Payable
12/03/2020	23714	City National Bank	-105,041.47	Check	Accounts Payable
12/03/2020	23715	County of San Bernardino	-200.00	Check	Accounts Payable
12/03/2020	23716	Ed Anderson Painting	-700.00	Check	Accounts Payable
12/03/2020	23717	Frontier Communications	-60.47	Check	Accounts Payable
12/03/2020	23718	Frontier Communications	-86.26	Check	Accounts Payable
12/03/2020	23719	G.A. Osborne Pipe & Supply Inc.	-145.99	Check	Accounts Payable
12/03/2020	23720	On Line	-22.80	Check	Accounts Payable
12/03/2020	23721	Rebecca Gonzalez	-330.00	Check	Accounts Payable
12/03/2020	23722	Shred-it USA LLC	-84.57	Check	Accounts Payable
12/03/2020	23723	Sonic Systems, Inc	-53.86	Check	Accounts Payable
12/03/2020	23724	Sonic Systems, Inc	-646.47	Check	Accounts Payable
12/03/2020	23725	Staples Credit Plan	-445.76	Check	Accounts Payable
12/03/2020	23726	SWRCB FEES	-23,210.00	Check	Accounts Payable
12/03/2020	23727	Uline	-533.73	Check	Accounts Payable
12/03/2020	23728	Univar Solutions USA Inc	-2,141.71	Check	Accounts Payable
12/03/2020	23729	USA of So. California	-79.30	Check	Accounts Payable
12/03/2020	23730	GEORGE HAUSER	-600.00	Check	Utility Billing
12/07/2020	23731	Beck Oil Inc	-1,539.63	Check	Accounts Payable
12/08/2020	23732	PAT MACDONALD	-84.65	Check	Utility Billing
12/08/2020	23733	CHICAGO TITLE COMPANY	-342.36	Check	Utility Billing
12/08/2020	23734	KAY COULSELL	-153.02	Check	Utility Billing
12/08/2020	23735	GILBERT J CRUZ	-114.84	Check	Utility Billing
12/08/2020	23736	LORA SIMPSON	-22.78	Check	Utility Billing
12/08/2020	23737	Burrtec Waste Industries Inc	-1,118.51	Check	Accounts Payable
12/08/2020	23738	Charles La Pat	-300.00	Check	Accounts Payable
12/08/2020	23739	DOI - Bureau of land Management	-1,260.00	Check	Accounts Payable
12/08/2020	23740	Ed Anderson Painting	-1,150.00	Check	Accounts Payable
12/08/2020	23741	Parkhouse Tire, Inc.	-792.89	Check	Accounts Payable
12/08/2020	23742	Sooter Signs	-3,818.82	Check	Accounts Payable
12/08/2020	23743	Stantec Consulting Services Inc	-1,962.00	Check	Accounts Payable
12/09/2020	23744	Ed Anderson Painting	-2,350.00	Check	Accounts Payable

Bank Transaction Report

Issued

Date	Number	Description	Amount	Type	Module
12/10/2020	23745	California State Disbursement Unit	-230.76	Check	Accounts Payable
12/10/2020	23746	Bank of America	-2,709.38	Check	Accounts Payable
12/10/2020	23747	Burrtec Waste Industries, Inc.	-46,558.96	Check	Accounts Payable
12/11/2020	23748	QUINTON ASTGEN	-183.23	Check	Utility Billing
12/11/2020	23749	ANTHONY NELSON	-77.90	Check	Utility Billing
12/11/2020	23750	JACOB WRIGHT	-128.08	Check	Utility Billing
11/30/2020	EFT0003470	CalPERS Classic Pmt PPE 11/8/20	-6,926.62	EFT	General Ledger
11/30/2020	EFT0003471	CalPERS PEPRA Pmt PPE 11/8/20	-1,551.91	EFT	General Ledger
11/30/2020	EFT0003482	CalPERS 457 Pmt PPE 11/22/20	-3,681.72	EFT	General Ledger
12/02/2020	EFT0003483	SCE ACH Well 6,7,8,9 & 2 Acct 2-28-988-7853	-407.80	EFT	General Ledger
12/02/2020	EFT0003484	SCE ACH WWTP & Wells 3,4 & 1 Acct 2-29-212-2157	-10,552.74	EFT	General Ledger
12/02/2020	EFT0003487	SCE ACH Community Center Acct 2-34-148-8526	-1,252.38	EFT	General Ledger
12/04/2020	EFT0003488	To record CalPERS Health Premium	-17,096.44	EFT	General Ledger
12/10/2020	EFT0003490	To record Sales Tax Pmt - 4th Quarter Pmt #2	-1,726.15	EFT	General Ledger
12/01/2020	EFT0003491	To record Tasc Flex Claim Pmt - PPE 11/22/20	-777.07	EFT	General Ledger
12/14/2020	EFT0003492	To record Tasc Flex Claim Pmt - PPE12/6/20	-777.07	EFT	General Ledger
12/11/2020	EFT0003493	CalPERS 457 Pmt PPE	-3,681.72	EFT	General Ledger
12/02/2020	EFT0003494	To record EVO Thrift Store CC Fees 23099	-305.89	EFT	General Ledger
12/02/2020	EFT0003495	To record Global Merchant Fees Acct 4366 -	-274.63	EFT	General Ledger
12/02/2020	EFT0003496	To record Global Merchant Fees Acct 4367 -	-1,311.26	EFT	General Ledger
12/07/2020	EFT0003497	SW Gas Water Shop Acct 121-1498762-002	-11.00	EFT	General Ledger
12/07/2020	EFT0003498	SW Gas ACH WWTP 121-0319765-023	-39.27	EFT	General Ledger
12/07/2020	EFT0003499	SW Gas ACH 4-Plex 121-1498049-003	-148.71	EFT	General Ledger
12/07/2020	EFT0003500	SW Gas Community Center Acct 121-0319591-025	-125.03	EFT	General Ledger
12/14/2020	EFT0003501	SW Gas Water Shop Acct 121-1498762-002	-96.26	EFT	General Ledger
12/14/2020	EFT0003502	SCE ACH 4-Plex Acct 2-35-118-6267	-230.65	EFT	General Ledger
			Bank Account 251229590 Total: (72)		-268,362.35
				Report Total: (72)	-268,362.35

Summary

Bank Account
251229590 CBB Checking

Count	Amount
72	-268,362.35
Report Total:	-268,362.35

Cash Account

****No Cash Account****

99 99-111000 Cash in CBB - Checking

Count	Amount
4	0.00
68	-268,362.35
Report Total:	-268,362.35

Transaction Type	Count	Amount
Check	52	-217,388.03
EFT	20	-50,974.32
Report Total:	72	-268,362.35



Helendale Community Services District

Date: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3c
Presentation of Directors' Expenses

STAFF REPORT:

Attached for the Board's consideration is a spreadsheet that outlines Director's expenses paid for the current pay period.

Director's Expenses
Pay Period Ending December 6, 2020

Name:		Sandy Haas	
	Date	Activity	Rate
1	11/30/2020	Meeting with Auditors	\$137.50
2	12/1/2020	Meeting with General Manager	\$137.50
3	12/2/2020	Discussion regarding auto attendant phone message	\$137.50
4	12/3/2020	Regular Board Meeting	\$137.50
5	12/4/2020	Meeting with General Manager	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$687.50

Name:		Ron Clark	
	Date	Activity	Rate
1	11/3/2020	Meeting with General Manager	\$137.50
2	11/5/2020	Regular Board Meeting	\$137.50
3	11/19/2020	Regular Board Meeting	\$137.50
4	12/2/2020	Meeting with General Manager	\$137.50
5	12/3/2020	Regular Board Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$687.50

Name:		Tim Smith	
	Date	Activity	Rate
1	12/1/2020	Meeting with General Manager	\$137.50
2	12/3/2020	Regular Board Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$275.00



Helendale Community Services District

DATE: December 17, 2020
 TO: Board of Directors
 FROM: Kimberly Cox, General Manager
 SUBJECT: Agenda item #3d
 Discussion Only Regarding COVID-19 Pandemic Update

STAFF RECOMMENDATION:

Receive and file.

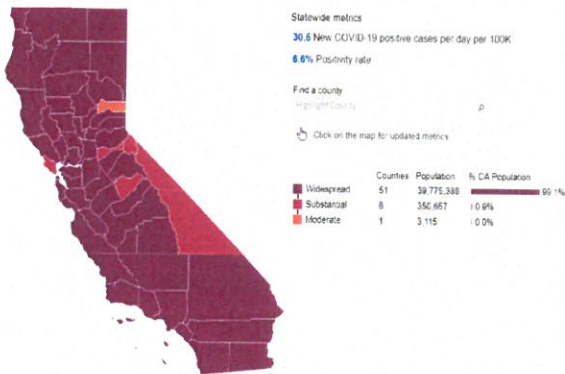
STAFF REPORT:

San Bernardino County continues in the Purple (Most restrictive) and the numbers have been getting worse. ICU capacity is at 7.4% as of 12/8. Maximum restriction related to the current shut-down order go into effect in each county that has less than 15% ICU capacity.

Map from Week of 11/28

Current tier assignments as of November 28, 2020

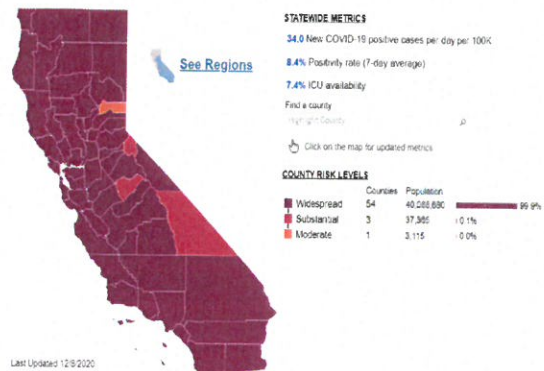
Tier assignments may occur any day of the week and may occur more than once a week.



Map from Week of 12/8

Current tier assignments as of December 8, 2020

Tier assignments may occur any day of the week and may occur more than once a week. Select a county to see what region it's in.



Last week the County of San Bernardino hosted a COVID 19 testing event and offered free flu shots. There were 450 appointments available and of that 427 stood in line for up to an hour get their tests. Some left after seeing the line. To date only one part-time employee has tested positive. Staff continues to take appropriate precautions

Staff continues to monitor the cash flow and the unpaid accounts as the prohibition for disconnections continues. Following is the most recent information. Currently, \$33,358 remains unpaid from November; \$14,173 remains unpaid for October; \$5,838 is 90 days overdue; \$7295 is

120 days or more overdue for a total amount in arrears of \$113,268 representing an increase of \$10,000 since last meeting.

This District is exercising the limited means available to collect these outstanding payments by contact landlords, filing liens and placing reminder calls. Until the Governor declares the COVID emergency over the District can anticipate this challenge continuing.

Lastly, the District continues to exercise precaution in daily operations with protocols in place to protect the staff and the public. With flu season approaching, there is heightened concern from the medical community regarding the combined impacts of the normal flu season and COVID-19.

FISCAL IMPACT: As outlined above.

POSSIBLE MOTION: None

ATTACHMENTS: None



Helendale Community Services District

DATE: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Fee Related to Water Purchase

STAFF RECOMMENDATION:

Staff recommends approval of this item.

STAFF REPORT:

On xxxx the Board approved the acquisition of 148 acre-feet of Base Annual Production Water Rights in the Alto Sub-Area of the Mojave Area Basin Adjudication. This water will continue to ensure resilience and independence for our community from the unpredictable nature of the State Water Project which continues to be embroiled in environmental litigation. The agreement was completed on 12/9/2020, upon the Watermaster's acceptance of the transfer. This week Staff wired the first of four payments to the seller.

The final obligation under this transaction is to Mojave Resource Management in the amount of \$29,600 for fees related to the transaction. Several years ago, the District began using Mojave Resource Management for both permanent water rights transactions as well as the annual lease agreements for the District's carryover water. These transactions can be very time consuming, complicated and highly competitive. Typically, the transaction costs paid to MRM are under the General Manager's signing authority. In this case, due to the value of the transaction it requires Board approval.

Included for the Board's information is the package prepare by Mojave Resource Management, LLC for this transaction.

FISCAL IMPACT: \$29,600

POSSIBLE MOTION: Approve the payment of \$29,600 to Mojave Resource Management.

ATTACHMENTS: Transaction Documents.



Mojave Resource Management, LLC
11146 Lindsay Lane
Apple Valley, CA 92308
(760) 985-6261

BILL TO:

Helendale Community Services District
PO Box 359
Helendale, CA 92342

INVOICE: MRM-HCSD20.1
INVOICE DATE: 12/09/2020
DUE DATE: 12/31/2020

PAYABLE TO:

Mojave Resource Management, LLC
11146 Lindsay Lane
Apple Valley, CA 92308

DATE	TYPE	ACRE-FEET	PRICE PER AF	TRANSACTION TOTAL	MRM SERVICES FEE
2020-21 WY	Pittman 148 AF Alto BAP w/ all Carryover	148	\$5,000.00	\$740,000.00	\$29,600.00

TOTAL DUE \$29,600.00

MOJAVE BASIN AREA WATERMASTER

AGENDA

Mojave Water Agency
Board Room
13846 Conference Center Drive
Apple Valley, CA 92307

December 9, 2020
4:30 p.m.

REMOTE ACCESS (SEE ATTACHED INSTRUCTIONS)

**Please note that all requirements of the Brown Act requiring the physical presence of the board or staff have been waived per Executive Order N-29-20*

-
1. Invocation
 2. Call to Order and Pledge of Allegiance
 3. Administration of Oath of Office for Newly Appointed/Elected Directors Ken Anderson, Kimberly Cox, Michael Limbaugh and Rick Roelle
 4. Approval of Agenda

PUBLIC PARTICIPATION

5. The public comment period is limited to five minutes per person and not more than 15 minutes in total. Anyone wishing to address any matter pertaining to Watermaster business, listed on the agenda or not, may do so at this time; however; the Watermaster may not take any action on items that are not on the agenda. Please submit a speaker card to the recording secretary prior to the start of the meeting.

WORKSHOP

6. Watermaster Revenue and Expense Analysis

CONSENT CALENDAR

7. Adopt Actions of the Regular Meeting of October 28, 2020
8. Accept Bills for Payment

9. **Accept Permanent Transfers of Base Annual Production Right**
 - A. **Dianna J. Pittman Revocable Trust to Helendale Community Services District**
(148 acre-feet in the Alto Subarea, price paid, \$5,000.00 per acre-foot)
 - B. **Joe and Sue Harter to Daggett Community Services District**
(100 acre-feet in the Baja Subarea, price paid, \$0.00 per acre-foot)

REPORTS

10. **Executive Officer reports.** The Executive Officer will review the following reports and any subjects not covered by the agenda. No action taken.
 - A. **Percentage of producers reporting for the Fourth Quarter of Water Year 2019-20**
 - B. **Status of Mojave Water Agency's groundwater storage accounts by Subarea**
11. **Engineer Reports.** The Engineer will review the following report and any subjects not covered by the agenda. No action taken.
12. **Legal Reports.** Brief reports on subjects not covered by the agenda. No action taken.
13. **Directors Reports**

CLOSED SESSION

14. **Conference with Legal Counsel – Existing Litigation: Government Code Section 54956.9(A); City of Barstow, et al. v. City of Adelanto, et al., Riverside County Superior Court, Case No. 208568 and Potential Litigation**

OTHER BUSINESS

15. **Discussion items for next or future agendas**
16. **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 Agency's General Manager's office at (760) 946-7002 at least 24 hours prior to said meeting.

All accompanying reports for this agenda are available through the Agency's website at:

www.mojavewater.org

WATERMASTER MEETING REMOTE ACCESS INSTRUCTIONS

PUBLIC COMMENTS

Should you wish to speak during the Public Participation, please contact La Trici Jones 24-hours prior to the meeting at ljones@mojavewater.org or 760-946-7002.

CONFERENCE CALL ACCESS:

1. Dial-in: **+1 (408) 650-3123**
2. Enter Access Code: **565-591-189**
3. Go to WEBSITE: www.MojaveWater.org/meetings---agendas.html
To access staff reports, presentations, etc.

—OR—



Watermaster Meeting

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/565591189>

You can also dial in using your phone.

(For supported devices, tap a one-touch number below to join instantly.)

- One-touch: <tel:+14086503123,,565591189#>

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<https://global.gotomeeting.com/install/565591189>

—OR—

LISTEN ANYTIME:

Go to WEBSITE: www.MojaveWater.org/meetings---agendas.html

Listen to audio during the meeting and anytime afterwards and access staff reports, presentations, etc.

MOJAVE BASIN AREA WATERMASTER

ADOPTED BOARD ACTIONS

OCTOBER 28, 2020

4:30 p.m.

REMOTE ACCESS

**Please note that all requirements of the Brown Act requiring the physical presence of the board or staff have been waived per Executive Order N-29-20*

1. **INVOCATION** – Jeff Ruesch gave the invocation.
2. **CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL**

Chairperson Hayhurst called the meeting to order at 4:30 PM

PRESENT: Chairperson Jeanette Hayhurst, Vice Chairperson Kimberly Cox, Director Carl Coleman, Director Jim Ventura, Director Mike Page, and Director Thurston “Smitty” Smith

ABSENT: Director Richard Hall

CONSULTANTS: Watermaster Engineer Robert Wagner, and Bill Brunick, Legal Counsel

STAFF: Executive Officer Kathy Cortner, Watermaster Services Manager Valerie Wiegenstein, Database Program Administrator Jeff Ruesch, and Secretary Joanne James

OTHERS: Ten Visitors

3. **APPROVAL OF AGENDA**

ACTION #1072: Director Ventura made a motion to approve the agenda. Director Coleman seconded the motion.

The motion carried by the following vote:

Aye: 6 – Directors Coleman, Cox, Hayhurst, Page, Smith, and Ventura

Nay: 0

Absent: 1 – Director Hall

Abstain: 0

4. **PUBLIC PARTICIPATION** – None at this time.

CONSENT CALENDAR

5. **ADOPT ACTIONS OF THE REGULAR MEETING OF SEPTEMBER 23, 2020**
6. **ACCEPT BILLS FOR PAYMENT**
7. **ACCEPT WATERMASTER FINANCIAL STATEMENTS ENDING SEPTEMBER 30, 2020**
8. **AUTHORIZE THE EXECUTIVE OFFICER TO SIGN AMENDED RESTRICTION AGREEMENT RELATED TO THE DAGGETT SOLAR POWER 1, LLC PROJECT IN THE BAJA SUBAREA**

***ACTION #1073:** Director Coleman made a motion to approve the items on the Consent Calendar. Director Smith seconded the motion.*

*The motion carried by the following vote:
Aye: 6 – Directors Coleman, Cox, Hayhurst, Page, Smith, and Ventura
Nay: 0
Absent: 1 – Director Hall
Abstain: 0*

9. **EXECUTIVE OFFICER REPORTS**

- A. **Status of Mojave Water Agency's groundwater storage accounts by Subarea**
- B. **Transfer tracking table for 2019-20 Water Year**
- C. **Quarterly investment report ending September 30, 2020**

Valerie Wiegenstein reviewed the preceding reports included with the agenda packet.

10. **ENGINEER REPORTS**

- A. **Graph showing Lower Narrows direct measurements and projected base flow, VVWRA discharge and projections for Alto Make-up Obligation**

Robert Wagner reviewed the report included with the agenda packet.

11. **LEGAL REPORTS**

Bill Brunick asked Valerie Wiegenstein for the approximate balance of the Department of Fish and Wildlife Biological Resource Trust Fund. Valerie stated that there is currently between \$500,000 and \$600,000 available to the Department of Fish and Wildlife to use as they see fit. Valerie affirmed that the Department of Fish and Wildlife could use these funds to purchase water rights and retire production.

12. DIRECTORS REPORTS

Chairperson Hayhurst recognized the retirement of Joanne James by reading a biography of her career with the Mojave Water Agency. Directors Page, Ventura, Coleman, Smith, and Cox also commended Joanne for her service.

13. CLOSED SESSION – None

OTHER BUSINESS

14 DISCUSSION ITEMS FOR NEXT OR FUTURE AGENDAS – None noted.

15. ADJOURNMENT – Chairperson Hayhurst adjourned the meeting at 4:52 p.m.

Joanne James, Secretary

Approved: December 9, 2020

Attachments on-file:

Item 8 – Signed Documentation

DRAFT

MOJAVE BASIN AREA WATERMASTER

FOR
CITY OF BARSTOW, ET AL, VS. CITY OF ADELANTO, ET AL,
CASE NO. CIV208568 - RIVERSIDE COUNTY SUPERIOR COURT

MEMORANDUM

Date: December 9, 2020
To: Watermaster
From: Kathy Cortner, Executive Officer
Re: Accept Bills for Payment

As part of the Watermaster's financial responsibility, it is necessary to process accounts payable disbursements on a routine basis in order to meet generally accepted business practices. As part of the Finance Department's policies and procedures, this function is performed once or twice weekly depending on the volume and nature of the scheduled disbursement.

Attached for the Watermaster's review and approval are the bills for payment covering the period from October 22, 2020 through December 1, 2020. Bills for payment, presented within this report have decreased Watermaster cash in an amount equal to \$10,157.00.

Staff recommends that the Watermaster accept the attached bills for payment as part of the consent calendar during their regularly scheduled meeting of December 9, 2020.

**MOJAVE BASIN AREA WATERMASTER
Bills Paid and Presented for Approval
10/22/2020 through 12/1/2020**

<u>Date</u>	<u>Invoice Description</u>	<u>Invoice Total</u>
10/28/2020	Brunick, McElhaney & Kennedy Watermaster Legal Services F/Y 2020-21	10,131.00
11/19/2020	SBC Tax Collector Amended Tax Bill W/Y 2019-20 SP0101	26.00
		Total \$ 10,157.00

MOJAVE BASIN AREA WATERMASTER

FOR
CITY OF BARSTOW, ET AL, VS. CITY OF ADELANTO, ET AL,
CASE NO. CIV208568 - RIVERSIDE COUNTY SUPERIOR COURT

MEMORANDUM

Date: December 9, 2020
To: Watermaster
From: Kathy Cortner, Executive Officer
Re: Accept Permanent Transfers of Base Annual Production Right

The following permanent water transfers are proposed for processing at the December 9, 2020 Watermaster meeting.

- A. **Dianna J. Pittman Revocable Trust to Helendale Community Services District**
148 acre-feet, including all Carryover rights, in the Alto Subarea
Selling Price: \$5,000.00 per acre-foot

This is a transfer of BAP pursuant to the Rules and Regulations. Dianna J. Pittman Revocable Trust will have 0 (zero) acre-feet of BAP remaining if this transfer is accepted by Watermaster.

- B. **Joe and Sue Harter to Daggett Community Services District**
100 acre-feet in the Baja Subarea
Selling Price: \$0.00 per acre-foot

This is a transfer of BAP pursuant to the Rules and Regulations. Joe and Sue Harter will have 5,134 acre-feet of BAP remaining if this transfer is accepted by Watermaster.

Action:

Staff recommends that the Watermaster accept for filing the permanent transfers of Base Annual Production Right listed above, based on the finding that they are consistent with the Watermaster Rules and Regulations.

Watermaster Action: _____
Conditions: _____
Date: _____
Executive Officer: _____

MOJAVE BASIN AREA WATERMASTER

FOR
CITY OF BARSTOW, ET AL, VS. CITY OF ADELANTO, ET AL,
CASE NO. 208568 - RIVERSIDE COUNTY SUPERIOR COURT

MEMORANDUM

TO: Valerie Wiegenstein
Watermaster Services Manager

FROM: Robert C. Wagner, P.E.
Watermaster Engineer

DATE: December 2, 2020

RE: Proposed Transfer of Base Annual Production, December 9, 2020

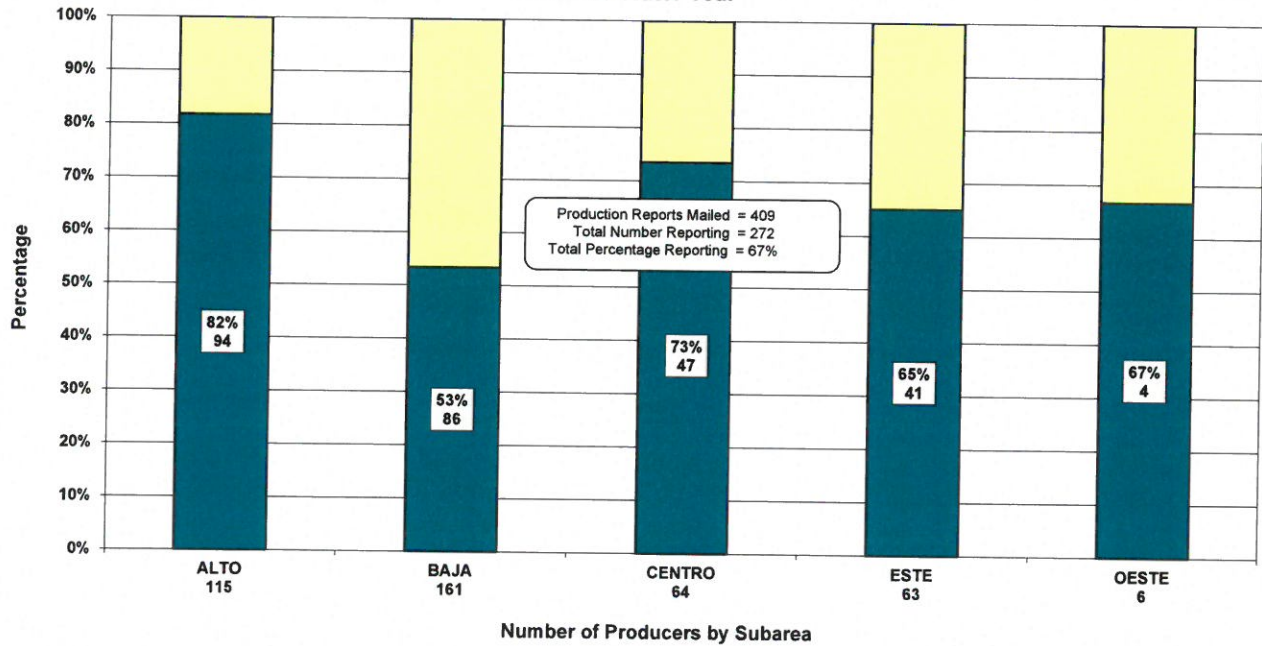
The proposed transfers of Base Annual Production shown below are consistent with Exhibit F of the Judgment. There should be no change in consumptive use in the listed Subareas resulting from this transfer.

- A. **Dianna J. Pittman Revocable Trust to Helendale Community Services District**
(148 acre-feet in the Alto Subarea)
- B. **Joe and Sue Harter to Daggett Community Services District**
(100 acre-feet in the Baja Subarea)

MOJAVE BASIN AREA WATERMASTER

December 2, 2020

Percentage of Producers Reporting Fourth Quarter 2019-20 Water Year



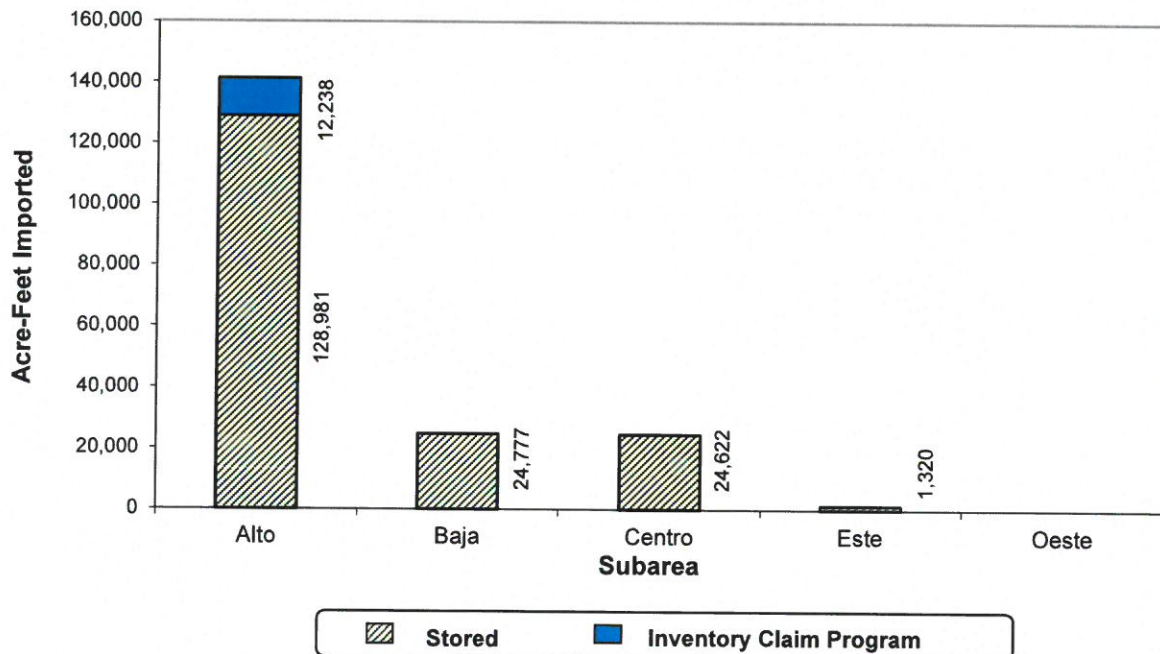
Mojave Basin Area

Status of MWA Groundwater Storage Accounts by Subarea

(As of October 31, 2020)

All Amounts in Acre-Feet

Subarea	Stored Water	Inventory Claim Program
Alto	128,981	12,238
Baja	24,777	0
Centro	24,622	0
Este	1,320	0
Oeste	0	0
Total	179,700	12,238



PERMANENT TRANSFER OF BASE ANNUAL PRODUCTION RIGHT

To be executed by both Transferee and Transferor, be accompanied by a map of the service area where the water was used by Transferor, and a map of the service area where the water is intended to be used by the Transferee, together with a listing identifying and showing the location(s) of production facilities involved in or affected by Transfer. Have the attached acknowledgments completed by both Transferee and Transferor.

A TRUE COPY HEREOF MUST BE FILED WITH WATERMASTER WITHIN 15 DAYS OF EXECUTION.
(To be accompanied by completed Exhibit "F" if Transferee is not a party to the Judgment and by a Preliminary Title Report on Transferor's property)

For a valuable consideration, in the amount of \$ 5,000.00 per acre-foot, for a total amount of \$ 740,000.00, receipt of which is hereby acknowledged, Diana J. Pittman Revocable Trust ("Transferor") does hereby assign and transfer in perpetuity to Helendale Community Services District ("Transferee") the Base Annual Production Right of Transferor in the amount of 148 acre-feet and any Carryover Right, if applicable in the amount of all available acre-feet, in the Alto Subarea as adjudicated to Seller or his predecessor in the Judgment in the case of "City of Barstow, et al" vs. "City of Adelanto, et al" Riverside Superior Court No. 208568, together with the attendant rights, powers and privileges pertaining thereto, effective upon Court approval of Pittman Stipulation for Intervention and Watermaster board approval.

TRANSFEEEE

TRANSFEROR

Helendale Community Services District

Diana J. Pittman Revocable Trust

[Signature] 10-15-20
(Signature) (Date)

Diana J. Pittman, Trustee
[Signature] 10-15-20
(Signature) (Date)

Name and Address of Designee of Transferee to receive service of Processes & Notices:

Name and Address of Designee of Transfer to receive service of Processes & Notices:

Diana J. Pittman Revocable Trust
P.O. Box 127
Oro Grande, CA 92368

Telephone No.: _____

Telephone No.: ON FILE w/ WM.

The following are holders of Deed of Trust or Lien on the affected lands and/or the Base Annual Production Right affected by this transfer.

DEED OF TRUST or LIEN HOLDER

ADDRESS

RECEIVED

OCT 27 2020

Exhibit "C"

MOJAVE BASIN AREA
WATERMASTER

OCTOBER 29, 2008

BY: [Signature]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Bernardino

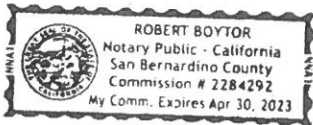
On OCTOBER 15, 2020 before me, Robert Boytor, Notary Public
Date Here insert name and title of the officer

personally appeared Diana J. Pittman
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document

Description of Attached Document

Title or Type of Document: Exhibit C Document Date: 10/15/2020

Number of Pages: 1 Signer(s) Other Than Named Above:

Capacity(ies) Claimed By The Signer(s)

Signer's Name DIANA PITTMAN

Signer's Name

Corporate Officer - Title(s)

Corporate Officer - Title(s)

Partner - Limited General

Partner - Limited General

Individual Attorney in Fact

Individual Attorney in Fact

Trustee Guardian or Conservator

Trustee Guardian or Conservator

Other

Other

Signer is Representing:

Signer is Representing:

10/13/2020

NKR

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

OCT 20 2020

P. Tantlinger

OCT 21 2020

1 Department 1
2 Riverside County Superior Court
3 4050 Main Street
4 Riverside, CA 92501
5 (951) 777-3067

7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
8 **COUNTY OF RIVERSIDE**

9 **CITY OF BARSTOW, et al.,**
10 **Plaintiffs**
11 **v.**
12 **CITY OF ADELANTO, et al.,**
13 **Defendants**

CASE NO. CIV 208568

**STIPULATION FOR INTERVENTION AND
SUBMISSION TO JUDGMENT; [~~PROPOSED~~]
ORDER THEREON**

14 **And Related Cross-Actions**

15
16 **STIPULATION FOR INTERVENTION AND SUBMISSION TO JUDGMENT**

17 Cross-Complainant Mojave Water Agency ("MWA"), acting in its capacity as the Mojave
18 Basin Area Watermaster, and intervening party, Diana J. Pittman Revocable Trust, hereinafter
19 referred to as "Pittman", agrees and stipulate as follows:

- 20 1. On January 10, 1996, the Court entered Its Judgment after Trial in the above-entitled action.
21 2. Pittman was not previously a party to this action and thus was not bound by that judgment.
22 3. Pittman now agrees (a) to seek leave to intervene in this action and (b) to submit to and be
23 bound by the Judgment entered in this matter on January 10, 1996, as subsequently
24 amended.

1 4. Pittman further stipulates to a Base Annual Production Right of 148 acre-feet.

2
3 Dated: 9-30-20

Diana J. Pittman, Trustee
4 Diana J. Pittman, Trustee
5 Diana J. Pittman Revocable Trust

6 BRUNICK, McELHANEY & KENNEDY PLC

7
8 Dated: 10-8-20

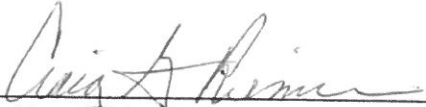
By: William J. Brunick
9 William J. Brunick, Attorney for Defendant &
10 Cross-Complainant, MOJAVE WATER AGENCY

1 **ORDER PURSUANT TO STIPULATION**

2 Pursuant to the stipulation recited above, IT IS HEREBY ORDERED:

- 3 A. The requested leave to intervene is granted. Diana J. Pittman Revocable Trust is hereby
4 made a party to this action and is bound by the terms of the Judgment after Trial, dated
5 January 10, 1996 as thereafter amended.
- 6 B. This order is conditioned on there being no meritorious objections to the intervention. If any
7 party to this action opposes the intervention of Diana J. Pittman Revocable Trust for any
8 reason, that party shall file a written objection to the intervention with the Court no later than
9 30 days from the date that the Watermaster sends out written notice of this order.
- 10 C. If any such objection is filed, the party filing the objection shall deliver a copy of that party's
11 objection to the Watermaster no later than three court days after the filing date.
- 12 D. The Watermaster shall promptly serve copies of the objection on all other parties and shall
13 file a proof of service with the Court.
- 14 E. Upon receiving a conformed copy of an objection, the Watermaster shall request a hearing
15 date from the Court.
- 16 F. If no objection is filed within the time specified above, then this order granting intervention
17 and submitting the intervenor to the terms of the Judgment after Trial shall become final and
18 unconditional without further order of this Court.
- 19 G. If an objection is filed but overruled following a hearing on that objection, then the order shall
20 become final and unconditional upon the entry of the order overruling that objection.

21
22
23 Dated: October 19, 2020

24 
25 _____
26 Hon. Craig G. Riemer
27 Judge of the Superior Court
28



DENNIS DRAEGER
ASSESSOR - RECORDER - CLERK

R Regular Mail

Recording Requested By:

Diana J. Pittman

Doc#: 2013-0210563

Titles: 1 Pages: 2

When Recorded Mail This Deed To:



Fees	18.00
Taxes	0.00
Other	0.00
PAID	\$18.00

Diana J. Pittman
21602 Omar Road
Oro Grande, California 92368

APN: 0468-021-09-0-000

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Trust Transfer Deed

The undersigned Grantor declares that the following is true and correct:

The documentary transfer tax is \$0.

This transfer is exempt from the documentary transfer tax. This conveyance is to a revocable trust. Cal. Rev. & Tax. Code § 11930.

The property is located in the City of Oro Grande.

FOR NO CONSIDERATION, GRANTOR: **DIANA J. PITTMAN**, an unmarried woman, hereby grants to:

DIANA J. PITTMAN, Trustee of the **DIANA J. PITTMAN REVOCABLE TRUST**, under agreement dated 3-15-13, ~~2012~~, by **DIANA J. PITTMAN**, as grantor

the following real property in the City of Oro Grande, County of San Bernardino, State of California:

Portion of Section 1, Township 6 North, Range 5 West, and of Section 6, Township 6 North, Range 4 West, San Bernardino Meridian, according to the official plat thereof, described as follows:

COMMENCING at a point in the East line of Said Section 1, 480 feet South of the Northeast corner of said Section 1; thence West and parallel with the North line of Section 1 to the West line of Northeast 1/4 of said Section 1; thence South 555 feet; thence East and Parallel with the North Line of said Sections 1 and 6, 2800 feet, more or less, to West line of Right of Way of Atcheson, Topeka and Santa Fe Railway through said Section 6; thence Northwesterly along the West line of said Right of Way to a point due East of point of beginning; then West to the point of beginning.

Commonly known as: 21602 Omar Road, Oro Grande, CA 92368

Dated: 3-15-13, ~~2012~~

Diana J. Pittman
DIANA J. PITTMAN

MAIL TAX STATEMENTS TO:

DIANA J. PITTMAN 1
PO BOX 127
ORO GRANDE, CA 92368



Title Officer

Stewart Title of California, Inc.

Phone:
Fax:

PRELIMINARY REPORT

Order No.: 992991
Your File No.:
Buyer/Borrower Name: RLAA Investments, Inc.
Seller Name: Diana J. Pittman, Trustee

Property Address: 21602 Puritan Street, Oro Grande, CA 92368

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Stewart Title Guaranty Company Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referenced to as an Exception on Schedule B or not excluded from coverage pursuant to the printed Schedules, Conditions, and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on covered Risks of said policy or policies are set forth in Exhibit A attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limits of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters, which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report, (and any supplements or amendments thereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance a binder or commitment should be requested.

Dated as of October 16, 2020 at 7:30AM

When replying, please contact: , Title Officer

Stewart Title of California, Inc.

PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- CLTA Standard Coverage Policy
- CLTA/ALTA Homeowners Policy
- 2006 ALTA Owner's Policy
- 2006 ALTA Loan Policy
- ALTA Short Form Residential Loan Policy
-

SCHEDULE A

The estate or interest in the land hereinafter described or referred to covered by this report is:

FEE SIMPLE

Title to said estate or interest at the date hereof is vested in:

[Diana J. Pittman, Trustee of the Diana J. Pittman Revocable Trust, under Agreement Dated 3-15-13 by Diana J. Pittman](#)

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of San Bernardino, City of Oro Grande and described as follows:

Portion Of Section 1, Township 6 North, Range 5 West, and of Section 6, Township 6 North, Range 4 West, San Bernardino Meridian, According to the Official Plat thereof, described as Follows:

Commencing at a point in the East line of said Section 1, 480 Feet South of the Northeast Corner of said Section 1; Thence West and parallel with the North line Of Section 1 to the West line of Northeast 1/4 of said Section 1; Thence South 555 Feet; Thence East and parallel with the North line of said Sections 1 and 6, 2800 Feet, More or Less, to West line Of Right of Way of Atchison, Topeka and Santa Fe Railway through said Section 6; Thence Northwesterly along the West line of said Right of Way to a point due East of Point of Beginning; Thence West to the Point of Beginning.

APN: 0468-021-09-0000, 0468-031-02-0000

(End of Legal Description)

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

- A. General and special city and/or county taxes, and any assessments collected with taxes, for the fiscal year 2020 - 2021:
 - 1st Installment : \$847.22
 - Status 1st: Open
 - 2nd Installment : \$847.19
 - Status 2nd: Open
 - Parcel No. : 0468-021-09-0-000
 - Code Area / Tracer No. : 099002

- B. General and special city and/or county taxes, including any personal property taxes, and any assessments collected with taxes, for the fiscal year 2020 - 2021:
 - 1st Installment: \$405.96
 - Status 1st: PAID
 - 2nd Installment: \$405.94
 - Status 2nd: OPEN
 - Parcel No.: 0468-031-02
 - Code Area/Tracer No.: 099-032

- C. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.

- D. Taxes and/or assessments affecting the land, if any, for Community Facility Districts including Mello Roos Districts which may exist by virtue of assessment maps or notices filed by said districts. Said taxes and/or assessments are typically collected with the County taxes; however, some districts may remove these taxes and/or assessment from the County taxes and assess and collect them separately.

- E. Prior to recording, the final amount due for taxes must be confirmed with tax collector.

Exceptions:

- 1. Water rights, claims or title to water in or under said land, whether or not shown by the public records.

- 2. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, geothermal resources, brine, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. Stewart Title Guaranty Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.

- 3. An easement for ingress and egress and incidental purposes as set forth in a document recorded December 21, 1934, as Book [1028 Page 234](#), of Official Records.

- 4. An easement for public utility and incidental purposes as set forth in a document recorded March 20, 1937, as Book [1193 Page 175](#), of Official Records.

5. An easement for public utilities and incidental purposes as set forth in a document recorded January 1, 1960, as [Book 5237 Page 424](#), of Official Records.
6. An easement for underground conduits and incidental purposes as set forth in a document recorded October 14, 1983, as [Instrument No. 83-241904](#), of Official Records.
7. Matters contained in a document entitled "Affidavit and Statement" recorded December 29, 1993, as [Instrument No. 93565775](#), of Official Records.
8. Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby:
Amount : \$95,000.00
Trustor : Leroy Warren Pittman, Diana Joyce Pittman
Trustee : SMTD Corporation, a California Corporation
Beneficiary : Harold D. Fox and Rose M. Fox, husband and wife as joint tenants
Recorded : January 18, 1988, as [Instrument No. 88-014764](#), of Official Records

To avoid delays at the time of closing, please submit the original note, deed of trust, (Properly Executed) requested for reconveyance, and a final demand for pay-off executed by the record beneficiary. In the event the demand is prepared by a servicing agent, the demand must be approved by the record beneficiary.

9. Any invalidity or defect in a trust currently in title or in a trust acquiring title. Stewart Title Guaranty Company requires a full copy of the trust agreement and any amendments thereto, and a Certification of Trust prepared in accordance with Section 18100.5 of the California Probate Code. There are certain situations where a Certification of Trust may be accepted in lieu of the full trust agreement; please check with your Title Officer. Stewart Title Guaranty Company reserves the right to except additional items and/or make additional requirements after reviewing submitted documents.
10. Any facts, rights, interests or claims which would be disclosed by an inspection of the Land.
11. Any lien, or right to a lien, for services, labor, materials or equipment heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

(End of Exceptions)

NOTES AND REQUIREMENTS

A. MAP & DOCS

THE MAP CONNECTED HERewith IS BEING PROVIDED AS A COURTESY AND FOR INFORMATIONAL PURPOSES ONLY; THIS MAP SHOULD NOT BE RELIED UPON. FURTHERMORE, THE PARCELS SET OUT ON THIS MAP MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES. STEWART ASSUMES NO LIABILITY, RESPONSIBILITY OR INDEMNIFICATION RELATED TO THE MAPS NOR ANY MATTERS CONCERNING THE CONTENTS OF OR ACCURACY OF THE MAP.

- B. There are no transfers or conveyances shown in the public records within 24 months of the date of this report. If you have knowledge of any transfers or conveyances, please contact your title officer immediately for further research and review.
- C. There are no items in this preliminary report that will cause Stewart Title Guaranty Company to decline to attach the CLTA Endorsement Form 116.01-06 (or similar ALTA 22-06 equivalent), indicating that there is located a * known as 21602 Puritan Street, Oro Grande, California.
- D. There are no items in this preliminary report that will cause Stewart Title Guaranty Company to decline to attach the CLTA Endorsement Form 100.2-06 (or a similar ALTA 9 equivalent) to an ALTA Loan Policy, when issued.
- E. A Preliminary Change of Ownership Report must be completed by the transferee (buyer) prior to the transfer of property in accordance with the provisions of Section 480.3 of the Revenue and Taxation Code. The Preliminary Change of Ownership Report should be submitted to the recorder concurrent with the recordation of any document effecting a change of ownership. If a document evidencing a change of ownership (i.e. Deed, Affidavit-Death Joint Tenant) is presented to the recorder for recording without a preliminary change of ownership report, the recorder may charge an additional \$20.00.
- F. Additional Requirements for "Short Sale" Transactions in which a lender will accept less than the outstanding balance of its loan as full satisfaction of the obligation: The Company will require, prior to the issuance of a policy of title insurance, evidence that the first-position trust deed holder has received and acknowledged all payments to be made to subordinate-position lien holders, regardless of whether such payments are to be made from proceeds or from contributions by real estate brokers and/or buyers in the subject transaction, or from other third-party sources. Evidence shall include but not be limited to: (a) a written demand from the first-position trust deed holder acknowledging and approving payments to subordinate-position lien holders from proceeds and otherwise; or (b) a supplemental letter or amended demand from the first-position lien holder acknowledging payments to be made to subordinate lien holders from sources other than proceeds (including broker commissions and additional buyer deposits).

CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

EXHIBIT "A"
LEGAL DESCRIPTION

Order No.: 992991
Escrow No.: 992991

The land referred to herein is situated in the State of California, County of San Bernardino, City of Oro Grande and described as follows:

Portion Of Section 1, Township 6 North, Range 5 West, and of Section 6, Township 6 North, Range 4 West, San Bernardino Meridian, According to the Official Plat thereof, described as Follows:

Commencing at a point in the East line of said Section 1, 480 Feet South of the Northeast Corner of said Section 1; Thence West and parallel with the North line Of Section 1 to the West line of Northeast 1/4 of said Section 1; Thence South 555 Feet; Thence East and parallel with the North line of said Sections 1 and 6, 2800 Feet, More or Less, to West line Of Right of Way of Atchison, Topeka and Santa Fe Railway through said Section 6; Thence Northwesterly along the West line of said Right of Way to a point due East of Point of Beginning; Thence West to the Point of Beginning.

APN: 0468-021-09-0000, 0468-031-02-0000

(End of Legal Description)

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Date: October 28, 2020

File No.: 992991

Property: 21602 Puritan Street, Oro Grande, CA 92368

From: Stewart Title of California, Inc.

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") has a business relationship with Stewart Solutions, LLC, DBA - Stewart Specialty Insurance Services, LLC ("Stewart Insurance"). Stewart Information Services Corporation owns 100% of Stewart Insurance and . Because of this relationship, this referral may provide Stewart Title a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for purchase, sale, or refinance of the subject Property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

<i>Stewart Insurance Settlement Service</i>	<i>Charge or range of charges</i>
Hazard Insurance	\$400.00 to \$6,500.00
Home Warranty	\$255.00 to \$ 780.00
Natural Hazard Disclosure Report	\$ 42.50 to \$ 149.50

**ACKNOWLEDGEMENT OF RECEIPT, UNDERSTANDING
AND APPROVAL OF STEWART TITLE GUARANTY COMPANY
PRIVACY NOTICE FOR STEWART TITLE COMPANIES AND
AFFILIATED BUSINESS ARRANGEMENT
DISCLOSURE STATEMENT**

The undersigned hereby acknowledge receipt of the Stewart Title Guaranty Company Privacy Notice for Stewart Title Companies and the Affiliated Business Arrangement Disclosure Statement that apply to this transaction. The undersigned further acknowledge that he/she/they have received, read, understand and accept these documents in connection with the above described transaction.

The undersigned have received a copy of this acknowledgement as evidenced by the signature below.

Diana J. Pittman, Trustee

By: _____

RLAA Investments, Inc.

By: _____

CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - c) resulting in no loss or damage to the insured claimant;
 - d) attaching or created subsequent to Date of Policy; or
 - e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13) EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division;
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.

6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

* For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

2006 ALTA LOAN POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

PART I

1. (a) taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
(b) proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

2006 ALTA OWNER'S POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy..

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY – ASSESSMENTS PRIORITY (04-02-15)
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. a. Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing- business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

File No.: 992991

AVAILABLE DISCOUNTS DISCLOSURE STATEMENT

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts apply to and include:

Property located within an area proclaimed a state or federal disaster area;

Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale;

Property being refinanced.

Please talk with your escrow or title officer to determine your qualification for any of these discounts.

Stewart Title Guaranty Company Privacy Notice Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes — to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For our affiliates to market to you — For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even though such mechanism is not legally required.	Yes	Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to optout@stewart.com or fax to 1-800-335-9591.
For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

SHARING PRACTICES

How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer, file, and building safeguards.
How do the Stewart Title Companies collect my personal information?	We collect your personal information, for example, when you request insurance-related services provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact us: *If you have any questions about this privacy notice, please contact us at:* Stewart Title Guaranty Company, 1360 Post Oak Blvd., Ste. 100, Privacy Officer, Houston, Texas 77056

Privacy Notice for California Residents

Pursuant to the California Consumer Privacy Act of 2018 ("CCPA"), Stewart Information Services Corporation and its subsidiary companies (collectively, "Stewart") are providing this **Privacy Notice for California Residents** ("CCPA Notice"). This CCPA Notice supplements the information contained in Stewart's existing privacy notice and applies solely to all visitors, users and others who reside in the State of California or are considered California Residents ("consumers" or "you"). Terms used but not defined shall have the meaning ascribed to them in the CCPA.

Information Stewart Collects

Stewart collects information that identifies, relates to, describes, references, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, household, or device. Most of the information that Stewart collects in the course of its regular business is already protected pursuant to the Gramm-Leach-Bliley Act (GLBA). Additionally, much of this information comes from government records or other information already in the public domain. Personal information under the CCPA does not include:

- Publicly available information from government records.
- Deidentified or aggregated consumer information.
- Certain personal information protected by other sector-specific federal or California laws, including but not limited to the Fair Credit Reporting Act (FCRA), GLBA and California Financial Information Privacy Act (FIPA).

Specifically, Stewart has collected the following categories of personal information from consumers within the last twelve (12) months:

Category	Examples	Collected?
A. Identifiers.	A real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security number, driver's license number, passport number, or other similar identifiers.	YES
B. Personal information categories listed in the California Customer Records statute (Cal. Civ. Code § 1798.80(e)).	A name, signature, Social Security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. Some personal information included in this category may overlap with other categories.	YES
C. Protected classification characteristics under California or federal law.	Age (40 years or older), race, color, ancestry, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, veteran or military status, genetic information (including familial genetic information).	YES
D. Commercial information.	Records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.	YES
E. Biometric information.	Genetic, physiological, behavioral, and biological characteristics, or activity patterns used to extract a template or other identifier or identifying information, such as, fingerprints, faceprints, and voiceprints, iris or retina scans, keystroke, gait, or other physical patterns, and sleep, health, or exercise data.	YES
F. Internet or other similar network activity.	Browsing history, search history, information on a consumer's interaction with a website, application, or advertisement.	YES
G. Geolocation data.	Physical location or movements.	YES
H. Sensory data.	Audio, electronic, visual, thermal, olfactory, or similar information.	YES
I. Professional or employment-related information.	Current or past job history or performance evaluations.	YES
J. Non-public education information (per the Family Educational Rights and Privacy Act (20 U.S.C. Section 1232g, 34 C.F.R. Part 99)).	Education records directly related to a student maintained by an educational institution or party acting on its behalf, such as grades, transcripts, class lists, student schedules, student identification codes, student financial information, or student disciplinary records.	YES
K. Inferences drawn from other personal information.	Profile reflecting a person's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes.	YES

Stewart obtains the categories of personal information listed above from the following categories of sources:

- Directly and indirectly from customers, their designees or their agents (For example, realtors, lenders, attorneys, etc.)
- Directly and indirectly from activity on Stewart's website or other applications.
- From third-parties that interact with Stewart in connection with the services we provide.

Use of Personal Information

Stewart may use or disclose the personal information we collect for one or more of the following purposes:

- To fulfill or meet the reason for which the information is provided.
- To provide, support, personalize, and develop our website, products, and services.
- To create, maintain, customize, and secure your account with Stewart.
- To process your requests, purchases, transactions, and payments and prevent transactional fraud.
- To prevent and/or process claims.
- To assist third party vendors/service providers who complete transactions or perform services on Stewart's behalf.
- As necessary or appropriate to protect the rights, property or safety of Stewart, our customers or others.
- To provide you with support and to respond to your inquiries, including to investigate and address your concerns and monitor and improve our responses.
- To personalize your website experience and to deliver content and product and service offerings relevant to your interests, including targeted offers and ads through our website, third-party sites, and via email or text message (with your consent, where required by law).
- To help maintain the safety, security, and integrity of our website, products and services, databases and other technology assets, and business.
- To respond to law enforcement or regulator requests as required by applicable law, court order, or governmental regulations.
- Auditing for compliance with federal and state laws, rules and regulations.
- Performing services including maintaining or servicing accounts, providing customer service, processing or fulfilling orders and transactions, verifying customer information, processing payments, providing advertising or marketing services or other similar services.
- To evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all of our assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal information held by us is among the assets transferred.

Stewart will not collect additional categories of personal information or use the personal information we collected for materially different, unrelated, or incompatible purposes without providing you notice.

Disclosure of Personal Information to Affiliated Companies and Nonaffiliated Third Parties

Stewart does not sell your personal information to nonaffiliated third parties. Stewart may share your information with those you have designated as your agent in the course of your transaction (for example, a realtor or a lender). Stewart may disclose your personal information to a third party for a business purpose. Typically, when we disclose personal information for a business purpose, we enter a contract that describes the purpose and requires the recipient to both keep that personal information confidential and not use it for any purpose except performing the contract.

We share your personal information with the following categories of third parties:

- Service providers and vendors (For example, search companies, mobile notaries, and companies providing credit/debit card processing, billing, shipping, repair, customer service, auditing, marketing, etc.)
- Affiliated Companies
- Litigation parties and attorneys, as required by law.
- Financial rating organizations, rating bureaus and trade associations.
- Federal and State Regulators, law enforcement and other government entities

In the preceding twelve (12) months, Stewart has disclosed the following categories of personal information for a business purpose:

- Category A: Identifiers
- Category B: California Customer Records personal information categories
- Category C: Protected classification characteristics under California or federal law
- Category D: Commercial Information
- Category E: Biometric Information
- Category F: Internet or other similar network activity
- Category G: Geolocation data
- Category H: Sensory data
- Category I: Professional or employment-related information
- Category J: Non-public education information
- Category K: Inferences

Consumer Rights and Choices

The CCPA provides consumers (California residents) with specific rights regarding their personal information. This section describes your CCPA rights and explains how to exercise those rights.

Access to Specific Information and Data Portability Rights

You have the right to request that Stewart disclose certain information to you about our collection and use of your personal information over the past 12 months. Once we receive and confirm your verifiable consumer request, Stewart will disclose to you:

- The categories of personal information Stewart collected about you.
- The categories of sources for the personal information Stewart collected about you.
- Stewart's business or commercial purpose for collecting that personal information.
- The categories of third parties with whom Stewart shares that personal information.
- The specific pieces of personal information Stewart collected about you (also called a data portability request).
- If Stewart disclosed your personal data for a business purpose, a listing identifying the personal information categories that each category of recipient obtained.

Deletion Request Rights

You have the right to request that Stewart delete any of your personal information we collected from you and retained, subject to certain exceptions. Once we receive and confirm your verifiable consumer request, Stewart will delete (and direct our service providers to delete) your personal information from our records, unless an exception applies.

Stewart may deny your deletion request if retaining the information is necessary for us or our service providers to:

1. Complete the transaction for which we collected the personal information, provide a good or service that you requested, take actions reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you.
2. Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities.
3. Debug products to identify and repair errors that impair existing intended functionality.
4. Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law.
5. Comply with the California Electronic Communications Privacy Act (Cal. Penal Code § 1546 *seq.*).
6. Engage in public or peer-reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws, when the information's deletion may likely render impossible or seriously impair the research's achievement, if you previously provided informed consent.
7. Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us.
8. Comply with a legal obligation.
9. Make other internal and lawful uses of that information that are compatible with the context in which you provided it.

Exercising Access, Data Portability, and Deletion Rights

To exercise the access, data portability, and deletion rights described above, please submit a verifiable consumer request to us either:

- Calling us Toll Free at 1-866-571-9270
- Emailing us at Privacyrequest@stewart.com
- Visiting <http://stewart.com/ccpa>

Only you, or someone legally authorized to act on your behalf, may make a verifiable consumer request related to your personal information. You may also make a verifiable consumer request on behalf of your minor child.

To designate an authorized agent, please contact Stewart through one of the methods mentioned above.

You may only make a verifiable consumer request for access or data portability twice within a 12-month period. The verifiable consumer request must:

- Provide sufficient information that allows us to reasonably verify you are the person about whom we collected personal information or an authorized representative.
- Describe your request with sufficient detail that allows us to properly understand, evaluate, and respond to it.

Stewart cannot respond to your request or provide you with personal information if we cannot verify your identity or authority to make the request and confirm the personal information relates to you.

Making a verifiable consumer request does not require you to create an account with Stewart.

Response Timing and Format

We endeavor to respond to a verifiable consumer request within forty-five (45) days of its receipt. If we require more time (up to an additional 45 days), we will inform you of the reason and extension period in writing.

A written response will be delivered by mail or electronically, at your option.

Any disclosures we provide will only cover the 12-month period preceding the verifiable consumer request's receipt. The response we provide will also explain the reasons we cannot comply with a request, if applicable. For data portability requests, we will select a format to provide your personal information that is readily useable and should allow you to transmit the information from one entity to another entity without hindrance.

Stewart does not charge a fee to process or respond to your verifiable consumer request unless it is excessive, repetitive, or manifestly unfounded. If we determine that the request warrants a fee, we will tell you why we made that decision and provide you with a cost estimate before completing your request.

Non-Discrimination

Stewart will not discriminate against you for exercising any of your CCPA rights. Unless permitted by the CCPA, we will not:

- Deny you goods or services.
- Charge you a different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties.
- Provide you a different level or quality of goods or services.
- Suggest that you may receive a different price or rate for goods or services or a different level or quality of goods or services.

Changes to Our Privacy Notice

Stewart reserves the right to amend this privacy notice at our discretion and at any time. When we make changes to this privacy notice, we will post the updated notice on Stewart's website and update the notice's effective date. **Your continued use of Stewart's website following the posting of changes constitutes your acceptance of such changes.**

Contact Information

If you have questions or comments about this notice, the ways in which Stewart collects and uses your information described here, your choices and rights regarding such use, or wish to exercise your rights under California law, please do not hesitate to contact us at:

Phone: Toll Free at 1-866-571-9270

Website: <http://stewart.com/ccpa>

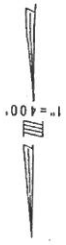
Email: Privacyrequest@stewart.com

Postal Address: Stewart Information Services Corporation

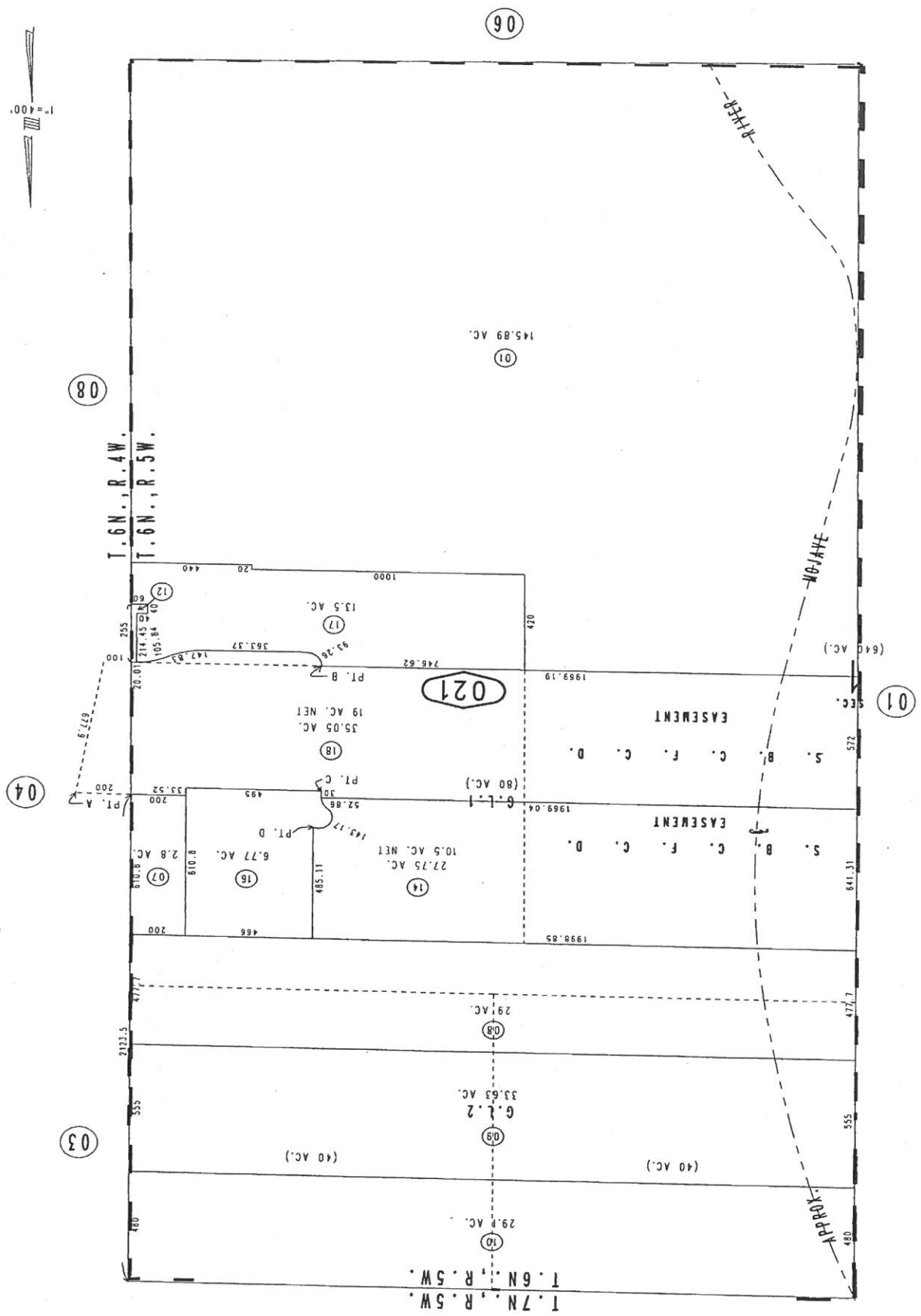
Attn: Mary Thomas, Deputy Chief Compliance Officer
1360 Post Oak Blvd., Ste. 100, MC #14-1
Houston, TX 77056

E.1/2 Sec.1, T.6N.,R.5W., S.B.B.&M.

Oro Grande
Tax Rate Area
99002



THIS MAP IS FOR THE PURPOSE
OF AD VALOREM TAXATION ONLY.



REVISED
01/06/09 CL
01/29/10 LH

Assessor's Map
Book 0468 Page 02
San Bernardino County

0469
01

California



Western Surety Company

BOND FOR LOST DEED OF TRUST AND NOTE AND/OR LOST DEED OF TRUST Cal. Civ. Code § 2941.7(a)

KNOW ALL PERSONS BY THESE PRESENTS:

Bond No. 65301980
Premium: \$2,850.00

That we, Diana J Pittman, as Principal(s), and WESTERN SURETY COMPANY, a corporation authorized to do surety business in the State of California, as Surety, are held and firmly bound unto SMTD Corporation

(Trustee) and Harold D. Fox and Rose M Fox (Original Beneficiary) or their successors

in interest, as Obligees, in the sum of not to exceed One Hundred Ninety Thousand and 00/100 DOLLARS (\$190,000.00), for the payment of which well and truly to be made, we bind ourselves and our legal representatives, firmly by these presents.

THE CONDITION of the above obligation is such that WHEREAS on January 5th, 1988, a promissory note (the "Note") secured by a deed of trust (the "Deed") dated January 5th, 1988, was executed by Leroy Warren Pittman and Diana Joyce Pittman (Original Trustor),

in the amount of \$95,000.00, payable to Harold D. Fox and Rose M Fox (Original Beneficiary), and filed on January 18th, 1988, and recorded in Book/Series 88-014764,

Page 0, of Official Records, County of San Bernardino, State of California, and that (check boxes that apply)

- That the Note secured by the Deed has been fully satisfied and the present beneficiary of record cannot be located after diligent search, or
- That the Note secured by the Deed has been fully satisfied and the present beneficiary of record refuses to execute and deliver a proper certificate of discharge or request for reconveyance, or
- That a specified balance, including principal and interest, remains due and the Original Trustor or such Trustor's successor in interest cannot, after diligent search, locate the Original Beneficiary,

and the Original Trustor or such Trustor's successor in interest gives this bond pursuant to Cal. Civil Code § 2941.7(a) in order to have the lien created by the Deed released.

Western Surety Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That WESTERN SURETY COMPANY, a corporation organized and existing under the laws of the State of South Dakota, and authorized and licensed to do business in the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the United States of America, does hereby make, constitute and appoint

Tami Lee Pickens of Victorville
State of California, with limited authority, its true and lawful Attorney-in-Fact, will full power and authority hereby conferred to sign, execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, the following bond:

One Lost Instrument

bond with bond number 65301980

for Diana J Pittman

as Principal in the penalty amount not to exceed: \$ 190,000.00

Western Surety Company further certifies that the following is a true and exact copy of Section 7 of the by-laws of Western Surety Company duly adopted and now in force, to-wit:

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys-in-Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

In Witness Whereof, the said WESTERN SURETY COMPANY has caused these presents to be executed by its Vice President with the corporate seal affixed this 23rd day of November, 2020.

ATTEST

A. Vietor
A. Vietor, Assistant Secretary

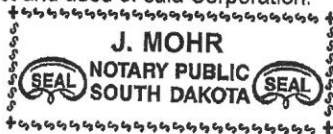
WESTERN SURETY COMPANY
By Paul T. Bruffat
Paul T. Bruffat, Vice President



STATE OF SOUTH DAKOTA }
COUNTY OF MINNEHAHA } ss

On this 23rd day of November, 2020, before me, a Notary Public, personally appeared Paul T. Bruffat and A. Vietor

who, being by me duly sworn, acknowledged that they signed the above Power of Attorney as Vice President and Assistant Secretary, respectively, of the said WESTERN SURETY COMPANY, and acknowledged said Instrument to be the voluntary act and deed of said Corporation.



My Commission Expires June 23, 2021

J. Mohr
Notary Public

To validate bond authenticity, go to www.cnasurety.com > Owner/Obligee Services > Validate Bond Coverage.

NOW, THEREFORE, if the Principal(s) shall pay any sum, including costs of the action and reasonable attorney's fees, which the beneficiary may recover in an action on the obligation secured by the Deed, then this obligation to be void; otherwise to remain in full force and effect. In no event shall the total liability of the Surety for all breaches of the condition of this bond exceed the amount stated above.

Dated this 20th day of November, 2020.

Diana Joyce Pittman, Principal

By _____

_____, Principal

By _____

WESTERN SURETY COMPANY, Surety

By Tami Lee Pickens
(Executed under penalty of perjury as provided in C.C.P. 995.680).

Tami Lee Pickens, Attorney in Fact

Acknowledgment of Principal

Acknowledgment of Surety (Attorney-in-Fact)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California }
COUNTY OF San Bernardino }⁸⁸

On November 20, 2020 before me, Jennifer Marie Britzman
date here insert name and title of the officer

personally appeared Tami Lee Pickens
name(s) of signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that he ~~she~~ they executed the same in his ~~her~~ their authorized capacity(ies), and that by his ~~her~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Jennifer Marie Britzman (Seal)



(The balance of this page is intentionally left blank.)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

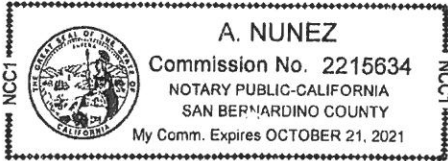
State of California

County of San Bernardino }

On Nov 24, 2020 before me, A. Nunez Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Diana Joyce Pittman —
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

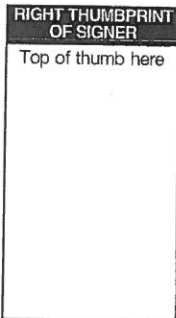
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

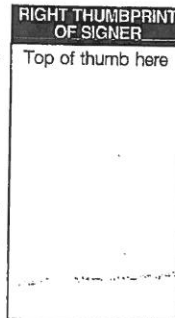
- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____



Mojave Resource Management
17993 Outer Highway 18, STE 1
Apple Valley, CA 92307
(760) 985-6261

Harold D. Fox
Rose M. Fox
19032 Joshua Street
Adelanto, CA 92307

RE: Watermaster Notice Requirement for 0468-021-09-0000 and 0468-031-02-0000 (Oro Grande Property) on behalf of Diana J. Pittman Revocable Trust

The rules and regulations of the Watermaster require notification to you to transfer Base Annual Productions rights. The Deed of Trust with Instrument Number 88-014764 ("DOT") has been paid-in-full by Leroy Pittman and Diana Pittman ("Trustor") however, the DOT is still on title. In compliance with the rules set forth by the Watermaster, this letter is the notification to Harold D. Fox and Rose M Fox, who is identified as the beneficiaries in the DOT, that Trustor is permanently transferring all Base Annual Production rights.

The Watermaster Board will take action on this transfer at the next regularly scheduled meeting on December 9, 2020, at the Mojave Water Agency, 22450 Headquarters Drive, Apple Valley, CA 92307

If you have any questions regarding this transfer, you may contact Watermaster at (760) 976-7000.

Thank you,

A handwritten signature in black ink that reads "Bobby Boytor". The signature is written in a cursive, slightly stylized font.

Bobby Boytor
Mojave Resource Management, LLC

CC: Diana J. Pittman



APPLE VALLEY
 22099 US HIGHWAY 18
 APPLE VALLEY, CA 92307-9998
 (800)275-8777

11/05/2020 01:48 PM

Product	Qty	Unit Price	Price
First-Class Mail® Letter	1		\$0.55
Adelanto, CA 92301			
Weight: 0 lb 0.40 oz			
Estimated Delivery Date			
Mon 11/09/2020			
Certified Mail®			\$3.55
Tracking #:			
70201810000130682564			
Return Receipt			\$2.85
Tracking #:			
9590 9402 6083 0125 6738 47			
Total			\$6.95
Grand Total:			\$6.95

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com

Adelanto, CA 92301

7020 1810 0001 3068 2564

Certified Mail Fee	\$3.55
Extn. Services & Fees (check box, add fee to Certified Mail fee)	\$0.00
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.55
Total Postage and Fees	\$6.95

0307 23

Postmark Here

11/05/2020

Sent To

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

HAROLD AND ROSE FOX
19032 Joshua ST
ADELANTO, CA 92301



9590 9402 6083 0125 6738 47

2. Article Number (Transfer from service label)

7020 1810 0001 3068 2564

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

USPS TRACKING #



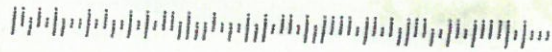
First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

9590 9402 6083 0125 6738 47

United States
Postal Service

° Sender: Please print your name, address, and ZIP+4® in this box°

MOJAVE Resource Mgmt
17933 Outer Highway 18, STE1
APPLE VALLEY, CA 92307



Track Another Package +

Tracking Number: 70201810000130682564

[Remove X](#)

Your item was delivered to an individual at the address at 12:24 pm on November 6, 2020 in ADELANTO, CA 92301.

Delivered

November 6, 2020 at 12:24 pm
Delivered, Left with Individual
ADELANTO, CA 92301

Get Updates 

[Feedback](#)

Text & Email Updates



Tracking History



November 6, 2020, 12:24 pm
Delivered, Left with Individual
ADELANTO, CA 92301

Your item was delivered to an individual at the address at 12:24 pm on November 6, 2020 in ADELANTO, CA 92301.

November 6, 2020, 7:33 am
Out for Delivery
ADELANTO, CA 92301

November 6, 2020, 7:22 am

Arrived at Unit
ADELANTO, CA 92301

November 5, 2020, 10:21 pm

Departed USPS Regional Facility
SAN BERNARDINO CA DISTRIBUTION CENTER

November 5, 2020, 9:23 pm

Arrived at USPS Regional Facility
SAN BERNARDINO CA DISTRIBUTION CENTER

November 5, 2020, 1:47 pm

USPS in possession of item
APPLE VALLEY, CA 92307

Product Information

Feedback
^

Postal Product:
First-Class Mail®

Features:
Certified Mail™

See tracking for related item: 9590940260830125673847
[\(/go/TrackConfirmAction?tLabels=9590940260830125673847\)](/go/TrackConfirmAction?tLabels=9590940260830125673847)

See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs

Track Another Package +

Tracking Number: 9590940260830125673847

Remove X

The delivery status of your item has not been updated as of November 7, 2020, 1:33 am. We apologize that it may arrive later than expected.

Alert

November 7, 2020 at 1:33 am
Awaiting Delivery Scan

Get Updates ✓

Feedback

Text & Email Updates



Tracking History



November 7, 2020, 1:33 am

Awaiting Delivery Scan

The delivery status of your item has not been updated as of November 7, 2020, 1:33 am. We apologize that it may arrive later than expected.

November 7, 2020, 12:51 am

Departed USPS Regional Facility

SAN BERNARDINO CA DISTRIBUTION CENTER

November 6, 2020, 10:12 pm

Arrived at USPS Regional Facility

SAN BERNARDINO CA DISTRIBUTION CENTER

November 5, 2020, 1:47 pm
Return Receipt Associated

Product Information



See Less ^

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Go to our FAQs section to find answers to your tracking questions.

FAQs

Feedback



Helendale Community Services District

DATE: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Transfer of Water in Storage

STAFF RECOMMENDATION:

Staff seeks approval of this item.

STAFF REPORT:

Following is information related to liquidating water in a storage account to help fund the construction of the new water supply well.

In 2010, the Mojave Water Agency offered water to adjudicated parties at a cost of \$386 per acre-foot. The transaction terms were very favorable in that no water would be deducted or lost over the time of the storage. Thus, the amount of water purchased at that time would remain whole until used by the purchaser to satisfy a replacement obligation. Because the District has been very pro-active in purchasing additional water rights and managing the water resources Helendale CSD has not had a replacement obligation in excess of the Free Production Allowance for many years, therefore the water has not been needed for that purpose.

In recent conversations with Mojave Water Agency staff, they have outlined the process, pending their Board's and Legal Counsel's approval whereby the District can transfer the storage water to another entity. The purpose for this transaction would be to help fund the construction of a well on the immediate horizon. Working with Mojave Resource Management (MRM), a perspective buyer has already been identified pending the CSD Board's approval and the determination of the replacement water for the recently closed water year (October 1, 2020). If approved by the Board, District Staff will continue working with MRM to complete the required paperwork for the Watermaster approval in the next few months.

FISCAL IMPACT: Unknown at this time.

POSSIBLE MOTION: Approve the transfer of water rights of 500 acre-feet in a Mojave Water Agency groundwater storage account to another party.

ATTACHMENTS: Draft HCSD request to MWA
Draft Pre-Purchase program Phase 2 Assignment document

Helendale Community Services District Formal Request to the Mojave Basin Area Watermaster

During the calendar year 2010, the Mojave Water Agency ("MWA") announced Phase 2 of the Pre-Purchase Program ("Program"). Two of the requirements of the Program were that any party to the Judgment had to be in good standing, and their production had to exceed their 2008-09 Free Production Allowance to participate. At that time, Helendale Community Services District ("HCS D") was pumping more than its annual Free Production Allowance. As a result, HCS D qualified and requested to be a participant in the Program and ultimately purchased 500 AF ("Phase 2 Water"). The purchase was to help offset any HCS D replacement obligations in the future.

Shortly thereafter, the State of California experienced a drought from 2012-2016. As a result of the severe drought conditions, Governor Jerry Brown declared a state of emergency in California in January 2014. Governor Brown mandated an overall 25 percent reduction in water use. A series of executive conservation orders followed, which resulted in a ~38% decrease in HCS D pumping. Additionally, HCS D has been very active in new conservation programs and permanent water rights purchases during that time, which has resulted in excess FPA on an annual basis.

Due to the excess FPA, HCS D will not incur a replacement obligation to use the Phase 2 Water in the foreseeable future. As a result, HCS D asks the Mojave Water Agency to consider a one-time assignment of all the Phase 2 Water initially assigned to HCS D.

HCS D has entered into an agreement with _____ to assign and purchase the water. The parties acknowledge and agree that the Assignee will use Phase 2 Water in a manner consistent with Program and Judgment.

PRE-PURCHASE PROGRAM PHASE 2 ASSIGNMENT

This assignment is made as of _____, 2021 ("the effective date") by and between
HELENDALE COMMUNITY SERVICES DISTRICT ("Assignor") and the
_____ ("Assignee").

Now, therefore, in consideration of the mutual conditions contained herein, and for the other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignor shall assign to Assignee, and Assignee shall purchase from Assignor, on a permanent basis, the Assignor's Pre-Purchase Phase 2 Water according to Mojave Water Agency Board action dated October 28, 2010 ("Phase 2 Water").
2. For valuable consideration, in the amount of \$_____ per acre-foot receipt of which is hereby acknowledged, Assignor does hereby assign and transfer to Assignee during the 2020-21 Water Year, 500 acre-feet of Phase 2 Water.
3. Said assignment is made upon the condition that:
 - 3.1. Assignee acknowledges that the Phase 2 Water is not further assignable or transferrable.
 - 3.2. Assignee acknowledges that it must notify Watermaster when to apply the Phase 2 Water towards their replacement obligation if any.
 - 3.3. Assignee acknowledges and agrees that Phase 2 Water must be used and applied within the following three water years: 2020-21, 2021-22, or 2022-23, for obligations incurred under the Judgment.
 - 3.4. The Assignee shall put all Phase 2 Water utilized pursuant to said assignment to reasonable beneficial use; and shall pay all Watermaster assessments associated with water production pursuant to the assignment.

ASSIGNEE

ASSIGNOR

Date

Date

Signature

Signature

Contact

Contact

Address

Address

Phone Number

Phone Number

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____
Date Here insert name and title of the officer

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed By The Signer(s)

- Signer's Name _____
- Corporate Officer – Title(s) _____
- Partner – Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other _____

Signer is Representing: _____

- Signer's Name _____
- Corporate Officer – Title(s) _____
- Partner – Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other _____

Signer is Representing: _____



Helendale Community Services District

DATE: December 17, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Election of Officers

STAFF RECOMMENDATION:

This matter is at the discretion of the Board.

STAFF REPORT:

The Election of Officers occurs at the first meeting of December in non-election years and within 45 days of an election in election years. The Board process for the annual selection of officers is outlined in Resolution 2018-05: *A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for Its Relations Among Directors and With Staff.*

Election of officers is an administrative function carried out by the Board of Directors on an annual basis. The Board is to select the presiding officer and the two additional officers each year. The Board currently has three officers: President, Vice-President and Secretary.

The current Board officers are:

President – Ron Clark
Vice-President – Tim Smith
Secretary – Sandy Haas

FISCAL IMPACT: None

POSSIBLE MOTION: This matter is at the Board's discretion

ATTACHMENTS: Resolution 2018-05: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for Its Relations Among Directors and With Staff



RESOLUTION NO. 2018-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING POLICIES FOR ITS RELATIONS AMONG DIRECTORS AND WITH STAFF

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

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

B. The District is governed by an elected Board of Directors (“Board”) whose meetings are subject to the requirements of the Ralph M. Brown Act, California Government Code Section 54950 et seq. (“the Brown Act”), pursuant to California Government Code Section 61044.

C. The Board adopted Ordinance No. 2015-01 on November 5, 2015, establishing revised guidelines for the conduct of its public meetings and activities and imposing requirements upon itself which allow greater access to its meetings than prescribed by the Brown Act.

D. The purpose of this Resolution is to supplement Ordinance No. 2015-01 and to ensure that the Board’s deliberations are conducted honorably and that its activities are performed in a manner that reflects a dedication to the highest standards of integrity so as to continue to earn the trust and confidence of the public served by the District.

THEREFORE, THE BOARD OF DIRECTORS of the Helendale Community Services District does hereby adopt and ordain as follows:

Section 1. **RELATIONS BETWEEN DIRECTORS.**

1.1. **Duties.** The Board shall govern the District. The Board shall establish policies for the operation of the District. The Board shall provide for the implementation of those policies which is the responsibility of the District’s General Manager. All members of the Board shall exercise their independent judgment on behalf of the entire District, including the residents, property owners, and the public as a whole to further the purposes and intent of the District.

1.2. **Officers.**

1.2.1. Within 45 days after each general district or unopposed election, the Board shall meet and elect the officers of the Board. In a year in which there is no general

election the Board shall hold an election at the first meeting in December.

1.2.2 The officers of the Board are the President, Vice-President and Secretary. The President shall preside over meetings of the Board and the Vice-President shall serve in the President's absence or inability to serve.

1.2.3 No other special duties, actions, tasks, or privileges are bestowed to the above positions. The President and Vice President (or any member of the Board) will not take unilateral actions binding the rest of the Board, without prior approval or authorization of the Board - including the issuance of letters, reports, documents or contracts, implied or otherwise, to outside parties. No Board Officer (or Member) shall appear as the Board Representative at any private or public functions.

1.2.4 The Board may create additional offices and elect members to those offices, provided no members of the Board shall hold more than one office.

1.3. **Parliamentary Procedure.**

1.3.1. A majority of the total membership of the Board shall constitute a quorum for the transaction of District business. Except as otherwise specifically provided by law, a majority of the total membership of the Board is required for the Board to take action. The Board shall act only by ordinance, resolution, or motion. The minutes of the Board shall record the yes and no votes taken by the members of the Board for the passage of all ordinances, resolutions, or motions. The Board shall keep a record of all its actions, including financial transactions.

1.3.2. Meetings of the Board shall be subject to the Brown Act and Ordinance No. 2015-01 (as may be amended from time to time). Robert's Rules of Order shall provide general guidance for the conduct of the Board's business, except where otherwise provided by law, ordinance, resolution, or motion of the District, or otherwise inconsistent with the intent of the Board. The Board President (or committee chair) will rule on all matters of procedure, with the advice of Legal Counsel.

1.4. **Personal Conduct.** The business of the District is a team effort. All Board members commit to working together in a collaborative manner, assisting each other in conducting the affairs of the District. Directors commit to conducting themselves with courtesy to each other, to staff, and to members of the audience present at Board meetings. Directors shall defer to the President concerning the conduct of Board meetings, but shall be free to question and discuss items on the agenda. In turn, the Board President shall not exercise the privileges of the office in such a manner as to unfairly advance his or her own agenda / personal opinions or unduly prejudice the positions of other Board members. When responding to requests and concerns from the public and other District customers, Board members commit to be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel. Board members commit to develop a working relationship with the District's General Manager wherein current issues, concerns, and District projects can be discussed comfortably and openly. Board members should function as a part of the whole. All issues must be brought to the attention of the entire Board, rather than to individual members selectively; unilateral actions by a Board Officer or any Director, binding the entire Board, must be avoided and shall be subject to possible Board discipline. Board members are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

1.5. **Communication of Views and Positions.** The Board is committed to providing excellence in legislative leadership necessary to furnish the highest quality of government services to the public and to the District's customers. In order to achieve this goal, cooperative interaction between and among Board members is encouraged. As such, the following rules shall be observed:

1.5.1. The dignity, style, values, and opinions of each Board member shall be respected. Responsiveness and attentive listening in communication is encouraged.

1.5.2. The needs of the public and the District's customers should be the priority of the Board.

1.5.3. Board members commit themselves to emphasizing the positive, avoiding double talk, hidden agendas and negative forms of interaction.

1.5.4. Board members commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues will be avoided.

1.5.5 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions in a constructive and forthright manner. However, once the Board has taken action, individual Board members commit to support said action and not create barriers to the implementation thereof or pursue defeated issues independently.

1.5.6 The Presiding Director will not undermine the Board Agenda; further, he/she will not make opening statements on an agenda item in an attempt to shape or frame the debate. The Director initiating the Agenda item will be allowed to speak first and make a motion, to be seconded and opened for discussion. All Board discussion will proceed with no time frame attached. All Board comments will start to the immediate right of the Director forming the motion and will proceed orderly, Director to Director, until comment ceases, at which time a call will be made to cast votes.

1.6. **Board Discipline.** In the exercise of its discretion, the Board, by affirmative vote of four (4) of its members, may censure any of its members for a period of time deemed appropriate by said supermajority of the Board. Unless otherwise prohibited by law, the maximum penalty that may be imposed upon the censured member by said supermajority of the Board during the period of such censure shall be the following:

1.6.1. The suspension of all spending of District funds by the censured Board member and of all reimbursement from District funds of any costs incurred by the censured Board member, unless otherwise allowed by the Board.

1.6.2. The removal of the censured Board member from service as an officer of the Board, and/or on all committees and other assignments on behalf of the District and/or the Board, unless subsequently authorized by the Board.

1.6.3 The withholding of all compensation by the District to the censured Board member except as otherwise allowed for attending meetings of the Board and other meetings subsequently authorized by the Board.

Section 2. **RELATIONS WITH STAFF.**

2.1 **General Manager.**

2.1.1. The Board shall appoint a General Manager for the District. The General Manager shall serve at the pleasure of the Board. The Board shall set the compensation for the General Manager. The Board may require that the General Manager be bonded. The District shall pay the cost of the bonds.

2.1.2. The General Manager shall be responsible for all of the following:

- a. The implementation of the policies established by the Board for the operation of the District;
- b. The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board;
- c. The supervision of the District's facilities and services; and
- d. The supervision of the District's finances.

2.1.3 The General Manager is the Board's primary link to operational achievement and conduct of the District, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the General Manager.

2.1.4 No individual Board Member, including any Officer, shall dictate policies to the General Manager, interfere with or disrupt his/her work (or the work of any District staff or contract employee). Board Member visit/discussion hours or appointment schedules designated by the General Manager shall be strictly adhered to.

2.2. **Treasurer.** The Board shall appoint a District Treasurer for the District. The Board may appoint the same person to be the General Manager and the District Treasurer. The District Treasurer, shall serve at the pleasure of the Board. The Board shall set the compensation of the District Treasurer. The Board shall require the District Treasurer, to be bonded. The District shall pay the cost of the bonds.

Section 3. **ANNUAL REVIEW.**

Each year the Board shall review this Resolution to determine its effectiveness and the necessity for its continued operation. The District's General Manager shall report to the Board on the operation of this Resolution, and make any recommendations deemed appropriate, including proposals to amend the Resolution. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Resolution. Nothing herein shall preclude the Board from taking action on the Resolution at times other than upon conclusion of the annual review.

Section 4. **SEVERABILITY.**

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

Section 5. **EFFECTIVE DATE.**

The provisions of this Resolution shall supersede and rescind Resolution No. 2011-07 adopted by the District's Board of Directors on July 21, 2016, and shall take effect immediately upon adoption.

Approved and Adopted this 15th day of February, 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

Ron Clark, President, Board of Directors

ATTEST:

Sandy Haas, Secretary, Board of Directors