



Helendale Community Services District

BOARD OF DIRECTORS MEETING

April 6, 2017 at 6:30 PM

26540 Vista Road, Suite C, Helendale, CA 92342

Call to Order - Pledge of Allegiance

1. Approval of Agenda

2. **Public Participation** - *Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member may speak on any agenda item at the time the agenda item is discussed by the Board of Directors.*

3. Consent Items

- Approval of Minutes: March 16, 2017, Regular Board Meeting and March 30, 2017, Special Board Meeting
- Bills Paid and Presented for Approval

4. Reports

- Directors' Reports
- General Manager's Report

Discussion Items

- Discussion and Possible Action Regarding Contracting with a New Collection Agency for Unpaid Debt
- Discussion and Possible Action Regarding Approval of Resolution 2017-04; A Resolution of the Board of Directors of the Helendale Community Services District Nominating Craig Schneider as a Candidate for Election to the Special District Risk Management Authority Board of Directors
- Discussion Only Regarding Evaluation of Options for Deposit Policy and other District Fees

Other Business

- 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 agendized public meeting should be directed to the District's General Manager's office at (760) 951-0006 at least 24 hours prior to said meeting. The regular session of the Board meeting will be recorded. Recordings of the Board meetings are kept for the Clerk of the Board's convenience. These recordings are not the official minutes of the Board meetings.

Providing:

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

OFFICE HOURS:

Monday-Friday
8:00 – 5:30 p.m.

PHONE:

760-951-0006

FAX:

760-951-0046

ADDRESS:

26540 Vista Road
Suite B
Helendale, CA
92342

MAILING

ADDRESS:
PO BOX 359
Helendale, CA
92342

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www.helendalecsd.org



HELENDALE COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING MINUTES
March 16, 2017
26540 Vista Road, Suite C. Helendale, CA 92342

CALL TO ORDER AND PLEDGE OF ALLEGIANCE – The regular meeting was called to order at 6:34 pm by President Clark after which the Pledge of Allegiance was recited.

Present: President, Ron Clark; Vice President, Tim Smith; Secretary, Sandy Haas; Director, Craig Schneider; Director, Henry Spiller
Absent: None
Staff: Kimberly Cox, General Manager; Mike Simpson, Operations Manager
Consultants: Steve Kennedy, Legal Counsel
Audience: There were six (6) audience members present.

1. Approval of Agenda

Discussion: General Manager Cox requested to remove Item #6: Discussion and Possible Action Regarding Revenue from the Lease of Water Rights as it Relates to the Smart Meter Grant Program.

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

2. Public Participation

Bob Shestek – SLA Board Member – talked about the large scale cash for grass program that has taken place at the Silver Lakes Golf Course. He announced that approximately a half million dollars has been awarded to SLA for this program.

Wally Linn – Field Representative for Congressman Cooks Office – gave an update on the Foreign Affairs Committee as well as H.R.1399 – the American Soda Ash Competitiveness Act

3. Consent Items

a. Approval of Minutes: March 2, 2017 Regular Board Meeting

b. Bills Paid and Presented for Approval

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

4. Reports

a. Director's Reports – Director Schneider reported that he attended the Mojave Water Agency's High Desert Water Conference.

b. General Manager Report – General Manager Cox announced that the Special Board meeting will be held on March 30th at 3:00 pm. Sunny Kim from RAMS will be present and a draft budget will be available for review prior to the meeting. She also reported that County will be doing road construction on Wild Road, Indian Trails, and Bonanza – information was passed out. GM Cox informed the Board members that they now have mailboxes at the office and that the Directors will be getting new chairs in the Board Room. GM Cox presented the cash flow and cash balances by fiscal year reports as well as the administration report. Program Coordinator Vermette presented the refuse and recycling and upcoming classes and events. Operations Manager Simpson presented the water report.

Discussion Items

5. Discussion and Possible Action Regarding Consideration of a Park Development Impact Fee for New Development

Discussion: General Manager Cox provided an overview of the way the Development Impact Fees would work.

Action: Director Smith made the motion to direct Staff and Legal Counsel to prepare proper notification consistent with an AB1600 process and schedule public hearing to receive comments. Director Smith seconded the motion; the motion was approved by the following 5-0 vote:
Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes

~~6. Discussion and Possible Action Regarding Revenue from the Lease of Water Rights as it Relates to the Smart Meter Grant Program~~

Discussion: This item was removed from the agenda.

7. Discussion and Possible Action Regarding Award of a Contract to Layne Christensen for Installation of a Submersible Pump.

Discussion: General Manager Cox and Operations Manager Simpson went over the bid process and reason for sole-source contract. Legal Counsel Kennedy commented on the resolution and required declarations.

Action: Director Spiller made the motion to reject all bids as non-responsive and adopt Resolution 2017-04 awarding a sole source contract to Layne Christensen for the NSF approved pump assembly for Well 1A in the amount not to exceed \$28,003. Director Smith seconded the motion; the motion was approved by the following 5-0 vote:

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

Other Business

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

The Board recessed at 7:11 pm.

Closed Session

The Board went in to closed session at 7:20 pm

9. Conference with Labor Negotiator

(Government Code Section 54957.6)

District Designated Representative: Steven M. Kennedy, General Counsel

Unrepresented Employee: General Manager

Open Session

Closed session adjourned at 7:53 pm and returned to open session

10. Reportable Action from Closed Session

Action: The Board renewed a three year employment contract with the General Manager at an annual base salary of \$160,000.

11. Adjournment

Action: President Ron Clark adjourned the meeting at 7:55 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
SPECIAL BOARD MEETING MINUTES

March 30, 2017

26540 Vista Road, Suite C. Helendale, CA 92342

CALL TO ORDER AND PLEDGE OF ALLEGIANCE – The special meeting was called to order at 3:10 pm by President Clark after which the Pledge of Allegiance was recited.

Present: President, Ron Clark; Vice President, Tim Smith; Secretary, Sandy Haas; Director, Craig Schneider; Director, Henry Spiller
Absent: None
Staff: Kimberly Cox, General Manager; Michael Simpson, Water Operations Manager; Cheryl Vermette, Program Coordinator; Craig Carlson, Water System Operator III
Consultants: Steve Kennedy, Legal Counsel; Sunny Kim, RAMS Consultant
Audience: There was one (1) audience members present.

1. Approval of Agenda

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

2. Public Participation

None

Discussion Items

3. Workshop Regarding 2017-18 Annual Budget and District Finances

Discussion: General Manager Cox and Consultant Kim went over each line item in the draft budget for every department. The Board requested to meet again to discuss the budget in more detail and go over any additional changes to the budget. The proposed time for the meeting is April 12th at 2:00 pm.

4. Adjournment

Action: President Ron Clark adjourned the meeting at 5:38 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: April 6, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Paul E. Harmon, Administrative Consultant
SUBJECT: Agenda item # 3 b.
Consent Item: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 90 checks with 2 Voids for the period March 13 through April 3, 2017 totaling \$191,360.60. Checks issued include payments to AQUA Capital for 118 AF of water for \$5,310.00; to Brunick, McElhaney and Kennedy for legal services for \$5,362.50; to SDRMA for membership renewal for \$6,026.00; to City National Bank for well 4A and community center loan for \$40,679.37; to Burrtec Waste Industries for residential services billing for \$37,708.68 and for residential disposal billing for \$8,134.50; to Rogers, Anderson, Malody & Scott, CPAs for accounting support, final invoice for 2015-16 audit for \$27,144.50; to Pyro Spectaculars Inc. for fireworks for \$3,127.38; and to SCE for electrical for wells 3, 4A & 1A for \$4,879.78 and for WWTP blower room and lift stations for \$4,145.60.

Total cash available:	<u>3/13/17</u>	<u>3/13/17</u>
Cash	\$ 3,952,231.85	\$ 4,001,661.08
Checks Issued	\$ 191,360.60	\$ 39,262.97

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 0.91% for CalTRUST Short-Term and is 1.20% for Medium-Term Investments, 0.610% for LAIF, and 0.25% for the CBB Sweep Account for March 2017. Interest earned in March 2017 on the CalTRUST investments and the CBB Sweep Account is \$2,090.57. Cumulative interest from our initial date of investment in February 2008 through March 2017 for CalTRUST, CBB and LAIF is \$178,383.55. Interest Income for the fiscal year 2015-16 is \$15,933.20 and \$15,783.73 for F/Y 2016-17.

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval

for April 6, 2017

Check #	Payee	Item Description	Dept	Amount
18960	A Door Co.	Steel Slat Shutter Counter Door Com Ctr Kitchen	Parks	2,575.00
18961	AQUA Capital Management LP	118 AF Centro C/O @ \$45/AF	Water	5,310.00
18962	Badger Meter	Badger Meter Reading	Water	30.00
18963	Bank of America	Water Education & Training - M. Simpson & C.Zuber	Water	290.55
18963	Bank of America	Blue Prints for Water Bacteria Testing	Water	15.51
18963	Bank of America	Water Tools	Water	84.81
18963	Bank of America	Leadership & Mgmt Skills Seminar - . A. Pratt	Parks	199.00
18963	Bank of America	Youth Basketballs & Trophies	Parks	368.31
18963	Bank of America	Thrift Store Security Tags & Cable Ties	Thrift Store	67.52
18963	Bank of America	Thrift Store Employee Gift Cards	Thrift Store	445.00
18963	Bank of America	Leadership Mgmt Skills & W-9 Seminars	Admin	398.00
18963	Bank of America	Fed Ex Shipping	Admin	41.97
18963	Bank of America	CC Til Stand and Bistro Cups	Admin	88.64
18963	Bank of America	Admin (KC/CV) & Director Spiller Shirts	Admin	252.15
18963	Bank of America	Lunch Meeting	Admin	112.00
18963	Bank of America	Board Meeting Supplies	Admin	10.58
18964	Brunick, McElhaney & Kennedy	M. Morris' Farewell Lunch	Admin	47.10
18965	California Special Districts Association	Legal Services	Admin	5,362.50
18966	Cazcom, Inc.	2017 Renewal	Admin	6,026.00
18967	Choice Builder	Site Rent	Admin	175.00
18968	City National Bank	Employee Group Supplemental Insurance	Admin	1,026.95
18968	City National Bank	Water Well Loan	Water	20,339.69
18969	Clemmer Services, Inc.	Community Center Loan	Parks	20,339.68
18970	County of San Bernardino, Environmental Health Services	Thrift Store Warehouse Heater Repair	Thrift Store	264.00
18971	CWEA/DAMS	Community Center	Parks	692.00
18972	Forshook	2017 Renewal - 5-1-17 - 4-30-18	WWTP	172.00
18973	Frontier Communications	Community Center Fire Sprinkler Storage Tank	Parks	928.40
18973	Frontier Communications	Thrift Store Ported CC Line - 760-241-2711	Parks	104.11
18974	G.A. Osborne Pipe & Supply Inc.	Water Ops - 760-951-1121	Water	53.01
18975	I Candy Website & Graphic Design	Material for Backflow Repair	Water	327.17
18976	Imperial Sprinkler Supply, Inc.	Website Support	Admin	45.00
18977	Infosend	Park Fertilizer	Parks	474.49
18977	Infosend	Postage	Admin	1,045.66
18978	Inland Water Works Supply Co.	Utility Billing	Admin	855.61
18979	Lowe's	Repair & Maint Supplies	Water	186.41
18979	Lowe's	Rock House Repair	Parks	845.87
18980	McMaster-Carr	Park Supplies	Parks	171.15
18981	O'Reilly Auto Parts	Water Operating Supplies & well 1A Supplies	Water	367.80
18982	Rebecca Gonzalez	Unit # 217, 209 & 408	Water	133.59
18983	San Bernardino County Treasurer	General Facility Maintenance	Water	330.00
18984	Sierra Analytical	WC-125/L01 & WC125P01	Admin	50.00
18985	Silver Lakes Association	Lab Analysis	WWTP	826.00
18986	Southern California Edison	Tee Sign - 2017 Beautification Tournament	Admin	25.00
		Water Shop	Water	252.79

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for April 6, 2017

Check #	Payee	Item Description	Dept	Amount
18987	Southern California Edison	Park Wellhead at Water Shop	Parks	228.54
18987	Southern California Edison	Mobile Home	Parks	25.05
18988	Southern California Edison	4-Plex	Parks	177.14
18989	Stanley R. Hoffman Associates, Inc	Park Development Impact Fees	Parks	1,155.00
18990	Tyler Technologies, Inc.	S. Kreinop Early Bird Registration Fee	Admin	850.00
18990	Tyler Technologies, Inc.	J. Thomas Early Bird Registration Fee	Admin	850.00
18991	Tyler Technologies, Inc.	C. Vermette Early Bird Registration Fee	Admin	850.00
18992	United Site Services	Trailer Kit Weekly Services - 2/27/17 - 3/23/17	WWTP	173.13
18993	USA of So. California	Dig Alert Tickets (185)	Water	277.50
18993	Test Equipment Distributors LLC	Dakota MMX-6 Element Thickness Gauge	Water	825.43
18993	Test Equipment Distributors LLC	Dakota MMX-6 Element Thickness Gauge	WWTP	825.43
18994	Aqua-Metric Sales Co.	520 R MXU Dual Port Unit	Water	4,298.42
18994	Aqua-Metric Sales Co.	Touch Pads 6' wire (Pig Tails)	Water	408.27
18994	Aqua-Metric Sales Co.	1" Electronic Registers	Water	377.12
18995	Burrtec Waste Industries, Inc.	Residential Services Invoice	Water	37,708.68
18995	Burrtec Waste Industries, Inc.	Residential Disposal Billing - Feb 2017	Solid Waste	37,708.68
18996	California Special Districts Association	M. Simpson	Solid Waste	8,134.50
18996	California Special Districts Association	A. Aviles	Water	175.00
18996	California Special Districts Association	A. Pratt	WWTP	175.00
18996	California Special Districts Association	J. Thomas	Parks	175.00
18996	California Special Districts Association	Meter Slice Connectors	Admin	175.00
18997	Consolidated Electrical Distributors, Inc.	PTI (5 Year) Fee	Water	112.38
18998	DMV Renewal	Well 1A Analyzer Repair Parts	WWTP	10.00
18999	Home Depot Credit Services	WW Operating Supplies	Water	34.84
18999	Home Depot Credit Services	Fluorescent Flood Light	WWTP	172.38
18999	Home Depot Credit Services	Fluorescent Lights	Parks	53.84
18999	Home Depot Credit Services	Operating Supplies	Parks	69.94
19000	Inland Water Works Supply Co.	2016 WDR Renewal	Water	258.60
19001	Larry Walker Associates	Bryman Road Property	WWTP	2,423.75
19002	Lyons Floor Covering	Lease Agreement - 13850 Bryman Road	Parks	1,800.00
19003	Professional Realty	Well # 3, 4A & 1A Electric	Parks	100.00
19004	Southern California Edison	Lift Stations & Blower Room	Water	4,879.78
19004	Southern California Edison	Sod Farm	WWTP	4,145.60
19005	Southern California Edison	Wells # 2, 6, 7, 8 & 9	WWTP	741.37
19006	Southern California Edison	Street Lighting	Water	1,139.34
19007	Southern California Edison	4 Rolls First Class Forever Stamps	St. Lights	1,370.29
19008	USPS	Customer Deposit Refund	Admin	196.00
19009	Tameria Russell	Customer Deposit Refund	Water	107.26
19010	Brad Kim	Customer Deposit Refund	Water	104.98
19011	Stephen Burk	Contractor Deposit Refund	Water	63.15
19012	Mike Morris	Contractor Deposit Refund	Admin	267.04
19013	Christian Vasquez	Contractor Deposit Refund	Water	147.12
19014	American Public Works Association	Renewal - Alex Aviles	WWTP	237.50
19015	Bill Crane	music for 10 yr anniversary	Parks	150.00
19016	Boot Barn Inc.	Boots - Chris Zuber	WWTP	200.00

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval

for April 6, 2017

Check #	Payee	Item Description	Dept	Amount
19017	Cheryl Vermette	Tyler Connect - Airfare Reimbursement	Admin	\$ 423.87
19018	Consolidated Electrical Distributors, Inc.	Well 4A	Water	\$ 33.78
19019	Costco Membership	Membership Renewal - 2017	Admin	\$ 110.00
19020	FAST SIGNS	banners - 10 yr anniv	Parks	\$ 258.60
19021	Gary Whitesides	Music for 10 yr anniv	Parks	\$ 150.00
19022	Jean Thomas	Tyler Connect - Airfare Reimbursement	Admin	\$ 423.87
19023	JON UZONYI	10 yr anniv entertainment	Parks	\$ 150.00
19024	Michael B. Keith	The Sounds - 10 yr anniv entertainment	Parks	\$ 150.00
19025	Official Payments Corp	Payment Processing	Admin	\$ 59.30
19026	Paul Harvey	Palisades Ranch House - Bedroom & Bathroom repairs	Parks	\$ 1,300.00
19027	Paula Pace	Notary services - lien releases	Admin	\$ 50.00
19028	Rogers, Anderson, Malody & Scott	2016 Audit - Progress Billing #2 - Final	Admin	\$ 24,781.00
19028	Rogers, Anderson, Malody & Scott	Bank Rec - Sunny Kim, Accounting support	Admin	\$ 2,363.50
19029	Sierra Analytical	Lab Analysis	Admin	\$ 1,046.00
19030	Silver Lakes Association	Phone Directory Ad - Thrift Store	Thrift Store	\$ 30.00
19031	Tyler Technologies, Inc.	Monthly fee to support and host website	Admin	\$ 137.00
19032	United Site Services	ADA Wheelchair Accessible REG-ADA Weekly Service	Parks	\$ 150.17
19033	USA Blue Book	Main Quick Connect Valve	Water	\$ 123.32
19034	Walters Wholesale Electric Co.	Bender Iron head	Water	\$ 93.73
19035		Void		\$ -
19036	TICOR Title Company of California	Customer Deposit Refund	Water	\$ 9.35
19037		Void		\$ -
19038	First American Title	Customer Deposit Refund	Water	\$ 20.19
19039	Elvias Amaya	Customer Deposit Refund	Water	\$ 174.35
19040	Beck Oil	vehicle fuel	Water	\$ 869.49
19040	Beck Oil	vehicle fuel	WWTP	\$ 869.49
19041	Charlie La Pat	Entertainment for 10 yr anniversary	Parks	\$ 300.00
19042	Craig Schmelder	Director Fees & Mileage	Admin	\$ 774.64
19043	Frontier Communications	Smithson Lift Station	WWTP	\$ 52.71
19044	High Desert Party Rentals	Canopy & Stage Rental - 10 yr anniv.	Parks	\$ 881.25
19045	Parkhouse Tire, Inc.	Backhoe Tire	Water	\$ 176.87
19046	Patty Hartong	Fitness Classes March 2017	Parks	\$ 575.00
19047	Pyro Spectaculars Inc.	FIREWORKS	Parks	\$ 3,127.38
19048	Southern California Edison	B & C	Parks	\$ 1,024.10
19048	Southern California Edison	Thrift Store	Parks	\$ 609.97
19048	Southern California Edison	Thrift Store	Thrift Store	\$ 609.97
19049	UPS	D	Parks	\$ 69.20
19050	USA Blue Book	Return to McMaster Carr	Admin	\$ 37.93
19051	Verizon Wireless	Hach Pocket pro pH & Temp/March Mag Drive	Water	\$ 864.07
19051	Verizon Wireless	Chris Zuber	Water	\$ 53.41
19051	Verizon Wireless	Water	Water	\$ 183.92
19051	Verizon Wireless	Wastewater	WWTP	\$ 160.23
19051	Verizon Wireless	Solid Waste	Parks	\$ 98.84

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for April 6, 2017

<u>Check #</u>	<u>Payee</u>	<u>Item Description</u>	<u>Dept</u>	<u>Amount</u>
19051	Verizon Wireless	Admin	Admin	\$ 91.78
19051	Verizon Wireless	ipads Water	Water	\$ 45.66
19051	Verizon Wireless	ipads WW	WWTP	\$ 25.62
19051	Verizon Wireless	ipads SW	Solid Waste	\$ 25.62
90 Total Checks Issued and 2 Void Checks				\$ 191,360.60

Director Fees & Reimbursements
19042 Craig Schneider

Admin	\$ 774.64
Total Director Fees & Reimbursements	\$ 774.64

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval

for April 6, 2017

Check #

Payee

Item Description

Dept

Amount

CASH BALANCES

Cash Balances as of April 3, 2017

Item Description	Interest Rate	Date	Balance
Cash in Bank - Desert Community Bank		4/3/2017	\$ 34,157.90
Cash in Bank - Citizens Business Bank		4/3/2017	\$ 184,561.67
Citizens Business Bank Sweep Account	0.25%	4/3/2017	\$ 2,052,399.38
CalTRUST JPA Short Term Pool	0.95%	4/3/2017	\$ 628,009.05
CalTRUST JPA Medium Term Pool	1.16%	4/3/2017	\$ 1,046,521.14
LAIF - Water Project Funds - Interest Only	0.7000%	4/3/2017	\$ 6,588.71
Total Cash Available			\$ 3,952,231.85

Capital Gain/(Loss) - CalTRUST

Interest Earned for - CalTRUST-Short Term	\$ 543.45
Interest Earned for - CalTRUST-Long Term	\$ 1,103.39
Interest Earned for - CBB	\$ 443.73
Interest Earned - LAIF (Posted Quarterly)	\$ -
Total Interest For March	\$ 2,090.57

INVESTMENT REPORT
As of April 3, 2017

Investment Date	Financial Institution	Type of Investment	Purchase Price	Total Interest
2/14/08	CalTRUST Joint Powers Authority	Short-Term Investment Pool	\$ 3,000,000.00	
		Cumulative Interest Income from 2/14/08 to 4/3/2017	\$ 175,524.19	
		Transfer to Medium-Term Pool	\$ 1,000,000.00	
		Withdrawals	\$ (3,510,000.00)	
		Deposits	\$ 1,009,000.00	
		Balance as of 4/3/2017	\$ 1,674,524.19	
1/6/2009	LAIF - State of California	Short-Term Investment Pool	\$ 650,000.00	
		Withdrawals - Water Rights/Well Construction	\$ (650,000.00)	
		Deposits	\$ -	
		Cumulative Interest Income	\$ 6,588.71	
		Balance as of 4/3/2017	\$ 6,588.71	
		F/Y to Date	\$ 182,112.90	
			\$ 15,783.73	



Helendale Community Services District

Date: April 6, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #5
Discussion and Possible Action Regarding Contracting with a New Collection Agency for Unpaid Debt

Staff Recommendation

Staff requests approval of the new contract pending Counsel's review of contract language.

Staff Report

The District has used the services of a collection agency for several years with limited success. Most debt is encumbered with the property and paid through a tax lien or directly by the property owner. However, there are certain instances when neither is an option and the outstanding balance is referred to a collection agency.

The current amount of uncollectable debt is \$2,748.64 and spans several years. If the Board approves contracting with Online Utility Exchange, the outstanding amount will be referred to them for collection.

Attached for the Board's review is a list of other public agencies that use the services of the proposed contractor. In exchange for the service provision, the contractor would retain 35% of all debts collected.

Attached for the Board's information is a draft collection services agreement.

Possible Motion: Approve contract with Online Utility Exchange, pending review of contract language by District's Legal Counsel.

Fiscal Impact: The District may realize additional revenue due to collection efforts. There is no additional cost to the District for this service.

California Utility Exchange Members

Anza Electric Cooperative	Anza
Beaumont-Valley Water	Beaumont
City of Alhambra	Alhambra
City of Compton	Compton
City of Corona	Corona
City of Merced	Merced
City of Needles	Needles
City of Norwalk	Norwalk
City of Roseville	Roseville
City of San Jacinto	San Jacinto
City of San Juan Capistrano	San Juan Capistrano
City of Susanville	Susanville
City of Tustin	Tustin
City of Ukiah	Ukiah
Cucamonga Valley Water District	Rancho Cucamonga
EVMWD	Lake Elsinore
Hi-Desert Water District	Yucca Valley
Joshua Basin Water District	Joshua Tree
Lassen Municipal Utility District	Susanville
Merced Irrigation District	Merced
Moreno Valley Utility District	Hemet
Padre Dam Municipal Water District	Santee
Palm Ranch Irrigation District	Quartz Hill
Palmdale Water District	Palmdale
Plumas Sierra REC	Portola
Plumas Sierra Telecommunications	Portola
Rancho Cucamonga Municipal Water	Rancho Cucamonga
Scotts Valley Water District	Scotts Valley
Soquel Creek Water District	Soquel
Truckee Donner PUD	Truckee
Walnut Valley Water District	Walnut
Western Municipal Water District	Riverside
Yorba Linda Water District	Yorba Linda



Collection Services Agreement

This **Collection Service Agreement** ("Agreement") is entered into by **ONLINE Information Services, Inc.**, hereafter referred to as "Collector", a North Carolina corporation, d/b/a ONLINE Collections and **Helendale Community Services District** hereafter referred to as "Creditor", a **California** corporation as of Wednesday, March 15, 2017.

WHEREAS, Creditor agrees to submit to Collector, each month, for collection certain claims, accounts or other evidences of Indebtedness (hereinafter called "Claims"), and

WHEREAS, Collector desires to provide Creditor with collection services and/or accounts receivable management services with respect to said Claims.

NOW THEREFORE, for and in consideration of the mutual covenants hereinafter set forth, it is mutually agreed by and between the parties hereto as follows:

1. GENERAL.

- A. The Creditor may refer any Claims that exceed \$50.00.
- B. Creditor agrees that all activities of Collector shall be carried out in compliance with all applicable federal, state and local laws.
- C. Creditor hereby warrants that all Claims forwarded to Collector will be valid and legally enforceable debts, and that Creditor will, both before and after forwarding said Claims, comply with all applicable federal, state and local laws with respect thereto.
- D. Further, Creditor agrees to provide, whenever requested to do so by Collector: a written verification of a Claim: a copy of the judgment, if any, on which a Claim is based: the name and address of the person or entity to whom the debt was originally owed, if different from Creditor.

2. RELATIONSHIP OF PARTIES.

- A. Collector agrees to employ those means necessary to represent Creditor in collecting all Claims referred for collection.
- B. It is expressly understood that all Claims shall remain the property of Creditor and that Collector is acting as an independent contractor of Creditor for the recovery of Claims referred for the Services.

3. REFERRAL OF CLAIMS

- A. Collector will receive all Claims placed for collection by electronic submission of a file to Collector's secure website or secure ftp site. Each Claim shall contain the name of guarantor, service address, dates of service, last known address, date of last payment, amount owed, social security number, phone number, and any additional information that may help locate the consumer.
- B. **Creditor warrants, in order to aid Collector in complying with the Telephone Consumer Protection Act (TCPA), with regards to phone numbers supplied to Collector by Creditor, that Creditor Has Does Not Have :**
 - i. **Express written consent from the consumer to contact them at the phone numbers supplied via an automatic dialing device and may utilize pre-recorded or artificial voice messages for the purposes of collecting amounts owed.**
 - ii. **Sample Express Written Consent Language:**
"You agree, in order for us to service your account or to collect any amounts you may owe, we may contact you by telephone at any telephone number associated with your account, including wireless telephone numbers, which could result in charges to you. We may also contact you by sending text messages or emails, using any email address you provide us. Methods of contact may include using pre-recorded or artificial voice messages and/or the use of an automatic dialing device, as applicable.
I/We have read this disclosure and agree that {Insert Company Name} may contact me/us as described above."
- C. Creditor agrees that all Claims referred to Collector will be referred for a period of 12 months from the date of referral and that this referral will automatically renew itself on each anniversary for a period not to exceed six years and eleven months from the date of service of the Claim.

- D. Creditor agrees to place Claims with collector no less frequently than monthly.
- E. Creditor hereby certifies and warrants that it will notify, through a mutually approved method, Collector within 48 hours of Creditor's receipt of any Bankruptcy filing, death notices, fraud notifications, or consumer disputes pertaining to any Claims referred to Collector for collection services.
- F. Collector agrees to cease any communication with a consumer if Creditor notifies Collector of a bankruptcy filing, death notice, fraud notification, or consumer dispute on a referred Claim.
- G. Creditor agrees that any claim referred to Collector will not be referred to any other Collector.
- H. Collector agrees to acknowledge the receipt of Claims placed for recovery with Collector via an emailed report. It is understood and agreed that Creditor will review the Acknowledgement Report and correct any inaccuracies on these Claims within 7 days of the receipt of the report. In the event that no updates are received by Collector within 7 days, it is agreed that these Claims are correct and that any payments received by either party on these Claims shall be a commissionable event.
- I. Creditor agrees that if a file is sent to Collector that contains mass numbers of inaccuracies, which can only be corrected by cancelling all of the Claims and reloading them in Collector's system, Creditor maybe charged a fee for the reloading the Claims.
- J. Collector agrees to return to Creditor any Claims based on questionable circumstances.
- K. Creditor agrees to notify, through a mutually approved method, Collector within 48 hours of Creditor's receipt of notification on any guarantor which is being represented by legal counsel in regards to any Claim referred to Collector.
- L. Creditor agrees that once Claims are placed with Collector, Collector is entitled to commissions as detailed in this agreement regardless of whether payment is made to Collector's office or directly to Creditor.
- M. Creditor agrees to report all payments made to Creditor's office within 72 hours and Collector agrees to identify the payment as part of consumer's file within 24 hours of notification of reported payments.

4. METHODS OF COLLECTION.

- A. Collector agrees to use effective and legal methods of collection.
- B. Collector agrees to comply with its obligations under the Fair Debt Collections Practices Act, the Fair Credit Reporting Act, as well as any state specific laws regarding third party collection services.
- C. Collector will attempt to skip trace (identify new location and contact information) on those Claims that have bad address or phone numbers.
- D. Collector will utilize mailed notices and telephone calls to affect collection on Creditor's behalf.
- E. Collector will utilize an automated dialer and messaging technology where allowed by law to contact affect collection on Creditor's Claims.
- F. Collector is a data furnisher to national credit reporting agencies and all Claims not collected in full or in a secured payment plan (e.g. credit card, Electronic check, ACH draft or other commercially available methods) within 30 days of referral will be reported to the national credit reporting agencies.

5. DISPUTED CLAIMS.

- A. It is mutually agreed that Collector will receive disputes and other correspondence from consumers in regards to Creditor's Claims. These will include balance owed disputes, validity of Claim disputes, and fraud disputes.
- B. Creditor agrees that it will aid Collector with respect to the Claims in its compliance with Collector's responsibilities as outlined in "OBLIGATIONS OF FURNISHERS UNDER THE FCRA", attached as Exhibit A.
- C. From time to time, Collector will request additional information and/or proof on certain Claims that are disputed by consumers. Creditor agrees to provide Collector with the necessary documentation to show the validity of the Claim against the appropriate consumer, such proof includes a copy of the signed service agreement or the last bill in the consumer's name.
- D. Creditor agrees to provide to Collector the additional information or proof within five (5) business days of Collector's electronic request.
- E. Collector will accept the additional information or proof regarding disputed Claims through its secure website.

6. ANNUAL RECONCILIATION OF CLAIMS.

- A. Collector and Creditor agree that ensuring the accuracy of each other's data in regards to the Claims is a necessity in order to ensure compliance with the appropriate laws, including the Fair Debt Collections Practices Act as well as the Fair Credit Reporting Act.
- B. It is mutually agreed that on the anniversary of this Agreement Collector shall send electronically to Creditor a list of not less than 25 Claims and Creditor agrees to verify the accuracy of the Claim and report to Collector any missing transactions or updates on said Claims.
- C. Creditor agrees if, in Collector's determination, there are a significant number of Claims in the sample that do not match between the systems; Creditor agrees to perform a full Claim reconciliation between Creditor's and Collector's systems.

- 7. DISCOUNT OF CLAIMS.** Creditor Agrees / Does Not Agree to grant Collector authority to discount claims on Creditor's behalf by _____% of the total amount of the claim. If Creditor does not grant Collector general discount authority Collector can only discount claims for less than the amount owed with special, claim by claim, approval of Creditor. Said Approval may be given by telephone from Creditor's office.

8. CLAIM ACCOUNTING

- A. Collector shall have authority to receive payments from consumers in cash, check, money order, credit card, Electronic check, ACH draft or other acceptable payment forms and will have the authority to endorse checks, drafts, money orders or other negotiable instruments which are received from consumers.
- B. Collector agrees to place all monies collected on Creditor's behalf into a trust account.
- C. Collector agrees to furnish a monthly statement to Creditor each month detailing each payment received at Collector's office as well as all direct payments made to Creditor's office.
- D. Creditor agrees and acknowledges that Collector will, from time to time, accept Checks and Credit cards as a method of collection of debts owed Creditor. Furthermore, both parties agree and acknowledge that these instruments serve as provisional settlements, and are subject to revocation, charge-back, dispute, refund or dishonor by the issuing financial institution. In the event that these disputed or dishonored funds have been remitted to the Creditor, both parties agree that this debt shall revert to an "Unpaid" status and Creditor shall repay or refund the disputed or dishonored amount to Collector. Collector will add a debt owed, by the consumer, directly to Collector for any NSF fees or charge-back fees incurred by Collector. At which time, Collector will make its best effort to pursue the dishonored payment to recover the unpaid balance owed Creditor.

9. COMMISSION ON CLAIMS. It is mutually agreed that any payment received on a Claim once it has been referred to Collector for collections services, whether the payment is made to Collector's or to Creditor's offices, will be a commissionable payment. Except for:

- A. **RECONNECTION OF SERVICE. Definition.** A "RECONNECT" is defined as a Claim where the consumer has terminated service voluntarily or where services have been terminated by the utility/gas provider with the express intent, of the consumer, of reinstating service within 5 months from the date of disconnect. In order to qualify as a "RECONNECT", service must be reestablished at the exact same service address where utilities/gas were initially disconnected within 5 months from the date of disconnect. Any variation on this definition shall not qualify as a "RECONNECT".

I. Reconnect Commissionable Actions.

- a. Any bad debt/collection Claim turned over to Collector that results in payment directly to Collector or any of its representatives as a result of any effort made by Collector shall be defined as a commissionable Claim and not a "RECONNECT". These efforts are defined as, but not limited to: letters, phone calls, voice messages, emails, scheduled payment plans or any combination of the above listed actions.
- b. Any bad debt/collection Claim turned over to Collector that results in payment directly to the utility/gas provider and which strictly conforms to the definition listed above shall be considered as a "RECONNECT". As such, the utility/gas provider may reserve the right to recall the Claim from Collector.
- c. No "Secondary Placement" Claims will be eligible for "RECONNECT" status.

B. ACCOUNTS REFERRED IN ERROR.

- i. It is agreed that Collector shall send via electronic mail to the designated contact at Creditor a listing of Claims (Acknowledgement) that are referred for collection service within 24 hours of the Claims being loaded in to Collector's system.
- ii. Creditor agrees to review the Acknowledgement and within seven days notify Collector of any Claims which may have been referred in error.
- iii. Collector agrees to cancel any Claim upon notification of Creditor within the seven days.
- iv. If Creditor fails to notify Collector within seven days that any Claim was referred in error then any payments made on the referred Claims will be commissionable.

10. COMPENSATION AND INVOICING

- A. Creditor agrees to pay the rate of 35% for all Claims collected whose Date of Service and Date of Referral to Collector are less than, or equal to, 12 months (Primary Placement).
- B. Creditor agrees to pay the following rate of 35% for all Claims collected whose Date of Service and Date of Referral to Collector are greater than 12 months (Secondary Placement).
- C. Creditor acknowledges that the contingency rates above are based upon the age of Claims at the time of referral and/or volume representations made by Creditor during the negotiation of this agreement. In the event that Creditor fails to meet the age of Claim and/or volume expectations, Collector reserves the right to adjust its charges to Creditor with a 30 day notice to Creditor prior to it going into effect.
- D. Creditor agrees that Collector will remit each month a check for monies collected at Collector's offices, minus any commissions due to Collector.
- E. Creditor agrees that the contingency rates are based on Creditor setting up and paying their monthly invoice via an automated payment method, either credit card or ACH.
- F. All billing is processed monthly between the 1st and the 5th for the previous month's services.
- G. Creditor agrees that Creditor has 20 days from the invoice date to dispute any charges appearing on the invoice.
- H. ONLINE will process the automated payment and deliver to Creditor an invoice marked "Paid in Full".
- I. All invoices will be delivered via electronic mail to the email addresses designated by Creditor.

- J. Creditor agrees that, if their automated payment method is declined, ONLINE may charge a Non-Sufficient Funds fee, not to exceed \$25.00.
- K. A service charge of 2% of the unpaid balance will be charged on all accounts not paid by the 1st day of the month following the invoice date.
- L. Services will be immediately terminated when account reaches 60 days past due. Services will not be reinstated until the full outstanding balance is paid in full and a valid automated payment method is setup with ONLINE.
- M. If account remains unpaid for 90 days the account will be referred to collections and/or legal proceedings initiated. Creditor agrees to pay ONLINE's cost and expenses, including reasonable attorney fees, to recover any unpaid balance owed by Creditor.
- N. Creditor will be solely responsible for all federal, state and local taxes levied or assessed in connection with Collector's performance of the Services, other than income taxes assessed with respect to Collector's taxable net income, for which income taxes Collector will be solely responsible.

11. INSURANCE. Collector agrees to carry Liability Insurance.

12. WARRANTIES. Subject to Section 18 "Excusable Delays" hereof, Collector warrants to Creditor that Collector will use lawful and industry accepted methods to provide the Services. THE WARRANTY IN THE FIRST SENTENCE OF THIS PARAGRAPH IS THE ONLY WARRANTY COLLECTOR HAS GIVEN CREDITOR WITH RESPECT TO THE SERVICES AND SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, COLLECTOR MIGHT HAVE GIVEN CREDITOR WITH RESPECT THERETO, INCLUDING, FOR EXAMPLE AND WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

13. Limitation of Liability. Creditor acknowledges that Collector provides the Services based on information supplied to Collector by Creditor. Creditor acknowledges that the Services are provided by human beings which are not infallible. Creditor also acknowledges that the fees Collector charges Creditor for the Services are based upon Collector's expectation that the risk of any loss or injury that may be incurred by use of the Services will be borne by Creditor and not Collector. Creditor therefore agrees that it is responsible for determining that the Services are in accordance with Collector's obligations under this Agreement. If Creditor reasonably determines that the Services do not meet Collector's obligations under this Agreement, Creditor shall so notify Collector in writing within ten (10) days after receipt of the Services in question. Creditor's failure to so notify Collector shall mean that Creditor accepts the Services as is, and Collector shall have no liability whatsoever for the Services. Unless Collector disputes Creditor's claim, Collector shall, at its option, either re-perform the Services in question or issue Creditor a credit for the amount Creditor paid for the nonconforming Services. This re-performance or credit constitutes Creditor's sole remedy and Collector's maximum liability for any breach of this Agreement by Collector. If, notwithstanding the above, liability is imposed on Collector, then Creditor agrees that Collector's total liability for any or all of Creditor's losses or injuries from Collector's acts or omissions under this Agreement, regardless of the nature of the legal or equitable right claimed to have been violated, shall not exceed the amount paid by Creditor to Collector under this Agreement during the six month period preceding the alleged breach by Collector of this Agreement. Creditor covenants that it will not sue Collector for any amount greater than permitted by this Agreement. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, UNDER NO CIRCUMSTANCES WILL COLLECTOR HAVE ANY OBLIGATION OR LIABILITY TO CREDITOR HEREUNDER FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES INCURRED BY THE CREDITOR (INCLUDING DAMAGES FOR LOST BUSINESS, LOST PROFITS OR DAMAGES TO BUSINESS REPUTATION), REGARDLESS OF HOW SUCH DAMAGES ARISE AND REGARDLESS OF WHETHER OR NOT THE CREDITOR WAS ADVISED SUCH DAMAGES MIGHT ARISE.

14. INDEMNIFICATION. Creditor shall indemnify, defend and hold Collector harmless from and against any and all claims, losses, damages, costs and expenses, including reasonable attorney fees, which may be asserted against or incurred by Collector, based upon the use by Creditor of the Services for purposes not permitted by law. Creditor shall be liable for its own acts of negligence, and Creditor shall hold Collector harmless and indemnify Collector for any claims, damages, loss, cost, expense or liability (including reasonable attorney's fees) incurred by Collector as a result of Creditor's negligence in the furnishing of Claims to Collector, Creditor's failure to perform any of its obligations described in this Agreement or any other breach by Creditor of its obligations under this Agreement, or Creditor's failure to comply with appropriate laws.

15. Intellectual Property. Creditor acknowledges that Collector has expended substantial time, effort and funds to create and deliver the Services. The Services and any proprietary methods or mechanisms are and will continue to be Collector's exclusive property. Nothing contained in this Agreement shall be deemed to convey to Creditor or to any other party any right, title or interest, including any patent, copyright or other proprietary right, in or to the Services. Creditor will not use or permit its employees, agents and subcontractors to use, the trademarks, service marks, logos, names, or any other of Collector's or its affiliates' proprietary designations, whether registered or unregistered, without Collector's prior written consent. Under no circumstances will Creditor attempt in any manner, directly or indirectly, to discover or reverse engineer any confidential and proprietary criteria developed or used by Collector.

- 16. Non-Solicit Clause.** During the term of this agreement and for a period of 1 year subsequent to the termination of this agreement, neither party shall (i). solicit, or encourage any organization directly or indirectly controlled by its management, Board, or shareholders, to solicit, any employee of the opposing party or any of its subsidiaries to leave the employ of the opposing party or any of its subsidiaries, (ii) solicit for employment, hire or engage as an independent contractor, or permit any organization directly or indirectly controlled by its management, Board, or shareholders, to solicit for employment, hire or engage as an independent contractor, any person who was employed by the opposing party or any of its subsidiaries at any time during the term of the Employee's employment with the other party or any of its subsidiaries; provided, that this clause shall not apply to any individual whose employment with the opposing party or any of its subsidiaries has been terminated for a period of one year or longer.
- 17. Waiver.** Either party may at any time waive compliance by the other with any covenant or condition contained in this Agreement, but only by written instrument signed by the party waiving such compliance. No such waiver, however, shall be deemed to constitute the waiver of any such covenant or condition in any other circumstance or the waiver of any other covenant or condition.
- 18. Successors and Assigns.** This Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permitted assignees. This Agreement may not be assigned, transferred, shared or divided in whole or in part by Creditor without prior written consent; such consent shall not be unreasonably withheld.
- 19. Excusable Delays.** Neither party shall be liable for any delay or failure in its performance under this Agreement (other than for payment obligations hereunder) if and to the extent that such delay or failure is caused by events beyond the reasonable control of the party including, without limitation, acts of God or public enemies, labor disputes, equipment malfunctions, computer downtime, software defects, material or component shortages, supplier failures, embargoes, rationing, acts of local, state or national governments or public agencies, utility or communication failures or delays, fire, earthquakes, flood, epidemics, riots and strikes.
- 20. Dispute Resolution.** With the exception of any action taken under paragraphs 1, 3, and 4 or any alleged violation of paragraph 15, 16 and 20 of this Agreement, the parties will resolve any dispute arising out of or relating to this Agreement in a binding arbitration conducted under the auspices of the American Arbitration Association. Disputes arising out of or resulting from actions taken under paragraphs 1, 3, and 4 or 15, 16 and 20 may be resolved informally by the parties through the courts.
- 21. Continuance of Business.** In the event that Creditor's business is sold, it is the Creditor's obligation to notify Collector, in writing, within 72 business hours of the effective date of the transaction.
- 22. Notifications.** Creditor and Collector agree that any notifications to the other as it pertains to this Agreement shall be sent to the following contacts.
- | | |
|---|--|
| ONLINE Information Services, Inc.
J.W. Blair, President
P.O. Box 1489
Winterville, NC 28590
Fax: (800) 838-9830 | <u>Helendale Community Services District</u>
Creditor
<u>P.O. Box 359</u>
Creditor Mailing Address
<u>Helendale, California 92342</u>
Creditor City, State, Zip
Fax: <u>760-951-0046</u> |
|---|--|
- 23. Severability.** This Agreement shall be deemed to be severable and, if any provision is determined to be void or unenforceable, then that provision will be deemed severed and the remainder of the Agreement will remain in effect.

24. TERMINATION OF AGREEMENT.

- A. This contract is for a period of one year, and will automatically renew itself each year thereafter unless either party notifies the other in writing at least 60 days prior to the expiration of said agreement. Following the first anniversary this agreement may be terminated by either party with a sixty-day written notice.
- B. Notwithstanding the foregoing, if Creditor is delinquent in the payment of charges, violates applicable law or violates a material term of this Agreement, Collector may, at its election, discontinue providing the Services to Creditor and terminate this Agreement immediately by written notice to the Creditor.
- C. Notwithstanding anything to the contrary in this Agreement, if the continued provision of the Services or any affected component thereof becomes impossible, impractical, or undesirable due to a change in applicable federal, state, or local laws or regulations, as determined by Collector in its reasonable judgment, Collector may either (a) cease to provide the Services or any affected component thereof within, or pertaining to persons residing within, the affected jurisdiction, or (b) establish new prices which apply to Collector's Services or any affected component thereof when provided or delivered within, or pertaining to persons residing within, the affected jurisdiction, which prices will be reasonably calculated to cover the costs incurred by Collector in complying with the applicable laws or regulations and will become effective on the date specified in such notice unless Creditor objects in writing, in which case Collector may exercise its rights under clause (1) above. Collector will attempt to provide written notice of its actions as far in advance of the effective date as reasonably possible under the circumstances.
- D. **No Damages or Indemnification for Termination.** Neither party shall be liable to the other party for any costs or damages of any kind, including direct, special, exemplary, punitive, indirect, incidental or consequential damages, or for indemnification, solely on account of the lawful termination of this Agreement, even if informed of the possibility of such damages.

25. Contract in Entirety; Law. This Agreement sets forth the entire understanding and agreement between Collector and Creditor concerning the Services, and supersedes any prior or contemporaneous oral or written agreements or representations. It may be modified only by a written amendment executed by both parties. This Agreement shall be interpreted in accordance with the laws of the State of North Carolina.

26. Effective Date. This Agreement is effective beginning March 15, 2017.

IN WITNESS WHEREOF, the parties' authorized representatives have executed this Agreement on the date indicated below.

Creditor: Helendale Community Services District

Signature: _____

Print Name: _____

Title: _____

Email: _____

Date: _____

Federal Tax ID: _____

Address of Principal Business Office:

26540 Vista Road, Suite B

Helendale, California 92342

Mailing Address (If Different):

P.O. Box 359

Helendale, California 92342

**ONLINE Information Services, Inc.
dba/ ONLINE Collections**

By: _____

Christoph Turner
Sales Manager

Date: _____

Address: PO Box 1489
Winterville, NC 28590
www.ONLINECollections.com

Telephone: (866) 630-6400
Fax: (800) 838-9830

Exhibit "A"

All furnishers of information to consumer reporting agencies must comply with all applicable regulations. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website, www.consumerfinance.gov/learnmore.

NOTICE TO FURNISHERS OF INFORMATION: OBLIGATIONS OF FURNISHERS UNDER THE FCRA

The federal Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681-1681y, imposes responsibilities on all persons who furnish information to consumer reporting agencies (CRAs). These responsibilities are found in Section 623 of the FCRA, 15 U.S.C. § 1681s-2. State law may impose additional requirements on furnishers. All furnishers of information to CRAs should become familiar with the applicable laws and may want to consult with their counsel to ensure that they are in compliance. The text of the FCRA is available at the website of the Consumer Financial Protection Bureau (CFPB): www.consumerfinance.gov/learnmore. A list of the sections of the FCRA cross-referenced to the U.S. Code is at the end of this document. Section 623 imposes the following duties upon furnishers:

Accuracy Guidelines

The FCRA requires furnishers to comply with federal guidelines and regulations dealing with the accuracy of information provided to CRAs by furnishers. Federal regulations and guidelines are available at www.consumerfinance.gov/learnmore. Section 623(e).

General Prohibition on Reporting Inaccurate Information

The FCRA prohibits information furnishers from providing information to a CRA that they know or have reasonable cause to believe is inaccurate. However, the furnisher is not subject to this general prohibition if it clearly and conspicuously specifies an address to which consumers may write to notify the furnisher that certain information is inaccurate. Sections 623(a)(1)(A) and (a)(1)(C).

Duty to Correct and Update Information

If at any time a person who regularly and in the ordinary course of business furnishes information to one or more CRAs determines that the information provided is not complete or accurate, the furnisher must promptly provide complete and accurate information to the CRA. In addition, the furnisher must notify all CRAs that received the information of any corrections, and must thereafter report only the complete and accurate information. Section 623(a)(2).

Duties After Notice of Dispute from Consumer

If a consumer notifies a furnisher, at an address specified by the furnisher for such notices, that specific information is inaccurate, and the information is, in fact, inaccurate, the furnisher must thereafter report the correct information to CRAs. Section 623(a)(1)(B).

If a consumer notifies a furnisher that the consumer disputes the completeness or accuracy of any information reported by the furnisher, the furnisher may not subsequently report that information to a CRA without providing notice of the dispute. Section 623(a)(3).

Furnishers must comply with federal regulations that identify when an information furnisher must investigate a dispute made directly to the furnisher by a consumer. Under these regulations, furnishers must complete an investigation within 30 days (or 45 days, if the consumer later provides relevant additional information) unless the dispute is frivolous or irrelevant or comes from a "credit repair organization." Section 623(a)(8). Federal regulations are available at www.consumerfinance.gov/learnmore. Section 623(a)(8).

Duties After Notice of Dispute from Consumer Reporting Agency

If a CRA notifies a furnisher that a consumer disputes the completeness or accuracy of information provided by the furnisher, the furnisher has a duty to follow certain procedures. The furnisher must:

- i Conduct an investigation and review all relevant information provided by the CRA, including information given to the CRA by the consumer. Sections 623(b)(1)(A) and (b)(1)(B).
- ii Report the results to the CRA that referred the dispute, and, if the investigation establishes that the information was, in fact, incomplete or inaccurate, report the results to all CRAs to which the furnisher provided the information that compile and maintain files on a nationwide basis. Sections 623(b)(1)(C) and (b)(1)(D).
- iii Complete the above steps within 30 days from the date the CRA receives the dispute (or 45 days, if the consumer later provides relevant additional information to the CRA). Section 623(b)(2).
- iv Promptly modify or delete the information, or block its reporting. Section 623(b)(1)(E).

Duty to Report Voluntary Closing of Credit Accounts

If a consumer voluntarily closes a credit account, any person who regularly and in the ordinary course of business furnished information to one or more CRAs must report this fact when it provides information to CRAs for the time period in which the account was closed. Section 623(a)(4).

Duty to Report Dates of Delinquencies

If a furnisher reports information concerning a delinquent account placed for collection, charged to profit or loss, or subject to any similar action, the furnisher must, within 90 days after reporting the information, provide the CRA with the month and the year of the commencement of the delinquency that immediately preceded the action, so that the agency will know how long to keep the information in the consumer's file. Section 623(a)(5).

Any person, such as a debt collector, that has acquired or is responsible for collecting delinquent accounts and that reports information to CRAs may comply with the requirements of Section 623(a)(5) (until there is a consumer dispute) by reporting the same delinquency date previously reported by the creditor. If the creditor did not report this date, they may comply with the FCRA by establishing reasonable procedures to obtain and report delinquency dates, or, if a delinquency date cannot be reasonably obtained, by following reasonable procedures to ensure that the date reported precedes the date when the account was placed for collection, charged to profit or loss, or subjected to any similar action. Section 623(a)(5).

Duties of Financial Institutions When Reporting Negative Information

Financial institutions that furnish information to "nationwide" consumer reporting agencies, as defined in Section 603(p), must notify consumers in writing if they may furnish or have furnished negative information to a CRA. Section 623(a)(7). The CFPB has prescribed model disclosures, 12 CFR Part 1022, App. B.

Duties When Furnishing Medical Information

A furnisher whose primary business is providing medical services, products, or devices (and such furnisher's agents or assignees) is a medical information furnisher for the purposes of the FCRA and must notify all CRAs to which it reports of this fact. Section 623(a)(9). This notice will enable CRAs to comply with their duties under Section 604(g) when reporting medical information.

Duties when ID Theft Occurs

All furnishers must have in place reasonable procedures to respond to notifications from CRAs that information furnished is the result of identity theft, and to prevent refurnishing the information in the future. A furnisher may not furnish information that a consumer has identified as resulting from identity theft unless the furnisher subsequently knows or is informed by the consumer that the information is correct. Section 623(a)(6). If a furnisher learns that it has furnished inaccurate information due to identity theft, it must notify each CRA of the correct information and must thereafter report only complete and accurate information. Section 623(a)(2). When any furnisher of information is notified pursuant to the procedures set forth in Section 605B that a debt has resulted from identity theft, the furnisher may not sell, transfer, or place for collection the debt except in certain limited circumstances. Section 615(f).

The CFPB's website, www.consumerfinance.gov/learnmore, has more information about the FCRA, including publications for businesses and the full text of the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

Section 602 15 U.S.C. 1681 Section 615 15 U.S.C. 1681m
Section 603 15 U.S.C. 1681a Section 616 15 U.S.C. 1681n
Section 604 15 U.S.C. 1681b Section 617 15 U.S.C. 1681o
Section 605 15 U.S.C. 1681c Section 618 15 U.S.C. 1681p
Section 605A 15 U.S.C. 1681c-A Section 619 15 U.S.C. 1681q
Section 605B 15 U.S.C. 1681c-B Section 620 15 U.S.C. 1681r
Section 606 15 U.S.C. 1681d Section 621 15 U.S.C. 1681s
Section 607 15 U.S.C. 1681e Section 622 15 U.S.C. 1681s-1
Section 608 15 U.S.C. 1681f Section 623 15 U.S.C. 1681s-2
Section 609 15 U.S.C. 1681g Section 624 15 U.S.C. 1681t
Section 610 15 U.S.C. 1681h Section 625 15 U.S.C. 1681u
Section 611 15 U.S.C. 1681i Section 626 15 U.S.C. 1681v
Section 612 15 U.S.C. 1681j Section 627 15 U.S.C. 1681w
Section 613 15 U.S.C. 1681k Section 628 15 U.S.C. 1681x
Section 614 15 U.S.C. 1681l Section 629 15 U.S.C. 1681y

New Collections Client Setup

Client: Helendale Community Services District

Physical Address: 26540 Vista Road, Suite B

Helendale, California 92342

Mailing Address: P.O. Box 359

Helendale, California 92342

County of Physical Address: San Bernardino County

Account Executive: Scott Munn

Commission Rate: 35% on Claims <= 1 year from DOS to DOR

35% on Claims > 1 year from DOS to DOR

Placement Type (Please circle): Primary Secondary Tertiary

Discount Authorization: Y/N _____%

Client Has Express Consent for Telephone Contact: Y / N

Client has provided a sample of their contract/agreement/Terms & Conditions showing consumers provide express consent. See Attached.

Invoice Type (Please circle): Net Gross

Type(s) of Claims to be referred: (Please circle all that apply)

Electric	Damages
Gas	Cable
Residential Telephone	Wireless Telephone
Commercial Telephone	Internet
Water	Other: _____

Does client need separate accounts setup for the different types of Claims? Y / N

Referral Method: Payment Reporting Method:

Manual Entry via Website: Y / N Manual Entry via Website: Y / N

Collections File Upload: Y / N Collections File Upload: Y / N

SFTP Transfer: Y / N SFTP Transfer: Y / N

SECURITY:

ONLINE requires clients to utilize ONLINE's IP Address Restriction security feature. This prevents someone from obtaining user credentials and accessing information from outside your company's physical location.

IP Address: _____ (for single IP Address)

IP Address Range: _____ - _____

(For larger organizations that have been assigned a block of IP Addresses)

WEBSITE USER SETUP

Please list the users you want to have access to the ONLINE Collections Website

<u>User Full Name</u>	<u>User Email Address</u>	<u>User Name</u>

Client Contacts

Administrative Contact:

(Contact for High Level Issues)

- Receive Billing
- Receive Acknowledgement
- Receive Monthly Production Report

Name: _____

Title: _____

PH: _____

FX: _____

Email: _____

Validation Contact:

(Contact for daily issues)

- Receive Billing
- Receive Acknowledgement
- Receive Monthly Production Report

Name: _____

Title: _____

PH: _____

FX: _____

Email: _____

Accounts Payable Contact:

(Responsible for Accounts Payable)

- Receive Billing
- Receive Acknowledgement
- Receive Monthly Production Report

Name: _____

Title: _____

PH: _____

FX: _____

Email: _____

Technical Contact:

(Responsible for Sending Accounts)

- Receive Billing
- Receive Acknowledgement
- Receive Monthly Production Report

Name: _____

Title: _____

PH: _____

FX: _____

Email: _____

Balance Checks Contact:

(Verify Balances on accounts)

- Receive Billing
- Receive Acknowledgement
- Receive Monthly Production Report

Name: _____

Title: _____

PH: _____

FX: _____

Email: _____



Recurring Monthly Payment Authorization Form

Schedule your payments to be automatically deducted from your bank account, or charged to your Visa, MasterCard, American Express or Discover Card. Just complete and sign this form to get started!

Here's How Recurring Payments Work:

You authorize regularly scheduled charges to your checking/savings account or credit card. You will be charged each billing period for the total amount due for that period. A paid in full invoice will be emailed to you and the charge will appear on your bank or credit card statement. You agree that no prior-notification will be provided. If the payment date changes, you will receive notice from us at least 10 days prior to the payment being collected.

Please complete the information below:

I _____ authorize ONLINE Information Services, Inc. on behalf of _____ (Company) to charge/debit our account indicated below on the 5th business day of each month for payment of our ONLINE Information Services invoices.

Billing Address _____

Phone# _____

City, State, Zip _____

Email _____

Checking/ Savings Account

Checking Savings

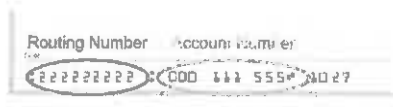
Name on Acct _____

Bank Name _____

Account Number _____

Bank Routing # _____

Bank City/State _____



Credit Card

Visa MasterCard
 Amex Discover

Cardholder Name _____

Account Number _____

Exp. Date _____

CVV (3 digit number on back of card) _____

SIGNATURE _____

DATE _____

I understand that this authorization will remain in effect until I cancel it in writing, and I agree to notify ONLINE in writing of any changes in my account information or termination of this authorization at least 15 days prior to the next billing date. If the above noted payment dates fall on a weekend or holiday, I understand that the payments may be executed on the next business day. For ACH debits to my checking/savings account, I understand that because these are electronic transactions, these funds may be withdrawn from my account as soon as the above noted periodic transaction dates. In the case of an ACH Transaction being rejected for Non-Sufficient Funds (NSF) I understand that ONLINE may at its discretion attempt to process the charge again within 30 days, and agree to an additional \$25.00 charge for each attempt returned NSF which will be initiated as a separate transaction from the authorized recurring payment. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law. I certify that I am an authorized user of this credit card/bank account and will not dispute the scheduled transactions with my bank or credit card company; provided the transactions correspond to the terms indicated in this authorization form.



Helendale Community Services District

Date: April 6, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #6
Discussion and Possible Action Regarding Adoption of Resolution 2017-04: A Resolution of the Board of Directors of the Helendale Community Services District Nominating Craig Schneider as a Candidate for Election to the Special District Risk Management Authority Board of Directors

Staff Recommendation:

This matter is at the discretion of the Board.

Staff Report:

Director Schneider has expressed interest in running for a position on the SDRMA Board of Directors. Initiation of this process requires a nomination from the Board of Directors by resolution which will then be forwarded to SDRMA by the deadline of May 5. If approved, Director Schneider will prepare background material to be circulated to all other member districts who will be asked to vote for their selected representatives. At this time there are four seats up for reelection. The newly elected officers will service for a four-year term beginning in January 2018.

SDRMA covers all costs of director's service which includes a stipend of \$195 for each day of service. There are no costs to the District for Director Schneider's participation on SDRMA if elected.

Once the candidates list has been compiled, the ballots will be distributed to member agencies for a vote. This Board has participated in numerous such elections for both SDRMA and CSDA.

Attached for your review and information is the material distributed by SDRMA soliciting candidates. This information was included in the Board's supplemental agenda material in February.

Fiscal Impact: The District will have no cost related to a Director's service on SDRMA Board of Directors



RESOLUTION NO. 2017-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT NOMINATING CRAIG SCHNEIDER AS A CANDIDATE FOR ELECTION TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS

WHEREAS, the Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code, Section 6500 et.seq., for the purpose of providing risk management and risk financing for California Special Districts and other local government agencies; and

WHEREAS, the Joint Powers Agreement (JPA) and Bylaws of SDRMA set forth director qualifications, terms of office and election requirements; and

WHEREAS, the Board of Directors of SDRMA established procedures and guidelines for the Director Election process; and

WHEREAS, the Board of Directors of SDRMA established a policy requiring candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or management employee per SDRMA Election Policy 2017-03, Section 4.1 and be an active member agency of both SDRMA's Property/Liability and Workers' Compensation Programs, and 2) be nominated by Resolution of their member agency's governing body, and 3) each nominated candidate must submit a completed and signed "Candidate's Statement of Qualifications" on or before the May 5 filing deadline in order for the candidate's name to be placed on the official ballot.

NOW, THEREFORE, BE IT RESOLVED:

1. The governing body of the HELENDALE COMMUNITY SERVICES DISTRICT nominates CRAIG SCHNEIDER, its DIRECTOR, as a candidate for the Board of Directors of the Special District Risk Management Authority.

2. The governing body of HELENDALE COMMUNITY SERVICES DISTRICT further directs that a copy of this Resolution be delivered to SDRMA on or before the May 5, 2017 filing deadline.

ADOPTED this 6TH DAY of APRIL, 2017 by the Governing Body of HELENDALE COMMUNITY SERVICES DISTRICT by the following roll call votes:

AYES:

NAYES:

ABSTAIN:

ABSENT:

APPROVED

ATTEST

Ron Clark, President

Sandy Haas, Secretary

**Notification of Nominations – 2017 Election
SDRMA Board of Directors**

February 3, 2017

Mr. James Keoshkerian
Board President
Helendale Community Services District
Post Office Box 359
Helendale, California 92342-0359

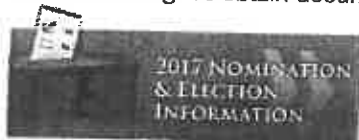
Dear Mr. Keoshkerian:

Notice of Nominations for the Special District Risk Management Authority (SDRMA) Board of Directors 2017 Election is being provided in accordance with the SDRMA Sixth Amended and Restated Joint Powers Agreement. The following nomination information is enclosed: Nomination Packet Checklist, Board of Director Fact Sheet, Nomination/Election Schedule, SDRMA Election Policy No. 2017-03, sample Resolution for Candidate Nomination and Candidate's Statement of Qualifications Form.

General Election Information - Four Director seats are up for election. The nomination filing deadline is Friday, May 5, 2017. Ballots will be mailed to all SDRMA member agencies in mid-May. Mail-in ballots will be due back to SDRMA Tuesday, August 29, 2017.

Nominee Qualifications - Nominees must be a member of the agency's governing body or a management employee (see SDRMA Election Policy 2017-03, Section 4.1) and be an active member agency of **both** SDRMA's Property/Liability and Workers' Compensation Programs. Candidates must be nominated by Resolution from their member agency's governing body and complete and submit a "Candidates Statement of Qualifications".

Nomination Documents and Information - Nomination documents (Nominating Resolution and Candidates Statement of Qualifications) and nomination guideline information may also be obtained on SDRMA's website at www.sdrma.org. To obtain documents electronically:



From the SDRMA homepage, click on the "2017 Nomination & Election Information" button. All necessary nomination documents and election information may be downloaded and printed.

Term of Office - Directors are elected to 4-year terms. The term of office for the newly elected Directors will begin January 1, 2018 and expire December 31, 2021.

Nomination Filing Deadline - Nomination documents **must be received in SDRMA's office no later than 5:00 P.M. on Friday, May 5, 2017.**

Please contact SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790, if you have any questions regarding the 2017 SDRMA Board of Director Nominations or the election process.

Sincerely,
Special District Risk Management Authority


Gregory S. Hall, ARM
Chief Executive Officer

2017 Nomination Packet Checklist



SDRMA BOARD OF DIRECTORS NOMINATION AND ELECTION GUIDELINES

January 5, 2017, marked the official commencement of nominations for the SDRMA Board of Directors. Four seats on the Board of Directors are up for election in August 2017.

For your convenience we have enclosed the necessary nomination documents and election process schedule. Please note that some items have important deadlines. All document contained in this packet, as well as additional information regarding SDRMA Board elections are available on our website www.sdrma.org and/or by calling SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790.

___ **Attachment One:** **SDRMA Board of Directors Fact Sheet:** This document reviews the Board of Directors' Roles and Responsibilities along with other important information.

___ **Attachment Two:** **SDRMA Board of Directors 2017 Nomination/Election Schedule:** Please review this document for important deadlines.

___ **Attachment Three:** **SDRMA Election Policy No. 2017-03:** A Policy of the Board of Directors of the Special District Risk Management Authority establishing guidelines for Director elections.

___ **Attachment Four:** **Sample Resolution for Candidate Nomination:** A resolution of the Governing Body of the Agency nominating a candidate for the Special District Risk Management Authority Board of Directors.

___ **Attachment Five:** **Candidate's Statement of Qualifications:** Please be advised that no candidate statements are endorsed by SDRMA. Candidate's Statements of Qualification will be distributed to the membership with the SDRMA election ballot, "exactly as submitted" by the candidate.

Please complete and return all required nomination and election documents to:

SDRMA Election Committee
C/O Paul Frydendal, COO
Special District Risk Management Authority
1112 "I" Street, Suite 300
Sacramento, California 95814

**SDRMA BOARD OF DIRECTORS
FACT SHEET**

SDRMA BOARD OF DIRECTORS ROLE AND RESPONSIBILITIES

Special District Risk Management Authority (SDRMA) is a public entity Joint Powers Authority established to provide cost-effective property/liability, worker's compensation, health benefit coverages and comprehensive risk management programs for special districts and other public agencies throughout California. SDRMA is governed by a Board of Directors elected from the membership by the programs' members.

Number of Board Members	7-Board Members: SDRMA Board of Directors consists of seven Board Members, who are elected at-large from members participating in either program.
Board of Directors' Role	SDRMA Board of Directors provide effective governance by supporting a unified vision, and ensuring accountability, setting direction based on SDRMA's mission and purpose, as well as establishing and approving policy to ensure SDRMA meets its obligations and commitment to its members.
Board of Directors' Responsibilities	Board Member responsibilities include a commitment to: serve as a part of a unified governance body; govern within Board of Directors' policies, standards and ethics; commit the time and energy to be effective; represent and make policy decisions for the benefit, and in the best interest, of all SDRMA members; support collective decisions; communicate as a cohesive Board of Directors with a common vision and voice; and operate with the highest standards of integrity and trust.
Four Seats For this Election	4-Seats: Elections for Directors are staggered and held every two years, four seats during one election and three seats in the following election. Four seats are up for election this year.
Term of Directors	4-Year Terms: Directors are elected for 4-year terms. Terms for directors elected this election begin January 1, 2018 and end on December 31, 2021.
Board Member Travel Reimbursement	Board Members are reimbursed for reasonable travel and lodging in accordance with SDRMA Board Policy Manual 2017-01 and applicable laws and are allowed to claim a stipend of \$195 per meeting day or for each day's service rendered as a Member of the Board.
Number of Meetings per Year	7-Board Meetings Annually: Generally not more than one meeting per month, with an average of seven board meetings per year.
Meeting Location	SDRMA office in Sacramento, California.
Meeting Dates	Typically the first Wednesday afternoon and Thursday morning of the month.
Meeting Starting Times	3:00 p.m. and 8:00 a.m.: Meetings are from 3:00 p.m. on Wednesday afternoon until 5:30 p.m. and Thursday from 8:00 a.m. to 10:00 a.m.
Meeting Length	4 - 6 hours: Length of meetings on average.
Average Time Commitment	15 - 20 hours: Commitment per month.

"The mission of Special District Risk Management Authority is to provide risk financing and risk management services through a financially sound pool to California public agencies, delivered in a timely and responsive cost efficient manner."

Special District Risk Management Authority | A Property/Liability, Workers' Compensation and Health Benefits Program

**SDRMA BOARD OF DIRECTORS
2017 NOMINATION/ELECTION SCHEDULE**

2017 Nomination/Election Schedule



JANUARY

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH

S	M	T	W	T	F	S
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL

S	M	T	W	T	F	S
						1
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16	17	18	19	20	21	22
23/30	24	25	26	27	28	29

MAY

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23	24	25	26	27	28	29
30	31					

JUNE

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23	24	25	26	27	28	29
30						

JULY

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16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29

AUGUST

S	M	T	W	T	F	S
						1
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER

S	M	T	W	T	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER

S	M	T	W	T	F	S
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

DECEMBER

S	M	T	W	T	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24/31	25	26	27	28	29
30						

TASK TIMELINE

1/5 Board approves Election Schedule

2/3 Mail Notification of Election and

Nomination Procedure to Members in January
90 days prior to mailing Ballots (103 actual days)

5/5 Deadline to return Nominations

5/11 Tentative Election Comm. Reviews
Nominations

5/17-18 Mail Ballots 60 days prior to
ballot receipt deadline (103 actual days)

8/29 Deadline to Receive Ballots

8/30 Tentative Election Committee
Counts Ballots

8/31 Election Committee Notifies Successful
Candidates and Provides Them With
Upcoming Board Meeting Schedule

9/27 Directors' Elect Invited to CSDA Annual
Conf/SDRMA Breakfast/Super Session

11/1-2 Directors' Elect Invited to SDRMA
Board Meeting

1/2018 Newly Elected Directors Seated and
Election of Officers

**SDRMA BOARD OF DIRECTORS
ELECTION POLICY NO. 2017-03**

A POLICY OF THE BOARD OF DIRECTORS OF SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY ESTABLISHING GUIDELINES FOR DIRECTOR ELECTIONS, DIRECTOR APPOINTMENTS, AND CREATION OF A SUPERVISING ELECTION COMMITTEE

- WHEREAS, SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) is a joint powers authority, created pursuant to Section 6500, et. seq. of the California Government Code; and
- WHEREAS, the Board of Directors recognizes that it is in the best interest of the Authority and its members to adopt a written policy for conducting the business of the Board; and
- WHEREAS, establishing guidelines for Director elections and appointments will help ensure a process that is consistent for all nominees and candidates, will promote active participation by SDRMA members in the election/appointment process, and will help ensure election/appointment of the most qualified candidate(s); and
- WHEREAS, the Bylaws provide the Board with the option of conducting the election using a mail-in ballot process; and
- WHEREAS, the Board of Directors of SDRMA has an overriding and compelling interest in insuring the accuracy of the election/appointment process of its Board members through the creation of an election committee;

NOW, THEREFORE, it is the policy of the Board of Directors of SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY, until such policy shall have been amended or rescinded, that the following procedures shall be followed when conducting Director elections or filling a Director vacancy by appointment:

1.0. Election Schedule

- 1.1. Not later than the first Board meeting of each election year, the Board of Directors shall approve an election schedule based on the following criteria and time frames.

2.0. Election Committee

- 2.1. The Board of Directors herein establishes an election committee with the following composition, duties and responsibilities; The five (5) members of the Election Committee shall include two presently sitting members of the Board of Directors of SDRMA whose seats are not up for election, the Chief Operating Officer of SDRMA, and the CPA/auditor regularly used and retained by SDRMA at the time of counting ballots of and for an election to the Board of Directors. For good reason found and stated, the Board of Directors of SDRMA may appoint any CPA/auditor who, in the discretion of the Board of Directors, would appropriately serve the Election Committee. The General Counsel for SDRMA shall also sit as a member of the Election Committee with the additional obligation of providing legal advice to the balance of the Committee as legal questions may arise.

3.0. Member Notification of Election

- 3.1. Authority staff shall provide written notification, of an election for the Board of Directors, to all member agencies during January of each election year. Such written notification shall be provided a minimum of ninety (90) days prior to the distribution of ballots and shall include; (1) the number of Director seats to be filled by election; (2) a copy of this nomination and election procedure; and (3) an outline of nomination/election deadline dates.

4.0. Qualifications

- 4.1. A candidate seeking election, re-election or appointment to SDRMA's Board of Directors must be a member of the Governing Body or a management employee of an SDRMA member participating in both the Property/Liability and Workers' Compensation Programs. To qualify as a "management employee," the candidate must be a management-level (as determined by the Governing Body) employee whose wages are reported to the IRS on a "W-2" form. Only one (1) representative from any Member may serve on the Board of Directors at the same time. [Per Bylaws, Article II, (2) (b)]
- 4.2. Each nominated candidate must submit a properly completed "Statement of Qualifications" (required form attached) with an original signature (electronic signatures are not acceptable) on or before the filing deadline in May in order for the candidate's name to be placed on the official ballot. A candidate shall provide responses to all questions on the candidate's "Statement of Qualifications". Each nominated candidate's "Statement of Qualifications" must be filed in SDRMA's office on or before the aforementioned deadline by: (1) personal delivery; (2) U.S. mail; or (3) courier. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed to the membership exactly as submitted by the candidate to SDRMA. However, any attachments submitted by the candidate(s) with the Statement of Qualifications will not be sent by SDRMA with the ballots to any members.
- 4.3. If a nominated candidate elects not to use the provided form "Statement of Qualifications," and prepares instead the candidate's own completed form, the candidate's form must include the title "Statement of Qualifications" and contain exactly all information required and requested by the provided form.

NOTE: The candidate's "Statement of Qualifications" form must be submitted as a part of the nominating process. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed "exactly as submitted" to SDRMA, except that any attachments submitted by the candidate will not be sent to any SDRMA members.

- 4.4. A candidate who does not submit a Candidate's Statement of Qualifications that complies with Section 4.2 or 4.3 will be disqualified by the SDRMA Election Committee.

5.0. Nominating Procedure

- 5.1. Candidates seeking election or reelection must be nominated by action of their respective Governing Body. Only one (1) candidate may be nominated per member agency and one (1) candidate shall not represent more than one (1) member agency. A resolution from the candidate's district/agency Governing Body nominating the candidate must be received by the Authority on or before the scheduled date in May. (A sample of the resolution is enclosed). Actual receipt by the Authority on or before the scheduled deadline date in May is required. The resolution nominating the candidate may be hand-delivered to the Authority or sent by U.S. mail. In the event a candidate is nominated by two (2) or more member agencies, he or she shall represent the member agency whose nominating resolution is first received by the Authority. The other member agency or agencies that nominated the candidate shall be entitled to select a replacement nominee as long as a resolution nominating the replacement is received by the Authority prior to the scheduled deadline date.
- 5.2. A member may not nominate a candidate unless that member is participating in both the Property/Liability and Workers' Compensation Programs and is in "good standing" on the date the nominations are due. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.
- 5.3. No earlier than the day after the deadline for receipt of nominations, the Election Committee, as hereinabove defined and comprised, shall review all nominations received from members, and will reject any nominations that do not meet all of the qualifications specified and set forth in this policy. The Election

Committee's decisions regarding the qualification of nominees are final. Following the Election Committee's review of all nominations, the Election Committee shall direct that a ballot be prepared stating and listing all of the qualified nominees. The ballot of qualified nominees shall be distributed to the membership for election by mail as described below.

- 5.4. Upon verification or rejection of each nominee by the Election Committee, staff will mail acknowledgment to both the nominee and the district/agency of its acceptance or rejection as a qualified nominee for election.
- 5.5. A nominee requesting that his/her nomination be withdrawn prior to the election, shall submit such requests in writing to SDRMA's office a minimum of three (3) days prior to the scheduled date for mailing the ballots. After that date, all qualified nominees names shall appear on the ballot mailed to the membership.

6.0. Terms of Directors

- 6.1. The election of directors shall be held in each odd-numbered year. The terms of the directors elected by the Members will be staggered. Four directors will serve four-year terms, to end on December 31 of one odd-numbered year. Three directors will serve four-year terms, to end on December 31 of the alternate off-numbered year. [Per Bylaws, Article II, (3), paragraph 1].

7.0. Campaigning

- 7.1. SDRMA staff will mail each qualified candidate's "Statement of Qualifications", "exactly as submitted" by the candidate with the ballots to the membership.
- 7.2. Candidates, at their own expense, may distribute additional information to member agency(s) after the ballots have been mailed and prior to the election.
- 7.3. SDRMA staff is prohibited from actively promoting a candidate or participating in the election process while on Authority premises.
- 7.4. SDRMA staff may provide member information, mailing lists, financial reports or operational data and information, that is normally available through the Public Records Act, to candidates to assist them in their research and campaigning. In addition to obtaining such information under the Public Records Act, candidates may request SDRMA staff prepare mailing labels for the distribution of campaign materials to member agencies. Under existing policy, charges will apply for this service. The SDRMA logo is trademarked for use by SDRMA only. Neither the logo, nor any other Trademark of SDRMA may be used in any campaign literature. No campaign literature is to imply support of any candidate by SDRMA.
- 7.5. SDRMA election mailings to the membership, including ballots and candidates' "Statement of Qualifications", shall be sent via first class mail.

8.0. Limitations on Campaigning

- 8.1. As used in this section the following terms have the following meanings:

"Campaign Activity" means any activity that expressly advocates the election or defeat of a candidate or provides direct support to a candidate for his or her candidacy. "Campaign activity" does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes or the use of public resources to nominate a candidate or vote in any Board of Directors election.

"Candidate" means an individual who has been nominated by the Member Agency to have his or her name listed on the ballot for election to the Board of Directors.

"Expenditure" means a payment of Member Agency funds that is used for communications that expressly advocate the election or defeat of a clearly identified candidate. "Expenditure" does not include the use of public funds to nominate a candidate or vote in any Board of Directors election.

"Public resources" means any property or asset owned by the Member Agency, including, but not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and Member Agency-compensated time.

- 8.2. An officer, official, employee, or consultant of a Member Agency may not expend or authorize the expenditure of any of the funds of the Member Agency to support or oppose the election or defeat of a candidate for the Board of Directors.
- 8.3. No officer, official, employee, or consultant of a Member Agency shall use or permit others to use public resources for campaign activity.
- 8.4. At any time during an election campaign, if a Member Agency or its officers, officials, employees or consultants violate this section, that Member Agency shall be ineligible to nominate a candidate for the Board of Directors election in which the violation occurred. Any candidate of an offending Member Agency shall be deemed to have withdrawn his or her candidacy. Prior to declaring a Member Agency ineligible to nominate a candidate or a specific candidate's candidacy withdrawn, the Elections Committee shall hold a hearing to determine whether or not a violation of this section occurred. The hearing shall be conducted pursuant to reasonable procedures that the Elections Committee shall prescribe, provided that the affected Member Agency or candidate shall have an opportunity to dispute the violation. At the conclusion of the hearing, the Elections Committee shall determine by a majority vote whether the violation occurred.

9.0. Balloting

- 9.1. A ballot containing nominees for the Board of Directors, accepted and approved by the Election Committee, shall be mailed by first class mail, to each SDRMA member agency, except as provided in Section 9.2 below, no less than sixty (60) days prior to the deadline for receiving ballots and the closing date for voting. Ballots shall show the date and time the ballots must be received in SDRMA's office. A self-addressed, stamped, return envelope shall be mailed with each ballot.
- 9.2. In the event that the number of qualified/approved nominees is equal to or less than the number of director seats up for election, the mailing of the ballots as outlined in Section 9.1 shall be waived.
- 9.3. Only those qualified nominees approved by the Election Committee will be eligible candidates on the ballot. Write-in candidates shall not be accepted.
- 9.4. It is required that the Governing Body of each member vote on behalf of their agency (sample Resolution enclosed) and the ballot MUST be signed by the agency's Presiding Officer.
- 9.5. A member may not vote unless the member was a member of the Authority in "good standing" on or before the nomination due date for the pending election. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.
- 9.6. A member may cast only one (1) vote for the same candidate. By way of example, if there are four (4) candidates on the ballot, a member may not cast two (2) to four (4) votes for any single candidate. Any ballot casting more than one (1) vote for the same candidate will be considered void.

- 9.7. A member may vote by using the official ballot provided by SDRMA, or a copy of SDRMA's original ballot, or a reasonable duplicate prepared by the member agency. Whichever of the three foregoing formats is used, the ballot must contain an original signature and confirmation that the ballot was approved at a public meeting of the agency's Governing Body. Ballots submitted without an original signature and/or without confirmation that the form of the ballot was approved at a public meeting of the agency's Governing Body will be considered void.
- 9.8. Ballots may be returned using either hand-delivered or mailed in ballots - faxed or e-mailed ballots will not be accepted. Mailed in ballots must be addressed to, and hand-delivered ballots must be delivered to, the Special District Risk Management Authority office presently located at 1112 I Street, Suite 300, Sacramento, California 95814-2865.
- 9.9. Any ballot received after the specified deadline will not be counted and will be considered void.

10.0. Election Results

- 10.1. All ballots will be opened and counted at SDRMA's office only after the deadline for receiving ballots. Ballots will be opened by SDRMA's Election Committee, no more than five (5) days after the closing deadline. Candidates receiving the highest number of votes shall be declared the elected director(s).
- 10.2. In the event of a tie, a coin toss shall be used to determine the elected director. The coin toss shall be conducted by the Election Committee at the time and place of the conclusion of counting ballots.

PROCEDURE: In the event more than two (2) candidates tie, the coin toss shall be between two (2) candidates at a time based on the order in which their name appeared on the ballot. This process shall be repeated, as needed, in cases where there are more than two (2) candidates.
- 10.3. Excluding tie votes, within five (5) days after the ballots are opened and tabulated Authority staff shall advise the candidates and their respective agency in writing of the final election results. Copies of the results shall also be mailed/distributed to SDRMA's Board of Directors, staff and consultants and published in the first available CSDA newsletter.
- 10.4. If a director-elect withdraws after the election or fails to accept the Director seat prior to December 31, the Board shall name a new director-elect by going back to the ballots and awarding the seat to the candidate receiving the next highest number of votes during the election.
- 10.5. Staff shall invite newly elected director(s) to attend the Annual Membership meeting and all scheduled Board meeting(s) after confirmation of election results until the director(s) elect assume office. Director(s) elect will be reimbursed for expenses, except for director stipends, in accordance with approved director reimbursement policy (copy of policy shall be provided to newly elected directors).
- 10.6. A member or candidate dissatisfied with the election result may, within ten (10) days after the ballots are opened and tabulated, file with the Authority a written challenge and appeal. The challenge and appeal must clearly set forth the complaint and any and all facts in support of the challenge and appeal. Within ten (10) days after the ballots are opened and tabulated, the challenge and appeal shall be delivered and received by the Authority. Within five (5) days of receipt of the challenge and appeal, the Authority shall deliver the same to the Election Committee for decision. The Election Committee shall have absolute authority for deciding the challenge and appeal. Notice of the decision of the Election Committee shall be provided to the party filing the challenge and appeal within ten (10) days.

11.0. Director Vacancy

11.1. If a director vacancy(s) occurs (Note 1), appointment of a replacement director for the balance of the unexpired term will be made by the remaining members of the SDRMA Board. In order to accomplish this in an orderly and consistent manner, when a vacancy(s) of an elected Director(s) occurs, the SDRMA Board of Directors, after discussion and consideration, shall, when deemed appropriate, instruct staff to:

- a) notify all then member entities that a vacancy has occurred; and
- b) said notice shall refer to the applicable Article in the By-laws in advising member entities and their eligible candidates of the steps to take to apply for appointment; and
- c) the SDRMA Board shall establish the closing date for the receipt of applications; and
- d) candidates shall submit the following, by the date specified in the notice:
 - i) a letter of interest; and
 - ii) a resume, with particular emphasis on the candidate's knowledge of special districts and risk management; and
 - iii) a resolution from, or a letter approved by, the candidate's Governing Body nominating the candidate; and
- e) the Election Committee shall review all applications received, and shall reject any that do not meet all of the qualifications specified and set forth in this policy; and
- f) upon verification or rejection of each application by the Election Committee, staff will mail acknowledgement to both the applicant and the district/agency of its acceptance or rejection of the applicant as a qualified candidate for appointment; and
- g) candidates shall be interviewed at the next regularly scheduled meeting of the SDRMA Board of Directors following the date of closure for the applications. Interviews shall be in person, or if an unforeseen emergency arises, the interview may be by telephone at the same scheduled time; and
- h) the SDRMA Board shall make the appointment without undue delay, but need not act at the same meeting.

Note 1: If the Director vacancy occurs within nine (9) months after the date the ballots were counted and certified by the Election Committee or within nine (9) months after a candidate was appointed to fill a vacancy, then the Board shall have the option to interview and appoint the candidate(s) who did not receive sufficient votes to be elected OR to interview and appoint from the pool of candidates from 11.1.g) above. If the Director vacancy occurs in an election year after the Notification of Election is sent to the members, the Board may determine to fill the vacancy by appointing the candidate who receives the next highest number of votes in the election. If the Board determines in its sole discretion that none of these options is appropriate, then staff shall be instructed to proceed with the process described above in steps 11.1 a) to h).


Revised and adopted this 2nd day of February 2017, by the Board of Directors of Special District Risk Management Authority, at a regular meeting thereof.

This Policy No. 2017-03 supercedes Policy No. 2015-01 and all other policies inconsistent herewith.

APPROVED:


Jean Bracy, President
Board of Directors

ATTEST:


Gregory S. Hall, ARM
Chief Executive Officer

**SAMPLE
RESOLUTION FOR
CANDIDATE NOMINATION**

Available for download in Microsoft Word file format
visit our website at www.sdrma.org

[AGENCY NAME]
RESOLUTION NO.

A RESOLUTION OF THE GOVERNING BODY OF THE [AGENCY NAME] NOMINATING
[CANDIDATE'S NAME] AS A
CANDIDATE FOR ELECTION TO THE SPECIAL DISTRICT RISK MANAGEMENT
AUTHORITY BOARD OF DIRECTORS

WHEREAS, the Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code, Section 6500 et.seq., for the purpose of providing risk management and risk financing for California Special Districts and other local government agencies; and

WHEREAS, the Joint Powers Agreement (JPA) and Bylaws of SDRMA set forth director qualifications, terms of office and election requirements; and

WHEREAS, the Board of Directors of SDRMA established procedures and guidelines for the Director Election process; and

WHEREAS, the Board of Directors of SDRMA established a policy requiring candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or management employee per SDRMA Election Policy 2017-03, Section 4.1 and be an active member agency of both SDRMA's Property/Liability and Workers' Compensation Programs, and 2) be nominated by Resolution of their member agency's governing body, and 3) each nominated candidate must submit a completed and signed "Candidate's Statement of Qualifications" on or before the May 5 filing deadline in order for the candidate's name to be placed on the official ballot.

NOW, THEREFORE, BE IT RESOLVED:

1. The governing body of [AGENCY NAME] nominates [CANDIDATE'S NAME], its [POSITION TITLE], as a candidate for the Board of Directors of the Special District Risk Management Authority.
2. [ONLY IF CANDIDATE IS NOT A MEMBER OF THE AGENCY'S GOVERNING BODY: The governing body of [AGENCY NAME] has determined that [CANDIDATE'S NAME] is a management employee for purposes of SDRMA Election Policy 2017-03, Section 4.1].
3. The governing body of [AGENCY NAME] further directs that a copy of this Resolution be delivered to SDRMA on or before the May 5, 2017 filing deadline.

ADOPTED this [DATE] of [MONTH/YEAR] by the Governing Body of [AGENCY NAME] by the following roll call votes:

AYES:	[LIST NAMES of GOVERNING BOARD VOTES]
NAYES:	"
ABSTAIN:	"
ABSENT:	"

APPROVED

ATTEST

President – Governing Body

Secretary

**CANDIDATE'S STATEMENT
OF
QUALIFICATIONS**

Available for download in Microsoft Word file format
visit our website at www.sdrma.org



Helendale Community Services District

Date: April 6, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #7
Discussion Only Regarding Evaluation of Option for Deposit Policy and Other District Fees

STAFF RECOMMENDATION:

Staff seeks direction from the Board regarding this item.

STAFF REPORT:

This will be a two-part discussion with the first part related to District fees and the second segment related to the results of the deposit survey conducted in response to Board direction. Staff will be asking the Board for direction for each item.

District Fees:

In discussion with Legal Counsel, it is recommended that the Board consider a bifurcated process related to specific fees collected by the District. The proposed process would be to adopt by Ordinance a narrative of the various fees and charges that the District collects including information on the District's enforcement ability as outlined in CSD law, similar to the Conservation Ordinance. A first and second reading of the new ordinance would be agendized with proposed adoption after the second reading and public hearing.

Secondly, in a separate recommended action the Board would consider adoption of a resolution that outlines the specific amounts for each of the fees. Some of the fees included in the current fee package are user initiated fees and others are connection related fees such as the water supply fee and the water and sewer connection fees which required an adoption process consistent with AB1600 to include noticing prior to adoption. Adoption of the fees by resolution is, for the most part, a more nimble process than the hearing process related to ordinance adoption and would spare the District multiple public hearings.

Attached for the Board's information are proposed changes to the fee package that will be scheduled for review and consideration based upon direction provided on the Fee Ordinance and companion resolution.

Deposit Policy:

On March 23, 2017, the Board directed Staff to research possible options to the District's current deposit policy. Staff has contacted 26 separate water utilities regarding their deposit policy procedures. Attached are the results of the survey. Fifteen collect deposits of varying amounts. Six agencies accept a letter of credit from any utility. Four agencies collect a deposit from every customers and one only collects deposits from tenants. Four agencies only collect a deposit for

disconnection or poor payment history. One agency runs a credit check on every customer another runs a credit check in lieu of deposit.

Staff has located a vendor who can provide an expedient soft credit check through Experian credit bureau for a nominal fee. The credit check can be processed while the customer is waiting and a results letter will be provided to the customer at that time. If the Board is interested in this option, Staff will provide contract information to District Legal Counsel for review.

Staff seeks further direction from the Board related to any suggested modifications to the current deposit policy which is attached for the Board's reference.



Helendale Community Services District

26540 Vista Road, Ste. B
 PO Box 359
 Helendale, California 92342
 (760) 951-0006 Fax (760) 951-0046

**HELENDALE COMMUNITY SERVICES DISTRICT
 FEE PACKAGE
 Revised 4/3/17**

WATER SERVICE CHARGE

Meter Size	Monthly Charge
1"	\$26.51
2"	\$82.89
3"	\$155.97
4"	\$260.48
6" (SLA-RV)	\$260.48
6"	\$398.00

MONTHLY CONSUMPTION CHARGES

USAGE	RATE
0-7 HCF	\$0.86
>7 TO 40 HCF	\$0.95
>40 HCF	\$1.06

SEWER USER CHARGE*

\$36.64 per edu (Equivalent Dwelling Unit)

*Once Water/Sewer is connected to the District's system, a continuous monthly water/sewer begins. The District will bill the customer until date of transfer of title. The customer is liable for the applicable minimum charges (Water Service Charge/Sewer Service Charge) even if no water is used.

SOLID WASTE CHARGE - RESIDENTIAL

Residential with Solid Waste Fee on Property Tax	\$19.89/MO
Residential without Solid Waste Fee on Property Tax	\$27.78/MO

MISCELLANEOUS FEES

- 1. Deposit** The minimum deposit required for service shall be three times the average monthly charge for services for the most recent twelve-month period specific to the subject property. Absent a 12-month history the minimum deposit will be equal to three times that base rate for water and sewer. Trash is equal to three times the monthly service rate:

Water only:	\$ 79.53
Water and Sewer:	\$ 189.45
Water, Sewer & Trash:	\$ 249.12 or \$272.79
Trash only:	\$ 59.67

- 2. Deposit to Re-establish Service (due to disconnect for non-payment)**

The standard deposit for establishing service shall apply in the case of service that has been disconnected for non-payment.

- 3. Private Fire Protection Service**

Service Line Size	Charge
1" - 2"	\$ 9.00
4"	\$18.00
6"	\$27.00
8"	\$36.00
10"	\$45.00
12"	\$54.00

Water used for any purpose other than fire protection shall be charged at double the normal monthly user charge plus the cost of water consumed shall be charged at the highest tier, plus a 20% surcharge on the water consumed.

- 4. Administration processing/plan check to determine fixtures/EDUs**

\$45.00 Per sewer connection for plan check

- 5. Damages to District Facilities**

Charge shall be Cost plus 15% for any water and wastewater infrastructure including: MXU, Meter Register, Cut wires, damaged angle-meter stop, sewer manhole, sewer mains, sewer cleanouts, sewer chimney, sewer laterals, etc. A police report may be filed.

- 6. Cessation of Sewer Service due to illegal usage**

In the event of illegal/unauthorized usage of the sewer system a property can be blocked from usage through the insertion of a plug. The Charge will be cost plus 15%.

- ~~7. Meter and Backflow Testing~~ **Meter Testing**

~~All meter testing and backflow testing will be at cost plus fifteen percent (15%)~~

- 8. Fire Flow Test**
\$225.00 plus 15 HCF of water billed at Tier 3 consumption rate for each test.
- 9. Meter Pull or Re-set**
\$100.00
- 10. Plan Check Fee**
Plan check to verify that proposed facility is designed to meet HCSD water and sewer standards.
\$340.00 plus \$68.00/hour over five (5) hours.
- Construction Inspection Fee**
Inspection of proposed facility to ensure that construction is in compliance with HCSD water and sewer standards.
\$340.00 plus \$68.00/hour over five (5) hours
- 11. Field Inspection for verification of utilities**
This would include any pre-construction verification including pot-holing for utilities.
\$75 per location plus 15%
- 12. Feasibility Study (Primarily for Commercial, Multi-Residential or Tract Construction)**
The fee for work performed to determine feasibility of service delivery.
Fee will be determined by the District Engineer and charged at cost plus 50% Administration fee.
- 13. Labor Rate** **Miscellaneous work performed by operator or maintenance worker.**
Will be charged at the appropriate hourly rate including benefit loading. After hours, week-end and holiday rates will be charged as appropriate and are subject to a minimum two (2) hour call out.
- 14. Administration/Supervision**
The total labor/equipment cost to include the costs of administration and other overhead charges including accounting, purchasing, building leases, etc.
50% of labor/equipment cost
- 15. Delinquent Water & Sewer Fees**
The amount to charge for accounts that remain unpaid after the due date:
10% of the 30 day balance plus 1% of the unpaid balance that is greater than 30 days.
- 16. Returned Check**
The fee charged when a check is returned unpaid by the bank for any reason.
\$24.00 + Bank Fee
(current bank charges are \$7.00 per NSF and are subject to change)
- 17. Transfer of Billing**
To establish a new account there is an administrative fee to cover the costs associated with obtaining a meter reading, verifying ownership and updating the customer

database. This fee does not apply when an account is transferred from a tenant back to the owner of record already in the system.

\$25.00 per transfer

18. Hydrant Meter Rental

Deposit for temporary service:

Meter Size	Monthly Charge*	Usage per HCF	Deposit
5/8" to 1"	\$51.88	\$3.28	\$1500.00
1-1/2"	\$107.04	\$3.28	\$1500.00
2"	\$162.22	\$3.28	\$1,500.00
3"	\$233.96	\$3.28	\$1,500.00

Once the meter is returned, the above fees/charges (hydrant meter rental fee/water consumption) will be deducted from the deposit and any remaining balance will be refunded. All meters and ancillary devices shall be inspected by the Water Operations staff for damages before a final bill/refund is issued and the meter is put back into inventory. All meter must have a backflow device or approved air gap supplied by customer.

19. Meter Installation Charges

Includes cost of new meter, installation of meter and courtesy valve and meter box only. Hereafter courtesy valve is responsibility of customer to maintain.

Meter Size	Charge
1"	\$600.00
1-1/2"	\$600.00
2"	Cost + 15%
3"	Cost + 15%
4"	Cost + 15%
6"	Cost + 15%
8"	Cost + 15%

Cost includes necessary supplies, equipments and staff time related to the new meter installation which may include installation of new service from the main and asphalt repair.

20. Replacement of Customer's Courtesy Valve

Covers the parts and installation of a new "lead free" brass gate valve.

\$170.00

21. Turn off/Turn on Fee at Customer's Request

This is a coupled fee that covers both the turn off and subsequent turn on. The charge for a Customer Requested turn on/turn off during normal working hours. **\$40.00**

If a customer is temporarily vacating premises and wishes to have the meter turned off and/or locked, the customer may do so by submitting a written request and pay the turn-off/turn-on fees. Turning off the meter does not relieve the customer of the monthly basic rates for water/sewer. The customer should also check with other utilities and his/her insurance company to understand any potential liability if the water is turned off. A District release if liability form must be signed by the property owner.

- 22. Turn on/Turn Off Fee for Real Estate Inspection**
 A form must be signed by the listing agent/bank or bank assignee is required. The turn on/turn off for an inspection only is:
\$30.00 - 1 day turn on/off
\$20.00 – Subsequent turn on/turn off at same property
- 23. The fee for turning off service and turning service back on for Non-Payment of Bills, during normal working hours**
 The standard Disconnect/Reconnect fee when performed during normal workings hours is:
\$60.00
- 24. Flow Restrictor Installation/Removal**
 If necessary for means of enforcement of the Rules & Regulations the charge for installation and removal of the flow restrictor is:
\$90.00
- 25. Broken Utility Lock**
 In the event the lock is damaged or removed the following fee applies:
\$45 for lock plus \$45.00 labor
- 26. Broken Angle Meter Stop (A-Stop)**
 Replacement of a damaged or broken Angle Meter Stop can be extensive. Any combination of the following charges may apply:
\$90.00 If the A-Stop is repairable (\$45.00 for broken A-Stop plus \$45.00 labor
\$45 per hour If a police report is made and field investigation is required.
Cost + 15% if the A-Stop cannot be repaired and a new service line will need to be pulled.
Fifty percent of the cost of new service installation + 15% if existing service line can be compressed in order to make necessary repair. (This process compromises the service line and can only be done twice before line needs to be replaced.)
- 27. Bench Calibration**
 Calibration includes pulling the meter and re-setting a new meter in its place. The HCSD does not have a meter bench for calibration. The meter must be sent out to a contracting facility for testing. The fee for calibration is:
Cost plus 15%
- 28. After-Hours Call Out Fee (amended 9-1-16)**
 The fee for staff to respond to a call for service after normal working hours shall be:
\$70.00*
- *Waive fees for the first and second emergency turn off; after the second turn off, a letter will be mailed to the customer. The regular after hours fee will apply to the third and all subsequent emergency turn offs.**

29. Variance

Management and Legal Counsel are required to review an application for a variance.

\$200.00

30. Inspection Fees - Sewer

Service	Fee
Permit & 3 inspections	\$219.00
Additional inspections	\$53.00 per visit over 3
Fixture Units Over 20	\$25.00 per fixture unit
Main cut-in	\$100.00

31. Damaging sewer infrastructure during tie-in

There will be a charge of cost plus 15% for any damage caused during the tie in of the sewer lateral to the collection main during new construction or customer-side repairs.

32. Unauthorized water usage/Theft of Water

This includes unauthorized use of water for domestic, commercial or fire flow purposes and can include one or more of the following:

--An illegal connection of water via a hose or other device across property lines and between two residential or commercial units.

--Use of water after a meter lock has been cut or meter tampered with

\$150 per instance

\$150.00 + cost of repairs and water usage. (If usage amount cannot be verified than a water cost equivalent to an average of the last three months will be charged.

33. Copying Fees

Fee for providing reproduction services; per page charge.

\$0.25 per page

34. Backflow Maintenance Fee

Customers with back-flow devices are notified yearly to conduct an inspection of the device. The inspection is performed by a licensed contractor who submits the inspection report to HCSD. The HCSD is required to process such notices and keep records of the inspections. A second notice will be sent to the customer after 30 days if inspection has not been submitted. A third notice will be sent to the customer after 45 days if inspection has not been submitted. Once the third notice is sent, the District will have the inspection performed and bill the fee to the customer.

\$35.00 per device per year/ \$15 for second notice/\$15 third notice + inspection fee

35. Obstruction Charge

On occasion, customers intentionally obstruct their meters making it difficult for field staff to read or maintain the meter. After a phone call and door hanger notifying customer of obstruction the following will be charged:

\$35.00 per billing cycle plus monthly average of water usage based upon the previous three months. Once meter read is obtained, usage amount will be modified accordingly.

36. Intentional Damage Charge

Charges for intentional damage to HCSD's equipment, facilities or infrastructure shall be charged:

\$35.00 per incident + repairs costs +15% administration fee

A police report may also be filed

37. Misdemeanor Charge

Administrative time and actual field time plus any related materials charge to handle a misdemeanor violation.

\$60.00 + costs of parts and labor + 50% administration fee

38. Door Hanger Charge

The District provides customers door hangers for customers who do not wish to receive phone notification of potential shut off for actions caused by the customer, and for other types of notification to customers.

\$15.00

39. Lien Fees

In the event that a property has had water service locked off due to non-payment of a bill, or pending foreclosures, a lien will be filed against the property for unpaid water and sewer charges. The fee for preparation and recordation of the Lien and the Release of Lien are as follows:

\$121.00 (includes lien and lien release)

40. Unauthorized Move of Temporary Construction Meter

Fee for movement of a temporary construction meter without authorization.

\$90.00

41. Demand Letters

Fee for processing a request for demand.

\$15.00 per letter

42. Water Availability Letter/Update of Water Availability Letter

\$35.00 per letter

43. Parcel Inquiries

Administrative time required to process a parcel inquiry.

\$15.00 per inquiry

44. Equipment Rates

Hourly rate for equipment use:

Equipment	Rate
Trash Pump	\$61
Tractor	\$63

Motor Grader	\$58-Cost plus 15%
Backhoe	\$135
Air Compressor w/acc	\$31
Trailer	\$44
Dump Truck	\$50
Water Truck	\$123
Hydro Cleaner/Vactor	\$80
TV Van	Cost plus 15%
Rodder Machine	\$50
Service Truck	\$55
Pick-up/Utility	\$31
Cement-Mixer	\$44
Welder	\$33
4" Mud Pump	\$54
Bore Machine	Cost plus 15%
C3500 Crane Truck	\$58
Power Broom	\$50
SUV	\$44

45. Water Connection Permit Fee

A permit is required for all new connections to the water system.
\$60.00 per connection

46. Water Connection Fee (based on residential)
\$2,251.65

47. Water Supply Fee (based on residential – See Resolution 2015-01 & Exhibit A)
\$5,000.00 – effective 1/15/15

48. Sewer Connection Fee (based on residential)
\$3,360.95

49. Credit Card Convenience Charge
A **\$2.50** fee is charged for all payments made by credit card when not paying in person.

50. Check Processing Fee
This fee will be incurred when any of the follow are requested:
--Request to issue refund check to a customer (credit balance on active account),
--Request to issue a deposit refund to multiple recipients
--Request a refund check outside of the normal billing/closing bill process.--Request for a check to be made out to in individual rather than a trust. (In ~~chases~~ cases when the account is in the name of a trust)
\$15.00 per check issued.

Water District	Entity Type	City	Deposit	Amount	How to waive deposit	Other comments
Adelanto	Public	Adelanto	Yes	see notes	will lower dep to 1 mth history with letter of credit	dep amount based on 3 mth history, refund after 1 yr
Baker CSD	Public	Baker	No			
Big Bear City Water Dept	Public	Big Bear	No			Only if account gets shut off for non-payment, then \$100 deposit
City of Corona	public	Corona	Yes/No			They only collect deposit for existing customers with bad payment history
Crestline Village	Public	Crestline	No			
East Valley Water	public	Highland	Yes	\$150*	Letter of Credit from any utility	Deposit is \$150 per dwelling unit. They do not bill tenants
Fontana Water Co	Private	Fontana	No			
Glendale Water & Power	Public	Glendale	Yes	\$100	runs credit check	\$100 min (based on 12 mth). Refunded after 1 yr with good payment history
Golden State	private	Barstow	yes	\$30-60	Letter of Credit from any utility	Deposit depends on monthly billing or bi-monthly billing
Groveland CSD	Public	Groveland, CA	Yes	\$200-250	\$100-150 water only deposit, other is for water& sewer. They do not waive deposits.	They only charge renters a deposit. Owner's only pay a S/E fee of \$40
Hesperia	public	Hesperia	yes	\$80-100	Letter of Credit from any utility	Deposit based on services
Indian Wells Valley W/D	Public	Ridgecrest	Yes	\$90	No - everyone pays a deposit	Deposit for 1" meter. Refunded after 12 mths in good standing
Jurupa CSD	Public	Jurupa Vly & Eastvale	No			near Corona. They only charge deposit if customer is cut-off. Starts at \$96 depending on meter size and goes up.
Lake Arrowhead CSD	Public	Lake Arrowhead				No answer
Liberty Utilities	Private	Apple Valley	Yes	see notes	Letter of Credit from any utility	based on 12 mth billing history
Mariana Ranchos County	public	Apple Valley	Yes	\$75	Letter of Credit from any utility	refund after 12 mths
Phelan Pinon Hills CSD	public	Phelan	No			They just charge a S/E fee
Pomona Water Dept	Public	Pomona	Yes	\$52.92	No - everyone pays a deposit	Deposit is non-refundable
Rancho California	Public	Temecula	No			They only charge a service est. fee of \$5
Rancho Cucamonga	public	Rancho Cucamonga	Yes			They run credit for every customer. Applies deposit to account balance after 2 yrs
Riverside	public	Riverside	Yes/No	\$40-80		They only collect deposit for existing customers with bad payment history
Running Springs W/D	Public	Running Springs	Yes	\$200	tenants only, not for homeowners	only refunded when tenant moves out
San Antonio Water Co.	Private	Upland	No			
SB County Special Districts	public	Victorville	No			\$50
Templeton CSD	Public	Templeton, CA	No			3/2/17
West Valley Water	public	Rialto	Yes	\$95	2 letters of credit-any utility	refund after 12 mths

HELENDALE COMMUNITY SERVICES DISTRICT
Deposit and Application Policy and Procedures

Section 1. Purpose

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

Section 2. Application for Service

A. Required Documentation

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

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

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

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

a. By reference of District records;

b. By written statements reflecting payment experience with other water and sewer companies.

Should we add something for trash only customers?

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

B. New Owner/Agent Application

1. An application by a New Owner(s) or Agent must provide the full name(s) and Driver's license(s) of person(s) liable for payment of the bill. Additional information shall include Owner's or Agent's home and work phone numbers, and mailing address. A completed District application must be submitted to the District

office in order to establish service. However if the owner fails to notify the District prior to the end of the billing cycle and the District obtains verification of ownership, service will be established in the property owners name and an application will be mailed to the property owner.

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

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

C. Owner-Tenant Application-Agreement.

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

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

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

Section 3. Security Deposits

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

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

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

A. Residential property security deposits

1. All residential property is subject to the deposit requirements as determined by Public Utilities Code section 10009.6(c) which states that "a deposit cannot exceed three times the average monthly bill" for the

past 12 month period. In the event of a new residential service connection, ~~the base amount of \$188.67 will be charged for a deposit~~ the deposit shall be equal to 3 months the base amount. (See Fee Package for rates)

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

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

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

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

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

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

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

Section 4. Service and Deposit

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

Section 5. Deposit in effect

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

Section 6. Application of Deposit to Delinquent Bills

1. In the event that an account becomes delinquent, the deposit may be applied against the account and the service shall be disconnected. Should this be removed? We do not exercise this option.

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

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

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

Section 7. Refund of Deposit upon Service Termination

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

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

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

a) Where the refund is requested to multiple recipients, an individual rather than the Trust name; a check processing fee is incurred. See Fee Package, Item 50.

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

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

Section 8. ACH Automatic Payment Program

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

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

Section 9. Right to the Deposit

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

Section 10. Interest on Deposit

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

Section 11. Restrictions

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

Section 12. Supersedes Other Policies

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