



**REGULAR BOARD MEETING**  
**Thursday, September 21, 2023, at 6:00 PM**

**SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY**

This meeting of the Board of Directors of the Helendale Community Services District is Open to the public both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference by clicking the following link: [www.zoom.com](https://www.zoom.com) Meeting ID 463 173 8547 Passcode: HCSD. (Dial-in instructions will be provided after registering at the link)

**Call to Order - Pledge of Allegiance**

**1. Discussion and Possible Action Regarding Director Remote Participation pursuant to AB2449 (Government Code Section 54953(f))**

- a. Notification due to Just Cause
- b. Request due to Emergency Circumstances

**2. Approval of Agenda**

**3. Public Participation**

*Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member wishing to make comments may do so by filling out the speaker's card in person or using the "raise the hand" or "chat" feature. If viewing remotely a speaker's card may be filled out at the following link: <https://www.surveymonkey.com/r/HKGNLL8> or use the features referenced above. The District requests that all speaker cards be submitted at any time prior to the close of public participation.*

**4. Consent Items**

- a. Approval of Minutes: September 7, 2023, Regular Board Meeting
- b. Bills Paid Report

**5. Reports**

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

**Regular Business:**

- 6. Discussion and Possible Action Regarding Approval of Directors' Expense Reports**
- 7. Discussion and Possible Action Regarding Discussion and Possible Action Regarding Resolution 2023-10: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement and Ethics Training.**
- 8. Discussion and Possible Action Regarding Approval of Roofing Contract Increase**
- 9. Discussion and Possible Action Regarding Grant Funded Park Projects**

**Other Business**

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

**Closed Session**

- 11.** Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)  
Two Potential Cases
- 12.** Conference with Legal Counsel – Anticipated Litigation  
Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)  
One Potential Case
- 13.** Public Employee Performance Evaluation  
(Government Code Section 54957)  
Title: General Manager
- 14.** Report of Closed Session Item
- 15.** Adjournment

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



# Helendale Community Services District

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Date: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #1  
Discussion and Possible Action Regarding Director Remote Participation  
Pursuant to AB2449 (Government Code Section 54953(f))

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## **NOTIFICATION OF REMOTE BOARD MEETING ATTENDANCE**

Directors may not attend a meeting remotely on the basis of Just Cause or Emergency Circumstances for more than three consecutive months or more than 20% (up to four) meetings in a calendar year. A general description of the circumstances relating to the need to appear remotely at the meeting **must** be included.

### **JUST CAUSE**

Each Director is responsible for notifying the General Manager at the earliest opportunity possible (including at the start of a regular meeting) of the need to participate remotely for Just Cause. Remote participation for Just Cause reasons shall not be utilized by any Director for more than two meetings per calendar year.

#### **Just Cause means any of the following:**

- A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely.
- A contagious illness that prevents a member from attending in person
- A need related to a physical or mental disability not otherwise accommodated
- Travel while on official business of the legislative body or another state or local agency

A General description of the circumstances relating to the need to appear remotely at the meeting **MUST** be included.

### **EMERGENCY CIRCUMSTANCES**

Each Director is responsible for notifying the General Manager as soon as possible (preferably before posting of the agenda but up to the start of the meeting) of the need to participate remotely due to Emergency Circumstances.

**Emergency Circumstances means the following:** A physical or family medical emergency that prevents a member from attending in person.

A general description of the circumstances relating to the need to appear remotely at the meeting **must** be included. The general description of the circumstances does not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act.



# Helendale Community Services District

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Date: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #4  
Consent Items

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## CONSENT ITEMS

- a. Approval of Minutes: August 7, 2023, Regular Board Meeting
  
- b. August Financial Report



# Helendale Community Services District

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Date: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
BY: Cheryl Vermette  
SUBJECT: Agenda item #4a  
Minutes from Board meeting 9/7/2023

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*Minutes of the Helendale Community Services District  
REGULAR BOARD OF DIRECTORS MEETING  
September 7, 2023, at 6:00 PM  
26540 Vista Road, Suite C, Helendale, CA 92342*

**SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY**

This meeting of the Board of Directors of the Helendale Community Services District is open to the public both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference by clicking the following link: [www.zoom.com](https://www.zoom.com) Meeting ID 463 173 8547 Passcode: HCSD. (Dial-in instructions will be provided after registering at the link)

*Pursuant to Government Code Section 54953(b), Director Roper will attend the meeting via teleconference; location at 1414 Park Avenue, Space 29, Burley, Idaho, 83318*

**Board Members Roll Call:**

**Present:** President Henry Spiller (via Zoom); Vice President Ron Clark; Secretary Sandy Haas; Director Annette Roper (via Zoom); Director George Cardenas

**Staff Members Present:**

Kimberly Cox, General Manager; Craig Carlson, Water Operations Manager; Cheryl Vermette, Parks, Recreation & Programs Supervisor

**Consultants/Guests:**

Steven Kennedy, Legal Counsel (Zoom)  
Chris Noel, San Bernardino County Land Use

**Members of the Public:**

There were fifty-two members of the public attending in person and two members attending via Zoom.

**Call to Order and Pledge of Allegiance**

The meeting was called to order at 6:00 pm by Vice President Clark, after which the Pledge of Allegiance was recited.

**1. Director Remote Participation pursuant to AB2449 (Government Code Section 54953(f))**

- a. Notification due to Just Cause
- b. Request due to Emergency Circumstances

**Discussion:** President Spiller requested to attend the meeting under Emergency Circumstances due to illness.

**Action:** Director Roper made a motion to approve President Spillers attendance under the emergency circumstances provision. Director Cardenas seconded the motion.

**Vote:** The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller-Yes; Vice President Clark-Yes; Director Haas – Yes; Director Cardenas -Yes; Director Roper - Yes.

**2. Approval of Agenda**

**Action:** A motion was made by Director Cardenas to approve the agenda as presented. The motion was seconded by Director Roper.

**Vote:** The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller-Yes; Vice President Clark-Yes; Director Haas – Yes; Director Cardenas -Yes; Director Roper - Yes.

### 3. Public Participation

Christopher Porter, Representative from Supervisor Cook’s Office reported that the Supervisor spoke at the State of the County and discussed the placement of sexually violent predators in our County. He also reported that the partial truck was removed on Route 66.

### 4. Consent Items

- a. Approval of Minutes: August 17, 2023, Regular Board Meeting
- b. Bills Paid Report

**Motion:** Director Cardenas made a motion to approve the consent items as presented. President Spiller seconded the motion.

**Vote:** The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller-Yes; Vice President Clark-Yes; Director Haas – Yes; Director Cardenas -Yes; Director Roper - Yes.

### 5. Reports

- a. Directors’ Reports

Director Cardenas reported that he attended the CSDA conference and sat in on the ABCs of Alternative Delivery Models for Capital Improvement Projects, Pricing Debt: Interest Rates, Fees and Other Variables, Understanding Board Member Liability Issues, Cybersecurity Best Practices for Special Districts, and Tips for Efficient and Effective Board Meetings. Director Cardenas said he would provide a written summary of the sessions he attended.

President Spiller reported that he attended the CSDA conference. He was able to attend the pre-conference field trip and the opening session but had to leave early due to illness. President Spiller also commented on his attendance at the August Concert in the Park/Helendale Night Out event. He said he heard many positive comments of people having a good time. He helped with setup and tear down for the event. He also attended the American Legion meeting where they donated \$4,800 towards the CSD’s youth sports programs. On August 26<sup>th</sup> he attended the District’s youth flag football Superbowl and presented awards and helped cook hamburgers and hot dogs for the players.

- b. General Managers Report

General Manager Cox reported that the District is sponsoring a community giveaway event on October 14<sup>th</sup>. Seniors will be able to enter between 9:00 am and 9:30 am, and open to the general public at 9:30 am, the event will go through noon or whenever the items are gone. The giveaway will be held in Unit D.

General Manager Cox also thanked the American Legion for their generous donation to the CSD’s youth sports programs.

Program Coordinator Vermette reported that the last concert in the park will be this Saturday. The District is looking for volunteers to place flags at 7 am at the park.

Water Operations Manager Carlson gave the water report. He reported that all monthly inspections for the month of August, the monthly coliform report, the July Safer Clearing House Drought report were all completed. Staff replaced the vacuum filter seal on vactor, replaced an a-stop on Nautical, repaired a small service line leak in Fairway Courts, backfilled eroded areas around south tank caused by storm, replaced chlorine tubing at well #4 and repaired leaking chlorine tank. Staff also continued the monthly meter replacement

program. Water Operations Manager Carlson reported that he also attended the CSDA conference. The District was also issued an award from the California Water Board for Superior Reporting.

### **Special Presentation:**

#### **6. Special Presentation from San Bernardino County Public Works Regarding Railroad Grade Separation**

Chris Castillo and Noel Nguyen, representatives from San Bernardino County Public Works spoke about the proposed railroad grade separation project in Helendale. They presented maps and spoke about the proposed three phase approach to complete the grade separation project. They reported that the estimated cost for the project is \$85 million. This project is dependent upon funding availability. They are currently awaiting the NEPA report. The County does have some funding for design and studies.

The community voiced concerns over closing the Vista Rd. crossing, noise, increased crime, and increased traffic. There were also some concerns from community members regarding any future plans to close the crossing at Indian Trail.

Christopher Porter re-emphasized the support from the Supervisors office for this project.

Vice President Clark called for a brief break at 7:26 pm.

The regular Board meeting resumed at 7:38 pm, with five members of the public staying for the rest of the meeting.

### **Regular Business:**

#### **7. Discussion and Possible Action Regarding Approval of Directors' Expense Reports**

**Motion:** Director Haas made a motion to approve the Directors' expense reports. Director Roper seconded the motion.

**Vote:** The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller- Yes; Vice President Clark-Yes; Director Haas – Yes; Director Cardenas -Yes; Director Roper - Yes.

#### **8. Discussion and Possible Action Regarding Adoption of Resolution 2023-14: A Resolution of the Board of Directors of the Helendale Community Services District Approving Award of a Sole Source Contract to High Desert Underground for Well 13 Pipeline Connection Project**

**Discussion:** The Well 13 project has been a lengthy process and has been more complex than the other two well projects. The Staff report outlined the details of the project. The new well was on the Capital Improvement Plan for several years. There have been multiple separate contracts and awards (12+). In 2019, the District competitively bid the test hole project. Three bids were received. The project was awarded to ABC Liovin for \$228,500. The Notice of Exemption was adopted by the Board for the test hole project on 10/3/19. The construction easement was negotiated for the exploratory project. The data from the test hole project was analyzed by the District's consulting hydrogeologist who provided recommendations to proceed. The District engaged in negotiations to purchase the property. A \$750,000 Prop 1 grant was awarded in February 2021. A 20% match was waived due to the local income levels. Two payments have been received by the District, one for \$212,369 in August 2022 and \$472,630 in March 2022. The balance of \$65,000 is left to be reimbursed which includes a 10% withholding. There is an estimated \$2,500 left in the grant balance. On March 18, 2021, the Board adopted a Mitigated Negative Declaration for the Well Field Expansion Project. The CEQA process was completed contemplating the potential for additional wells on the property. ON



April 1, 2021, the Board awarded the contract for drilling Well 13 to Southwest Pumping for \$475,615. Four bids were received. A change order was negotiated in November 2021. In certain circumstances the District can request the award of a sole source contract. Sole source contracts should be used judiciously. The District's purchasing policy outlines the procedures for competitive bidding and related exemptions. The District's General Counsel gave an overview of those exemptions. High Desert Underground completed the potable pipeline and flush to waste portions of the project. The proposed section will connect the wellhead to the distribution and flush to waste lines. This portion of the project was not included with the other pipeline work because of the unknowns that this part of the project had, the connection configuration and timing and this part of the project was too far removed from the other pipeline work for a change order. The parts for the project are estimated to arrive within four to six weeks. High Desert Underground can mobilize and complete the project expeditiously once parts arrive. They will connect the new pipeline section to what they previously installed. High Desert Underground worked with Staff to design the connection.

**Motion:** President Spiller made a motion to approve Resolution 2023-14 Approving Sole Source Contract to HDU for pipeline connection project. Director Haas seconded the motion.

**Vote:** The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller-Yes; Vice President Clark-Yes; Director Haas – Yes; Director Cardenas -Yes; Director Roper - Yes.

9. Discussion and Possible Action Regarding Adoption of Resolution 2023-25: A Resolution of the Board of Directors of the Helendale Community Services District Recognizing Michael Mercadante in Honor of his 100<sup>th</sup> Birthday.

**Discussion:** Mike Mercadante has lived in the community since 1998, he is still and active member of the COP's and has assisted with many District activities. The Helendale Senior Outreach has planned a birthday celebration on 9/19 in the Community room. Free lunch will be served as part of the multi-generational County lunch program. A resolution has been made to honor Mike on his 100<sup>th</sup> birthday.

**Motion:** Director Haas made a motion to adopt Resolution 2023-25 honoring Mike Mercadante's 100<sup>th</sup> birthday. President Spiller seconded the motion.

**Vote:** The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller-Yes; Vice President Clark-Yes; Director Haas – Yes; Director Cardenas -Yes; Director Roper - Yes.

### **Other Business**

10. Requested items for next or future agendas (Directors and Staff only)  
Director's Compensation

*President Spiller called for a brief recess at 8:13 pm after which the Board met in closed session.  
Closed session was called to order at 8:18 pm*

### **Closed Session**

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

Closed session adjourned at 8:37 pm

**13. Report of Closed Session Items**

Legal Counsel Kennedy reported that the Board met in closed session to discuss the matter listed on the agenda. There was no reportable action.

**14. Adjournment**

President Spiller adjourned the meeting at 8:37 pm

Submitted by:

Approved by:

\_\_\_\_\_  
Henry Spiller, President

\_\_\_\_\_  
Sandy Haas, Secretary

*The Board actions represent decisions of the Helendale Community Services District Board of Directors. A digital voice recording and copy of the PowerPoint presentation are available upon request at the Helendale CSD office.*



# Helendale Community Services District

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Date: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
BY: Eide-Bailey Financial Consultants  
SUBJECT: Agenda item #4b  
July Financial Report

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**Helendale CSD**  
**Statement of Revenues and Expenses - Water**  
**As of July 31, 2023**  
**(Unaudited)**  
**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Meter Charges	\$ 134,400	\$ 134,400	\$ 1,591,123	8%	\$ 133,548
3 Water Sales	83,757	83,757	912,051	9%	105,766
4 Standby Charges	2,034	2,034	30,228	7%	2,531
5 Other Operating Revenue	22,355	22,355	83,823	27%	8,488
<b>6 Total Operating Revenues</b>	<b>242,546</b>	<b>242,546</b>	<b>2,617,225</b>	<b>9%</b>	<b>250,334</b>
<b>7 Non-Operating Revenues</b>					
8 Grant Revenue	-	-	-	0%	-
9 Miscellaneous Income (Expense)	-	-	-	0%	-
<b>10 Total Non-Operating Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>11 Total Revenues</b>	<b>242,546</b>	<b>242,546</b>	<b>2,617,225</b>	<b>9%</b>	<b>250,334</b>
<b>12 Expenses</b>					
<b>13 Salaries &amp; Benefits</b>					
14 Salaries	41,275	41,275	421,896	10%	44,736
15 Benefits	14,723	14,723	138,780	11%	14,261
<b>16 Total Salaries &amp; Benefits</b>	<b>55,998</b>	<b>55,998</b>	<b>560,676</b>	<b>10%</b>	<b>58,997</b>
<b>17 Transmission &amp; Distribution</b>					
18 Contractual Services	16,429	16,429	56,607	29%	24,365
19 Power	14,679	14,679	209,725	7%	240
20 Operations & Maintenance	4,508	4,508	153,000	3%	30,613
21 Rent/Lease Expense	800	800	11,490	7%	1,430
22 Permits & Fees	-	-	40,100	0%	2,478
<b>23 Total T&amp;D</b>	<b>36,415</b>	<b>36,415</b>	<b>470,922</b>	<b>8%</b>	<b>59,126</b>
<b>24 General &amp; Administrative</b>					
25 Utilities	268	268	3,928	7%	61
26 Office & Other Expenses	51	51	5,750	1%	403
27 Admin Allocation	52,307	52,307	627,686	8%	53,835
<b>28 Total G&amp;A</b>	<b>52,626</b>	<b>52,626</b>	<b>637,364</b>	<b>8%</b>	<b>54,300</b>
29 Debt Service	149,447	149,447	346,313	43%	149,447
<b>30 Total Expenses</b>	<b>294,486</b>	<b>294,486</b>	<b>2,015,275</b>	<b>15%</b>	<b>321,870</b>
<b>31 Net Income (Loss) Before Capital</b>	<b>(51,940)</b>	<b>(51,940)</b>	<b>601,950</b>		<b>(71,537)</b>
32 Sale or Lease of Water Rights	-	-	-	N/A	-
33 Capital Expenses	-	-	(1,792,000)	0%	(2,500)
<b>34 Net Income (Loss) After Capital</b>	<b>\$ (51,940)</b>	<b>\$ (51,940)</b>	<b>\$ (1,190,050)</b>	<b>4%</b>	<b>\$ (74,037)</b>

\*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

**Helendale CSD**  
*Financial Statement Analysis*  
**Preliminary – No Year End Audit Adjustments**  
For the Month Ended July 31, 2023 – 8% of Fiscal Year

**Fund 01-Water Revenues and Expenses**

**Line 2 Meter Charges:** Includes fixed monthly charge for water service. Year-to-date (YTD) meter charges is trending in line with budget.

**Line 3 Water Sales:** Includes water consumption charges. YTD is trending in line with budget.

**Line 4 Standby Charges:** Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April. YTD is trending in line with budget.

**Line 5 Other Operating Revenue:** Includes permit & inspection charges, connection fees, meter installation fees, other fees/charges, and mechanic service reimbursements. Connection and meter installation fees are budgeted conservatively due to the unexpected nature of these fees. YTD is trending over budget at 27% due to the high volume of permits and inspections, connection, and meter installation fees.

**Line 9 Miscellaneous Income (Expense):** Includes gain or loss on sale of assets, the Enel X Demand Response Program and other miscellaneous income. There is no activity YTD.

**Line 14 Salaries:** Includes salaries for water employees and a portion of the mechanic's salary. YTD is trending at 10% of budget because there were three payrolls in July.

**Line 15 Benefits:** Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is trending in line with budget.

**Line 18 Contractual Services:** Includes lab testing, engineering, geographic information system (GIS) support & other contract services. YTD is trending over budget at 29% due to the timing of annual software support and contractual services renewals.

**Line 19 Power:** Includes electricity usage for transmission & distribution. YTD is trending in line with budget.

**Line 20 Operations & Maintenance:** Includes operations & maintenance expenses, uniforms, vehicle maintenance and vehicle fuel. YTD can trend over/under budget due to need and the timing of services. YTD is trending under budget at 3%.

**Line 21 Rent/Lease Expense:** Includes rental costs for the water shop and Bureau of Land Management (BLM) tank sites. YTD is trending in line with budget.

**Line 22 Permits & Fees:** Includes all water permits, miscellaneous fees, and Watermaster fees. YTD can trend over/under budget due to the timing of permits and fee payments. There is no activity YTD.

**Line 25 Utilities (G&A):** Includes gas and telephone expenses. YTD is trending in line with budget.

**Line 26 Office & Other Expenses:** Includes mileage/travel reimbursements, office supplies, water conservation program and dues/subscriptions. These expenses are on an as-needed basis and can trend over/under budget. YTD is trending under budget at 1%.

**Line 27 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds.

**Line 29 Debt Service:** Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments occur on a quarterly basis in July, October, January, and April.



**Helendale CSD**  
**Statement of Revenues and Expenses - Sewer**  
**As of July 31, 2023**  
**(Unaudited)**

**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Sewer Charges	\$ 152,213	\$ 152,213	\$ 1,825,577	8%	\$ 121,960
3 Standby Charges	2,034	2,034	25,907	8%	2,432
4 Other Fees & Charges	9,316	9,316	28,760	32%	1,708
5 Interfund Transfer In/(Out)	3,508	3,508	42,100	8%	3,508
6 Other Income/(Expense)	-	-	-	0%	-
<b>7 Total Revenues</b>	<b>167,071</b>	<b>167,071</b>	<b>1,922,344</b>	<b>9%</b>	<b>129,609</b>
<b>8 Expenses</b>					
<b>9 Salaries &amp; Benefits</b>					
10 Salaries	34,766	34,766	385,417	9%	31,775
11 Benefits	11,524	11,524	128,651	9%	12,442
<b>12 Total Salaries &amp; Benefits</b>	<b>46,290</b>	<b>46,290</b>	<b>514,068</b>	<b>9%</b>	<b>44,218</b>
<b>13 Sewer Operations</b>					
14 Contractual Services	3,459	3,459	113,720	3%	2,910
15 Power	10,694	10,694	102,000	10%	2,424
16 Operations & Maintenance	3,986	3,986	59,800	7%	4,345
17 Permits & Fees	1,045	1,045	40,000	3%	360
<b>18 Total Sewer Operations</b>	<b>19,184</b>	<b>19,184</b>	<b>315,520</b>	<b>6%</b>	<b>10,039</b>
<b>19 General &amp; Administrative</b>					
20 Utilities	379	379	5,505	7%	162
21 Office & Other Expenses	32	32	17,760	0%	1,048
22 Admin Allocation	51,261	51,261	615,132	8%	52,759
<b>23 Total G&amp;A</b>	<b>51,672</b>	<b>51,672</b>	<b>638,397</b>	<b>8%</b>	<b>53,969</b>
24 Debt Service	-	-	102,123	0%	-
<b>25 Total Expenses</b>	<b>117,146</b>	<b>117,146</b>	<b>1,570,108</b>	<b>7%</b>	<b>108,225</b>
<b>26 Net Income (Loss) Before Capital</b>	<b>49,925</b>	<b>49,925</b>	<b>352,236</b>	<b>14%</b>	<b>21,384</b>
27 Capital Expenses	-	-	(845,000)	0%	(1,000)
<b>28 Net Income (Loss) After Capital</b>	<b>\$ 49,925</b>	<b>\$ 49,925</b>	<b>\$ (492,764)</b>		<b>\$ 20,384</b>

\*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

## ***Fund 02-Sewer Revenues and Expenses***

**Line 2 Sewer Charges:** Includes the monthly charge for sewer services. YTD is trending in line with budget.

**Line 3 Standby Charges:** Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April. YTD is trending in line with budget.

**Line 4 Other Fees & Charges:** Includes permit & inspection charges, connection fees, other fees, and charges. YTD is trending over budget at 32% due to higher permits and inspection, and connection fees than anticipated.

**Line 5 Interfund Transfer In/(Out):** This line includes the monthly repayment of the interfund loan from Sewer to Parks.

**Line 6 Other Income/(Expense):** Includes gain or loss on sale of assets and other miscellaneous income. There is no activity YTD.

**Line 10 Salaries:** Includes salaries for all sewer employees. YTD is trending in line with budget.

**Line 11 Benefits:** Includes employee insurance, PERS retirement, workers compensation, payroll taxes, and education & training. YTD is trending in line with budget.

**Line 12 Contractual Services:** Includes lab testing, engineering, GIS support & other contractual services. YTD is trending under budget at 3%.

**Line 13 Power:** Includes electricity used for Sewer. YTD is trending in line with budget.

**Line 14 Operations & Maintenance:** Includes compost disposal, vehicle maintenance, vehicle fuel, uniforms, small tools, and salaries for mechanics. YTD is trending in line with budget.

**Line 15 Permits and Fees:** Includes all annual permits and fees paid to the state. YTD can trend over/under budget due to the timing of permits and fee payments. YTD is trending under budget at 3%.

**Line 20 Utilities (G&A):** Includes gas, water, and telephone expenses. YTD is trending in line with budget.

**Line 21 Office & Other Expenses:** Includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. These expenses are on an as-needed basis and can trend over/under budget. There is no activity YTD.

**Line 22 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds.

**Line 24 Debt Service:** Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments occur bi-annually in December and June.





**Helendale CSD**  
**Statement of Revenues and Expenses - Recycling Center**  
**As of July 31, 2023**  
**(Unaudited)**  
**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Retail Sales	\$ 22,774	\$ 22,774	\$ 325,000	7%	\$ 25,138
3 Donations	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	-	0%	-
5 Miscellaneous Income (Expense)	-	-	-	0%	-
<b>6 Total Revenues</b>	<b>22,774</b>	<b>22,774</b>	<b>325,000</b>	<b>7%</b>	<b>25,138</b>
<b>7 Expenses</b>					
<b>8 Salaries &amp; Benefits</b>					
9 Salaries	19,801	19,801	209,654	9%	15,355
10 Benefits	2,781	2,781	35,312	8%	1,785
<b>11 Total Salaries &amp; Benefits</b>	<b>22,582</b>	<b>22,582</b>	<b>244,966</b>	<b>9%</b>	<b>17,140</b>
<b>12 Recycling Center Operations</b>					
13 Contractual Services	-	-	2,500	0%	-
14 Operations & Maintenance	37	37	14,250	0%	1,182
<b>15 Total Recycling Center Operations</b>	<b>37</b>	<b>37</b>	<b>16,750</b>	<b>0%</b>	<b>1,182</b>
<b>16 General &amp; Administrative</b>					
17 Utilities	1,958	1,958	10,400	19%	813
18 Office & Other Expenses	603	603	6,100	10%	413
<b>19 Total G&amp;A</b>	<b>2,561</b>	<b>2,561</b>	<b>16,500</b>	<b>16%</b>	<b>1,226</b>
<b>20 Total Expenses</b>	<b>25,180</b>	<b>25,180</b>	<b>278,216</b>	<b>9%</b>	<b>19,548</b>
<b>21 Net Income (Loss) Before Capital</b>	<b>(2,406)</b>	<b>(2,406)</b>	<b>46,784</b>		<b>5,590</b>
22 Capital Expenses	-	-	-	-	-
<b>23 Net Income (Loss) After Capital</b>	<b>\$ (2,406)</b>	<b>\$ (2,406)</b>	<b>\$ 46,784</b>		<b>\$ 5,590</b>

\*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

### ***Fund 03-Recycling Center Revenues and Expenses***

**Line 2 Retail Sales:** Includes sales revenues from the Thrift Store. YTD is trending in line with budget.

**Line 3 Donations:** Donations are not budgeted for due to the unexpected nature of these revenues.

**Line 4 Board Discretionary Revenue:** This line shows the transfer of net cash from the Recycling Center (Fund 03) to the Parks & Recreation Fund (Fund 05). This transfer is done at year-end for the audit.

**Line 5 Miscellaneous Income/(Expense):** Includes gain or loss on sale of assets and other miscellaneous income. There was no activity YTD.

**Line 9 Salaries:** Salaries for all part-time recycling center employees and full-time supervisor. YTD is trending in line with budget.

**Line 10 Benefits:** Includes employee insurance, workers compensation, payroll taxes, and education & training. YTD is trending in line with budget.

**Line 13 Contractual Services:** Includes software support and other contract services. Services are on an as-needed basis. YTD can trend under or over budget due to the timing of services needed. There is no activity YTD.

**Line 14 Operations & Maintenance:** Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD can trend over/under budget due to need and the timing of services.

**Line 17 Utilities (G&A):** Includes electric and telephone expenses. YTD is trending over budget at 19% due to higher consumption during summer months.

**Line 18 Office & Other Expenses:** Includes advertising, bank charges and other miscellaneous expenses. YTD is trending in line with budget.

**Line 21 Net Income:** Net income in the Recycling Center is moved to Parks & Recreation Fund (Fund 5) at year-end during the audit through Board Discretionary Revenue.



**Helendale CSD**  
**Statement of Revenues and Expenses - Property Rental**  
**As of July 31, 2023**  
**(Unaudited)**  
**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Property Rental Revenues	\$ 9,329	\$ 9,329	\$ 132,348	7%	\$ 8,790
3 Other Income	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	-	0%	-
<b>5 Total Revenues</b>	<b>9,329</b>	<b>9,329</b>	<b>132,348</b>	<b>7%</b>	<b>8,790</b>
<b>6 Expenses</b>					
7 Contractual Services	-	-	10,000	0%	-
8 Utilities	1,634	1,634	15,815	10%	1,294
9 Operations & Maintenance	22	22	13,400	0%	1,271
10 Debt Service	-	-	53,089	0%	-
<b>11 Total Expenses</b>	<b>1,657</b>	<b>1,657</b>	<b>92,304</b>	<b>2%</b>	<b>2,566</b>
<b>12 Net Income (Loss)</b>	<b>\$ 7,672</b>	<b>\$ 7,672</b>	<b>\$ 40,044</b>	<b>19%</b>	<b>\$ 6,224</b>

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***Fund 04-Property Rental Revenues and Expenses***

**Line 2 Property Rental Revenues:** Includes revenue for 15302 Smithson and 15425 Wild Road properties. YTD is trending in line with budget.

**Line 3 Other Income:** Includes penalties and other miscellaneous Income; due to the unexpected nature of these revenues these accounts are not budgeted for.

**Line 4 Board Discretionary Revenue:** This line shows the transfer of net cash from the Property Rental Fund (Fund 04) to Parks & Recreation Fund (Fund 05) at year-end during the audit.

**Line 7 Contractual Services:** Includes contractor and handyman expenses for installation of appliances, drywall repair, roofing, or plumbing repairs.

**Line 8 Utilities:** Includes electric & gas expense for the rental properties. YTD is trending in line with budget.

**Line 9 Operations & Maintenance:** Includes maintenance and other costs relating to the rental properties. YTD can trend over/under budget due to need and the timing of services.

**Line 10 Debt Service:** Includes interest and principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments occur bi-annually in December and June.

**Line 12 Net Income:** Net income in the Property Rental Fund (Fund 04) is moved to the Parks & Recreation Fund (Fund 05) through Board discretionary revenue at year-end for the audit.



**Helendale CSD**  
**Statement of Revenues and Expenses - Parks & Recreation**  
**As of July 31, 2023**  
**(Unaudited)**

**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Program Fees	\$ 2,746	\$ 2,746	\$ 34,600	8%	\$ 5,934
3 Property Taxes	1,705	1,705	21,600	8%	1,885
4 Donations & Sponsorships	-	-	-	0%	500
5 Rental Income	6,490	6,490	24,075	27%	6,486
6 Developer Impact Fees	3,440	3,440	3,440	100%	-
7 Grants	-	-	-	0%	-
8 Interfund Transfer In/(Out)	(3,508)	(3,508)	(42,100)	8%	(3,508)
9 Board Discretionary Revenue	22,300	22,300	445,766	5%	20,909
10 Miscellaneous Income (Expense)	-	-	-	N/A	(105)
<b>11 Total Revenues</b>	<b>33,172</b>	<b>33,172</b>	<b>487,381</b>	<b>7%</b>	<b>32,100</b>
<b>12 Expenses</b>					
<b>13 Salaries &amp; Benefits</b>					
14 Salaries	6,833	6,833	84,355	8%	9,305
15 Benefits	2,901	2,901	35,105	8%	2,819
<b>16 Total Salaries &amp; Benefits</b>	<b>9,733</b>	<b>9,733</b>	<b>119,460</b>	<b>8%</b>	<b>12,124</b>
17 Program Expense	7,025	7,025	76,565	9%	12,414
18 Contractual Services	-	-	22,732	0%	2,180
19 Utilities	8,832	8,832	58,690	15%	5,948
20 Operations & Maintenance	4,369	4,369	24,089	18%	3,120
21 Permits & Fees	-	-	2,333	0%	598
22 Grant Expense	-	-	-	0%	-
23 Other Expenses	-	-	1,355	0%	643
<b>24 Total Expenses</b>	<b>29,960</b>	<b>29,960</b>	<b>305,224</b>	<b>10%</b>	<b>37,027</b>
<b>25 Net Income (Loss) Before Capital</b>	<b>3,213</b>	<b>3,213</b>	<b>182,157</b>	<b>2%</b>	<b>(4,926)</b>
26 Capital Expenses	(18,295)	(18,295)	(640,000)	3%	-
<b>27 Net Income (Loss) After Capital</b>	<b>\$ (15,082)</b>	<b>\$ (15,082)</b>	<b>\$ (457,843)</b>	<b>3%</b>	<b>\$ (4,926)</b>

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## **Fund 05-Parks & Recreation Revenues and Expenses**

**Line 2 Program Fees:** Includes recreation program fees, basketball league fees, youth soccer league fees and farmer's market revenue. YTD is trending in line with budget.

**Line 3 Property Taxes:** Includes the transfer of property taxes for streetlight utility expenses. YTD is trending in line with budget.

**Line 4 Donations & Sponsorships:** Includes concert in the park sponsorships, event sponsorships and other donations/sponsorships. There is no activity YTD.

**Line 5 Rental Income:** Includes rental income from the water shop, storage for the recycling center, community center room rental, church rental, and gymnastics rental. YTD can trend over/under budget depending on needs of rentals. YTD is trending over budget at 27% due to timing of annual field use revenue.

**Line 6 Developer Impact Fees:** Includes park development impact fees charged to new developments. This account is budgeted based on known development. As such, this account will go over budget if more development takes place.

**Line 8 Interfund Transfer Out/(In):** This line shows the year end transfer of cash balance from the Recycling Center (Fund 03) and Property Rental (Fund 04) to the Parks & Recreation Fund (Fund 05), as well as the monthly repayment of the interfund loan from Sewer to Parks.

**Line 9 Board Discretionary:** Board Discretionary Revenue in June includes the following:

- Radio Tower Site Rent – \$13,579
- Property Tax - \$2,235
- Solid Waste Franchise Fees - \$8,190
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,705)

**Line 10 Miscellaneous Income/(Expense):** Includes gain or loss on sale of assets and other miscellaneous income.

**Line 14 Salaries:** Includes full and part-time Parks and Recreation employees. YTD is trending in line with budget.

**Line 15 Benefits:** Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education & trainings. YTD is trending in line with budget.

**Line 17 Program Expense:** Includes supplies and expenses for the youth soccer league, park, community center, Farmer's Market, and other programs. YTD is trending in line with budget.

**Line 18 Contractual Services:** Includes software support and other contract services. These expenses are on an as-needed basis and can trend over/under budget. There is no activity YTD.

**Line 19 Utilities:** Includes gas and electric for parks and the community center, along with telephone & electricity for street lighting. YTD is trending over budget at 15% due to higher electric consumption and higher water and sewer costs than anticipated.

**Line 20 Operations & Maintenance:** Includes vehicle maintenance, small tools, vehicle fuel and building repair for the park and community center. YTD can trend over/under budget due to need and the timing of services. YTD is trending over budget at 18% due to the timing of the annual youth sports insurance policy renewal.

**Line 21 Permits & Fees:** Includes permit and inspection fees, along with San Bernardino County fees. YTD can trend over/under budget due to the timing of permits and fee payments. There is no activity YTD.

**Line 23 Other Expenses:** Includes uniforms, printing costs, dues & subscriptions, and bank charges. There is no activity YTD.

**Line 26 Capital Expenses:** YTD balance in capital expenses includes the following:

- \$18.3K – Community Center Parking Lot Resurfacing



**Helendale CSD**  
**Statement of Revenues and Expenses - Solid Waste Disposal**  
**As of July 31, 2023**  
**(Unaudited)**

**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Charges for Services	\$ 50,750	\$ 50,750	\$ 777,772	7%	\$ 48,669
3 Assessments & Fees	3,394	3,394	237,220	1%	3,576
4 Other Charges	1,871	1,871	25,518	7%	1,796
5 Board Discretionary Revenue	-	-	-	0%	-
6 Miscellaneous Income (Expense)	-	-	-	0%	-
<b>7 Total Revenues</b>	<b>56,015</b>	<b>56,015</b>	<b>1,040,510</b>	<b>5%</b>	<b>54,041</b>
<b>8 Expenses</b>					
<b>9 Salaries &amp; Benefits</b>					
10 Salaries	8,955	8,955	85,565	10%	11,162
11 Benefits	4,283	4,283	31,970	13%	4,700
<b>12 Total Salaries &amp; Benefits</b>	<b>13,239</b>	<b>13,239</b>	<b>117,535</b>	<b>11%</b>	<b>15,862</b>
13 Contractual Services	56,803	56,803	734,677	8%	98,118
14 Disposal Fees	2,134	2,134	165,000	1%	493
15 Operations & Maintenance	-	-	4,750	0%	599
16 Other Operating Expenses	112	112	4,340	3%	-
17 Admin Allocation	1,046	1,046	12,554	8%	1,077
<b>18 Total Expenses</b>	<b>73,334</b>	<b>73,334</b>	<b>1,038,856</b>	<b>7%</b>	<b>116,148</b>
<b>19 Net Income (Loss)</b>	<b>\$ (17,319)</b>	<b>\$ (17,319)</b>	<b>\$ 1,654</b>		<b>\$ (62,107)</b>

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## ***Fund 06-Solid Waste Disposal Revenues and Expenses***

**Line 2 Charges for Services – Solid Waste:** Includes regular pick up of solid waste. YTD is trending in line with budget.

**Line 3 Assessment & Fees:** Includes special assessments for refuse land use fees for current & prior years. YTD can trend over/under budget due to the timing of receipts which are usually received in April and December. YTD is at 1%.

**Line 4 Other Charges:** Includes delinquent fees and penalties on delinquent taxes. YTD is trending in line with budget.

**Line 5 Board Discretionary Revenue:** This is the amount that would be transferred in from discretionary funds if this fund operates at a deficit for the FY.

**Line 6 Miscellaneous Income/(Expense):** Includes gain or loss on sale of assets and other miscellaneous income. There was no activity YTD.

**Line 10 Salaries:** Includes salaries for solid waste employees. YTD is trending at 10% of budget because there were three payrolls in July.

**Line 11 Benefits:** Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education & training. YTD is trending over budget at 13% due to the timing of employee group insurance payments.

**Line 13 Contractual Services:** Includes Burrtec fees and other miscellaneous contract services. YTD can trend over/under budget due to need and the timing of services and fees. YTD is trending in line with budget.

**Line 14 Disposal Fees:** Includes San Bernardino County disposal fees and green waste disposal fees. YTD can trend over/under budget due to need and the timing of fees. YTD is trending under budget at 1%.

**Line 15 Operations & Maintenance:** Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD can trend over/under budget due to need and the timing of services. There was no activity YTD.

**Line 16 Other Operating Expenses:** Includes rent for park storage, telephone, postage, event expenses, public outreach, printing, small tools, and bad debt expenses. YTD is trending under budget at 3%.

**Line 17 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds.



**Helendale CSD**  
**Statement of Revenues and Expenses - Administration**  
**As of July 31, 2023**  
**(Unaudited)**  
**Preliminary Results - Subject to Change**

	July 2023	YTD Actual	Budget	8% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Tower Rent	\$ 13,579	\$ 13,579	\$ 182,220	7%	\$ 12,258
3 Property Taxes	2,110	2,110	111,400	2%	2,527
4 Solid Waste Billing & Fees	14,480	14,480	187,010	8%	13,912
5 Fees & Charges	3,093	3,093	26,500	12%	2,238
6 Investment income	9,363	9,363	80,000	12%	237
7 Other Income	-	-	200	0%	-
8 Board Discretionary Revenue	(24,005)	(24,005)	(393,207)	6%	(22,794)
<b>9 Total Revenues</b>	<b>18,621</b>	<b>18,621</b>	<b>194,123</b>	<b>10%</b>	<b>8,377</b>
<b>10 Expenses</b>					
<b>11 Salaries &amp; Benefits</b>					
12 Salaries	73,516	73,516	654,410	11%	65,281
13 Benefits	65,739	65,739	277,317	24%	67,949
14 Directors' Fees	6,699	6,699	70,000	10%	8,053
<b>15 Total Salaries &amp; Benefits</b>	<b>145,955</b>	<b>145,955</b>	<b>1,001,727</b>	<b>15%</b>	<b>142,145</b>
16 Contractual Services	52,512	52,512	248,527	21%	41,789
17 Insurance	250	250	103,834	0%	22,775
18 Utilities	2,835	2,835	21,240	13%	1,793
19 Operations & Maintenance	110	110	3,900	3%	245
20 Permits & Fees	10,005	10,005	14,600	69%	10,266
21 Office & Other Expenses	4,402	4,402	55,668	8%	10,874
22 Election Expense	-	-	-	0%	-
23 Administrative Allocation	(104,614)	(104,614)	(1,255,372)	8%	(107,671)
<b>24 Total Expenses</b>	<b>111,454</b>	<b>111,454</b>	<b>194,123</b>	<b>57%</b>	<b>122,216</b>
<b>25 Net Income (Loss) Before Capital</b>	<b>(92,833)</b>	<b>(92,833)</b>	<b>-</b>		<b>(113,839)</b>
26 Capital Expenses	-	-	-	0%	-
<b>27 Net Income (Loss) After Capital</b>	<b>\$ (92,833)</b>	<b>\$ (92,833)</b>	<b>\$ -</b>		<b>\$ (113,839)</b>

\*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

## **Fund 10-Administrative Revenues and Expenses**

**Line 2 Tower Rent:** Includes radio tower site rental fees. YTD is trending in line with budget.

**Line 3 Property Taxes:** Includes current & prior property tax and penalties. YTD can trend over/under budget due to the timing of property tax collections, with a majority being received in December and April. YTD is trending under budget at 2%.

**Line 4 Solid Waste Billing & Fees:** Includes franchise fees and billing for solid waste. YTD is trending in line with budget.

**Line 5 Fees & Charges:** Includes credit card processing fees and other miscellaneous fees. YTD is trending over budget at 12% due to the large volume of credit card processing fees.

**Line 6 Investment Income:** Includes investment income and unrealized gain or loss on investments. YTD is trending over budget at 12% due to investment in California Cooperative Liquid Assets Security System (CA CLASS) account yielding higher interest returns.

**Line 7 Other Income:** Other Income includes recycling revenues and other miscellaneous income. There is no activity YTD.

**Line 8 Board Discretionary Income:** Includes the transfer of the following for Parks and Recreation Fund (Fund 05):

- Radio Tower Site Rent – \$13,579
- Property Tax - \$2,235
- Solid Waste Franchise Fees – \$8,190

**Line 12 Salaries:** Includes full time, part time & overtime for administrative employees. YTD is trending at 11% of budget because there were three payrolls in July.

**Line 13 Benefits:** Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, employee benefit & morale and education & training. YTD is trending over budget at 24% due to the timing of payment of CalPERS Unfunded Accrued Liability.

**Line 14 Directors' Fees:** Includes directors fees as well as directors training, seminars, and mileage expense. YTD is trending in line with budget.

**Line 16 Contractual Services:** Includes software support, legal services, and auditing & accounting services. YTD is trending over budget at 21% due to the timing of annual software support renewals.

**Line 17 Insurance:** Includes both general liability and vehicle insurance expenses. There is no activity YTD.

**Line 18 Utilities:** Includes telephone and electricity expenses. YTD is trending over budget at 13% due to higher consumption during summer months.

**Line 19 Operations & Maintenance:** Includes vehicle maintenance, vehicle fuel, mileage & travel reimbursement, uniforms, and equipment maintenance. YTD can trend over/under budget due to need and the timing of services. YTD is trending under budget at 3%.

**Line 20 Permits & Fees:** Includes the annual LAFCO fees, the GFOA application fee for the budget award, and San Bernardino County fees. YTD is trending over budget at 69% due to the timing of annual LAFCO fees.

**Line 21 Office & Other Expense:** Includes board meeting supplies, public relations, community promotion, bank charges, office supplies, postage, and dues & subscription. YTD is trending in line with budget.

**Line 23 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds.



# Helendale Community Services District

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DATE: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #6  
Discussion and Possible Action Regarding Approval of Directors' Expense Reports

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## **STAFF RECOMMENDATION**

None.

## **STAFF REPORT**

This matter is at the discretion of the Board. Included herein for the Board's consideration are expense reports submitted since the last Board meeting.

**FISCAL IMPACT:** NA

**POSSIBLE MOTION:** At the discretion of the Board.

**ATTACHMENTS:** Expense Reports

# HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER

Name: Enock Ward Pay Period Ending: 12-1 9/10/23

Date	Expense Description/Explanation	Miles	Meals	Lodging	Other Expense	Reimburse Y/N	Phone Call Y/N	Expense Category
9/30	Event Summer Mkt		\$	\$	\$	Y		D
9/15	Description of Public Benefit RST transmission and other generation & conversion. 2 1/2 hours		\$	\$	\$			C
9/7	Event Meeting GM		\$	\$	\$			A
	Description of Public Benefit agenda & other not present Wed 13 min		\$	\$	\$			
	Event Regular Meeting		\$	\$	\$			
	Description of Public Benefit		\$	\$	\$			
	Event		\$	\$	\$			
	Description of Public Benefit		\$	\$	\$			
		<b>Total Miles</b>	<b>Total Meals</b>	<b>Total Lodging</b>	<b>Total Other Expense</b>	<b>Total Compensable Meetings</b>		
						3		

Signature: Enock Ward Date: 9/11/23

**Expense Categories**  
 G: Meeting w/GM or Designee regarding District Operations  
 H: Meeting w/auditors, attorney or consultant retained by District  
 I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD  
 J: Meeting w/organization with interests in matters involving functions or operations of the District  
 K: Meeting pre-approved by the Board of Directors  
 \* Written or verbal report required to be presented at the next Board meeting.

**HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER**  
 Name: George Cardenas  
 Pay Period Ending: August / September 2023

Date	Expense Description/Explanation	Miles	Meals	Lodging	Other Expense	Reimburse Y/N	Phone Call Y/N	Expense Category	
August 17, 2023	Event Meeting w/ General Manager		\$	\$	\$	No	Yes	G	
August 17, 2023	Description of Public Benefit Review Board meeting agenda (12:00pm - 1:00pm)								
August 17, 2023	Event Board Meeting		\$	\$	\$	Yes	No	A	
August 19, 2023	Description of Public Benefit discuss and take action (agenda items) / closed session - (6:00pm-8:07pm)								
August 19, 2023	Event Training (Sonic Systems Inc.)		\$	\$	\$	No	No	E	
August 29, 2023	Description of Public Benefit Cybersecurity training and quizzes and exam (8:00pm-9:15pm)								
August 29, 2023	Event CA Special Districts Ass. Conf.		\$	\$	\$	No	No	E	
August 30, 2023	Description of Public Benefit Sessions: Keynote Speaker / Alt. Delivery Models CIP / Pricing Debt - Interest Rates								
August 30, 2023	Event CA Special Districts Ass. Conf.		\$	\$	\$	No	No	E	
August 30, 2023	Description of Public Benefit Sessions: Board Member Liability Issues / Cybersecurity / Tips for Efficient & Effective Board Meetings								
		<b>Total Miles</b>	\$ 0.00	\$ 0	\$ 0	<b>Total # of Compensable Meetings</b>	1	<b>Total Meeting Total</b>	\$ 150
		<b>Total Meals</b>	\$ 0	\$ 0	\$ 0	<b>Total Other Expense</b>		<b>Total</b>	\$ 150

Signature: \_\_\_\_\_ Date: September 7, 2023

Expense Categories	
A: Public Meeting governed by Brown Act	G: Meeting w/GM or Designee regarding District Operations
B: Public Event *	H: Meeting w/auditors, attorney or consultant retained by District
C: Representation at Public Meeting/Event *	I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD
D: Representation at 501C3 Board *	J: Meeting w/organization with interests in matters involving functions or
E: Conference/seminar/Training Program related to District *	K: Meeting pre-approved by the Board of Directors
F: Ad Hoc committee of the Board	* Written or verbal report required to be presented at the next Board meeting
	Mileage 65.5 ¢

**HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER**  
 Name: **George Cardenas** Pay Period Ending: **August / September 2023**

Date	Expense Description/Explanation	Miles	Meals	Lodging	Other Expense	Reimburse Y/N	Phone Call Y/N	Expense Category
September 7, 2023	Event Meeting w/ General Manager		\$	\$	\$	No	Yes	G
September 7, 2023	Description of Public Benefit Review Board meeting agenda (1:00pm - 2:00pm)							
September 7, 2023	Event Board Meeting		\$	\$	\$	Yes	No	A
	Description of Public Benefit discuss and take action (agenda items) / closed session - (6:00pm- pm)							
	Event		\$	\$	\$	No	No	
	Description of Public Benefit							
	Event		\$	\$	\$	No	No	
	Description of Public Benefit							
	Event		\$	\$	\$	No	No	
	Description of Public Benefit							
		<b>Total Miles</b>	\$ 0.00	\$ 0	\$ 0	<b>Total # of Compensable Meetings</b>	1	<b>Total</b>
								\$150
								\$150

September 7, 2023  
 \_\_\_\_\_  
 Signature

Expense Categories	
A: Public Meeting governed by Brown Act	
B: Public Event *	
C: Representation at Public Meeting/Event *	
D: Representation at 501C3 Board *	
E: Conference/seminar/Training Program related to District *	
F: Ad Hoc committee of the Board	
G: Meeting w/GM or Designee regarding District Operations	
H: Meeting w/auditors, attorney or consultant retained by District	
I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD	
J: Meeting w/organization with interests in matters involving functions or	
K: Meeting pre-approved by the Board of Directors	
* Written or verbal report required to be presented at the next Board meeting	
Mileage 65.5 ¢	

**California Special District Association (CSDA) 2023 Annual Conference  
Monterey, California**

**ABC of Alternative Delivery Models for Capital Improvement Projects (CIP)**

Breakout session No. 1 – Tuesday, August 29, 2023, 11:00am to 12:00pm

The pros and cons of various procurement methods with alternative delivery models being used more frequently for CIP's.

**Design Build** – A single contract between the project owner and a design-build team or builder. Architect-led and contractor-del design-build. Simultaneous working enables the team to identify and mitigate potential issues early in the process. Allows the owner to make informed decisions about project scope, schedule, and budget.

**Progressive Design-Build** – A design-builder is selected before the design is complete.

**Pro's** – Single point of accountability, increased owner's control. Shorten schedule, reduce budget, flexibility in design and construction, and high-quality services.

**Con's** – No bidding process, hesitancy in off-ramping, and unfamiliar project delivery method.

**Construction Manager at Risk** – Construction Manager / General Contractor contract award to a construction management firm awarded on a qualitative basis for a fixed price or a guarantee maximum price.

**Energy Conservation Contracts** – Set forth in Government Code 4217.10 through 4217.18 allows for super flexible award of contracts that results to energy conservation services or energy conservation facilities example: solar panel projects.

Understanding awarding options and limitations for Government agency projects under Government Codes and Legislation. Case-study was presented by Soquel Creek Water District, a Pure Water, project located north of Monterey, CA, to mitigate saltwater intrusion. Key to this project was to develop a project team with an owner-advisor, Attorney, and supporting consultants.

**Pricing Debt: Interest Rates, Fees, and Other Variables**

Breakout session No. 2 – Tuesday, August 29, 2023, 3:45pm to 4:45pm

When an agency considers financing, interest rates are often the first concern and can vary based on several factors. CSDA Finance Corporation consultants explained how financings are priced and interest rates are set in both the bond market and the bank placement market.

Banks price towards profitability with an index along with a spread above that index with cost of funds, credit risk, overhead, term, relationship, call flexibility. Credit parameters include strong overall financial performance, positive and stable trends, viability of the district, management and leadership, and security and structure.

The first step is determining the best loan option for the project. The loan option is then negotiated with the bank. Presenting financing option estimates to the Board which include origination, advisor and legal fees, annual fees over the term of the loan, interest rate, processing time of loan, prepayment options, total annual payments, total interest and fees and total repayment.



### **Understanding Board Member Liability Issues**

Breakout session No. 1 – Wednesday, August 30, 2023, 10:45am to 12:00pm

A general overview of the California Government Code which applies to current and newly elected or appointed Board members and the role of an elected official in the day-to-day governance of the district's operations. Public board members are covered by Public Officials Errors & Omissions policies. The session informs board members what activities and actions that are covered and are not under this policy.

The session was heavily participated in by the attendees. Hypotheticals include a husband and wife on the Board, and General Manager acting as well as a Board member. Other examples were presented and discussed, discussion of terminating a General Manager's contract and statutory immunity (Government Code 820.9) on an employee outside of closed session.

A general overview of the Brown Act (Government Code 54950), passed in 1953, a California law that guarantees the public's right to attend and participate in meetings of local legislative bodies. The Public Records Act was also covered in this session.

### **Cybersecurity Best Practices for Special Districts**

Breakout session No. 2 – Wednesday, August 30, 2023, 2:15pm to 3:30pm

Ransomware attacks laying siege to local governments more than any other industry, more than schools or healthcare organizations. A perfect storm exists as local governments are also often the least equipped to handle a cyberattack. Many local governments do not have the basic basics in place such as multi-factor authentication (MFA), endpoint detection and response (EDR), and data backup.

The question "Where do I begin with cybersecurity?" was discussed. Presented was a checklist that distills tips, best practices, and recommendations that organizations can use to score themselves, find cybersecurity gaps, and create an action plan.

90% of successful cyberattacks start with an email. 70% of phishing attacks against government organizations go after login credentials. 38% of state and local government employees are trained in ways to prevent ransomware. Importantly, the average time to identify a breach is over 200 days. The goal for IT is to protect, detect, and respond. Protection keys are identified below:

Employee policies and training, multi-factor authentication (MFA), antivirus, antispam and mail filtering, malware prevention, software patching, intrusion prevention, mobile strategy, and web content filtering. Per Microsoft, MFA can block 99.9% of account comprised attacks. 94% of ransomware victims investigation MFA did not use MFA. There was limited attendee participation to cover as much content as the session allowed. It was an information overload presentation.

### **Tips for Efficient and Effective Board Meetings**

Breakout session No. 3 – Wednesday, August 30, 2023, 3:45am to 5:00pm

Public meetings influence how the district is perceived by the public. Meeting management strategies help board meetings more effective and promote an image of efficiency and transparency. The presentation provided tips for minimizing disruptions, facilitating public participation, and fostering a thoughtful-yet-convivial atmosphere during board meetings. Laws for open meetings and theories of public engagement with the role of staff and the chair. Discussion on California Government Code 54950, chapter addressing The Brown Act which applies to a legislative body. Legislative bodies include the governing body of the agency, subordinate boards and commissions created by formal action of the governing board and applies to standing committees with regular meeting schedule and continuing subject matter jurisdiction.

The subject of meeting elements and serial meetings that are illegal was discussed. Serial meetings are a series of private meetings that results in a majority of the body collectively taking action even if a majority is never part of any one communication. Examples of what constitutes a meeting is not a meeting. Agenda requirements and exceptions were discussed with attendee participation. Discussions about what constitutes a closed session with agenda requirements.

For efficient meetings the rules to follow of decorum are time limits, following the agenda, speaking only to the body, and speaking in order with no disruptions. The public may speak on any item of interest with the subject matter jurisdiction of agency and speak on a specific item of business before or during the body's consideration. The Board cannot prohibit public criticism of policies, procedures, programs, agencies or officials, or actions of the legislative body. Absolute privilege applicable to all public meetings.

Discussed were the roles of a Board member and the Board Chair. The Chair role includes getting to a decision from the Board members, providing respectful and constructive feedback to staff, solicit feedback and input for staff and fellow board members.



# Helendale Community Services District

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Date: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #7  
Discussion and Possible Action Regarding Resolution 2023-10: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement and Ethics Training

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**STAFF RECOMMENDATION:**

None

**STAFF REPORT:**

This Resolution is scheduled for annual review. It was reviewed in February 2022 with the request that an Ad Hoc Committee be formed to review the various categories for modification. The results of the committee recommendation were brought to the Board in June of 2022 and some of the proposed changes were adopted at that time.

This item is on the agenda for discussion based upon Board request. The importance of this Resolution cannot be understated as it is one of the foundational documents that outlines compensation for Board members and provides transparency to the public as to the parameters under which the Board carries out the public's business. The Resolution outlines the means by which a Board member can seek compensation, what constitutes a day of service, eligible expenses, as well as the commitment of the Board to complete ethics training as required by law.

The Board self-governs itself in this respect under the watchful eye of the public. This commitment to transparency is evidenced in the Board taking deliver public action to approve all Board expenses related to meeting compensation.

The Board has complete authority as to the number of compensable meetings per month up to the statutory limit of 10 under the Water Code. The Board originally established a total of six compensable meetings (Jan 2007) which was later changed to 10 compensable meeting (August 2019). Likewise, over time the compensation was increased from \$100 (February 2009); to \$125 (November 2016); to \$137.50 (August 2019) and then to \$150 (July 2022). The Board has the ability to increase compensation by 5% annually but has only elected to do so on an occasional basis.

Staff and Counsel are happy to answer any questions the Board may have regarding this Resolution and the modifications that have occurred over time.

**FISCAL IMPACT:** NA

**POSSIBLE MOTION:** Open to Board direction

**ATTACHMENTS:** Resolution 2023-10



**RESOLUTION NO. 2023-10**

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

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

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

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

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

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

Section 1. **COMPENSATION.**

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

1.2. **Day of Service.**

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

- (a) Attendance at a meeting of the Board;

- (b) Participation at a meeting of a standing committee of the Board;
- (c) Attendance at a meeting of an ad hoc committee of the Board;
- (d) Attendance at a meeting with the District's General Manager / the General Manager's Delegate involving the operations of the District;
- (e) Attendance at a meeting with the District's auditors, attorneys, or other consultants involving matters for which the consultants have been retained by the District;
- (f) Attendance at a meeting of a local, state, or federal body with subject matter jurisdiction affecting the operations of the District;
- (g) Attendance at a meeting with a local, state, or federal representative concerning matters involving the operations of the District;
- (h) Participation in the following activities, provided that the Board member delivers a written or oral report to the Board regarding the member's participation at the next Board meeting outlining the purpose of the meeting and the benefit to the public following the event:
  - (1) A conference, seminar, or organized educational or training activity involving matters related to the functions and operations of the District; and
  - (2) A meeting of organizations or community members with interests in matters involving the function and operations of the District;
- (i) Representation of the District at the following events, provided that the Board member delivers a written or oral report to the Board regarding the member's representation at the next Board meeting following the event:
  - (1) A public meeting or a public hearing conducted by another public agency;
  - (2) A public benefit nonprofit corporation on whose board the District has membership;
- (j) Any occurrence that is listed in Exhibit "A" attached hereto and incorporated herein by this reference; and
- (k) All other occurrences for which the Board member has obtained prior approval from the Board to attend or participate on behalf of the District.

1.2.2. Notwithstanding anything herein to the contrary, compensation for phone calls will be handled on a case-by-case basis. As a rule, phone calls do not constitute a meeting. However, to the extent that the Board determines that a phone call should be compensated as a day of service to the District, the amount of such compensation shall be one-sixth (1/6) of the rate established by the Board pursuant to the separate ordinance or resolution referenced in Section 1.1 above.

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

1.3. Procedure. To receive compensation for a day of service within the scope of this Resolution, a Board member shall submit a payment request to the District's General Manager. Thereafter, the District's General Manager will issue payment to the Board member consistent with the District's regular payroll cycle and will include the payment request in the agenda materials for the next public meeting. At that meeting, the Board will review and approve or deny the payment request. Payments made by District staff prior to Board consideration of compensation requests are expressly subject to reconciliation following Board action thereon.

Section 2. REIMBURSEMENT.

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

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

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

2.3. Rates.

2.3.1. Registration, Tuition, and Meeting Charges. The District reimbursement rate for registration or other charges for participation at a meeting shall be the actual amount incurred, not to exceed the maximum rate published by the conference or activity sponsor for timely registration after applying all applicable deductions for any available discounts.

2.3.2. Transportation.

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

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

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

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

2.3.4. Meals. The District reimbursement rate for Board member meals shall be the actual amount incurred, not to exceed the applicable Internal Revenue Service rates for reimbursement as established in Publication 463 or any successor publication, or \$100.00, whichever is less, for each day of service outside the District's boundaries.

2.3.5. Other. District reimbursement of all other actual and necessary expenses incurred by a Board member shall be computed using the applicable Internal Revenue Service rates for reimbursement as established in Publication 463, or any successor publication. All expenses that do not fall within this reimbursement policy or the Internal Revenue Service reimbursable rates, as provided above, shall be approved by the Board in a public meeting before Resolution 2023-10



the expense is incurred.

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

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

2.6. **Expense Forms.** The District shall provide expense report forms to be filed by the members of the Board for reimbursement for actual and necessary eligible expenses incurred on behalf of the District in the performance of official duties. The expense reports shall document that said expenses meet the policy reflected in this Resolution for expenditure of public resources. Board members shall submit such expense reports to the District's General Manager, and the reports shall be accompanied by the receipts documenting each expense. Thereafter, the District's General Manager will issue payment to the Board member in the amount requested in the expense report consistent with the District's regular payroll cycle and will include the reimbursement request in the agenda materials for the next public meeting. At that meeting, the Board will review and approve or deny the reimbursement request. Payments made by District staff prior to Board consideration of expense reimbursement requests are expressly subject to reconciliation following Board action thereon. All documents related to reimbursable District expenditures are public records subject to disclosure under the California Public Records Act.

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

### Section 3. **ETHICS TRAINING.**

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

#### 3.2. **Application.**

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

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

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

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

(b) Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies;

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

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

3.3. **District Responsibilities**.

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

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

Section 4. **REVIEW OF RESOLUTION ON ANNUAL BASIS**.

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

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

Section 5. **SEVERABILITY.**

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

Section 6. **EFFECTIVE DATE.**

This Resolution supersedes Resolution No. 2022-12 adopted by the Board on June 16, 2022, and shall take effect immediately upon its adoption.

ADOPTED this 20<sup>th</sup> day of April, 2023

AYES:

NOES:

ABSTAIN:

ABSENT:

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Henry Spiller, President

ATTEST:

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Sandy Haas, Secretary

## Exhibit "A"

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

Brown Act Meetings  
Regular and Special Board Meetings

Representation at a public hearing or public meeting of another government agency  
Mojave Water Agency  
Watermaster  
San Bernardino County  
LAFCO  
Various City Councils  
VWRA

Meeting with a representative from County, State, or Federal Government  
Elected officials or representatives

Ad hoc committees of the Board  
Park and Rec Committee  
Recycled Water Committee

Meeting with District Consultants  
Attorney, Engineer, Auditor, etc.

Meetings of County, Special District or LAFCO  
Tri-Communities Special District Luncheon  
Association of San Bernardino County Special Districts (ASBCSD)

Representation of the District on a non-profit Board  
Chamber of Commerce  
Homeowners Association

Training or education involving matters related to the functions and operations of the District  
Board member training through CSDA

Farmers Market

Mojave Water Agency Tours

Concerts-in-the-Park if carrying out a function or helping with the event



# Helendale Community Services District

DATE: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #8  
Discussion and Possible Action Regarding Approval of Roofing Contract Increase

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**STAFF RECOMMENDATION:**

Staff requests approval of this item.

**STAFF REPORT**

On June 18, the Board adopted Resolution 2023-15, approving a sole source contract for the replacement of the roof at the Community Center. This project is critical. Staff has been in communication with the County and received an extension related to the Notice of Violation due to the CSD Board's approval of a contract to complete the necessary repairs. Because sub-contractors have been involved on both sides of the project delays have occurred in getting quotes for related climate control work that must occur prior to and in tandem with the roofing project.

The contract has been agreed to by both parties and District's General Counsel has drafted the necessary changes to the contract language. The contractor is poised to pull the required bonds pending a signed contract. A revised scope of work has been submitted to the District based upon the negotiations and related discussions which has resulted in an increase in cost. Modifications were part of the original discussion in June and based upon the conversation that have ensued since that time, additional cost related to the project have been included in the scope of work. The original cost proposal was \$320,601. The current cost is \$334,326.90. Because the Board did not include a contingency in the original approval, Staff felt it prudent to bring this matter back to the Board for approval.

There will be additional items that will need to be addressed related to this project that will further increase the cost, therefore, Staff recommends that the Board consider adding a contingency to its approval of the increased project costs.

**FISCAL IMPACT:** \$334,326.90 plus contingency

**POSSIBLE MOTION:** Approve increased amount of Room Replacement Project as outlined in the Staff reports with a contingency.

**ATTACHMENTS:** Resolution 2023-18  
Revised Project Proposal  
Contract Documents



**RESOLUTION NO. 2023-18**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
HELENDALE COMMUNITY SERVICES DISTRICT  
APPROVING AWARD OF A SOLE SOURCE CONTRACT  
TO OAK HILLS ROOFING / AMS CONSTRUCTION FOR ROOF REPAIR PROJECT**

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

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

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

WHEREAS, on September 5, 2019, the District’s Board of Directors (“Board”) adopted a revised Purchasing Policies and Procedures for the District (“the Purchasing Policy”) which created bidding and contract procedures as part of the District’s Rules and Regulations so as to provide guidance and direction to the District’s staff in obtaining outside services for projects initiated by the District;

WHEREAS, Section 6(E)(3) of the Purchasing Policy provides that the District must comply with certain formal and informal competitive bidding requirements with respect to contracts for the construction of any building, structure, or improvement when the cost exceeds \$15,000 but does not exceed \$25,000;

WHEREAS, pursuant to legally-recognized exceptions to competitive bidding requirements, Section 7(A)(4) of the Purchasing Policy provides that the District may procure services on a negotiated basis “when competitive bidding would fail to produce an advantage and/or when the advertisement for Competitive Bidding would be undesirable, impractical, or impossible”;

WHEREAS, Section 7(A)(5) of the Purchasing Policy also provides that the District may procure services on a negotiated basis “when the Board of Directors has determined that time is of the essence”;

WHEREAS, pursuant to legally recognized exceptions to competitive bidding requirements, Section 7(A)(3) of the Purchasing Policy further provides that the District may procure services on a negotiated basis for any project in which a “Sole Source Contractor” has been designated;

WHEREAS, for purposes of Section 7(A)(3) of the Purchasing Policy, the term “Sole Source Contractor” is defined in Section 2(O) thereof as “a contractor or consultant that has been evaluated to provide unique or specialized Services or Supplies that cannot be obtained from other contractors or consultants,” which designation must be approved by the Board;

WHEREAS, the facts, circumstances, and challenges surrounding the proposed repair of the roof on a building structure located on the District’s property (“the Project”), as described in the staff report attached

hereto and incorporated herein (“the Staff Report”), supports a determination by the District’s Board of Directors that imposing a formal competitive bidding requirement for the construction of the proposed Project would be undesirable or impracticable because the process could not be timely completed given all the intervening factors outlined in the staff report, specifically the public health and safety risks, and financial liabilities and penalties, that could occur if the Project is not finished in accordance with the corrective measures required in the Notice of Violation issued by the Code Enforcement Division of the Land Use Services Department of the County of San Bernardino on or about May 19, 2023 (“the NOV”); and

WHEREAS, as further described in the Staff Report, Oak Hills Roofing / AMS Construction possesses unique background, skill, and knowledge to properly perform the Project in a timely manner to satisfy the terms and conditions of the NOV.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Helendale Community Services District that, based upon the unique facts and circumstances described in the Staff Report and other evidence presented to the Board, the Board hereby finds and determines that expedited construction of the Project is exempt from any otherwise-applicable formal competitive bidding requirement pursuant to Sections 7(A)(4) and (5) of the Purchasing Policy because compliance therewith would be undesirable and impracticable as a matter of public interest since engaging in the process would cause a delay that could result in the Project not achieving satisfactory completion in accordance with the NOV.

BE IT FURTHER RESOLVED that the Board hereby finds and determines that OAK HILLS ROOFING / AMS CONSTRUCTION be designated as a Sole Source Contractor for the Project pursuant to Section 7(A)(3) of the Purchasing Policy. The Board reserves the right to withdraw this designation in its entirety, or to suspend this designation on a project-by-project basis, in the exercise of its sole discretion.

BE IT FURTHER RESOLVED that the Board hereby approves construction of the Project, and authorizes the award of a contract for the construction thereof to OAK HILLS ROOFING / AMS CONSTRUCTION for a price not to exceed **\$320,601.00** based upon the recommendations of the District’s General Manager in the Staff Report, as well as the oral and written statements presented to, and considered by, the District’s Board of Directors prior to adoption of this Resolution.

**ADOPTED** this 15<sup>th</sup> day of June, 2023.

AYES:

NOES:

ABSTAIN:

ABSENT:

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Henry Spiller, President

ATTEST:

---

Ron Clark, Vice President



# AMS CONSTRUCTION

- Roof Proposal -

BID SUBMITTED TO:

Kimberley Cox

(760) 217-2221

kcox@helendalecsd.org

**Revised** PROPOSAL DATE : 8/31/23

PROPOSED ADDRESS:

Helendale CSD Community Center

26540 Vista Rd, Helendale, CA 92342

PRESENTED BY:

Chuck Uptergrove

OFFICE: (833)267-7663

chuck@amsroofingconstruction.com

CSLB# 992388

1285 Columbia Ave, Build A, Riverside, CA, 92507







# AMS CONSTRUCTION

*- Site Overview -*

*- Helendale CSD Community Center -*  
26540 Vista Rd, Helendale, CA 92342



**RED OUTLINED AREA:** Areas proposed for a full Duro-Last 50Mil Recover.

APPROX. 22,800 SQFT (including walls & curbs)

**BLUE OUTLINED AREAS:** Areas proposed for leak repairs (demo cap sheet, inspect plywood, install cap sheet)

APPROX. 5,400 SQFT

*Your Trusted Roofing Partners*



# AMS CONSTRUCTION

Commercial Roofing Division

## EXHIBIT A -Scope of Work-

This proposal includes AMS providing **Material, Equipment, and Prevailing Wage Labor** for install of 50Mil Duro-Last PVC membrane recover over existing BUR Cap Roofing Systems.

This proposal assumes that all disconnect of power, water, antennae, satellite dishes, lighting rods will be handled by the engineer and is not AMS's responsibility unless otherwise negotiated.

### RECOVER - 50Mil Duro-Last PVC

1. AMS will provide all city reroof permits.
2. Prep existing roof by removing all debris, walk pads and haul away according to local regulations.
3. Demo cap sheet membrane in waterways near scuppers, and any suspect/questionable areas down to plywood substrate. Inspect plywood for dry rot/water damage is in the scope of work **Note: Any damaged plywood in need of replacement will be marked and presented to the customer in the form of a change order at a rate of \$185.00 per sheet of plywood replacement.**
4. Provide and install one (1) layer of **GAF #75 Base sheet** to demoed areas and mechanically fasten per manufacturers specifications. Provide and install one (1) layer of **peel & stick cap sheet membrane** and tie properly into existing BUR cap sheet roofing as needed to achieved the needed class a rating before reroofing.
5. **Note:** All 22 ea. Solartubes, and three (3) ACs/swamp cooler and related roof penetrations must be a minimum of 8" off of roof deck to be curbed and flashed properly. Any Solartubes, ACs, and roof penetrations in need of raising will be marked and presented to the customer. Solartubes and ACS must be raised/extended by others ( **All needed wooden sleeper and plumbing vent stack penetrations will be extended or installed by AMS as needed are in proposal/ bid.** **Note:** AMS will need to work with Helendale CSD preferred HVAC, swamp cooler, electrician and plumber, licensed service teams, If these names could be provided to AMS for the needed alterations that need to be done to bring the building up to all safety codes, during the roofing project, if Helendale CDS Community Center does not have vendors to contract with, AMS can organize and bring vendors in under the prevailing wage contract , as an add alternate or change orders, to get this work done.
6. Building engineers or preferred vendors work with AMS will be responsible for connections/disconnections. Any abandoned wire or cable chase containers will be **marked** by others for disposal and removal by AMS all will need to be coordinate work of this type, with the house engineers or venders.
7. Provide and install 1 layer of **1/2" Fan Fold** and mechanically attach to deck per manufacturers specifications with **3" Square Steel Plate** and **#14 screws** over existing BUR roofing systems and newly repaired decking.
8. Provide and install **Duro-Last 50 Mil "white" Title 24 PVC Membrane** and mechanically attach according to manufacturer's specifications using **Metal Cleat Plates** and **#14 screws**.
9. Provide and install **Duro-Last 50 Mil "white" Title 24 PVC Membrane** on Four (4) front canopies, all will be fully adhered to existing BUR cap sheet parapet, with base walls and parapet walls per manufacturer's specifications .

(SCOPE OF WORK CONTINUES ON NEXT PAGE)



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Commercial Roofing Division

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(SCOPE OF WORK CONTINUES ON NEXT PAGE)



# AMS CONSTRUCTION

*Commercial Roofing Division*

## EXHIBIT A -Scope of Work-

### SCOPE OF WORK CONTINUES

10. Provide and install a new **2"x 6" wooden nailer** mechanically fasten at the top of all parapet walls to receive the new PVC membrane up and over the top and the new 2-piece edge metals.
11. Provide and install **Duro-Last 50 Mil "White" Title 24 PVC Membrane**, wrapped up and over the top of all the parapet wall (wood nailer) and mechanically fasten per manufacturers specifications using **Metal Cleat Plates and #14 Screws**.
12. Provide and install new **2 piece compression metal** to the top of all parapet walls and mechanically fasten per manufacturers specifications (Helendale CSD color chose).
13. Provide and install **Duro-Last termination bar** sealed **Duro-Mastic/butyl tape**, and the top with **Duro-Caulking** at all curbs, perimeter, Base walls flashing to provide a proper seal per manufacturer specifications.
14. Provide and install **Duro-Last pre-manufactured curbs** to all needed locations per manufacturer specifications.
15. Provide and install **Duro-Last Prefabricated Corners** to all needed areas per manufacture specifications.
16. Provide and install **Duro-Last pre-manufactured pipe boots, S.S. Panduit Bands and Duro-Caulk**, to all existing locations per manufacturer specifications.
17. Provide and install **Duro-Last Plenum Vents** to all existing T-top locations as if and as needed.
18. Provide and install **Duro-Last Two-Way Vents** per manufacturer specifications.
19. Provide and install **Duro-Track III** walk pads to all service sides of equipment, roof hatches, and access doors.
20. Clean work area of all work related debris and haul away according to local regulations.

### Warranty:

### DURO-LAST 20 Year NDL | 2 Year Workmanship

**Note:** Important notifications to occupied tenant spaces. When work begins on the dry rot repair, overhead, AMS will have to coordinate with the tenants and the building engineer for communication for the areas being worked on called "Work Zones" each day this will be moving, that will be cordoned off, with caution tape by AMS in the spaces. It is the owners responsibility to notify their tenants of the rules in the "Work Zones" no unauthorized persons are to enter the spaces until work is completed and the tape is removed. All this consideration is in the proposal/bid.

**Note:** Moving furniture, products, or items inside the building or not included in this proposal/bid, but are negotiable if help is needed. We can simply drape plastic over items to protect them but moving is not in our prevailing wage bid, on the interior work required for protecting anything on the inside work so this will have to be discussed and coordinated if extra labor is needed to please.



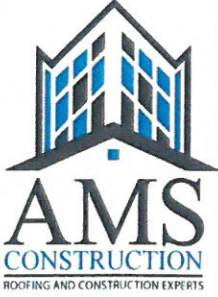
# AMS CONSTRUCTION

*Commercial Roofing Division*

## EXHIBIT B -EXCLUSIONS-

**EXCLUSIONS: AMS Roofing and Construction excludes the following: (but is negotiable)**

- Interior protection or moving any thing.
- Downspout / Leaderhead replacement.
- Engineering reports.
- Any structural defects/damage due to construction design or undetected roof deck deflection resulting in ponding water after roof is completed.
- Any vent/pipe penetration that will be added after the original roof inspection.
- Any equipment, wiring, or lighting under roof deck.
- Any carpentry or woodwork not included in scope of work.
- Any other metal besides the products that are mentioned in scope.
- Any work that may be needed that is not included in the scope of work.
- Existing equipment alterations, required by code.
- Solar tubes, repairs/replacement, and raising to required height.
- Additional license vendor's that may be needed.



# AMS CONSTRUCTION

*Commercial Roofing Division*

## EXHIBIT C –Schedule of Values-

### Schedule Values for Billing

**Base Bid———\$334,326.90**

**First draw #1**

Permitting, Ordering and securing material pricing, material mobilization, and logistics upon contract signing and approval to start.

**\$ 89,823.00**

**Second draw #2**

First day mobilization in to site receiving materials and safety in and on site, wood substrate repair, roof loading, vendor work proceeding per scope of work.  
Along with a HVAC disconnecting and reconnecting as AMS roofs.

**\$79,739.00**

**Third draw #3**

Second week of Roofing continuing as mentioned above.

**\$66,239.00**

**Fourth draw #4**

Fourth week of roofing, continuing, as mentioned above to completion & 10' downspout.

**\$66,464.90**

**Fifth and final drawing# 5 (10% Retention)**

Closeout documents warranty's inspections, demobilizing from site.

**\$32,061.00**



# AMS CONSTRUCTION

Commercial Roofing Division

## EXHIBIT C - Investment Summary -

AMS PROPOSES to furnish material, equipment and Prevailing Wage labor in accordance with the **Exhibit A** specifications outlined under of this bid proposal, for the sum of:

**Duro-Last 50Mil Recover | 20 Year NDL Warranty**

**APPROX. 22,800 SQFT (including walls & curbs) \$320,601.00**

**Options Added to Base Bid**

**#1** Replace approximately 10' missing downspout. NE corner  
\$ 225.90

**#2** HVAC & Swamp Cooler & related electrical and plumbing line work to get to code. Contacting vendors for quotes if Helendale CESD does not have preferred vendor already.  
\$ 13,500.00

**Total \$334,326.90**

**NOTE:** This proposal may be withdrawn if not accepted within **30** days from **August 31, 2023**.

Respectfully submitted by: **Chuck Uptergrove**

Note that this is only a proposal not an official contract. Once we get a confirmation accepting the proposal we will send over the official contract to be signed and sent back. Please also note that prices may increase if not accepted within 30 days of the date above.

**AGREEMENT FOR THE CONSTRUCTION OF THE  
COMMUNITY CENTER ROOF REPAIR PROJECT**

As of September 18, 2023, HELENDALE COMMUNITY SERVICES DISTRICT, a public agency (herein “District”), and AMS ROOFING & CONSTRUCTION, a California corporation (herein “Contractor”), agree as follows:

**GENERAL**

**SECTION 1. SCOPE OF WORK**

Contractor will furnish labor, equipment, and materials, and will perform work, for the construction of the facilities described in the Contract Documents set forth in Section 4 below.

**SECTION 2. CONSIDERATION**

District shall pay Contractor a total sum not to exceed the prices set forth in Contractor’s revised roof proposal dated August 31, 2023 (“Proposal”), for the performance of the work.

**SECTION 3. PAYMENTS**

(a) Upon Satisfactory Completion of the work, Contractor shall submit an invoice therefor to District. The District shall review the invoice as soon as practicable to determine whether the payment request is proper based upon the approved Schedule of Values contained in the Proposal. A payment request found not to be a proper payment shall be returned within seven days after receipt accompanied by a written description of the reasons why the request is not proper.

(b) Within thirty days after receipt of a proper invoice, the District shall pay Contractor the amount due in accordance with this Agreement.

(c) For purposes of this Agreement, “Satisfactory Completion” occurs on the acceptance by the governing body of the District.

**SECTION 4. CONTRACT DOCUMENTS**

The complete contract includes the Contract Documents set forth herein, to wit: this Agreement, the Proposal, the Payment Bond, the Performance Bond, the Workers’ Compensation Certificate, the Non-Collusion Declaration, the Certificate of Insurance, any Plans and Specifications, and any Addenda.

**SECTION 5. COMPLIANCE WITH PROVISIONS OF LAW**

(a) The District is subject to laws relating to public agencies which are part of this contract as though fully set forth herein.



(b) Contractor shall comply with all applicable laws relating to the work.

#### **SECTION 6. ATTORNEYS' FEES**

The Court shall award reasonable costs and expenses, including attorneys' fees, to the prevailing party in an action or proceeding to enforce this Agreement.

#### **SECTION 7. NOTICES**

Notices required or permitted shall be given by personal delivery, by first class mail, postage prepaid, or facsimile transmission:

To Contractor: AMS Roofing & Construction  
1285 Columbia Avenue, Building A  
Riverside, CA 92507

To District: Helendale Community Services District  
26540 Vista Road, P.O. Box 359  
Helendale, CA 92342

#### **SECTION 8. CONFLICT WITH PLANS AND SPECIFICATIONS**

Conflict between the plans and specifications and this contract shall be brought to the attention of the District which shall resolve such conflict.

#### **SECTION 9. ASSIGNMENT**

Contractor shall not assign this contract or payments under this contract.

#### **SECTION 10. SECTION HEADINGS**

Section headings are for the convenience of the parties and shall not affect the interpretation of this contract.

#### **SECTION 11. AUTHORITY OF DISTRICT REPRESENTATIVE**

District's representative shall decide questions about the quality or acceptability of materials furnished and work performed, manner of performance and rate of progress of the work, the interpretation of the plans and specifications and the fulfillment of the contract by Contractor.

## **WAGES, HOURS, AND WORKING CONDITIONS**

### **SECTION 12. PREVAILING WAGES**

(a) A determination of the general prevailing rates of per diem wages and holiday and overtime work where the work is to be performed is on file at the District's offices. Contractor and subcontractors will not pay less than the prevailing rates of wages. Contractor will post one copy of the prevailing rates of wages at the job site.

(b) Contractor shall forfeit as penalty to the District the sum set forth in Labor Code Section 1775 for each calendar day or portion thereof for each workman paid less than the prevailing rates under the contract or any subcontract.

### **SECTION 13. TRAVEL AND SUBSISTENCE PAYMENTS**

Travel and subsistence payments shall be paid to each worker as defined in the applicable collective bargaining agreements filed with the Department of Industrial Relations for the particular craft, classification or type of work.

### **SECTION 14. HOURS OF WORK**

(a) Eight hours labor constitutes a legal day's work. Workers shall be paid at a rate of one and one-half times the basic rate of pay for work in excess of eight hours during a calendar day or forty hours during a calendar week of the foregoing hours.

(b) Contractor shall keep and make available an accurate record showing the name each of each worker and hours worked each day and each week by each worker.

(c) As a penalty to the District, Contractor shall forfeit twenty-five dollars for each worker, including subcontractor's work, for each day the worker works more than eight hour or each week the worker works more than forty hours.

### **SECTION 15. APPRENTICES**

Contractor shall comply with the Labor Code concerning the employment of apprentices.

### **SECTION 16. SUBCONTRACTORS**

(a) Contractor shall comply with the *Subletting and Subcontracting Fair Practices Act* of the Public Contracts Code.

(b) Contractor shall submit to District the following information:

- (i) The name and location of the place of business of each subcontractor performing work, labor or rendering construction services, and each subcontractor licensed by the State of California specially fabricating and installing improvements according to detailed drawings or the plans and specifications, in an amount in excess of one-half of one percent of the Contractor=s total bid.
- (ii) The portion of the work to be done by each subcontractor.

## **SECTION 17. NON-DISCRIMINATION**

The Contractor shall not refuse to employ or promote any person, and shall not discriminate against any person with respect to compensation or terms and conditions of employment, and shall not discipline or discharge any person employed because of the person’s race, religion, creed, color, national origin, ancestry or sex. The Contractor shall not refuse to accept otherwise qualified employees as indentured apprentices solely on the grounds of race, religion, creed, color, national origin, ancestry or sex.

## **SECTION 18. SAFETY**

Contractor and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under the *Contract Work Hours and Safety Standards Act*, as set forth in Title 29, C.F.R. and by the California Division of Industrial Safety.

## **SECTION 19. CHARACTER OF WORKERS**

Only competent workers shall be employed on the work. Workers who are incompetent, intemperate, troublesome, disorderly or otherwise objectionable, or who fail to perform work properly and acceptably, shall be immediately removed from the work by the Contractor and not re-employed.

## **INSURANCE, INDEMNIFICATION AND BONDS**

### **SECTION 20. INSURANCE**

(a) Before beginning the performance of the work, Contractor shall purchase and maintain insurance to protect the Contractor and the District from claims: (i) arising from Contractor=s operations under the contract by the Contractor, a subcontractor or anyone employed by them, or anyone for whose acts any of them may be liable; (ii) under workers= compensation, disability benefits and other similar benefits acts; (iii) for damages because of bodily injury, occupational sickness, or disease, or death of the Contractor=s employees, or persons other than the Contractor=s employees; (iv) for damages insured by usual personal injury liability coverage sustained by a person as a result of an offense related to employment of such person by the

Contractor, or other persons; (v) for damages, other than the work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom; (vi) for damages because of bodily injury, death of a person or property damages arising from ownership, maintenance or use of a motor vehicle; (vii) involving contractual liability insurance applicable to the Contractor=s obligations; and (viii) for damage to work in progress.

(b) The insurance required shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever is greater. The insurance shall be purchased from companies authorized to do business in the jurisdiction where the project is located. Coverages shall be written on an occurrence basis without interruption from the date of commencement of the work until date of final payment or until termination of coverage required to be maintained after final payment. District, its officers, agents and employees shall be named as additional insured.

(c) Certificates of insurance executed by the carrier(s) and acceptable to the District and copies of the policy shall be filed with the District prior to the commencement of the work. The Certificates and the insurance policies shall provide the policies will not be canceled or allowed to expire until at least thirty days prior written notice has been given to the District. If the insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment. Information concerning reduction of coverage shall be furnished by the Contractor with reasonable promptness in accordance with the Contractor's information and belief.

(d) Contractor shall require each subcontractor to maintain policies of insurance covering the hazards, and under the conditions mentioned above, and having the District, its officers, agents, volunteers and employees as additional insureds. Copies of the subcontractor=s certificates of insurance and policies shall be filed with the District.

## **SECTION 21. INDEMNIFICATION**

(a) Contractor shall indemnify and save the District, its officers, agents, volunteers and employees, free and harmless from costs, damages or liability, including attorneys' fees, arising out of any act or omission to act, including any negligent act or omission to act, by Contractor, its officers, agents, subcontractors and employees, with respect to the performance of the work and/or the Contractor=s obligations under this Agreement.

(b) In addition to the foregoing, Contractor shall pay District costs, including attorneys' fees, incurred by the District in handling, responding to, or litigating stop notice claims or other demands against money due to the Contractor or against the Contractor=s payment bond by Contractor=s officers, agents, employees or subcontractors.

## **SECTION 22. PAYMENT BOND**

(a) Before beginning the performance of the work, Contractor shall file a payment bond with the District for its approval and acceptance. The payment bond shall be in the sum of one

hundred percent (100%) of the contract price.

(b) The payment bond shall be in substantially the form of the bond attached hereto. The bond shall be executed by a representative of the surety having no financial interest in the contractor. The payment bond shall be separate and distinct from any other bond required by this contract. In addition to all other requirements imposed by law or by the Contract Documents listed in Section 4 of this Agreement, all surety companies executing bonds for the work to be performed hereunder shall possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance as defined in Section 105 of the California Insurance Code, and said sureties must also appear on the Treasury Department's most current list (Circular 570 as amended).

### **SECTION 23. PERFORMANCE BOND**

(a) Before beginning the performance of the work, Contractor shall file a performance bond with the District for its approval and acceptance. The performance bond shall be in the sum of one hundred percent (100%) of the contract price. The bond shall be payable by surety or sureties to District if Contractor fails to fully perform his obligations hereunder.

(b) The performance bond shall be in substantially the form of the bond attached hereto. The bond shall be executed by a representative of the surety having no financial interest in the Contractor. The performance bond shall be separate and distinct from any other bond required by this contract. In addition to all other requirements imposed by law or by the Contract Documents listed in Section 4 of this Agreement, all surety companies executing bonds for the work to be performed hereunder shall possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance as defined in Section 105 of the California Insurance Code, and said sureties must also appear on the Treasury Department's most current list (Circular 570 as amended).

## **PERFORMANCE**

### **SECTION 24. TIME FOR COMPLETION**

(a) The work shall be completed within \_\_\_ days of the date first above written.

(b) If the work is not completed before this date, the District will suffer damage. It is impractical and infeasible to determine the amount of damage. The Contractor shall pay to the District, as fixed and liquidated damages and not as a penalty, the sum of \$200.00 each calendar day of delay. The Contractor and Contractor's surety shall be liable for the amount. The Contractor shall not be charged liquidated damages because of any delays in the completion of the work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

(c) If the work is not completed before this date, the District will incur substantial damages which cannot be ascertained at this time. Contractor shall pay to District damages caused by Contractor's delay in completing the work.

(d) Within ten (10) days from the beginning of such delay, the Contractor shall notify the District in writing of the cause of the delay. District shall ascertain the facts and extent of the delay and extend the time for completing the work if in the District=s judgment the findings justify an extension. The findings of fact shall be final and conclusive.

(e) The District may extend the time for completion if District determines such extension to be in the best interest of the District. If the District extends the time limit for the completion of the work at the request of the Contractor, for other than acts of God and situations beyond the control of both parties, such extension will increase the District=s financial obligations incurred for engineering, inspection, supervision, incidental and overhead expenses directly chargeable to the contract and accruing during the period of extension. The Contractor shall reimburse District for such reasonable charges before the final payment.

(f) The District may deduct the liquidated damages from progress payments or from the final payment. The payment of progress payments shall not constitute a waiver of liquidated damages.

## **SECTION 25. ACTS OF GOD**

Contractor is not responsible for the cost of repairing or restoring damage to the work exceeding five percent of the contract price and determined to have been proximately caused by earthquakes in excess of the magnitude of 3.5 on the Richter Scale and tidal waves, if damaged work is built in accordance with accepted and applicable building standards and the plans and specifications.

## **SECTION 26. UTILITY RELOCATION**

(a) As between the parties, District is responsible for the timely removal, relocation or protection of existing main or truck line underground utility facilities located on the job site, if such utilities are not identified by the District in the plans and specifications. As to such unidentified utilities, Contractor shall be compensated for: the costs of relocation; repairing damage not due to the failure of Contractor to exercise reasonable care; removing or relocating such utilities not included in the plans and specifications with reasonable accuracy, and equipment on the project necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay in completion of the project, when the delay is caused by the failure of the District or the owner of the utility to remove or relocate the facilities.

(b) The District is not required to indicate the presence of existing service laterals or appurtenances when the presence of such utilities on the work site can be inferred from other visible facilities, such as buildings, metering junction boxes, on or adjacent to the work site.

(c) Contractor shall immediately notify the District and utility in writing, if the Contractor discovers utility facilities not identified by the District in the contract plans and

specifications.

## **SECTION 27. PUBLIC CONVENIENCE**

(a) Contractor=s operation shall cause no unnecessary public inconvenience. The access rights of the public shall be considered at all times. Unless otherwise authorized, traffic shall be permitted to pass through the work or an approved detour shall be provided. Safe, adequate, continuous and unobstructed pedestrian and vehicular access shall be maintained to fire hydrants, residences, commercial and industrial establishments, churches, schools, parking lots, service stations, motels, fire and police stations, and hospitals, unless other arrangements are made satisfactory to the owners.

(b) Vehicular access to residential driveways shall be maintained to the property line, except when necessary construction precludes such access for reasonable periods of time.

(c) Grading operations, roadway excavation and embankment construction shall provide a reasonably satisfactory surface for traffic. When rough grading is completed, the roadbed surface shall be brought to a smooth even condition satisfactory for traffic.

(d) The Contractor shall comply with applicable state and local requirements for closure of streets. Contractor shall provide barriers, guards, lights, signs, temporary bridges, flagmen and watchmen advising the public of detours and construction hazards. Contractor shall comply with additional public safety requirements arising during construction. Contractor shall furnish and install, and upon completion of the work promptly remove, signs and warning devices.

(e) At least forty-eight hours in advance of closing or partial closing or of reopening any street, alley or other public thoroughfare, Contractor shall notify the police, fire, traffic and engineering departments of jurisdictional agencies involved and comply with their requirements.

## **SECTION 28. EXCAVATIONS**

(a) Contractor shall submit for District approval, a detailed plan showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground during the excavation of trenches five feet or more in depth. The plan shall be at least as effective as that required by the Construction Safety Orders of the California Division of Industrial Safety. If the plan varies from the shoring systems standards established by the Safety Orders, the plan shall be prepared by a registered civil or structural engineer.

(b) At the close of each working day, Contractor shall completely backfill open excavation and cover the same with temporary asphalt mix in accordance with normal practice in the industry and the rules, regulations, laws and ordinance of the State of California and the San Bernardino County Public Works Department.

(c) If the work involves digging trenches or excavations extending deeper than four feet below the surface, the Contractor shall promptly, and before the conditions are disturbed, notify the

District, in writing, of any: (1) material the Contractor believes to be hazardous waste, as defined in Section 25117 of the Health and Safety Code, and required to be removed to a Class I, Class II, or Class III disposal site; (2) subsurface or latent physical conditions at the work site differing from those indicated; (3) unknown physical conditions at the work site of unusual nature, or different material from those ordinarily encountered and generally recognized as inherent in the work of the character provided in the contract. The District shall promptly investigate the conditions. If the District finds the conditions are as alleged by the Contractor and conditions cause a change in the Contractor=s cost, or the time required for performance, the District shall issue a change order. If a dispute arising whether the District=s findings are correct, the Contractor shall proceed with the work. The Contractor shall retain rights by contract or law pertaining to resolution of disputes and protests between the parties.

## **SECTION 29. EXTRA WORK**

(a) The District may require changes in, additions to, or deductions from the work to be performed or to the materials to be furnished under this contract. No extra work shall be performed or change made except in pursuance of a written order from the District stating the extra work or change is authorized, and setting forth the basis upon which payment is to be made. No claim for additional compensation shall be valid unless pursuant to such change order. Nothing in this section shall excuse the Contractor from proceeding with the prosecution of the changed work. When required by the District, the Contractor shall furnish an itemized breakdown of the quantities and prices used in computing the value of any ordered change.

(b) Adjustments in the amounts to be paid to the Contractor by reason of any such change, addition or deduction shall be determined by one or more of the following methods:

- (i) By an acceptable lump sum proposed from the Contractor.
- (ii) By unit prices contained in the Contractor=s original bid and incorporated in the contract documents or fixed by subsequent agreement between the District and the Contractor.
- (iii) By ordering the Contractor to proceed with the work and to furnish daily reports of extra work. The reports shall itemize all costs for labor, material, and equipment rental. The reports for workmen shall include hours worked, rates of pay, names and classifications; and for equipment shall include size, type, identification number and hours of operation. Records and reports shall be made immediately available to the engineer upon his request.

(c) When the District orders extra work and there is an agreement between the District and the Contractor to perform the work, the District may approve the method used by the Contractor to accomplish the work. At the request of the District, the method to be used shall be memorialized in a writing prior to work being performed.



(d) If the Contractor contends a proposed change is a substantial revision in the character of the work, the question shall be immediately submitted to an arbitrator for decision. The arbitrator's decision will be final and conclusive unless it is fraudulent, capricious, arbitrary or so grossly erroneous as to imply bad faith. Each party shall advise the other in advance of the arbitration of the material on which the party intends to rely and give the other a reasonable opportunity to refute or supplement such factual material.

### **SECTION 30. CLEAN-UP**

On completion of the work, Contractor shall remove debris and surplus materials from the work site.

### **SECTION 31. MATERIALS**

(a) Unless otherwise specified, show, or permitted by the District, materials and equipment incorporated in the work shall be new and current manufacture. The District may request the Contractor to furnish manufacturer's certificates to this effect.

(b) Materials furnished and work performed shall be subject to inspection and testing by District's authorized agents at District's expenses. If such inspection and testing reveal non-compliance with the requirements of this contract, the Contractor shall bear the cost of necessary corrective measures and the cost of subsequent inspecting and testing.

(c) The inspection of the work shall not relieve the Contractor of the obligations under the contract. Even though equipment, materials, or work required under the contract have been inspected, accepted, and estimated for payment, the Contractor shall replace or repair such equipment, materials, or work found to be defective or otherwise not to comply with the requirements of the contract up to the end of the maintenance and guarantee period.

### **SECTION 32. PERMITS AND LICENSES**

(a) Contractor shall apply for and procure permits and licenses necessary for the work.

(b) Contractor shall give notices necessary and incidental to the due and lawful prosecution of the work and shall comply duly with the terms and conditions of permits and licenses.

(c) Contractor shall pay charges and fees in connection with permits and licenses.

### **SECTION 33. LAND AND RIGHTS OF WAY**

(a) District shall provide land and rights-of-way where the work is constructed.

(b) Contractor shall procure additional rights-of-way desired by the Contractor to facilitate construction. Contractor shall enter into written agreements with property owners for such

purposes and provide District with copies of the agreements.

(c) Except as provided above relating to utility relocation, when the work is to be performed in the vicinity of existing improvements, such improvements shall not be disturbed or damaged except for such removal or relocation in the land and rights-of-way provided by the District or unavoidable to accommodate the work.

## **SECTION 34. INSURANCE**

### **(a) GENERAL.**

The Contractor shall procure and maintain for the duration of the Contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by the Contractor, Contractor's agents, representatives, employees or subcontractors. The cost of said insurance shall be paid for by the Contractor. The Contractor shall not commence work under this Contract until ALL insurances required herein are obtained and until such insurance has been approved by the District. The Contractor shall not allow any Subcontractor to commence work on any subcontract until the insurance required of the Subcontractor has been so obtained and approved.

The Insurance required herein shall be maintained continuously during the life of the Contract up to the date of acceptance of the Work by the District Board of Directors, governing body. However, the Contractor's liabilities under this Contract shall not be limited in any way to the insurance coverage required. Each insurance policy required herein shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District. Insurance is to be placed with insurer=s having at least an "A:XIII" policyholder's rating in accordance with the current Best's Key Rating Guide or equivalent. In addition, any and all insurers must be authorized to conduct business in the State of California, as evidenced by a listing in the official publication of the Department of Insurance of the State of California.

The insurance policies required by this section shall waive all right to subrogation against the District and its officers, employees, representatives, and volunteers.

The Contractor's insurance coverage shall be primary insurance with respect to the District, its directors, officials, employees, designated agents and volunteers. Any insurance or self-insurance maintained by the District, its directors, officials, employees, designated agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

(b) **GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE.** The policies are to contain, or be endorsed to contain the following provisions:

The District, its directors, officials, employees, designated agents and volunteers are to be covered as additional insured with the following: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor; or automobiles owned, leased or used by the afforded to the

District, its directors, officials, employees, designated agents or volunteers.

The certificates of insurance shall name the District and its officers, agents, and employees as additional insureds.

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the District, its directors, officials, employees, designated agents or volunteers. Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

(c) **WORKER'S COMPENSATION INSURANCE.** The Contractor shall procure and maintain worker's compensation insurance as required by applicable state law for all employees to be engaged in work at the site of the project under this Contract and, in case of any such work sublet, the Contractor shall require the Subcontractor to provide worker's compensation insurance for all of the latter's employees to be engaged in such work unless such employees are covered by the protection afforded by the Contractor's coverages shall be subject to all of the same requirements stated herein for the Contractor's insurance coverage. In case any class of employees engaged in hazardous work under this Contract is not protected under the worker's compensation statute, the Contractor shall provide and shall cause each Subcontractor to provide adequate employers' liability insurance for the protection of such employees that are not otherwise protected.

(d) **CONTRACTOR'S POLLUTION LIABILITY AND PROPERTY DAMAGE INSURANCE AND VEHICLE LIABILITY INSURANCE.** The Contractor shall procure and maintain contractor's pollution liability insurance, contractor's property damage insurance and vehicle liability insurance.

(e) **SUBCONTRACTOR'S POLLUTION LIABILITY AND PROPERTY DAMAGE INSURANCE AND VEHICLE LIABILITY INSURANCE.** The Contractor shall either: (1) require each subcontractor to procure and to maintain subcontractor's pollution liability and property damage insurance and vehicle liability insurance of the type and in amounts specified, or (2) insure the activities of Subcontractors in the Contractor's own policy, in like amount.

(f) **BUILDER'S RISK INSURANCE (ALL RISK COVERAGE).** The Contractor shall procure and maintain builder's risk insurance (all risk coverage) on a 100 percent completed value basis for the benefit of the District, the Contractor and Subcontractors as their interest may appear.

(g) **MINIMUM SCOPE OF INSURANCE.** Coverage shall be at least as broad as:

Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability Coverage ("occurrence" Form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, covering Automobile Liability, code 1 "any auto" and endorsement CSA 0025.

Workers' Compensation insurance as required by the State of California and Employers Liability insurance.

(h) MINIMUM LIMITS OF INSURANCE. Contractor shall maintain limits no less than the following:

Comprehensive General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Workers' Compensation: Limits as required by the State of California and Employers Liability limits of \$1,000,000 per accident.

Contractors' Public Liability: \$1,000,000 for all damages arising out of bodily injuries or death of one person, and, subject to that limit for each person, a total limit of \$1,000,000 for all damages arising out of bodily injury to or death of two or more persons in any one accident.

Property Damage Liability: \$1,000,000 for all damages arising out of injury to or destruction of property in any one accident, and subject to that limit per accident, a total limit of \$1,000,000 for all damages arising out of injury to or destruction of property.

(i) DEDUCTIBLE AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, its directors, officials, employees, designated agents and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

(j) VERIFICATION OF COVERAGE.

The Contractor shall furnish the District with certificates of insurance and with original endorsements affecting coverage required by this Section. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by the District and are to be received and approved by the District before work commences.

Full compensation for all premiums which the Contractor and the subcontractors are required to pay on all the insurance described above shall be as included in the prices paid for the various items of work to be performed under the contract, and no additional allowance will be made therefor or for additional premiums which may be required by extension of the policies of insurance.

## **SECTION 35. INTERPRETATION AND AMENDMENT**

(a) This Contract contains the entire understanding between the District and Contractor as to those matters contained herein. No other representations, covenants, undertakings or other prior or contemporaneous agreements, oral or written, respecting those matters, which are not specifically incorporated herein, may be deemed in any way to exist or to bind any of the Parties hereto. Each Party acknowledges that it has not executed this Agreement in reliance on any promise, representation or warranty not set forth herein. This Contract may not be amended except by a writing signed by all Parties hereto.

(b) This Contract shall be construed as if it was jointly prepared by both Parties hereto, and any uncertainty or ambiguity contained herein shall not be interpreted against the Party drafting same. In the event of a conflict between the provisions of this Contract and the Proposal, the provisions of this Contract shall control. This Contract shall be enforced and governed by the laws of the State of California. If any action is brought to interpret or enforce any term of this Contract, the action shall be brought in a state court situated in the County of San Bernardino, State of California, or in a federal court with jurisdiction in the County of San Bernardino, State of California.

## **SECTION 36. SUPERVISION BY THE CONTRACTOR**

Before starting the work, the Contractor shall designate, in writing, a representative having authority to act for the Contractor. An alternate representative may be designated. (A joint venture shall designate only one representative and alternate). The representative or alternate shall be present at the work site when work is in progress. Orders or communications given to this representative shall be deemed delivered to the Contractor. In the absence of the Contractor or designated representative, directions or instructions may be given by the District's representative to the superintendent or foreman having charge of the specific work to which the order applies. Such order shall be complied with promptly and referred to the Contractor or the representative.

## **SECTION 37. INSPECTION**

(a) The District's representative shall have access to the work during construction and shall be furnished with reasonable facility for gaining knowledge of the progress, workmanship and character of materials used and employed in the work.

(b) When the Contractor varies the period during which work is carried on each day, Contractor shall give notice to the District's representative so proper inspection may be provided. Work done in the absence of the District's representative is subject to rejection.

(c) The inspection of the work shall not relieve the Contractor of obligations to fulfill the contract. Defective work shall be made good, and unsuitable materials may be rejected notwithstanding the fact such defective work and unsuitable materials have been previously overlooked by the District's representative and accepted.

**SECTION 38. REMOVAL OF DEFECTIVE AND UNAUTHORIZED WORK**

(a) Rejected work shall be removed and replaced by the Contractor in an acceptable manner and no compensation will be allowed for such removal or replacement. Work done beyond the lines and grades shown on the plans or established by the District=s representative, or work done without written authority will be considered as unauthorized and not be paid for. Such work may be ordered removed at the Contractor=s expense.

(b) Upon failure on the part of the Contractor to comply promptly with an order of the District=s representative under this section, the District=s representative shall have authority to cause defective work to be removed and replaced, and unauthorized work to be removed, and to deduct the costs from monies due the Contractor.

**SECTION 39. ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR**

(a) If the Contractor finds discrepancies between the specifications and the drawings, and the physical conditions at the site of the work, or finds errors or omissions in the drawings or in any survey, Contractor shall promptly notify the District in writing of any such discrepancy, error or omission. If the Contractor observes drawings or specifications at variance with applicable law, ordinance, regulation, order or decree, Contractor shall promptly notify the District in writing of such conflict.

(b) On receipt of any such notice, the District shall promptly investigate the circumstances and give appropriate instructions to the Contractor. Until such instructions are given, work done by the Contractor, after Contractor=s discovery of such error, discrepancy or conflict, will be at Contractor=s own risk and Contractor shall bear costs arising therefrom.

**SECTION 40. EQUIPMENT**

The Contractor must furnish adequate equipment and facilities to perform properly the work in a workmanlike manner in accordance with these specifications. Such equipment and facilities must be in a good state of repair and maintained in such state during the progress of the work and shall meet requirements of applicable ordinances and laws. No worn or obsolete equipment shall be used, and in no case shall the maker=s rating of capacity for equipment be exceeded.

**SECTION 41. STORAGE OF MATERIALS**

Materials for use in the work shall be stored by the Contractor to prevent damage from exposure to the elements, admixture of foreign materials or from any other cause. Contractor is responsible for damage to or loss of materials by weather or other causes.

**MISCELLANEOUS**

## **SECTION 42. GUARANTEES**

Contractor guarantees work from defect in workmanship for a period of two (2) years from the date of acceptance by the District and shall repair and replace such work, together with other displaced work, without expense to the District, ordinary wear and tear, usual abuse or neglect excepted. District may have the defects repaired and made good at the expense of the Contractor, if Contractor fails to comply with the above-mentioned conditions within a week after being notified in writing. Also, a 20-year NDL Manufacturer Warranty shall be provided by Contractor.

## **SECTION 43. RISK OF LOSS PRIOR TO FINAL ACCEPTANCE**

Except as set forth above relating to acts of God, risk of loss from total or partial destruction of the work, prior to final acceptance, shall be borne by Contractor regardless of the cause. Contractor shall repair or replace such damages or destroyed work, to its prior undamaged condition before being entitled to additional progress payments or final payment. Total or partial destruction or damage shall not excuse Contractor from completion of the work.

## **SECTION 44. TERMINATION: CONTRACTOR AT FAULT**

(a) The District may declare the Contractor in default, should the Contractor fail to meet the requirements of the contract, or be placed in bankruptcy, or should a receiver be appointed for Contractor=s properties, or should Contractor make an assignment for the benefit of creditors. In such event, the District will notify the Contractor in writing. On receipt of such written notice, the Contractor shall preserve site construction materials, equipment and plant, and undertake immediate steps to remedy such default.

If the Contractor fails to remedy such default within five calendar days after receipt of such written notice, the District may terminate the Contractor=s right to proceed with the work as to which default has occurred. Upon receipt of such written notice, the Contractor shall for that work affected by any such termination:

- (1) Assist the District in making an inventory of materials and equipment in storage at the site, en route to the site, in storage or manufacture away from the site, and on order from suppliers;
  - (2) Assign to the District, subcontractors, supply contracts and equipment rental agreements all as designated by the District; and
  - (3) Remove from the site all construction materials and equipment listed in said inventory, other than such construction materials and equipment which are designated in writing by the District to be used by the District in completing such work.
- (b) The District may complete the work to which notice applies by contract or otherwise,

and may take possession of the materials, tools, equipment, supplies and property furnished by the Contractor which is designated by the District in writing for such purpose.

(c) The expense of completing such work, together with a reasonable charge for administering a contract for such completion, shall be charged to the Contractor. Such expense shall be deducted by the District out of such monies as may become due to the Contractor. If this expense exceeds the sum otherwise payable under the contract, the Contractor and Contractor=s sureties shall be liable. Upon written notice from the District, the Contractor shall promptly pay to the District, the amount of such excess. The District shall not be required to obtain the lowest bids for completing such work, but may make such expenditures as in the District=s sole judgment will best accomplish such completion.

#### **SECTION 45. TERMINATION: CONTRACTOR NOT AT FAULT**

District may terminate the contract upon ten days written notice to the Contractor, if District finds reasons beyond the control of the parties which make it impossible or against the District=s interests to complete the work. In such a case, the Contractor shall have no claims against the District, except for the value of work performed to the date of termination, and the cost of materials and equipment on hand, in transit, or on definite commitment, as of the date of termination if such materials and equipment would be needed in the work. The value of work performed and the cost of materials and shipment delivered to the site shall be determined by the District in accordance with the procedure prescribed for the making of a final estimate and payment.

#### **SECTION 46. RESOLUTION OF CERTAIN CLAIMS**

(a) Notwithstanding the foregoing, a demand of \$375,000 or less, by the Contractor for a time extension; payment of money or damages arising from the work done by or on behalf of the Contractor pursuant to this contract; or payment of an amount which is disputed by the District shall be processed in accordance with Public Contracts Code Sections 20104 *et seq.* relating to informal conferences, non-binding judicially supervised mediation and judicial arbitration.

(b) A single written claim shall be filed under this section prior to the date of final payment for all demands, including demands not subject to Public Contracts Code Sections 20104 *et seq.*, arising out of the contract.

(c) Within thirty (30) days of the receipt of the claim, the District may request additional documentation supporting the claim or relating to defenses or claims the District may have against the Contractor. If the amount of the claim is less than \$50,000, the Contractor shall respond to the request for additional information within fifteen (15) days after receipt of the request. The Contractor shall respond to the request within thirty (30) days of receipt if the amount of the claim exceeds \$50,000 but is less than \$375,000.

(d) Unless further documentation is requested, the District shall respond to the claim within forty-five (45) days if the amount of the claim is less than \$50,000, or within sixty (60) days



if the amount of the claim is more than \$50,000 but less than \$375,000. If further documentation is requested, the District shall respond within the same amount of time taken by the Contractor to respond or fifteen (15) days, whichever is greater, after receipt of further information if the claim is less than \$50,000. If the claim is more than \$50,000 but less than \$375,000 and further documentation is required by the District, the District shall respond within the same amount of time taken by the Contractor to respond or thirty (30) days, whichever is greater.

(e) If the Contractor disputes the District's response, or the District fails to respond, the Contractor may demand an informal conference to meet and confer for settlement of the issues in dispute. The demand shall be served on the District within fifteen (15) days after the deadline of the District to respond or within fifteen (15) days of the District's response, whichever occurs first. The District shall schedule the meet and confer conference within thirty (30) days of the request.

(f) If the meet and confer conference does not produce a satisfactory result, the Contractor may pursue remedies authorized by law.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, or caused it to be executed as of the day, month and year first above written.

DISTRICT

By: \_\_\_\_\_  
Dr. Kimberly Cox, General Manager  
Helendale Community Services District

CONTRACTOR

By: \_\_\_\_\_  
Chuck Uptergrove, Vice President of Roofing  
AMS Roofing & Construction

**WORKERS' COMPENSATION CERTIFICATE**

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

NOTE: If Contractor is a corporation, the legal name of the corporation shall be set forth above, together with the signature of the officer or officers authorized to sign contracts on behalf of the corporation. If the Contractor is a partnership, the true name of the firm shall be set forth above, together with the signature of the partner or partners authorized to sign contracts on behalf of the co-partnerships. If the Contractor is an individual, the name of the firm shall be set forth together with the signature.

## PAYMENT BOND

### KNOW ALL MEN BY THESE PRESENTS:

**WHEREAS**, the Governing Board of the Helendale Community Services District (herein "Agency"), on July 15, 2023, awarded to AMS Construction (herein "Principal"), a contract for the Community Center Roof Repair Project.

**WHEREAS**, Principal is required to furnish a bond in connection with contract so if Principal or its subcontractors fail to pay for materials or supplies for the performance of the work, or for labor done thereon, or for amounts due under the Unemployment Insurance Act, the Surety on the bond will pay the same.

**NOW THEREFORE**, the Principal and \_\_\_\_\_ (herein "Surety") are held and firmly bound unto the Agency in the penal sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_), lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these promises.

**THE CONDITION OF THIS OBLIGATION IS SUCH** if Principal, its subcontractors, heirs, executors, administrators, successors, or assigns, shall fail to pay for materials, provisions, provender or other supplies or teams used in, upon, for or about the performance of the work contracted to be done, or for work or labor thereon of any kind, or fail to pay the persons named in California Civil Code Section 9000 et seq., or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Contractor and subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and other laws of the State of California and rules and regulations of its agencies, then Surety will pay the same in or to an amount not exceeding the amount hereinabove set forth, and also will pay, in case suit is brought upon this bond, such reasonable attorneys' fees as shall be fixed by the court.

This bond shall inure to the benefit of the persons named in California Civil Code Section 9000 et seq., so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall remain in full force and effect.

No change, extension of time, alteration, or addition to the terms of the contract, or the work to be performed thereunder, or the specifications accompanying the same, shall affect Surety's obligation on this bond. Surety waives notices of such change, extension of time, alteration, or addition to the terms of the contract, or to the work or to the specifications.

**IN WITNESS WHEREOF**, three identical counterparts of this instrument, each of which shall be deemed an original, have been duly executed by the Principal and Surety above named on the \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
(Principal)

By:

\_\_\_\_\_  
(Surety)

By:

(Attorney-in-fact)

## NON-COLLUSION DECLARATION

The undersigned declares under penalty of perjury as follows:

1. I am employed by AMS Construction of \_\_\_\_\_, the party submitting the foregoing proposal, as \_\_\_\_\_.
2. The proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation.
3. The proposal is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding.
4. The bidder had not in any manner, directly or indirectly, sought by agreement, communication or conference with anyone to fix the price of the proposal or any other bidder, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract.
5. All statements contained in the proposal are true.
6. The bidder has not, directly or indirectly, submitted the proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

DATED: \_\_\_\_\_

By: \_\_\_\_\_

**PERFORMANCE BOND**

**KNOW ALL MEN BY THESE PRESENTS:**

**WHEREAS**, the governing board of the Helendale Community Services District (herein “Agency”), on July 15, 2023, awarded to AMS Construction (herein “Principal”), a contract for the Community Center Roof Repair Project.

**WHEREAS**, Principal is required under the terms of the contract to furnish a bond for the faithful performance of the contract;

**NOW THEREFORE**, the Principal and \_\_\_\_\_ (herein “Surety”), are held firmly bound unto the Agency in the penal sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bond ourselves, our heirs, executors, administrators and successors, jointly and severally and firmly by these promises.

**THE CONDITION OF THIS OBLIGATION IS SUCH** that if the above-bounden Principal, or its heirs, executors, administrators, successors or assigns shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, and agreements in the contract, including but not limited to the payment of liquidated damages, and any alteration thereof made as therein provided, on its part to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Agency, its officers and agents, as therein stipulated, this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

Surety stipulates and agrees no change, extension of time, alteration, or addition to the terms of the contract, or to the work to be performed thereunder, or the specifications accompanying the same, shall affect its obligation on this bond. Surety waives notice of such change, extension of time, alteration or addition to the terms of the contract, or to the work or to the or to the specifications.

Surety agrees in case suit is brought on this bond, Surety will pay Agency’s reasonable attorneys’ fees to be fixed by the court.

**IN WITNESS WHEREOF**, three identical counterparts of this instrument, each of which shall be deemed an original, have been duly executed by the Principal and Surety above named, on the \_\_\_\_ day of \_\_\_\_\_ 2023.

(Principal)

By:

(Surety)

By: \_\_\_\_\_  
(Attorney-in-fact)

(Attach acknowledgment)



# Helendale Community Services District

DATE: September 21, 2023  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #9  
Discussion and Possible Action Regarding Grant Funded Park Projects

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## **STAFF RECOMMENDATION:**

Staff requests input from the Board.

## **STAFF REPORT**

In April 2021, the District received a Per Capita State Park Grant for \$177,952. The projects outlined in the grant included a new park bathroom by the baseball fields with ADA access, park lighting upgrade, disc golf course, nature play area and the RC track fencing. All projects are completed except for the ADA concrete for the bathroom and the sports lighting upgrade.

In the last couple of years, various configurations of lighting were discussed that included lighting on the two small baseball fields, adding a larger baseball field on the south with lights or improving the lighting for the football field. It was determined that football field lighting was the most critical need.

Staff explored various options of relocating poles and adding used poles that were purchased. It was determined to put the project out to bid without dictating means and methods but rather specifying the required footcandles required for the sports field application.

The District circulated a Request for Proposals (RFP) to complete the park lighting component of the grant and received one bid in the amount of \$334,326.90. The amount exceeded available funds for the project and the Board elected to reject all bids and have Staff re-evaluate other options included additional projects.

On July 25, the Park and Rec Committee reviewed the item and requested that Staff secure costs for a revised lighting project, shade structure for the playground, the entrance gate and a small wall along the westerly edge of the grass to help protect the fields from blow sand encroachment. Any of the items not originally on the grant list would require approval from the granting agency.

Staff will be meeting with the Park and Rec Committee this week and will provide their recommendations to the Board at the meeting.

**FISCAL IMPACT:** To Be Determined

**POSSIBLE MOTION:** Provide direction to Staff

**ATTACHMENTS:** None