



Helendale Community Services District

BOARD OF DIRECTORS MEETING

March 2, 2017 at 6:30 PM

26540 Vista Road, Suite C, Helendale, CA 92342

Call to Order - Pledge of Allegiance

1. Approval of Agenda

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

3. Consent Items

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

4. Reports

- Directors' Reports
- General Manager's Report

Special Presentation

5. Presentation to Winners in Burrtec's "Do You Have The Right Stuff?" Recycling Contest

Discussion Items

- Discussion and Possible Action Regarding Request from Burrtec for a Consumer Price Index (CPI) Based Increase for Solid Waste Services and Other Related Fees
- Discussion and Possible Action Regarding Approving a Professional Services Agreement with Rogers, Anderson, Malody and Scott, CPA's for Financial Services
- Discussion and Possible Action Regarding Purchase of a Submersible Pump Assembly for Well 1A from the Lowest Responsive Bidder
- Discussion and Possible Action Regarding the Formation of a Finance Ad Hoc Committee

Other Business

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

Closed Session

- Conference with Real Property Negotiators
(Government Code Section 54956.8)
Property: Safari Ranch / Palisades Ranch
District Negotiator: Kimberly Cox
Negotiating Parties: Western Rivers Conservancy
Under Negotiation: Price and terms of payment
- Public Employee Performance Evaluation
(Government Code Section 54957)
Title: General Manager

Open Session

- Reportable Action from Closed Session
- Adjournment

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

Providing:

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

OFFICE HOURS:

Monday-Friday
8:00 – 5:30 p.m.

PHONE:

760-951-0006

FAX:

760-951-0046

ADDRESS:

26540 Vista Road
Suite B
Helendale, CA
92342

MAILING

ADDRESS:
PO BOX 359
Helendale, CA
92342

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www.helendalecsd.org



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

CALL TO ORDER AND PLEDGE OF ALLEGIANCE – The regular meeting was called to order at 6:30 pm by President Clark after which the Pledge of Allegiance was recited.

Present: President, Ron Clark; Vice President, Tim Smith; Secretary, Sandy Haas; Director, Craig Schneider; Director, Henry Spiller
Absent: None
Staff: Kimberly Cox, General Manager; Mike Simpson, Operations Manager; Cheryl Vermette, Program Coordinator
Consultants: Steve Kennedy, Legal Counsel; Paul Harmon, Consultant (via telephone)
Audience: There were eleven (11) audience members present.

1. **Approval of Agenda**

Discussion: General Manager Cox requested to amend the agenda to remove Item 5 – Presentation to Winners in Burrtec's "Do You Have the Right Stuff?" Recycling Contest.

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

2. **Public Participation**

Bill Dodson presented the Board with a recognition plaque for their support of the Lion's Club "I Believe" Christmas Program

Dylan Lesovsky introduced himself as the new Field Representative for Supervisor Lovingood

Wally Linn, Field Representative for Congressman Paul Cook, gave a brief congressional update and talked about the Veterans programs Congressman Cook is involved with.

Fire Captain Cox gave a storm update and advised that they are increasing staffing in anticipation of upcoming storms.

3. **Consent Items**

a. Approval of Minutes: January 19 and February 2, 2017 Regular Board Meetings

b. Bills Paid and Presented for Approval

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

4. **Reports**

a. Director's Reports – Director Schneider commented that he is assisting staff in addressing some concerns brought up at the Park and Rec Committee meeting about the Dog Park, Director Haas attended the Special District's lunch in Barstow, and Director Spiller commented that he has been assisting with the Youth Basketball League.

b. General Manager Report – General Manager Cox gave the Administration update which included charts on account activity, percentage of accounts paid on time, how payments are received, water consumption breakdown by tier, and the cost of the average monthly bill. Operations Manager Simpson gave the water report including recent activity over the last month. General Manager Cox gave the investment and cash flow report.

Special Presentation

~~5. Presentation to Winners in Burrtec's "Do You Have The Right Stuff?" Recycling Contest~~

This item was removed from the agenda.

Discussion Items

6. Discussion Only Regarding Mid-Year Budget Review
Consultant Paul Harmon presented the mid-year budget review.
Action: There was no action on this item

7. Discussion and Possible Action Regarding Acceptance of the 2015-16 Annual Audit by Rogers, Anderson, Malody and Scott, CPA's
Discussion: Brad Welebir, from Rogers, Anderson, Malody, and Scott presented an overview of the 2015-16 Audit.
Action: Director Spiller made the motion to accept the annual audit for Fiscal Year 2015-16. Director Smith seconded the motion; the motion was approved by the following 5-0 vote:
Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes

8. Discussion Only Regarding Circulation of Environmental Documentation Related to the Application of Secondary Water to the Wastewater Facility and Property Adjacent to Helendale Community Park
Discussion: General Manager Cox presented this item. The District's consultant completed the Initial Environmental Study for the current and expanded area at the wastewater treatment plant and adjacent District property. Information will be provided to the State Environmental Clearing House and the Clerk of the Board of Supervisors and other interested stakeholders for a 30-day period. After the review period, the Board will be asked to make a determination based upon comments received.
Action: There was no action on this item.

9. Discussion and Possible Action Regarding Approval to Apply for Bureau of Reclamation Agricultural Water Conservation and Efficiency Grant for Wastewater Treatment Plant
Discussion: Staff has put together a grant application for the Bureau of Reclamation's Agricultural Water Conservation and Efficiency Grant for funding to construct a pipeline from the Wastewater Treatment plant to the property adjacent to the Helendale Community Park for secondary treated effluent.
Action: Director Smith made the motion to approve staff to apply for the Bureau of Reclamation Agricultural Water Conservation and Efficiency Grant for the Wastewater Treatment Plant. Director Smith seconded the motion; the motion was approved by the following 5-0 vote:
Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes

10. Discussion and Possible Action Regarding Purchase of a Turbine Pump Assembly for Well 1A from the Lowest Responsive Bidder
Discussion: The Board discussed the option of a turbine pump assembly and a submersible pump. The Board directed staff to get pricing on a submersible pump due to the upcoming need to rehab the well. Staff will bring an agenda item back to the Board at the next meeting for a submersible pump.
Action: There was no action on this item.

11. Requested items for next or future agenda items (Directors and Staff Only)
Director Schneider requested a discussion on a short term ad hoc finance committee.

12. Adjournment
Action: President Ron Clark adjourned the meeting at 8:01 pm.

Submitted by:

Approved By:

Ron Clark, President

Sandy Haas, Secretary



Helendale Community Services District

Date: March 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Paul E. Harmon, Administrative Consultant
SUBJECT: Agenda item # 3 b.
Consent Item: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 35 checks for the period February 13 through February 27, 2017 totaling \$90,323.02. Checks issued include payments to Brunick, McElhaney and Kennedy for legal services for \$5,831.25; to Burrtec Waste Industries, Inc. for residential pickup services for \$37,755.84 and for residential disposal billing for \$10,892.21; to Larry Walker Associates for 2016 WDR Renewal for \$4,327.50; to Rogers, Anderson, Malody & Scott for State Controller's Report for \$2,000.00; to SCE for electrical for wells 1A, 2 and 4A for \$4,874.38 and for WWTP blower room and lift stations for \$5,181.05; to Applied Industrial Technologies for a Baldor Mc Custom motor 1.5 hp for \$2,879.52; and to Inland Water Works for miscellaneous 2" brass pipe fittings for 43,540.67.

Total cash available:	<u>2/27/17</u>	<u>2/13/17</u>
Cash	\$ 3,900,355.66	\$ 3,884,306.51
Checks Issued	\$ 90,323.02	\$ 47,549.32

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 0.91% for CalTRUST Short-Term and is 1.20% for Medium-Term Investments, 0.610% for LAIF, and 0.25% for the CBB Sweep Account for February 2017. Interest earned in January 2017 on the CalTRUST investments, LAIF investment and the CBB Sweep Account is \$1,944.72. Cumulative interest from our initial date of investment in February 2008 through January 2017 for CalTRUST, CBB and LAIF is \$177,548.23. Interest Income for the fiscal year 2015-16 is \$15,933.20 and \$11,878.51 for F/Y 2016-17. Updated interest earnings will be presented at the March 16, 2017 Board meeting.

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for March 2, 2017

Check #	Payee	Item Description	Dept	Amount
18883	Brunick, McElhaney & Kennedy	Legal Services	Admin	\$ 5,831.25
18884	Burrtec Waste Industries, Inc.	Residential Services Invoice - Jan 2017	Solid Waste	\$ 37,755.84
18884	Burrtec Waste Industries, Inc.	Residential Disposal Billing - Jan 2017	Solid Waste	\$ 10,892.21
18885	Carl Ross	36" Backhoe Bucket	WWTP	\$ 350.00
18886	Extreme Sports Imaging	Balance Due - Youth Basketball Pictures	Parks	\$ 271.14
18887	Helendale School District	Basketball Coaches Live Scans	Parks	\$ 330.00
18888	Larry Walker Associates	2016 WDR Renewal	WWTP	\$ 4,327.50
18889	Lowe's	CL2 Truck Plug & Water Supplies	Water	\$ 169.03
18889	Lowe's	4-Plex Disposal	Parks	\$ 142.28
18889	Lowe's	Community Center Bathroom Lighting	Parks	\$ 308.32
18889	Lowe's	Community Center Unit C Stage Paint	Parks	\$ 47.88
18889	Lowe's	Community Center Fire Room	Parks	\$ 176.01
18890	Pacific Tek, Inc.	Sk Office	Parks	\$ 309.43
18891	Patty Hartong	Pressure Gauge & "Gun" for Water Jetter	Water	\$ 139.64
18892	Rogers, Anderson, Malody & Scott	Fitness Classes	Parks	\$ 537.00
18893	Southern California Edison	2016 State Controller Report	Admin	\$ 2,000.00
18893	Southern California Edison	Suite B & C	Parks	\$ 1,000.34
18893	Southern California Edison	Suite D	Parks	\$ 87.82
18894	Southern California Edison	Well # 1A, 3 & 4A	Parks	\$ 573.94
18894	Southern California Edison	WWTP Blower Room & Lift Stations	Water	\$ 4,874.38
18895	Southern California Edison	Well 6, 7, 2, 9 & 8	WWTP	\$ 4,181.05
18896	Uline	Thrift Store Supplies	Water	\$ 374.01
18897	WaterMaster	Oct 1, 2016 - Dec 31, 2016	Parks	\$ 620.14
18898	Tim Adams	Customer Deposit Refunds	Water	\$ 1,443.52
18899	Rosalie Collins Trust	Customer Deposit Refunds	Water	\$ 86.48
18900	CA-NV Section, AWWA	Backflow Certification	Water	\$ 151.12
18900	CA-NV Section, AWWA	2 Day Backflow Refresher	Water	\$ 180.00
18900	CA-NV Section, AWWA	Cross Connection Renewal	Water	\$ 320.00
18901	Applied Industrial Technologies	Baldor Mac Custom Motor 1.5 HP	Water	\$ 80.00
18902	Inland Water Works Supply Co.	2" misc Brass pipe fittings	WWTP	\$ 2,897.52
18903	Beck Oil	Vehicle Fuel	Water	\$ 3,540.67
18903	Beck Oil	Vehicle Fuel	Water	\$ 1,071.57
18904	County of San Bernardino Solid Waste	January Dump Passes	WWTP	\$ 1,071.57
18905	Fast Signs	Park Street Address Sign	Solid Waste	\$ 272.45
18906	Flying Colors	Paint Night	Parks	\$ 62.33
18907	Home Depot	Misc Supplies	Parks	\$ 171.00
18907	Home Depot	Misc Supplies	WWTP	\$ 451.62
18907	Home Depot	Misc Supplies	Parks	\$ 36.76
18908	Inland Water Works Supply Co.	Paint and clamps	Water	\$ 241.36
18909	Office Payment Corp	Payment Processing	Admin	\$ 58.80
18910	Sandy Haas	Director Fees - Feb	Admin	\$ 772.35
18911	Tim Smith	Director Fees - Feb	Admin	\$ 625.00
18912	Tyler Technologies	Online Utility Billing & Web Hosting	Admin	\$ 137.00
18913	Verizon Wireless	District Ipad Services	Admin	\$ 96.90

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for March 2, 2017

<u>Check #</u>	<u>Payee</u>	<u>Item Description</u>	<u>Dept</u>	<u>Amount</u>
18914	Verizon Wireless	District Cellular Phones	Admin	\$ 910.75
18915	SWRCB, DW/OC	C. Carlson T2 Renewal	Water	\$ 60.00
18916	Clifford Johnson	Customer Deposit Refunds	Water	\$ 126.30
18917	Anastasia Flores	Customer Deposit Refunds	Water	\$ 158.74
35 Total Checks Issued				\$ 90,323.02
<u>Director Fees & Reimbursements</u>				
18910	Sandy Haas	Director Fees - Feb	Admin	\$ 772.35
18911	Tim Smith	Director Fees - Feb	Admin	\$ 625.00
Total Director Fees & Reimbursements				\$ 1,397.35

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval
for March 2, 2017

Check #	Payee	Item Description	Dept	Amount
		CASH BALANCES		
		Cash Balances as of February 27, 2017		
		Cash in Bank - Desert Community Bank	2/27/2017	\$ 17,252.34
		Cash in Bank - Citizens Business Bank	2/27/2017	\$ 185,027.44
		Citizens Business Bank Sweep Account	2/27/2017	\$ 2,018,377.51
		CalTRUST JPA Short Term Pool	2/27/2017	\$ 627,627.39
		CalTRUST JPA Medium Term Pool	2/27/2017	\$ 1,045,493.47
		LAIF - Water Project Funds - Interest Only	2/27/2017	\$ 6,577.51
		Total Cash Available		\$ 3,900,355.66

Capital Gain/(Loss) - CalTRUST	\$ -
Interest Earned for - CalTRUST-Short Term	\$ 483.97
Interest Earned for - CalTRUST-Long Term	\$ 1,011.33
Interest Earned for - CBB	\$ 438.22
Interest Earned - LAIF (Posted Quarterly)	\$ 11.20
Total Interest For January	\$ 1,944.72

INVESTMENT REPORT
As of February 27, 2017

Investment Date	Financial Institution	Type of Investment	Purchase Price	Total Interest
2/14/08	CalTRUST Joint Powers Authority	Short-Term Investment Pool	\$ 3,000,000.00	
		Cumulative Interest Income from 2/14/08 to 2/27/2017	\$ 174,120.86	
		Transfer to Medium-Term Pool	\$ 1,000,000.00	
		Withdrawals	\$ (3,510,000.00)	
		Deposits	\$ 1,009,000.00	
		Balance as of 2/27/2017	\$ 1,673,120.86	
1/6/2009	LAIF - State of California	Short-Term Investment Pool	\$ 650,000.00	
		Withdrawals - Water Rights/Well Construction	\$ (650,000.00)	
		Deposits	\$ -	
		Cumulative Interest Income	\$ 6,588.71	
		Balance as of 2/27/2017	\$ 6,588.71	
		Total		\$ 180,709.57



Helendale Community Services District

Date: March 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #6
Discussion and Possible Action Regarding Request from Burrtec for a Consumer Price Index (CPI) Based Increase for Solid Waste Services and Other Related Fees Per Contract

Staff Recommendation

Accept Burrtec's requested rate increase.

Staff Report

The contract was negotiated over several years and was became effective December 1, 2011. Prior to the execution of a new contract, (between December 2006 through December 2011), the District operated under an extension of the County's contract.

Staff has verified that the requested increase is in accordance with the terms and conditions of the Franchise Agreement Sections 10.05 and 10.06 (attached) executed between Burrtec and the District. Staff recommends that the Board accept the request from Burrtec for the CPI rate increase which includes an offset for the recycling fee.

On February 10, Burrtec emailed District Management the request for a CPI-related rate increase noting that the CPI increase of 1.92%. This timing will facilitate the notification and hearing requirements of Proposition 218. Current residential cart rates for those paying the solid waste disposal fee on their tax bills is \$19.89 and the proposed rate will be \$20.24 (.35 cent increase).

In 2016, the total rate increase was \$1.98 which included \$0.79 for recycling. This increase on the current rate of \$18.85 per month brought the rate to the current amount of \$19.89.

Staff will present a review of the rates over the past six years as it relates to the increased costs in recycling, trash pick-up and other related charges.

Possible Motion: Accept the request from Burrtec for a 1.92% CPI increase per the Contract; including an increase for recycling costs and reimbursement of previous 218 noticing costs and direct Staff and Legal Counsel to prepare all the appropriate legal noticing consistent with a Proposition 218 hearing.

Helendale CSD
 Rate Components
 Residential Service
 Admin Fee & 218 Adjustment

Service Level	Current Components - July 2016						Proposed Components - July 2017					
	2015 CPI 0.89%	2015 CPI 0.89%	2015 CPI 0.89%	2015 CPI 0.89%	2015 CPI 0.89%	2015 CPI 0.89%	2016 CPI 1.92%	2016 CPI 1.92%	2016 CPI 1.92%	2016 CPI 1.92%	2016 CPI 1.92%	2016 CPI 1.92%
	Trash Service	Recycling Service	Admin Fee	Recovery	218 Fran. Fee	10% Fran. Fee	Trash Service	Recycling Service	Admin Fee (incl CPI)	218 Recovery	10% Fran. Fee	Total
95 gallon (and recy)	14.71	1.01	2.11	0.08	1.98	\$ 19.89	14.99	1.02	2.15	0.06	2.02	\$ 20.24
95 gallon trash extra	6.54		-		0.73	\$ 7.27	6.67		-		0.74	\$ 7.41
65/95 gallon recy. 1st extra						No Charge						No Charge
65/95 gallon recy. extra	1.29				0.14	\$ 1.43	1.31				0.15	\$ 1.46

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

Service Level	Current Components - July 2016							Proposed Components - July 2017						
	2015 CPI 0.89%	2015 CPI 0.89%	ESFR Disposal	Admin Fee	218 Recovery	10% Fran. Fee	Total	2016 CPI 1.92%	2016 CPI 1.92%	ESFR Disposal	Admin Fee (incl CPI)	218 Recovery	10% Fran. Fee	Total
95 gallon (and recy)	14.71	14.71	7.10	2.11	0.08	2.77	27.78	14.99	14.99	7.10	2.15	0.06	2.02	27.34
95 gallon trash extra	6.54	6.54	-	-	-	0.73	7.27	6.67	6.67	-	-	-	0.74	7.41
65/95 gallon recy, 1st extra	1.29	1.29	-	-	-	0.14	1.43	1.31	1.31	-	-	-	0.15	No Charge
65/95 gallon recy, extra														1.46

ESFR = \$85.14/12

ESFR = \$85.14/12

Helendale CSD
Rate Components
Commercial Barrel

Refuse	Current Components - July 2016				Proposed Components - July 2017			
	2015 CPI 0.89%				2016 CPI 1.92%			
Service Level	Trash Service	\$ 47.94 Disposal	10% Fran. Fee	Total	Trash Service	\$ 48.86 Disposal	10% Fran. Fee	Total
95 gallon - 1x	9.43	6.23	1.05	\$ 16.71	9.61	6.35	1.07	\$ 17.03
95 gallon - 2x	26.84	12.46	2.98	\$ 42.28	27.36	12.70	3.04	\$ 43.10
95 gallon - 3x	39.34	18.69	4.37	\$ 62.40	40.10	19.05	4.46	\$ 63.61

Recycling	Proposed Components - July 2016				Proposed Components - July 2017			
	2015 CPI 0.89%				2016 CPI 1.92%			
Service Level	Trash Service	10% Recycling	10% Fran. Fee	Total	Trash Service	10% Recycling	10% Fran. Fee	Total
Automated Recy 65g - 1x	5.47	1.01	0.61	\$ 7.09	5.58	1.02	0.62	\$ 7.22

Helendale CSD
Rate Components
Commercial Refuse Bin Service

Bin Size Freq	Current Components - July 2016					Proposed Components - July 2017				
	CPI	Trash Service	\$ Disposal	10.00% Franchise Fee	Total Rate	CPI	Trash Service	\$ Disposal	10.00% Franchise Fee	Total Rate
	0.89%					1.92%				
1.5 1	57.27	17.45	17.45	6.36	\$81.08	58.37	17.79	17.79	6.49	\$82.65
1.5 2	107.09	34.90	34.90	11.90	\$153.89	109.15	35.58	35.58	12.13	\$156.86
1.5 3	156.97	52.35	52.35	17.44	\$226.76	159.98	53.37	53.37	17.78	\$231.13
2 1	73.85	23.27	23.27	8.21	\$105.33	75.27	23.71	23.71	8.36	\$107.34
2 2	140.33	46.54	46.54	15.59	\$202.46	143.02	47.42	47.42	15.89	\$206.33
2 3	206.79	69.81	69.81	22.98	\$299.58	210.76	71.13	71.13	23.42	\$305.31
3 1	99.71	34.90	34.90	11.08	\$145.69	101.62	35.57	35.57	11.29	\$148.48
3 2	199.37	69.80	69.80	22.15	\$291.32	203.20	71.14	71.14	22.58	\$296.92
3 3	299.12	104.70	104.70	33.24	\$437.06	304.86	106.71	106.71	33.87	\$445.44
3 4	398.81	139.60	139.60	44.31	\$582.72	406.47	142.28	142.28	45.16	\$593.91
3 5	498.49	174.50	174.50	55.39	\$728.38	508.06	177.85	177.85	56.45	\$742.36
3 6	598.19	209.40	209.40	66.47	\$874.06	609.68	213.42	213.42	67.74	\$890.84
T. Bin 3 yd	93.00	-	-	10.33	\$103.33	94.79	-	-	10.53	\$105.32

Helendale CSD
 Rate Components
 Residential Refuse Bin Service

Bin Size	Freq	Current Components - July 2016					Proposed Components - July 2017				
		CPI Trash Service	\$	Disposal	10.00% Franchise Fee	Total Rate	CPI Trash Service	\$	Disposal	10.00% Franchise Fee	Total Rate
1.5	1	57.26		0.00	6.36	\$63.62	58.36		0.00	6.48	\$64.84
1.5	2	114.50		0.00	12.72	\$127.22	116.70		0.00	12.97	\$129.67
1.5	3	171.76		0.00	19.08	\$190.84	175.06		0.00	19.45	\$194.51
2	1	73.85		0.00	8.21	\$82.06	75.27		0.00	8.36	\$83.63
2	2	147.70		0.00	16.41	\$164.11	150.54		0.00	16.73	\$167.27
2	3	221.55		0.00	24.62	\$246.17	225.80		0.00	25.09	\$250.89
3	1	99.71		0.00	11.08	\$110.79	101.62		0.00	11.29	\$112.91
3	2	199.42		0.00	22.16	\$221.58	203.25		0.00	22.58	\$225.83
3	3	298.14		0.00	33.24	\$332.38	304.88		0.00	33.88	\$338.76
T. Bin	3 yd	93.00		0.00	10.33	\$103.33	94.79		0.00	10.53	\$105.32

Helendale CSD
Rate Components
Recycling Bin Service

Bin Size	Freq	Current Components - July 2016					Proposed Components - July 2017				
		CPI		10.00% Franchise Fee		Total Rate	CPI		10.00% Franchise Fee		Total Rate
		0.89%	Trash Service	\$ Recycling	8.97		6.36	1.92%	Trash Service	\$ Recycling	
1.5	1	57.26	171.76	42.44	8.97	\$72.59	58.36	175.06	47.74	9.31	\$74.15
1.5	2	114.50	171.76	42.44	17.94	\$145.16	116.70	175.06	18.62	18.62	\$148.29
1.5	3	171.76	171.76	42.44	26.91	\$217.75	175.06	175.06	27.93	19.45	\$222.44
2	1	73.85	171.76	42.44	11.95	\$94.01	75.27	175.06	12.41	8.36	\$96.04
2	2	147.70	171.76	42.44	23.90	\$188.01	150.54	175.06	24.82	16.73	\$192.09
2	3	221.55	171.76	42.44	35.85	\$282.02	225.80	175.06	37.23	25.09	\$288.12
3	1	99.71	171.76	42.44	17.93	\$128.72	101.62	175.06	18.62	11.29	\$131.53
3	2	199.42	171.76	42.44	35.86	\$257.44	203.25	175.06	37.24	22.58	\$263.07
3	3	299.14	171.76	42.44	53.79	\$386.17	304.88	175.06	55.86	33.88	\$394.62
3	4	398.85	171.76	42.44	71.72	\$514.89	406.51	175.06	74.48	45.17	\$526.16
3	5	498.55	171.76	42.44	89.65	\$643.59	508.12	175.06	93.10	56.46	\$657.68
3	6	598.27	171.76	42.44	107.58	\$772.32	609.76	175.06	111.72	67.75	\$789.23

Helendale CSD
Rate Components
Roll Off Service

Size	Current Components - July 2016				Proposed Components - July 2017			
	CPI %	\$ 59.94	10.00%		CPI %	\$ 60.86	10.00%	
	0.89%	(See Note)			1.92%	(See Note)		
	Trash Service	Disposal	Franchise Fee	Rate	Trash Service	Disposal	Franchise Fee	Rate
Permanent								
40 Yard	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
20 Yard	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
10 Yard	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
40 Yard (compactor)	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
Dry Run/Relocate	61.86		6.87	\$68.73	63.05		7.01	\$70.06
Rental Fee (per day)	20.93		2.33	\$23.26	21.33		2.37	\$23.70
Temporary								
40 Yard - 6 ton	171.93	359.64	19.10	\$550.67	175.23	365.16	19.47	\$559.86
20 Yard - 10 ton	171.93	599.40	19.10	\$790.43	175.23	608.60	19.47	\$803.30
10 Yard - 10 ton	171.93	599.40	19.10	\$790.43	175.23	608.60	19.47	\$803.30
Excess Disposal		59.94	0.00	\$59.94		60.86	0.00	\$60.86
Recycling								
40 Yard	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
20 Yard	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
10 Yard	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
40 Yard (compactor)	171.93	Actual	19.10	\$191.03	175.23	Actual	19.47	\$194.70
Concrete Washout								
Concrete wash-out box (delivery)	451.96		50.22	\$502.18	460.64		51.18	\$511.82
Concrete wash-out box (pump)	333.03		37.00	\$370.03	339.42		37.71	\$377.13
Pump service	451.96		50.22	\$502.18	460.64		51.18	\$511.82
Relocate	114.18		12.69	\$126.87	116.37		12.93	\$129.30
Rental Fee (per day)	9.51		1.06	\$10.57	9.69		1.08	\$10.77

RENTAL CHARGES:

Permanent Boxes

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

Notes:

Roll off disposal rate = Estimated 7/17 SB Co Gate + CDSDP of \$12.00 per ton.

Helendale CSD
 Rate Components
 Special Services

Service	Current Components - July 2016			Proposed Components - July 2017		
	CPI	10% Fran. Fee	Total	CPI	10% Fran. Fee	Total
	0.89%			1.92%		
	Trash Service			Trash Service		
Locking bin	6.54	0.73	\$ 7.27	6.67	0.74	\$ 7.41
Container steam cleaning	32.41	3.60	\$ 36.01	33.03	3.67	\$ 36.70
Pull-out service (bins)	32.41	3.60	\$ 36.01	33.03	3.67	\$ 36.70
Extra pick-up (barrels)	19.47	2.16	\$ 21.63	19.84	2.20	\$ 22.04
Extra pick-up (bins)	38.95	4.33	\$ 43.28	39.70	4.41	\$ 44.11
Recycling contamination fee	37.96	4.22	\$ 42.18	38.69	4.30	\$ 42.99



Helendale Community Services District

Date: March 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #7

Discussion and Possible Action Regarding Approving a Professional Services Agreement with Rogers, Anderson, Malody and Scott, CPA's for Financial Services

STAFF RECOMMENDATION:

Staff requests approval from the Board for this PSA.

STAFF REPORT:

District's Legal Counsel, Steve Kennedy has drafted the professional services agreement (PSA) for the proposed contract. The contract still needs to be reviewed by RAMS.

Staff is requesting that the Board approve a contract through June 30, 2018 for a total amount of \$93,380. New deliverables will include preparation of FY 17/18 and FY 18/19 budgets; develop of and enhanced chart of account; improvements with ADP payroll. Continued services include assistance with monthly closing and year-end closing. New enhancements related to fully utilizing the District's Tyler accounting package includes the following:

- Interface between ADP's payroll and Tyler general ledger to eliminate time consuming journal entries.
- Set up of the capital asset module to track annually rather than maintaining cumbersome Excel spreadsheets.
- Implementing the Project Accounting module in Tyler. This would allow recall of all expenses related to a particular project. As an example for a large project like a well, it would provide a summary by vendor for all supplies and services that went into completing a particular project.
- More fully utilizing the reporting tool to design monthly reports for the Board and Staff.
- Implementing the Personnel/HR module that we purchased and currently are paying annual fees on.

Summary of costs by FY:

The amount requested for the balance of this fiscal year for one-time costs is \$15,660 for miscellaneous services; continued monthly closing assistance \$6,960 and budget preparation for FY 17/18 of \$14,500. **Total amount for balance of FY 16/17 is \$37,120.**

The amount for the new fiscal year includes \$14,500 for FY 18/19 budget preparation; \$13,920 for monthly closing assistance for the year; year-end closing cost for audit preparation of \$11,600; special one-time costs to set up capital asset module of \$9,280;

one-time costs for project accounting of \$2,323 and one-time customer reporting set-up costs of \$4,640. **Total amount for FY 17/18 is \$56,260.**

Following is a spreadsheet that outlines the costs for the past three years and the proposed contract.

<u>Year</u>	<u>Paul</u>	<u>RAMS</u>	<u>Total</u>	
FY 2013-14	\$62,400	\$17,280	\$79,680	
FY 2014-15	\$62,400	\$12,600	\$75,000	
FY 2015-16	\$48,100	\$14,560	\$62,660	
FY 2016-17	\$29,182	\$34,120	\$63,302	Includes \$14,500 in add'l services
FY 2017-18	\$ 0	\$56,263	\$56,263	Next FY total accounting services

Attached for the Board's review is a copy of the proposed PSA and Exhibit A which spells out the services by Fiscal year

Fiscal Impact:
Contract amount of \$93,380



**AGREEMENT FOR SERVICES
BETWEEN
HELENDALE COMMUNITY SERVICES DISTRICT
AND
ROGERS, ANDERSON, MALODY & SCOTT**

THIS AGREEMENT is made this ____ day of March, 2017 (hereinafter referred to as the “Effective Date”), by and between the HELENDALE COMMUNITY SERVICES DISTRICT, a public agency organized and operating pursuant to California Government Code Section 61000 et seq. (hereinafter referred to as the “DISTRICT”), and ROGERS, ANDERSON, MALODY & SCOTT, LLP _____ (hereinafter referred to as “CONSULTANT”). DISTRICT and CONSULTANT may individually be referred to as “Party” or collectively as “Parties” in this Agreement.

RECITALS

WHEREAS, the DISTRICT desires to contract with CONSULTANT to provide financial consulting services for the DISTRICT (hereinafter referred to as “Project”); and

WHEREAS, CONSULTANT is willing to contract with the DISTRICT to provide such services for the Project; and

WHEREAS, CONSULTANT holds itself as duly licensed, qualified, and capable of performing said services for the Project; and

WHEREAS, this Agreement establishes the terms and conditions for the DISTRICT to retain CONSULTANT to provide the services described herein for the Project.

COVENANTS

NOW, THEREFORE, in consideration of the faithful performance of the terms and conditions set forth herein, the Parties hereto agree as follows:

**ARTICLE I
ENGAGEMENT OF CONSULTANT
AND AUTHORIZATION TO PROCEED**

1.1 **ENGAGEMENT:** The DISTRICT hereby engages CONSULTANT, and CONSULTANT hereby accepts the engagement, to perform the Project services described in Section 2.1 of this Agreement for the term set forth in Section 5.1 of this Agreement.

1.2 **AUTHORIZATION TO PROCEED:** Authorization for CONSULTANT to proceed with all or a portion of the Project services described in Section 2.1 of this Agreement will be granted in writing by the DISTRICT as soon as both Parties sign the Agreement and all

applicable insurance and other security documents required pursuant to Section 6.3 of this Agreement are received and approved by the DISTRICT. CONSULTANT shall not proceed with said Project services until so authorized by the DISTRICT, and shall commence work immediately upon receipt of the Notice to Proceed.

1.3 NO EMPLOYEE RELATIONSHIP: CONSULTANT shall perform the Project services provided for herein as an independent contractor, and not as an employee of the DISTRICT. The DISTRICT shall have ultimate control over the work performed for the Project. CONSULTANT is not to be considered an agent or employee of the DISTRICT for any purpose, and shall not be entitled to participate in any pension plans, insurance coverage, bonus, stock, or similar benefits that the DISTRICT provides for its employees. CONSULTANT shall indemnify the DISTRICT for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which the DISTRICT may be required to make on behalf of CONSULTANT or any agent or employee of CONSULTANT.

ARTICLE II SERVICES OF CONSULTANT

2.1 SCOPE OF SERVICES: The Project services to be performed by the CONSULTANT under this Agreement are described in the Proposal attached hereto as Exhibit "A" and incorporated herein by this reference (hereinafter referred to as the "Scope of Work"), and shall, where not specifically addressed, include all related services ordinarily provided by the CONSULTANT under same or similar circumstances and/or otherwise necessary to satisfy the requirements of Section 3.3 of this Agreement. In case of conflict between the terms of this Agreement and the provisions of the Scope of Work, this Agreement shall govern.

2.2 PREVAILING WAGES: In accordance with the provisions of the California Labor Code, CONSULTANT shall secure the payment of compensation to employees. To the extent required by the California Labor Code, CONSULTANT shall pay not less than the prevailing rate of per diem wages as determined by the Director, Department of Industrial Relations, State of California. Copies of such prevailing rate of per diem wages are on file at the DISTRICT's office, which copies will be made available to any interested party upon request. CONSULTANT shall post a copy of such determination at each job site. If applicable, CONSULTANT shall forfeit to the DISTRICT the amount of the penalty set forth in Labor Code Section 1777.7(b), or any subsequent amendments thereto, for each calendar day, or portion thereof, for each worker paid less than the specified prevailing rates for such work or craft in which such worker is employed, whether paid by CONSULTANT or by any subcontractor.

2.3 HOURS AND WORKING CONDITIONS: The DISTRICT is a public entity in the State of California and is subject to the provisions of the Government Code and the Labor Code of the State. It is stipulated and agreed that all provisions of law applicable to public contracts are a part of this Agreement to the same extent as though set forth herein and will be complied with by CONSULTANT. CONSULTANT shall comply with all applicable provisions of the California Labor Code relating to working hours and the employment of apprentices on public works projects. CONSULTANT shall, as a penalty to the DISTRICT, forfeit \$25.00 for

each worker employed in the execution of this Agreement by CONSULTANT or by any subcontractor, for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week, unless such worker received compensation for all hours worked in excess of 8 hours at not less than 1½ times the basic rate of pay.

ARTICLE III RESPONSIBILITIES OF THE DISTRICT AND OF CONSULTANT

3.1 **DUTIES OF THE DISTRICT:** The DISTRICT, without cost to CONSULTANT, will provide all pertinent information necessary for CONSULTANT's performance of its obligations under this Agreement that is reasonably available to the DISTRICT unless otherwise specified in the Scope of Work, in which case the CONSULTANT is to acquire such information. The DISTRICT does not guarantee or ensure the accuracy of any reports, information, and/or data so provided. To the extent that any reports, information, and/or other data so provided was supplied to the DISTRICT by persons who are not employees of the DISTRICT, any liability resulting from inaccuracies and/or omissions contained in said information shall be limited to liability on behalf of the party who prepared the information for the DISTRICT.

3.2 **REPRESENTATIVE OF DISTRICT:** The DISTRICT will designate Kimberly Cox as the person to act as the DISTRICT's representative with respect to the work to be performed under this Agreement. Such person will have complete authority to transmit instructions, receive information, and interpret and define the DISTRICT's policies and decisions pertinent to the work. In the event the DISTRICT wishes to make a change in the DISTRICT's representative, the DISTRICT shall notify the CONSULTANT of the change in writing.

3.3 **DUTIES OF CONSULTANT:** CONSULTANT shall perform all services for the Project in such a manner as to fully comply with all applicable professional standards of care, including professional quality, technical accuracy, timely completion, and other services furnished and/or work undertaken by CONSULTANT pursuant to this Agreement. The CONSULTANT shall cause all work and deliverables to conform to all applicable federal, state, and local laws and regulations.

3.4 **APPROVAL OF WORK:** The DISTRICT's approval of work or materials furnished hereunder shall not in any way relieve CONSULTANT of responsibility for the technical adequacy of its work. Neither the DISTRICT's review, approval or acceptance of, nor payment for any of the services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement. Where approval by the DISTRICT is indicated in this Agreement, it is understood to be conceptual approval only and does not relieve the CONSULTANT of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the CONSULTANT or its subcontractors. CONSULTANT's obligation to defend, indemnify, and hold harmless the DISTRICT, and its directors, officers, employees and agents as set forth in

Section 6.9 of this Agreement also applies to the actions or omissions of the CONSULTANT or its subcontractors as set forth above in this paragraph.

ARTICLE IV PAYMENTS TO CONSULTANT

4.1 **PAYMENT:** During the Term of this Agreement, the DISTRICT will pay CONSULTANT for services performed in accordance with the rates and estimated hours and costs set forth in the Scope of Work. The amounts set forth in the Scope of Work constitute the maximum compensation to which CONSULTANT may be entitled for the performance of services for the Project, unless this Agreement and/or the Scope of Work are changed in writing by the DISTRICT in advance of the services to be performed hereunder. Adjustments in the payment amount shall only be allowed pursuant to Section 6.4 of this Agreement.

4.2 **PAYMENT TO CONSULTANT:** Payment will be made by the DISTRICT within thirty (30) calendar days after receipt of an invoice from CONSULTANT, provided that all invoices are complete and product and services are determined to be of sufficient quality by the DISTRICT. CONSULTANT shall invoice DISTRICT monthly for services performed under this Agreement. In the event that a payment dispute arises between the Parties, CONSULTANT shall provide to the DISTRICT full and complete access to CONSULTANT's labor cost records and other direct cost data, and copies thereof if requested by the DISTRICT.

4.3 **COST FOR REWORK:** CONSULTANT shall, at no cost to the DISTRICT, prepare any necessary rework occasioned by CONSULTANT's negligent act or omission or otherwise due substantially to CONSULTANT's fault.

ARTICLE V COMPLETION SCHEDULE

5.1 **TERM:** The Term of this Agreement shall begin on the Effective Date, and shall continue through the DISTRICT's 2017-18 fiscal year, unless this Agreement is earlier terminated pursuant to the provisions of Section 6.7 below. Notwithstanding the above, the provisions of Sections 1.3, 2.2, 2.3, 3.3 and 3.4 and Articles IV, V, and VI herein shall survive the expiration and/or termination of this Agreement.

5.2 **TIME OF ESSENCE:** CONSULTANT shall perform all services required by this Agreement in a prompt, timely, and professional manner. Time is of the essence in this Agreement.

ARTICLE VI GENERAL PROVISIONS

6.1 **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:** CONSULTANT shall at all times observe all applicable provisions of Federal, State, and Local

laws and regulations including, but not limited to, those related to Equal Opportunity Employment.

6.2 SUBCONTRACTORS AND OUTSIDE CONSULTANTS: No subcontract shall be awarded by CONSULTANT unless prior written approval thereof is obtained from the DISTRICT. CONSULTANT shall be responsible for payment to subcontractors used by them to perform the services under this Agreement. If CONSULTANT subcontracts any of the work to be performed, CONSULTANT shall be as fully responsible to the DISTRICT for the performance of the work, including errors and omissions of CONSULTANT's subcontractors and of the persons employed by the subcontractor, as CONSULTANT is for the acts and omissions of persons directly employed by the CONSULTANT. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor of CONSULTANT and the DISTRICT. CONSULTANT shall bind every subcontractor and every subcontractor of a subcontractor to the terms of this Agreement that are applicable to CONSULTANT's work unless specifically noted to the contrary in the subcontract in question and approved in writing by the DISTRICT.

6.3 INSURANCE: CONSULTANT shall secure and maintain in full force and effect, until the satisfactory completion and acceptance of the Project by DISTRICT, such insurance as will protect it and the DISTRICT in such a manner and in such amounts as set forth below. The premiums for said insurance coverage shall be paid by the CONSULTANT. The failure to comply with these insurance requirements may constitute a material breach of this Agreement, at the sole discretion of the DISTRICT.

- (a) Certificates of Insurance: Prior to commencing services under this Agreement, and in any event no later than ten (10) calendar days after execution of this Agreement, CONSULTANT shall furnish DISTRICT with Certificates of Insurance and endorsements verifying the insurance coverage required by this Agreement is in full force and effect. The DISTRICT reserves the right to require complete and accurate copies of all insurance policies required under this Agreement.
- (b) Required Provisions: The insurance policies required by this Agreement shall include the following provisions or have them incorporated by endorsement(s):
 - (1) Primary Coverage: The insurance policies provided by CONSULTANT shall be primary insurance and any self-insured retention and/or insurance carried by or available to the DISTRICT or its employees shall be excess and non-contributory coverage so that any self-insured retention and/or insurance carried by or available to the DISTRICT shall not contribute to any loss or expense under CONSULTANT's insurance.
 - (2) Additional Insured: The policies of insurance provided by CONSULTANT, except Workers' Compensation and Professional Liability, shall include as additional insureds: the DISTRICT, its directors, officers, employees, and agents when acting in their capacity as such in conjunction with the performance of this Agreement. Such policies shall contain a "severability of interests" provision, also known as "Cross liability" or "separation of insured".

- (3) Cancellation: Each certificate of insurance and insurance policy shall provide that the policy may not be non-renewed, canceled (for reasons other than non-payment of premium) or materially changed without first giving thirty (30) days advance written notice to the DISTRICT, or ten (10) days advance written notice in the event of cancellation due to non-payment of premium.
 - (4) Waiver of Subrogation: The insurance policies provided by CONSULTANT shall contain a waiver of subrogation against DISTRICT, its directors, officers, employees and agents for any claims arising out of the services performed under this Agreement by CONSULTANT.
 - (5) Claim Reporting: CONSULTANT shall not fail to comply with the claim reporting provisions or cause any breach of a policy condition or warranty of the insurance policies required by this Agreement that would affect the coverage afforded under the policies to the DISTRICT.
 - (6) Deductible/Retention: If the insurance policies provided by CONSULTANT contain deductibles or self-insured retentions, any such deductible or self-insured retention shall not be applicable with respect to the coverage provided to DISTRICT under such policies. CONSULTANT shall be solely responsible for any such deductible or self-insured retention and the DISTRICT, in its sole discretion, may require CONSULTANT to secure the payment of any such deductible or self-insured retention by a surety bond or an irrevocable and unconditional letter of credit.
 - (7) Sub-Contractors: CONSULTANT shall include all sub-contractors as additional insureds under the insurance policies required by this Agreement to the same extent as the DISTRICT or shall furnish separate certificates of insurance and policy endorsements for each sub-contractor verifying that the insurance for each sub-contractor complies with the same insurance requirements applicable to CONSULTANT under this Agreement.
- (c) Insurance Company Requirements: CONSULTANT shall provide insurance coverage through insurers that have at least an "A" Financial Strength Rating and a "VII" Financial Size Category in accordance with the current ratings by the A. M. Best Company, Inc. as published in *Best's Key Rating Guide* or on said company's web site. In addition, any and all insurers must be admitted and authorized to conduct business in the State of California and be a participant in the California Insurance Guaranty Association, as evidenced by a listing in the appropriate publication of the California Department of Insurance.
- (d) Policy Requirements: The insurance required under this Agreement shall meet or exceed the minimum requirements as set forth below:
- (1) Workers' Compensation: CONSULTANT shall maintain Workers' Compensation insurance as required by law in the State of California to cover CONSULTANT's obligations as imposed by federal and state law having jurisdiction over CONSULTANT's employees and Employers' Liability insurance, including disease coverage, of not less than \$1,000,000.

- (2) General Liability: CONSULTANT shall maintain Comprehensive General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$1,000,000 aggregate. The policy shall include, but not be limited to, coverage for bodily injury, property damage, personal injury, products, completed operations and blanket contractual to cover, but not be limited to, the liability assumed under the indemnification provisions of this Agreement. In the event the Comprehensive General Liability insurance policy is written on a "claims made" basis, coverage shall extend for two years after the satisfactory completion and acceptance of the Project by DISTRICT.
- (3) Automobile Liability: CONSULTANT shall maintain Commercial Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence for any owned, hired, or non-owned vehicles.
- (4) Professional Liability: CONSULTANT shall maintain Professional Liability insurance covering errors and omissions arising out of the services performed by the CONSULTANT or any person employed by him, with a limit of not less than \$1,000,000 per occurrence or claim and \$1,000,000 aggregate. In the event the insurance policy is written on a "Claims made" basis, coverage shall extend for two years after the satisfactory completion and acceptance of the Project by DISTRICT.
- (5) Property Coverage – Valuable Papers: Property coverage on an all-risk, replacement cost form with Valuable Papers insurance sufficient to assure the restoration of any documents, memoranda, reports, plans or other similar data, whether in hard copy or electronic form, relating to the services provided by CONSULTANT under this Agreement.

6.4 CHANGES: If the DISTRICT requests a change in the Scope of Work, an equitable adjustment shall be made and this Agreement shall be modified in writing accordingly. CONSULTANT must assert any claim for adjustment under this clause in writing within thirty (30) calendar days from the date of receipt from CONSULTANT of the notification of change unless the DISTRICT grants a further period of time before the date of final payment under this Agreement.

6.5 NOTICES: All notices to either Party by the other shall be made in writing and delivered or mailed to such Party at their respective addresses as follows, or to other such address as either Party may designate, and said notices shall be deemed to have been made when delivered or, if mailed, five (5) days after mailing.

To DISTRICT: Helendale Community Services District
26540 Vista Road, Suite B
P.O. Box 359
Helendale, CA 92342
Attn: General Manager

To CONSULTANT: Rogers, Anderson, Malody & Scott, LLP
Certified Public Accountants
735 E. Carnegie Drive, Suite 100
San Bernardino, CA 92408
Attn: _____

6.6 CONSULTANT'S ASSIGNED PERSONNEL: CONSULTANT designates _____ to have immediate responsibility for the performance of the work for the Project and for all matters relating to performance under this Agreement. Substitution of any assigned personnel shall require the prior written approval of the DISTRICT. If the DISTRICT determines that a proposed substitution is not acceptable, then, at the request of the DISTRICT, CONSULTANT shall substitute with a person acceptable to the DISTRICT.

6.7 TERMINATION:

- (a) The DISTRICT may terminate this Agreement or abandon any portion of the Project by giving ten (10) days written notice thereof to CONSULTANT. CONSULTANT may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days written notice only in the event of substantial failure by the DISTRICT to perform in accordance with the terms of this Agreement through no fault of the CONSULTANT.
- (b) In the event of termination of this Agreement or abandonment of any portion of the Project, the DISTRICT shall be immediately given title to all original drawings and other documents developed for the Project, and the sole right and remedy of CONSULTANT shall be to receive payment for all amounts due and not previously paid to CONSULTANT for services completed or in progress in accordance with the Agreement prior to such date of termination. If termination occurs prior to completion of any task for which payment has not been made, the fee for services performed during such task shall be based on an amount mutually agreed to by the DISTRICT and CONSULTANT. Such payments available to the CONSULTANT under this paragraph shall not include costs related to lost profit associated with the expected completion of the work or other such payments relating to the benefit of this Agreement.

6.8 ATTORNEYS' FEES: In the event that either the DISTRICT or CONSULTANT brings an action or proceeding for damages for an alleged breach of any provision of this Agreement, to interpret this Agreement or determine the rights of and duties of either Party in relation thereto, the prevailing Party shall be entitled to recover as part of such action or proceeding all litigation, arbitration, mediation and collection expenses, including witness fees, court costs, and reasonable attorneys' fees. Such fees shall be determined by the Court in such litigation or in a separate action brought for that purpose. Mediation will be attempted if both Parties mutually agree before, during, or after any such action or proceeding has begun.

6.9 INDEMNITY:

- (a) CONSULTANT shall defend, indemnify and hold DISTRICT, including its directors, officers, employees and agents, harmless from and against any and all

claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of the work to be performed under this Agreement, including without limitation, any and all such claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, arising by reason of death or bodily injury to one or more persons, including the employees of CONSULTANT; injury to property of any kind, including loss of use; or economic damages of any kind, caused by, or arising out of, any alleged or actual act or omission, regardless of whether such act or omission is active or passive, by CONSULTANT, any of CONSULTANT's sub-contractors or DISTRICT, including their respective directors, officers, employees, agents and assigns, excepting only such matters arising from the sole negligence or willful misconduct of the DISTRICT.

- (b) CONSULTANT shall defend, indemnify and hold DISTRICT, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any infringement or alleged infringement of any patent, copyright or trademark and arising out of the use of any equipment or materials furnished under this Agreement by the CONSULTANT or CONSULTANT's sub-contractors, including their respective directors, officers, employees, agents and assigns, or out of the processes or actions employed by, or on behalf of, the CONSULTANT or CONSULTANT's sub-contractors, including their respective directors, officers, employees, agents and assigns, in connection with the performance of services under this Agreement. CONSULTANT shall have the right, in order to avoid such claims or actions, to substitute at its expense non-infringing equipment, materials or processes, or to modify at its expense such infringing equipment, materials, and processes so they become non-infringing, provided that such substituted and modified equipment, materials, and processes shall meet all the requirements and be subject to all the provisions of this Agreement.
- (c) CONSULTANT shall defend, indemnify and hold DISTRICT, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any breach by CONSULTANT or CONSULTANT's sub-contractors, including their respective directors, officers, employees, agents and assigns, of the aforesaid obligations and covenants, and any other provision or covenant of this Agreement.
- (d) It is the intent of the Parties to this Agreement that the defense, indemnity and hold harmless obligation of CONSULTANT under this Agreement shall be as broad and inclusive as may be allowed under *California Civil Code* §§ 2778 through 2784.5, or other similar state or federal law.

6.10 SAFETY: CONSULTANT shall perform the work in full compliance with applicable State and Federal safety requirements including, but not limited to, Occupational Safety and Health Administration requirements.

- (a) CONSULTANT shall take all precautions necessary for the safety of, and prevention of damage to, property on or adjacent to the Project site, and for the safety of, and prevention of injury to, persons, including DISTRICT's employees, CONSULTANT's employees, and third persons. All work shall be performed entirely at CONSULTANT's risk. CONSULTANT shall comply with the insurance requirements set forth in Section 6.3 of this Agreement.
- (b) CONSULTANT shall also furnish the DISTRICT with a copy of any injury prevention program established for the CONSULTANT's employees pursuant to Labor Code Section 6401.7, including any necessary documentation regarding implementation of the program. CONSULTANT hereby certifies that its employees have been trained in the program, and procedures are in place to train employees whenever new substances, processes, procedures, or equipment are introduced. CONSULTANT shall demonstrate compliance with Labor Code Section 6401.7 by maintaining a copy of its Injury and Illness Prevention Plan at the Project site and making it available to the DISTRICT.

6.11 EXAMINATION OF RECORDS: All original drawings, specifications, reports, calculations, and other documents or electronic data developed by CONSULTANT for the Project shall be furnished to and become the property of the DISTRICT. CONSULTANT agrees that the DISTRICT will have access to and the right to examine any directly pertinent books, documents, papers, and records of any and all of the transactions relating to this Agreement.

6.12 OWNERSHIP OF SOFTWARE:

- (a) Subject to payment of all compensation due under this Agreement and all other terms and conditions herein, CONSULTANT hereby grants DISTRICT a nonexclusive, transferable, royalty-free license to use the Software furnished to DISTRICT by CONSULTANT under this Agreement. The license granted herein shall authorize DISTRICT to:
 - (1) Install the Software on computer systems owned, leased or otherwise controlled by DISTRICT;
 - (2) Utilize the Software for its internal data-processing purposes; and
 - (3) Copy the Software and distribute as desired to exercise the rights granted herein.
- (b) CONSULTANT retains its entire right, title and interest in the Software developed under this Agreement. DISTRICT acknowledges that CONSULTANT owns or holds a license to use and sublicense various pre-existing development tools, routines, subroutines and other programs, data and materials that CONSULTANT may include in the Software developed under this Agreement. This material shall be referred to hereafter as "Background Technology."
- (c) DISTRICT agrees that CONSULTANT shall retain any and all rights CONSULTANT may have in the Background Technology. CONSULTANT

grants DISTRICT an unrestricted, nonexclusive, perpetual, fully paid-up worldwide license to use the Background Technology in the Software developed and delivered to DISTRICT under this Agreement, and all updates and revisions thereto. However, DISTRICT shall make no other commercial use of the Background Technology without CONSULTANT's written consent.

6.13 INTEGRATION AND AMENDMENT: This Agreement contains the entire understanding between the DISTRICT and CONSULTANT 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 Agreement may not be amended except by a writing signed by all Parties hereto.

6.14 ASSIGNMENT: Neither Party shall assign or transfer its interest in this Agreement without written consent of the other Party. All terms, conditions, and provisions of this Agreement shall inure to and shall bind each of the Parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns.

6.15 GOVERNING LAW: This Agreement 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 Agreement and the Scope of Work, the provisions of this Agreement shall control. This Agreement 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 Agreement, 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 in rem jurisdiction over the Project.

6.16 HEADINGS: Article and Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

6.17 PARTIAL INVALIDITY: If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

6.18 EFFECT OF DISTRICT'S WAIVER: Any failure by the DISTRICT to enforce any provision of this Agreement, or any waiver thereof by the DISTRICT, shall not constitute a waiver of its right to enforce subsequent violations of the same or any other terms or conditions herein.

6.19 AUTHORITY: The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to sign this Agreement on behalf of and to so bind their respective legal entities.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

CONSULTANT

DISTRICT

By: _____
[Name, Title]
Rogers, Anderson, Malody & Scott, LLP

By: _____
President, Board of Directors
Helendale Community Services District

EXHIBIT A

SCOPE OF WORK

EXHIBIT A
Proposed Scope-of-Services

SERVICES TO BE TRANSFERRED

<u>Project Description</u>	<u>Estimated Hours</u>	<u>Rate</u>	<u>One-Time Cost Estimate Necessary for Budget prep FY 2016-17</u>	<u>Other costs paid in FY 16/17</u>	<u>Cost Estimate for FY 17/18</u>
Budget and Chart of Accounts Enhancements					
Chart of accounts enhancements	20	\$ 145	\$ 2,900		
Initial design and setup of budget model in Excel, and integration of budget numbers into Tyler. Create custom budget vs. actual reports with custom level of detail.	40	\$ 145	\$ 5,800		
Preparation of FY 2017-18 Budget for approval in May 2017.	100	\$ 145		\$ 14,500	
Preparation of FY 2018-19 Budget for approval in May 2018.	100	\$ 145			\$ 14,500
			<u>\$ 8,700</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>

CONTINUATION OF ACCOUNTING SUPPORT SERVICES

<u>Project Description</u>	<u>Estimated Hours</u>	<u>Rate</u>	<u>Other costs paid in FY 16/17</u>	<u>Cost est from July 1, 2017 until complete</u>
Monthly closing assistance				
Estimated at 1 day per month (January 2017 - June 2017)	48	\$ 145		
Estimated at 1 day per month (July 2017 - June 2018)	96	\$ 145	\$ 6,960	\$ 13,920
Year-end closing assistance				
Closing assistance for FY 2016-17	80	\$ 145		\$ 11,600
			<u>\$ -</u>	<u>\$ 25,520</u>

NEW SCOPE-OF-SERVICE - One Time Costs

<u>Project Description</u>	<u>Estimated Hours</u>	<u>Rate</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
ADP Payroll Enhancements				
Setup ADP to calculate and report paid leave balances on paycheck stubs.	8	\$ 145	\$ 1,160	
ADP Payroll Enhancements				
1. Setup and utilize ADP's payroll GL interface to automate the journal entry for payroll.				
2. Report other employee benefits on paycheck stubs.				
3. Redesign time cards to capture department level detail.	40	\$ 145	\$ 5,800	
Capital Assets integration with Tyler System				
Some assets are in the system from 2010. Need to get Tyler schedule up-to-date using schedules available in Excel and from auditor, and setup the system to capture data as it happens going forward.	64	\$ 145		\$ 9,280
Project Accounting in Tyler System				
Design and setup and training of staff on implementation.	16	\$ 145		\$ 2,320
Custom Reporting in Tyler System				
Use of Cell Sense for designing custom reports. Estimated hours is dependent on the nature and complexity of the custom reports requested. An estimate for each report can be provided once the criteria is defined.	32	\$ 145		\$ 4,640
Implement Personnel/HR Module in Tyler				
Undetermined scope for use of software tools. This is an advanced implementation that can be discussed further upon completion of other more urgent projects.	TBD	\$ 145		
Other Services as Needed				
Services provided by partners or manager range from \$190 to \$290 per hour.	TBD	\$ 290		
			<u>\$ 6,960</u>	<u>\$ 16,240</u>
			<u>\$ 15,660</u>	<u>\$ 56,260</u>



Helendale Community Services District

Date: March 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #8
Discussion and Possible Action Regarding Purchase of a Submersible Pump
Assembly for Well 1A from the Lowest Responsive Bidder

STAFF RECOMMENDATION:

Approve purchase.

STAFF REPORT:

Currently a submersible is installed at Well 1A and at the Board meeting held February 16, 2017, the Board directed staff to get quotes on a new submersible pump rather than switching to a turbine motor which is estimated to be 4% more efficient than a submersible pump. Staff anticipates in the next three years that the District will be to perform significant rehabilitation on the well casing which will cost approximately \$100,000. At that time the District can consider changing to a turbine pump.

As background, Well 1A was constructed in July 2010, as the first new replacement well in the District. It has been in production continually since that time. Over the past several months maintenance staff has noticed a significant decrease in production which would indicate that the pump is reaching its useful life. Typically a submersible pump will last between three to five years. The pump was last replaced in April 2013 and we are now at four and a half years of use on that pump.

Staff has sent out a request to quotes in accordance with the District's purchasing policy and anticipates having this information by Thursday early afternoon and will request an award from the Board at that time. We anticipate bids from Best Drilling and Pump; Layne Christensen; and Bakersfield Well and Pump. The anticipated cost range for a submersible pump is less than \$30,000 including installation.

This is an essential facility to meet District's summer pumping demands. Currently Well 4A is meeting the demands until a new pump can be purchased for Well 1A.

Staff requests that the Board award a contract to the lowest responsive bidder.



Helendale Community Services District

Date: March 2, 2017
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Item #9
Discussion and Possible Action Regarding the Formation of a Finance
Ad Hoc Committee

STAFF RECOMMENDATION:

Staff seeks direction from the Board regarding this matter.

STAFF REPORT:

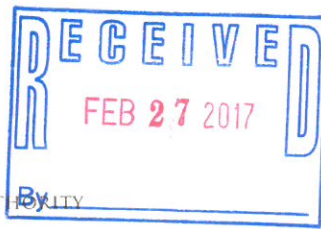
At the Board meeting held February 16, 2017, it was requested that Staff agendize the possible formation of an ad hoc committee to focus on the topic of finance. As the District transitions from the services of one contractor to another it was expressed that the Board would like to take a more active role in the transition.

The purpose of an ad hoc committee is to focus on a narrowly defined topic. The committee is short in duration and concludes when the project is completed. This is similar to the Water Conservation Ordinance Ad Hoc Committee that ended upon the adoption of the ordinance. Ad hoc committees are not subject to the posting requirements outlined in the Brown Act that governs standing committees and board meetings.

If that Board wishes to establish a Finance Ad Hoc Committee the suggested duration would be now through the adoption of the Fiscal Year 17/18 Budget. President Clark and Director Haas have expressed interest in serving on this committee.

Fiscal Impact:

Meeting stipends for involved directors.



February 22, 2017

Mr. Paul Harmon
Administrative Consultant
Helendale Community Services District
Post Office Box 359
Helendale, California 92342-0359

RE: Workers' Compensation Longevity Distribution

Dear Mr. Harmon,

On February 2, 2017, the SDRMA Board of Directors approved a longevity distribution for the eighth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$463,920 for Workers' Compensation members and \$247,965 for Property/Liability members. For the Workers' Compensation program, over 90% of members will receive the distribution credit and for the Property/Liability program, over 91% of members will receive the distribution credit.

Congratulations! Since you have participated in our Workers' Compensation Program for 7 years as of June 30, 2016, your agency will receive a longevity distribution credit on your 2017-18 renewal contribution invoice in the amount of \$710. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Workers' Compensation program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

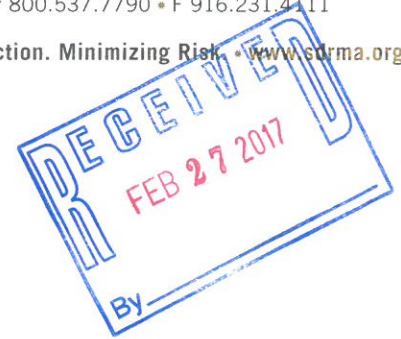
REMINDER – SDRMA's Safety/Claims Education Day/Annual Membership Meeting is Tuesday, March 28 at the Hilton Sacramento Arden West Hotel and is FREE to SDRMA members including breakfast, lunch and refreshments. For more information, please visit our website at www.sdrma.org and click on "Register for a Training Workshop" on the right side of the page.

Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority



Jean Bracy, President
Board of Directors



February 22, 2017

Mr. Paul Harmon
Administrative Consultant
Helendale Community Services District
Post Office Box 359
Helendale, California 92342-0359

RE: Property/Liability Longevity Distribution

Dear Mr. Harmon,

On February 2, 2017, the SDRMA Board of Directors approved a longevity distribution for the eighth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$247,965 for Property/Liability members and \$463,920 for Workers' Compensation members. For the Property/Liability program, over 91% of members will receive the distribution credit and for the Workers' Compensation program, over 90% of members will receive the distribution credit.

Congratulations! Since you have participated in our Property/Liability Program for 9 years as of June 30, 2016, your agency will receive a longevity distribution credit on your 2017-18 renewal invoice in the amount of \$566. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Property/Liability program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

REMINDER – SDRMA's Safety/Claims Education Day/Annual Membership Meeting is Tuesday, March 28 at the Hilton Sacramento Arden West Hotel and is FREE to SDRMA members including breakfast, lunch and refreshments. For more information, please visit our website at www.sdrma.org and click on "Register for a Training Workshop" on the right side of the page.

Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority


Jean Bracy, President
Board of Directors



CalPERS EMPLOYER NEWS

Winter 2017

2 New Statewide Laws 2017

4 Educational Forum 2016


5 Employer Contributions

6 Health Benefits Program Report

7 CalPERS Annual Financial Report

9 Diabetes Prevention Programs
Now Open

10 Employer Education & Events

Board — 
While lower the
the discount rate is
a good thing for the
fund it means our
costs will go up
— KC

CalPERS to Lower Discount Rate Over the Next Three Years

FILE

There's been a chorus of views and commentary about CalPERS' recent decision to reduce its assumed rate of return — a difficult move that was important for the long-term sustainability of the Fund.

The decision was made after extensive discussions with key employer, member, and retiree stakeholder leaders, during which we presented the fiscal impacts analysis of such an action. We asked for your feedback to inform our December 2016 Board discussion, and you told us that you:

- Recognize cost impacts but understand the necessity to take action
- Favor phasing in the reduction
- Consider it paramount to reduce the year-to-year volatility of contribution rates and gain more predictability

The reduction is the first step in addressing these concerns. The Board voted to lower the discount rate from 7.5 percent to 7.0 percent over the next three years, an incremental approach to lowering the discount rate that will give you more time to prepare for the changes in contribution costs.

The approved discount rate changes are as follows:

- FY 2017-18: 7.375%
- FY 2018-19: 7.25%
- FY 2019-20: 7.00%

In addition, the Board approved separate timelines for implementing the new rate for state, school, and public agencies. The new discount rate for the state would go into effect July 1, 2017. The new discount rate for the school districts and public agencies would take effect July 1, 2018. The difference allows schools and public agencies additional time to plan for rate increases.

Your June 30, 2016, annual valuation will be available this summer and will provide updated projections of expected future year pension contributions. More general guidelines about the projected rates are addressed in CalPERS Circular Letters that are located under the employer area of our website at www.calpers.ca.gov.