



# Helendale Community Services District

**BOARD OF DIRECTORS MEETING**  
January 5, 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: December 15, 2016 Regular Board Meeting
- Bills Paid and Presented for Approval

### 4. Reports

- Directors' Reports
- General Manager's Report

## Discussion Items

- Discussion and Possible Action Regarding Proposed Revisions to Use Agreement for Calvary Chapel, Helendale for Community Center Suite C
- Discussion and Possible Action Regarding Future Mandate to Move Elections to General Election Cycle and Consideration of Complying Before Next Election Cycle
- Discussion only Regarding Review of Public Notice Information Related to 2012 Water Rate Increase

## Other Business

- Requested items for next or future agendas (Directors and Staff only)
- 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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HELENDALE COMMUNITY SERVICES DISTRICT  
REGULAR BOARD MEETING MINUTES

December 15, 2016

26540 Vista Road, Suite C. Helendale, CA 92342

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE** – The Regular Meeting was called to order at 6:32 pm by President Clark after which the Pledge of Allegiance was recited.

**Present:** President Ron Clark; Tim Smith, Vice President; Secretary Sandy Haas; Director Craig Schneider; Director Henry Spiller

**Absent:** None

**Staff:** Kimberly Cox, General Manager; Mike Simpson, Operations Manager

**Consultants:** Steve Kennedy, Legal Counsel; John Davis, Consultant

**Audience:** There were three (3) audience members present.

1. **Approval of Agenda**

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

2. **Public Participation**

None

3. **Consent Items**

a. Approval of Minutes: December 1, 2016, Regular Board Meeting & December 1, 2016 Special Board Meeting

b. Bills Paid and Presented for Approval

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

4. **Reports**

a. Director's Reports – Director Schneider thanked staff for the Christmas party and commented on the upcoming power outage.

b. General Manager's Report - General Manager Cox presented information on the upcoming minimum wage increase, the loan repayment, and the upcoming scheduled power outage. Operations Manager Simpson gave the water report which included recent activities in the water department including the completion of the valve/hydrant program, replaced a chlorine pump and injector at Well 1A, staff attended a forklift training taught by Mike Simpson, the EHS sanitary inspection was performed at the Community Center, staff repaired a 4" pressure regulator on Peachtree Lane, staff repaired a service line leak at the Fairway Courts, and scheduled cross connection inspections. General Manager Cox presented the program report which included recent activities including the Senior Music Fest, wastewater tour, paint night class, upcoming fitness and nutrition class, and an update on youth Basketball.

**Discussion Items**

5. Discussion Only Regarding Solid Waste Trends

**Action:** The District's consultant, John Davis, presented information on solid waste trends. There was no action on this item.

6. Discussion and Possible Action Regarding Claim Against the District

**Action:** Director Haas made the motion to settle the claim in the amount of \$50. Director Schneider seconded the motion. The motion passed with the following 5-0 vote: CS-Yes; SH – Yes; RC – Yes; TS – Yes; HS – Yes.

7. Discussion and Possible Action Regarding Resolution 2011-07; A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Relations Among Directors and with Staff  
**Action:** Legal Counsel Kennedy presented an overview of the resolution. The Board did not recommend any changes to the resolution. There was no action on this item.
8. Discussion Only Regarding Water Rate Analysis from Bartle Wells Associates  
**Action:** General Manager Cox presented information on a possible water rate increase. The Board discussed looking at the model again after taking out the meter program and allocating the real administration costs. The Board requested to see the model again at either the second meeting in January or a special meeting. Director Smith also brought up the public perception aspect and requested that staff make the rate increase easily explainable to the public. There was no action on this item.

#### **Other Business**

9. Requested Items for Next or Future Agendas (Directors and Staff Only)  
None

#### **Closed Session**

The Regular Meeting of the Helendale CSD Board of Directors adjourned to closed session at 8:45 pm. After a short break, the closed session began at 8:50 pm.

10. Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation  
Pursuant to Government Code Section 54956.9 (d)(2):  
One Potential Case
11. Public Employee Performance Evaluation  
(Government Code Section 54957)  
Title: General Manager

Closed session adjourned to open session at 9:48 pm.

#### **Open Session**

President Clark re-opened the open session of the regular Board meeting at 9:48 pm.

12. Reportable Action from Closed Session  
**Action:** There was no reportable Action resulting from the closed session items.
13. Adjournment  
**Action:** President Ron Clark adjourned the meeting at 9:49 pm.

Submitted by:

Approved By:

\_\_\_\_\_  
Ron Clark, President

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

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



# Helendale Community Services District

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Date: January 5, 2016 7  
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

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## **STAFF RECOMMENDATION:**

Report Only. Receive and File

## **STAFF REPORT:**

Staff issued 58 checks and had 2 voided checks for the period December 12 through December 23, 2016, totaling \$229,564.35. Checks issued include payments to City National Bank for \$105,041.47 for the Park Fund, Water Fund and Sewer Fund Loan semi-annual payment; to Brunick, McElhaney and Kennedy for legal services for \$6,756.25; to Choice Builder for employee group supplemental medical insurance for \$1,026.95; to Clemmer Services Inc. for Community Center gas leak repair and for new hanging heater; to Infosend for utility billing printing and postage for \$2,014.57; Dept. of Forestry for Fenner Camp Crews for Park cleanup for \$5,029.64; to SWRCB for WWTP fees for \$17,017.00; and to Burrtec Waste Industries for residential disposal billing for \$11,389.64 and for residential pickup services for 437,623.54.

Total cash available:	<u>12/23/16</u>	<u>12/12/16</u>
Cash	\$ 3,914,088.52	\$ 3,831,447.62
Checks Issued	\$ 229,564.35	\$ 22,851.38

## Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 0.78% for CalTRUST Short-Term and is 1.00% for Medium-Term Investments, 0.610% for LAIF, and 0.25% for the CBB Sweep Account for December 2016. Interest earned in November 2016 on the CalTRUST investments, LAIF investment and the CBB Sweep Account is \$1,741.75. Cumulative interest from our initial date of investment in February 2008 through November 2016 for CalTRUST, CBB and LAIF is \$176,078.44. Interest Income for the fiscal year 2015-16 is \$15,933.20 and \$8,075.01 for F/Y 2016-17.



**HELENDALE COMMUNITY SERVICES DISTRICT**  
**Bills Paid and Presented for Approval**  
**for January 5, 2017**

Check #	Payee	Item Description	Dept	Amount
18638	Bernadette Smith	Customer Deposit Refund	Water	224.00
18639	Ramon Carroll	Customer Deposit Refund	Water	170.39
18640	Joey Walker	Customer Deposit Refund	Water	189.92
18641	Roque Partida	Customer Deposit Refund	Water	137.38
18642	Georgina Holmes	Customer Deposit Refund	Water	573.27
18643	Bank of America	Arc Flash Training Expenses	Water	44.33
18643	Bank of America	Operating supplies	Water	197.74
18643	Bank of America	Community Center Kitchen Fixtures	Parks	1,232.89
18643	Bank of America	T/S Fred Pryor Seminar Dealing w/Difficult People	Parks	148.00
18643	Bank of America	Community Center Ste C Hallway Project/Dog Park/Program Exp	Parks	388.85
18643	Bank of America	Thrift Store Supplies	Thrift Store	1,029.82
18643	Bank of America	CSDA Refund/Meetings/Arizona WWTP Tour/Board Meetings	Admin	42.34
18644		<b>VOID</b>		
18645	Monica Mendez	Customer Deposit Refund	Water	31.37
18646	Apple Valley Communications	Water Shop	Water	35.00
18646	Apple Valley Communications	WWTP	WWTP	35.00
18646	Apple Valley Communications	Community Center	Parks	60.00
18647	AVCOM Services Inc.	District Answering Services	Admin	108.00
18648	Brunick, McElhaney & Kennedy	Legal Services	Admin	6,756.25
18649	Burrtec Waste Industries	Nov Dump Fees	Admin	914.73
18650	Capital One Commercial	Office Supplies/Christmas Party	Solid Waste	97.87
18651	Cazcom, Inc.	Site Rent	Admin	175.00
18652	Cheryl Vermette	Christmas Decorations, Gift Cards & Door Prizes	Admin	166.33
18653	Choice Builder	Employee Group Supplemental Insurance	Admin	1,026.95
18654	City National Bank	Water/WWTP/Park Loan Payment	Admin	105,041.47
18655	Clemmer Services, Inc.	Community Center Gas Leak Repair	Parks	2,174.50
18655	Clemmer Services, Inc.	175,000BTU Hanging Heater	Parks	2,692.00
18656	County of San Bernardino	Recording Fees	Admin	63.00
18657	Dept. of Forestry & Fire Protection	(22 ) Fenner Camp Fire Crews @ Park	Parks	5,029.64
18658	FAST SIGNS	Basketball Banner	Parks	37.80
18659	Fred Pryor Seminars	Sales Tax Due on W-9 Seminar	Admin	15.92
18660	Frontier Communications	Thrift Store Ported Credit Card Line	Thrift Store	104.17
18660	Frontier Communications	Water Shop	Water	53.03
18661	G.A. Osborne Pipe & Supply Inc.	Community Center Kitchen CIP	Parks	598.78
18662	Home Depot Credit Services	Water Supplies	Water	5.37
18662	Home Depot Credit Services	Wastewater R & M	WWTP	125.27
18662	Home Depot Credit Services	Com Ctr Kitchen Clip	Parks	1,660.67
18662	Home Depot Credit Services	Com Ctr Hallway Project	Parks	9.58
18662	Home Depot Credit Services	D Harrison Water Heater Installation & Repair	Parks	620.31
18662	Home Depot Credit Services	Park Supplies/Program Expenses	Parks	127.84
18662	Home Depot Credit Services	Christmas Party Expense	Admin	100.00
18663	I Candy Website & Graphic Design	Website Support	Admin	90.00
18664	Infosend	Utility Billing Postage	Admin	1,065.23
18664	Infosend	Utility Billing Printing	Admin	949.34

HELENDALE COMMUNITY SERVICES DISTRICT  
 Bills Paid and Presented for Approval  
 for January 5, 2017

Check #	Payee	Item Description	Dept	Amount
18665	Jean Thomas	Employee Christmas Gift Card	Admin	\$ 50.00
18666	Lowe's	Water Operating Supplies & small Tools	Water	\$ 521.43
18666	Lowe's	WWTP Sprinkler Repair	WWTP	\$ 51.27
18666	Lowe's	Community Center Kitchen CIP	Parks	\$ 1,050.43
18667	Lyons Floor Covering	Community Center Roof Repair	Parks	\$ 92.16
18668	O'Reilly Auto Parts	Balance Due Community Center Bathroom Tile	Parks	\$ 200.00
18668	O'Reilly Auto Parts	Unit # 101 Explorer (Water	Water	\$ 343.35
18668	O'Reilly Auto Parts	Shop	Water	\$ 91.07
18669	Patty Hartong	Train Repair	Parks	\$ 58.29
18670	Priority Neopost	Fitness Classes	Parks	\$ 160.00
18671	Sierra Analytical	Kyosera Contract Base Rate 12-1-16 - 12-31-16	Admin	\$ 59.40
18672	Southern California Edison	Lab Analysis	WWTP	\$ 798.00
18673	Southern California Edison	Street Lighting	Street Lights	\$ 1,340.74
18674	SWRCB FEES	Sod Farm	WWTP	\$ 577.16
18675	Tyler Technologies, Inc.	Facility ID 6B36111001 - Period 7/1/16 - 6/30/17	WWTP	\$ 17,017.00
18676	USA Blue Book	Online Utility Billing	Admin	\$ 137.00
18677	USA of So. California	Misc Water Supplies	Water	\$ 350.48
18678	J & S Specialties	(87) Dig Alert Tickets	Water	\$ 130.50
18678	J & S Specialties	Operating Supplies-Kids Supplies	Thrift Store	\$ 372.00
18679	Beck Oil	Office Supplies/Christmas Party	Admin	\$ 770.00
18679	Beck Oil	Vehicle Fuel	Water	\$ 1,038.03
18680	Burrtec Waste Industries, Inc.	Vehicle Fuel	WWTP	\$ 1,038.02
18680	Burrtec Waste Industries, Inc.	Residential Disposal Billing - Nov 2016	WWTP	\$ 11,389.64
18681	Capital One Commercial	Residential Services Invoice Nov 2016	Solid Waste	\$ 37,623.54
18682	County of San Bernardino, Solid Waste Mgmt. Div.	Silver Lakes 2016 Christmas Parade Candy	Solid Waste	\$ 41.97
18683	Flying Colors	Dump Passes - 11-1-16 - 11-30-16	Admin	\$ 351.16
18684	Frontier Communications	Class Fee & Room Fee	Parks	\$ 105.00
18685	Hartford Life	Smithson Lift Station	WWTP	\$ 52.45
18686		Employee Group Life Insurance	Admin	\$ 537.21
18687	Lyons Floor Covering	VOID		\$ -
18687	Lyons Floor Covering	Extra Carpet for Community Center	Parks	\$ 450.00
18688	Mail Masters Plus	Install Carpet Tile to Complete Server Room	Parks	\$ 150.00
18689	Official Payments Corp	Live Scan Fee - Daniel Lucero	Parks	\$ 57.00
18690	Siverts Publishing	Payment Processing	Admin	\$ 59.10
18691	Southern California Edison	Renewal 3 month Thrift Store	Parks	\$ 150.00
18692	Southern California Edison	Well # 9, 2, 6, 7 & 8 Electric	Water	\$ 2,977.65
18692	Southern California Edison	Suite B & C	Parks	\$ 820.73
18692	Southern California Edison	Suite D	Parks	\$ 62.99
18693	Southern California Edison	Thrift Store - Ste B	Thrift Store	\$ 591.93
18693	Southern California Edison	Well # 3, 1A & 4A	Water	\$ 6,247.23
18693	Southern California Edison	WWTP Blower & Lift Stations	WWTP	\$ 3,804.21
18694	SWRCB, DWOCB	Grade IV Certification Renewal - A. Aviles	WWTP	\$ 340.00
18695	United Site Services	Trailer Kit Weekly Service - 12-2-16 - 12-29-16	WWTP	\$ 162.25
18695	United Site Services	Park ADA Wheelchair Accessible 12-12-16 - 1-8-17	Parks	\$ 147.57

HELENDALE COMMUNITY SERVICES DISTRICT

Bills Paid and Presented for Approval

for January 5, 2017

Check #	Payee	Item Description	Dept	Amount
18696	Verizon Wireless	Cellular Telephones	Water	45.66
18696	Verizon Wireless	Cellular Telephones	WWTP	25.62
18696	Verizon Wireless	Cellular Telephones	Parks	25.62
18697	Inland Water Works Supply Co.	Operating Supplies @ HSD	Water	2,750.14
<b>60 Total Checks Issued Including 2 Voids</b>				
<u>Director Fees &amp; Reimbursements</u>				
				<u>\$ 229,564.35</u>

**Total Director Fees & Reimbursements**

\$ -

HELENDALE COMMUNITY SERVICES DISTRICT  
 Bills Paid and Presented for Approval  
 for January 5, 2017

Check #	Payee	Item Description	Dept	Amount
		<b>CASH BALANCES</b>		
		<b>Cash Balances as of December 23, 2016</b>		
		Cash in Bank - Desert Community Bank	12/23/2016	\$ 62,082.19
		Cash in Bank - Citizens Business Bank	12/23/2016	\$ 192,251.23
		Citizens Business Bank Sweep Account	12/23/2016	\$ 1,986,753.28
		CalTRUST JPA Short Term Pool	12/23/2016	\$ 626,037.02
		CalTRUST JPA Medium Term Pool	12/23/2016	\$ 1,040,387.29
		LAIF - Water Project Funds - Interest Only	12/23/2016	\$ 6,577.51
		<b>Total Cash Available</b>		<b>\$ 3,914,088.52</b>
		<b>Capital Gain/(Loss) - CalTRUST</b>		
		Interest Earned for - CalTRUST-Short Term		\$ 447.57
		Interest Earned for - CalTRUST-Long Term		\$ 913.46
		Interest Earned for - CBB		\$ 380.72
		Interest Earned - LAIF (Posted Quarterly)		\$ 1,741.75

INVESTMENT REPORT

As of December 23, 2016

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 12/23/2016	\$ 167,424.31	
		Transfer to Medium-Term Pool	\$ 1,000,000.00	
		Withdrawals	\$ (3,510,000.00)	
		Deposits	\$ 1,009,000.00	
		Balance as of 12/23/2016	\$ 1,666,424.31	
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	\$ 6,577.51	
		Balance as of 12/23/2016	\$ 6,577.51	
				\$ 174,001.82



## Helendale Community Services District

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Date: January 5, 2017  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Item #5  
Discussion and Possible Action Regarding Proposed Revisions to Use Agreement for Calvary Chapel, Helendale for Community Center Suite C

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### **STAFF RECOMMENDATION:**

Staff recommends approval on this item

### **STAFF REPORT:**

The lease agreement with the Crossroads Church was originally discussed on July 19, 2012, as a lease agreement. With input from District's General Counsel it was determined that a Use Agreement was a better instrument for the contemplated use rather than a lease. The document was brought to the Board for approval on the consent calendar on November 15, 2012, for acceptance of the signed use agreement and has been in effect since that date.

Recently, the District completed the installation of new carpeting and construction of the new kitchen area. Prior to these improvements the General Manager was in discussions with the church regarding the need to increase the use fee from \$400 per month to \$500 per month. The senior pastor was in agreement with this increase and it was agreed that the increase would take place on or about the first of the 2017.

The other revision to the use agreement includes changing the name from Crossroads Church to Calvary Chapel.

### **Fiscal Impact:**

Increase in annual use fees from \$4,800 to \$6,000

## TEMPORARY USE AGREEMENT

THIS AGREEMENT is made this 1st day of February, 2017, by and between HELENDALE COMMUNITY SERVICES DISTRICT, a public agency (hereinafter "the District"), and CALVARY CHAPEL, HELENDALE, a non-profit corporation (hereinafter "the Church").

### RECITALS

A. The District is a Community Services District organized and operating pursuant to California Government Code Section 61000 et seq.

B. The Church is a 501C-3 non profit organized and operating pursuant to the laws of the State of California.

C. The District is the owner of approximately 11 acres of real property located at 26540 Vista Road in the County of San Bernardino, State of California, which is more particularly described as Assessors Parcel Number 0467-081-38, and as further set forth in the legal description attached hereto as Exhibit "A" and incorporated herein by this reference ("the Property").

D. The Church wishes to temporarily use Unit C on the Property of approximately 5000 square feet in size as depicted on the map attached hereto as Exhibit "B" and incorporated herein by this reference ("the Premises") for the purpose of operating a church thereon in accordance with a schedule acceptable to the District.

E. The purpose of this Agreement is to set forth the terms and conditions under which the District will permit the Church to temporarily use the Premises.

### COVENANTS

NOW THEREFORE, in consideration of the preceding Recitals and the mutual Covenants contained herein, the parties hereto agree as follows:

#### Section 1. DESCRIPTION OF PREMISES

The District hereby permits the Church to temporarily use the Premises in the limited manner as strictly provided in this Agreement, including but not limited to the terms, conditions, and schedule set forth in Exhibit "C" attached hereto and incorporated herein by this reference. The Church has inspected the Premises and agrees that the acreage stated herein is only approximate and the District does not hereby warrant or guarantee the actual amount of acreage stated in this Agreement.

#### Section 2. TERM



The term of this Agreement shall commence on February 1, 2017, and shall continue until terminated by either party hereto upon thirty (30) days written notice to the other party ("the Term"), unless earlier terminated by the District pursuant to the provisions of Section 17 of this Agreement.

### Section 3. FEES

(a) Amount. In consideration for temporary use of the Premises, the Church shall pay fees to the District in an amount of \$500 per month, which payment shall be due on the first day of every month during the Term of this Agreement, and which payment shall be deemed delinquent and subject to an additional late fee equal to ten percent (10%) of the outstanding balance due if unpaid on the tenth day of the month ("Fee").

(b) Security Deposit. Concurrently with the Church's execution of this Agreement, the Church shall deposit with the District a cash sum in the amount of \$400 ("Security Deposit"). The District shall hold the Security Deposit as security for the performance of the Church's obligations under this Agreement. If the Church defaults on any provision of this Agreement, the District may (but shall not be required to), without prejudice to any other remedy it has, apply all or part of the Security Deposit to: (1) any Fee or other sum in default; (2) any amount that the District may spend or become obligated to spend in exercising the District's rights under this Agreement; and/or (3) any expense, loss, or damage that the District may suffer due to the Church's default. The Church waives the provisions of California Civil Code Section 1950.7, and all other provisions of law now in force or that become in force after the date of execution of this Agreement, that provide that the District may claim from the Security Deposit only those sums reasonably necessary to remedy defaults in the payment of accrued Fee, to repair damage caused by the Tenant, or to clean the Premises. The Church and the District agree that the District may, in addition, claim those sums reasonably necessary to compensate the District for any other foreseeable or unforeseeable loss or damage caused by the act or omission of the Church or the Church's officers, agents, employees, independent contractors, or invitees, including future Fee payments.

### Section 4. USE OF PREMISES

The Church use of the Premises shall be strictly limited to operation of a church in a reasonable and lawful manner that is not otherwise inconsistent with the terms and conditions of this Agreement. The Church agrees not to use or permit the use of the Premises for any purpose not specifically allowed in this Agreement and any amendments thereto without first obtaining prior written consent from the District. The Church also agrees to exercise due diligence in the protection of the Premises from damage or destruction by fire, vandalism, earthquake, floods, or other cause.

### Section 5. NO WASTE, NUISANCE, OR UNLAWFUL USE

The Church shall not commit, or allow to be committed, on the Property any waste thereon, nor the presence, use, manufacture, handling, generation, storage, treatment, discharge, release, burial, or disposal of any hazardous substance which is or becomes listed, regulated, or addressed under any federal, state, or local statute, law, ordinance, resolution, code, rule,

regulation, order or decree, nor create or allow any nuisance to exist on the Property, nor permit any unlawful or undocumented workers on the Property, nor use or allow the Property to be used for any illegal or unconstitutional purpose. The Church, at its sole cost and expense, shall be solely responsible for ensuring that the Premises, and the Church's use and occupancy thereof, complies with all of the requirements of all local, state, and federal authorities now in force, or which may be in force, including but not limited to those identified in Section 14 of this Agreement.

#### Section 6. REPAIRS AND MAINTENANCE

The Church, at its own expense, shall be responsible for all costs associated with any repair and/or replacement of the Premises caused by the acts or omissions of the Church and/or its officers, employees, volunteers, agents, guests, and/or invitees. The Church shall not alter the Premises nor construct any improvements thereon without the prior written consent of the District.

#### Section 7. UTILITIES

Gas, water, electricity and refuse will be provided by the District. The Church shall pay when due all other utility charges incurred in connection with its use and/or occupancy of the Premises.

#### Section 8. LIENS

The Church shall not, directly or indirectly, create, incur, assume, or suffer to exist any mortgage, pledge, lien, charge, citation, abatement order, encumbrance, or claim on or with respect to the Property, other than the respective rights of the District and the Church as provided in this Agreement and any amendments thereto. The Church shall promptly, at its own expense, take such action as may be necessary to immediately discharge or remove any such mortgage, pledge, lien, charge, citation, order, encumbrance, or claim as the same shall arise out of the operation of this tenancy. The Church shall reimburse the District for any expense incurred by the District to discharge or remove any such mortgage, pledge, lien, charge, citation, order, encumbrance, or claim.

#### Section 9. ACCESS TO PREMISES

The District shall have reasonable access to the Premises at all times.

#### Section 10. OTHER PROPERTY INTERESTS

The Church's rights under this Agreement are subject to all applicable leases, agreements, easements, licenses, rights of way, and mineral rights currently in existence. The Church shall not interfere, in any way, with the interests of any person or entity that may presently, or in the future, hold any easement, license, right of way, or oil, gas, or other mineral interest, upon, across, above, or under the Property; nor shall the Church interfere, in any way,

with the rights of ingress and egress of such interest holders. The District further reserves the right to grant additional leases, agreements, easements, licenses, and/or rights of way to other parties as may be deemed necessary by the District in its sole discretion, including such arrangements as the District may make with other parties for their use of the Premises.

Section 11. NON-DISCRIMINATION

The Church shall not permit any practice of discrimination against, or segregation of, any person or group of persons on account of sex, race, color, creed, marital status, age, sex, religion, handicap, national origin, or ancestry in its ownership, employment, selection of contractors, subcontractors, and vendees, or in the enjoyment, use, and occupancy of the Premises.

Section 12. NO REPRESENTATIONS, WARRANTIES, OR WATER RIGHTS

It is expressly understood by the parties hereto that the physical condition of the Premises as of the effective date of this Agreement is such that it is leased to the Church as-is without any representation or warranty. The District makes no express or implied representations or warranties concerning the Property or its fitness for any particular purpose. The Church shall bear the costs of any action necessary to place the Premises in a condition that meets the requirements of law or that is otherwise suitable for the use contemplated herein. The District shall not be held liable to the Church or to any other party for any losses incurred or damages sustained as a direct or indirect result of the condition of the Property or any use or failure thereof. Any water produced on or extracted from the Property shall not serve as the basis of, or otherwise support, any water rights claim that may be asserted by the Church.

Section 13. LIABILITY FOR DAMAGES

The District shall not be held liable or responsible for any debts or claims that may arise from the operation of this Agreement, or for any damage claims for injury to persons, including the Church and its agents or employees, or for property damage, or for other loss to any vehicle or the contents thereof, from any cause arising out of or in any way related to the Church's obligations hereunder or its use or occupancy of the Premises, including those arising out of damages or losses occurring on the Property or areas adjacent thereto.

The Church hereby expressly waives and releases the District and its agents, officers, directors, and employees from any and all liability for the claims, actions, and/or losses set forth above and for any costs and expenses incurred in connection therewith. Notwithstanding the provisions of California Civil Code ' 1542, which provides as follows:

“A general release does not extend to claims which the creditor did not know or suspect to exist in his or her favor at the time of the executed release which if known by him or her must have materially affected his or her settlement with the debtor”

the Church expressly waives and relinquishes all rights and benefits afforded to the Church thereunder and under any and all similar laws of any state or territory of the United States with respect to the claims, actions, and/or losses referenced in the first paragraph of this section. This Agreement shall act as a release of future claims that may arise from the aforementioned whether such claims are currently known, unknown, foreseen, or unforeseen. The Church understands and acknowledges the significance and consequences of such specific waiver of Civil Code ' 1542 and hereby assumes full responsibility for any injuries, damages, losses, or liability that may result from the claims identified above. The Church must also require all individuals participating in activities on the Property to duly execute a written release on a separate form approved in writing by the District and filed with the District.

#### Section 14. HOLD HARMLESS

Excepting the sole or active negligence or willful misconduct of the District, the Church agrees to indemnify and hold the District and its officers, directors, agents, and employees, harmless from and against all claims and liabilities of any kind arising out of, in connection with, or resulting from, any and all acts or omissions on the part of the Church and/or its subtenants, agents, guests, invitees, trespassers, contractors, consultants, and employees in connection with the performance of their obligations under this Agreement or their use and/or occupancy of the Premises, and defend the District and its officers, directors, agents, and employees from any suits or actions at law or in equity and to pay all court costs and counsel fees incurred in connection therewith.

In addition, the Church agrees to defend, indemnify, and hold the District and its officers, directors, agents, and employees harmless from and against and all claims, losses, liabilities, damages, demands, actions, judgments, causes of action, assessments, penalties, costs, expenses (including, without limitation, the reasonable fees and disbursements of legal counsel, expert witnesses, and accountants), and all foreseeable and unforeseeable consequential damages which might arise or be asserted against the District and/or the Church, with regard to the condition of the Property or the activities conducted thereon, which are alleged and/or determined to be tortious and/or in violation of present and future federal, state, and local laws (whether under common law, statute, rule, regulation, or otherwise).

#### Section 15. INSURANCE

(a) Security. The District reserves the right to demand at any time during the term of this Agreement and any extensions thereof that the Church procure and maintain bonds from an acceptable surety, cash deposits, or other form of security in amounts and upon terms deemed sufficient by the District in its sole discretion to protect the District from any and all exposure to loss or liability.

(b) Coverage. In addition, the Church shall procure and maintain during the term of this Agreement and any extensions thereof such policies of insurance as will protect it and the District in such a manner and in such amounts as set forth below. The premiums for such insurance coverage shall be paid by the Church. The failure to comply with these insurance

requirements may constitute a material breach of this Agreement at the sole discretion of the District.

(1) Certificates of Insurance. No later than ten (10) calendar days after execution of this Agreement, the Church shall furnish the 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.

(2) Required Provisions. The insurance policies required by this Agreement shall include the following provisions or have them incorporated by endorsement(s):

(i) Primary Coverage. The insurance policies provided by the Church 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 the Church's insurance.

(ii) Additional Insured. The policies of insurance provided by the Church, except Workers' Compensation, 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".

(iii) 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.

(iv) Waiver of Subrogation. The insurance policies provided by the Church shall (1) contain a waiver of subrogation against the District, its directors, officers, employees and agents for any claims arising out of this Agreement, or (2) allow the Church to waive subrogation, in writing, before any loss, in which case this provision of the Agreement shall be deemed to be the Church's written waiver of subrogation against the District for any and all losses covered by any and all insurance policies required under this Agreement.

(v) Claim Reporting. The Church 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.

(vi) Deductible/Retention. If the insurance policies provided by the Church contain deductibles or self-insured retentions, any such deductible or self-insured retention shall not be applicable with respect to the coverage provided to the District under such



policies. The Church shall be solely responsible for any such deductible or self-insured retention and the District, in its sole discretion, may require the Church to secure the payment of any such deductible or self-insured retention by a surety bond or an irrevocable and unconditional letter of credit.

(vii) Subtenants. The Church shall include all subtenants and subcontractors 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 subtenant and/or subcontractor verifying that the insurance for each subtenant and/or subcontractor complies with the same insurance requirements applicable to the Church under this Agreement.

(3) Insurance Company Requirements. The Church 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.

(4) Policy Requirements. The insurance required under this Agreement shall meet or exceed the minimum requirements as set forth below:

(i) Workers' Compensation. The Church shall maintain Workers' Compensation insurance as required by law in the State of California to cover the Church's obligations as imposed by federal and state law having jurisdiction over the Church's employees and Employers' Liability insurance, including disease coverage, of not less than \$1,000,000. Even if Church contends that it has no employees, Church shall obtain a policy to cover its potential exposure on a payroll basis of "if any" for the workers' classification applicable to the Church's occupancy under this Agreement.

(ii) General Liability. The Church shall maintain Comprehensive General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$2,000,000 aggregate. The policy shall include, but not be limited to, coverage for bodily injury, property damage, fire legal liability, personal injury, products, completed operations and 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 expiration or termination of this Agreement.

(iii) Automobile Liability. The Church shall maintain Commercial Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$2,000,000 each occurrence for any owned, hired, or non-owned vehicles.



(iv) Property Insurance. The Church shall maintain property insurance in an amount sufficient to cover the full replacement cost for (1) any physical damage to or destruction of any and all structures, improvements, or other real property (not including the land) on the Property, and (2) any physical damage to or destruction of any and all personal property of any person, other than the Church, that is on the Property. The determination of the specific dollar amounts of property coverage that will be sufficient for this section shall be in the sole discretion of the District.

(v) Manner of Satisfaction. The insurance required in subsections (ii) through (iv) above may be provided by separate policies of insurance or combined into a single package policy.

#### Section 16. DEFAULT

The following shall be deemed events of default and cause for immediate termination of this Agreement by the District:

(a) Fees. The Church fails to pay any installment of Fees when due, and such failure continues for a period of ten (10) days.

(b) Insolvency. The Church becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors.

(c) Receivership. A receiver or trustee is appointed for all or substantially all of the assets of the Church.

(d) Abandonment. The Church deserts or vacates any substantial portion of the Premises.

(e) Breach. The Church fails to comply with any term, condition, or covenant of this Agreement.

#### Section 17. REMEDIES FOR BREACH

Upon the occurrence of any event of default described in Section 16 of this Agreement, the District shall give the Church written notice thereof and shall have the option to pursue any one or more of the following remedies, with or without the benefit of court order, in addition to its other rights and remedies under the law:

(a) Reentry. Enter upon the Property, by force if necessary, without being liable for prosecution or any claim for damages therefor, and perform whatever act the Church is obligated to perform under the terms of this Agreement; and the Church agrees to reimburse the District, on demand, for any expenses which the District may incur in effectuating compliance with the Church's obligations under this Agreement, and the Church further agrees that the District shall not be liable for any damages resulting from such actions.

(b) Eviction. Enter upon and take possession of the Property and any personal property found thereon, and expel or remove the Church and/or any person who may be occupying the Property, or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor, and subsequently sublease the Property and receive the rent and receipts therefor; and the Church agrees to pay to the District, on demand, any deficiency that may arise by reason of such subsequent subleasing. The District may store any personal property removed from the Property in a public warehouse or at another place of its choosing within the County of San Bernardino at the Church's expense or to the Church's account.

(c) Termination. Termination of this Agreement, in which case the Church shall immediately surrender the Premises to the District, and if the Church fails to do so, the District may, without prejudice to any other remedy which it may have for possession or arrearages in rent or receipts, enter upon and take possession of the Property and expel or remove the Church and any other person who may be occupying the Premises, or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefor; and the Church agrees to pay to the District, on demand, the full amount of all loss and damage which the District may suffer by reason of such termination, whether through inability to subsequently sublease the Property on satisfactory terms or otherwise.

#### Section 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.

#### Section 19. CONDEMNATION OF PROPERTY

Should all or any part of the Property be taken by any public or quasi-public agency or entity under the power of eminent domain during the term of this Agreement, any and all damages and compensation awarded or paid because of the taking shall belong to the District.

#### Section 20. ATTORNEYS' FEES

If either the District or the Church is the prevailing party in any legal dispute caused by the non-prevailing party, which said legal dispute arose out of, under, in connection with, or in relation to this Agreement, and any amendments thereto, or the breach thereof, the prevailing party shall be entitled to receive from the non-prevailing party all attorneys fees and costs actually incurred by the prevailing party in connection therewith. In any such action, arbitration, mediation, or other proceeding, the entitlement to recover attorneys fees and costs will be considered an element of costs and not of damages.

#### Section 21. NOTICE

All notices, demands, or other writing in this Agreement required to be given or made or sent, or which may be given or made or sent, by either party hereto to the other, shall be deemed to have been fully given or made or sent when in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

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

To the Church: Calvary Chapel, Helendale  
P.O. Box 1689  
Helendale, CA 92342  
Attention: Dale Bergman

The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

#### Section 22. SUCCESSORS AND ASSIGNS

The Church shall not sublet, assign, mortgage, pledge, hypothecate, or otherwise dispose of the Property, or any part thereof, or any right or privilege connected therewith, or to allow any other person, except the Church's agents and employees, to occupy the Property or any part thereof, without first obtaining the written consent of the District. Any such consent by the District shall not constitute consent to any subsequent assignment, sublease, or occupation by the Church or other persons. The Church's unauthorized assignment, sublease, or license to occupy shall be void, and shall terminate this Agreement at the District's option. The Church's interest in this Agreement is not assignable by operation of law, nor is any assignment of its interest herein, without the written consent of the District. Further, any change in stock ownership of the Church which results in a transferee, who is other than a stockholder of the Church at the time of executing this Agreement, receiving a beneficial ownership of, or interest in, any outstanding stock of the Church, shall be deemed an assignment prohibited by this Section, unless the written consent of the District be obtained.

#### Section 23. INUREMENT

This Agreement and the covenants and conditions hereof apply to and are binding upon the heirs, successors, legal representatives, and assigns of the parties hereto.

#### Section 24. INTEGRATION AND AMENDMENT

This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes any and all prior agreements, whether oral or written,

between the parties in connection therewith. This Agreement may not be amended unless in writing and signed by both parties hereto.

Section 25. CAPTIONS

The captions of sections and subsections of this Agreement are for reference only and are not to be construed in any way as a part of this Agreement.

Section 26. INTERPRETATION AND ENFORCEMENT

This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties jointly prepared this Agreement and any uncertainty or ambiguity contained herein shall not be interpreted against the party responsible for the drafting thereof. This Agreement shall be enforced and governed by and under the laws of the State of California, and venue for any action brought to interpret and/or enforce any provision of this Agreement shall be in a state or federal court located in the State of California with in rem jurisdiction over the Property.

Section 27. TIME OF THE ESSENCE

Time is of the essence in this Agreement and each and every provision thereof.

Section 28. AUTHORITY

The persons executing this Agreement hereby represent and warrant that they are fully and duly authorized and empowered to so execute on behalf of each of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers as of the date first above written.

HELENDALE COMMUNITY SERVICES  
DISTRICT

By: \_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary

CROSSROADS CHURCH

By: \_\_\_\_\_  
Dale Bergman, Senior Pastor

(ATTEST: NOTARY PUBLIC)



## Helendale Community Services District

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Date: November 3, 2016  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Item #6  
Discussion and Possible Action Regarding Future Mandate to Move Elections to General Election Cycles and Consideration of Complying Before Next Election Cycle

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### **STAFF RECOMMENDATION:**

Staff suggests that the Board consider changing District elections to either the June or November even year cycle beginning in 2018.

### **STAFF REPORT:**

This item was previously discussed on November 3 with no direction given to Staff at that time. Staff recently received the attached letter from the San Bernardino County Clerk of the Board seeking objections to the Chaffey Community College District's request to change their elections from November of odd numbered years to June of even numbered years. This was not an option presented by Staff during the last discussion.

As background, beginning no later than January 2018 all political subdivisions that have had a voter turn-out of 25% less than the average voter turnout for the previous four statewide general elections will be required to move their elections to the general election cycle. Staff is still awaiting information from the San Bernardino County Registrar of Voters to determine if the District will need to comply with this mandate.

Attached for discussion purposes is a draft resolution developed by District Legal Counsel in compliance with Senate Bill No. 415. The intent of the bill is to provide greater voter participation that typically exhibited in the general election cycle rather than in the off-year elections which result in significantly reduced voter participation. For jurisdictions who consistently have voter participation greater than the threshold of 25% less will be exempt from the general election cycle mandate. At some point in time, one can speculate that all "political subdivisions" will move their elections to the general election cycle to avoid potential litigation. Significant threat of litigation exists if a "political subdivision" is found to be in violation of compliance with the Voter Participation Rights Act. A "political subdivision" is allowed under SB415 to delay the consolidation until November 2022 if it has adopted a plan to consolidate the elections at that time.

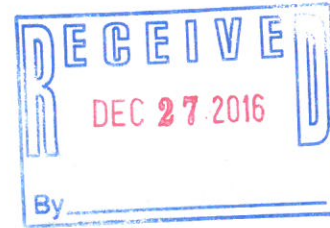
In summary, the District can request to consolidate now; consolidate in 2018 or adopt a plan and consolidate in 2022.





## Clerk of the Board of Supervisors

Laura H. Welch  
Clerk of the Board of Supervisors



December 21, 2016

Re: Chaffey Community College District's Request for Consolidation of Regular Elections with Statewide General Elections Even-Year Election Cycle

Dear Sir or Madam:

On November 16, 2016, the Board of Directors of the Chaffey Community College District adopted attached Resolution 111616 requesting that all future regular elections for Chaffey Community College District be consolidated from November of odd-numbered years to June of each even-numbered year beginning in June 2018. The Registrar of Voters is conducting an impact analysis of the above request to quantify issues of cost and capacity of current election systems. Additionally, per Elections Code section 10404(c) our office is required to send notice to all special districts in the county requesting input on the effects of the requested consolidation of the Chaffey Community College District election with the Statewide elections.

Should your district have any comments regarding the effects of the Chaffey Community College District's request, please address those comments to:

Laura H. Welch  
Clerk of the Board of Supervisors  
385 N Arrowhead Ave, 2<sup>nd</sup> Floor  
San Bernardino, CA 92415-0130

Please submit any comments you might have by **January 13 at 5:00 P.M.** If you have any questions regarding this request for comment, please contact Michelle Moreno, Board Services Supervisor at (909) 387-4265.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Moreno".

Michelle Moreno  
Board Services Supervisor  
Clerk of the Board of Supervisors

Attachment: Resolution No. 111616

### BOARD OF SUPERVISORS

ROBERT A. LOVINGOOD  
Vice Chairman, First District

JANICE RUTHERFORD  
Second District

JAMES RAMOS  
Chairman, Third District

CURT HAGMAN  
Fourth District

JOSIE GONZALES  
Fifth District

GREGORY C. DEVEREAUX  
Chief Executive Officer

RESOLUTION 111616

A RESOLUTION OF THE GOVERNING BOARD OF CHAFFEY  
COMMUNITY COLLEGE DISTRICT CHANGING ITS REGULAR  
ELECTION TO JUNE OF EVEN-NUMBERED YEARS AND  
REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF  
SAN BERNARDINO TO APPROVE THIS RESOLUTION

**WHEREAS**, pursuant to Elections Code Section 1302(a) and Chaffey Community College District Governing Board Policy No. 2100, Chaffey Community College District ("District") holds its regular election on the first Tuesday after the first Monday in November of each odd-numbered year; and

**WHEREAS**, SB 415, effective January 1, 2018, provides that a public agency, including a community college district, cannot hold its regular election on any date other than a statewide election date if holding an election on a non-statewide election date results in a "significant decrease in voter turnout," which is defined by SB 415 as at least 25 percent less than the average voter turnout within the public agency for the previous 4 statewide general elections; and

**WHEREAS**, the District's regular election date is not a statewide election date and during the 2015 District election, the District had approximately 10 percent of eligible voters vote in the District election; and

**WHEREAS**, in order to change its regular election date, SB 415 and Elections Code Section 1302(b) require the District to adopt a resolution changing its regular election date to the same day as the statewide general election, which is held in November of even-numbered years, or the statewide primary election, which is held in June of even-numbered years; and

**WHEREAS**, the resolution must then be submitted to the Board of Supervisors of the County of San Bernardino at least 240 days before the next District regular election, and the resolution must be approved by the Board of Supervisors in order to change the District's election date; and

**WHEREAS**, it is the intent and desire of the Governing Board of the District to change its regular election to the statewide primary election, held in June of even-numbered years, to ensure compliance with SB 415.

**NOW, THEREFORE**, the Governing Board of the Chaffey Community College District hereby resolves as follows:

Section 1. That the above recitals are adopted as true and correct.

Section 2. That pursuant to Elections Code Sections 1302(b) and 10405.7, the Governing Board hereby changes its regular election from the first Tuesday after the first Monday in November of odd-number years to the first Tuesday after the first Monday in June of even-numbered years.

Section 3. That the Superintendent/President is hereby authorized to take any and all actions, and execute any documents necessary, to submit this Resolution to and assist the Board of Supervisors of the County of San Bernardino in its review and approval of this Resolution.

Section 4. That this Resolution shall become operative upon approval by the Board of Supervisors of the County of San Bernardino.

**PASSED AND ADOPTED** by the Governing Board of the Chaffey Community College District at Rancho Dominga, California, this 16th day of November, 2016 at a regular meeting by the following vote:

Ayes	5
Noes:	0
Abstentions:	0
Absent:	0

I, Kathleen R. Brugger, Clerk of the Governing Board of the Chaffey College Community College District of San Bernardino County, California, do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted by said Board at the regular meeting thereof at the date and place and by vote stated, which Resolution is on file and of record in the Office of said Board.

  
Kathleen R. Brugger  
Clerk, Governing Board

Senate Bill No. 415

CHAPTER 235

An act to add Chapter 1.7 (commencing with Section 14050) to Division 14 of the Elections Code, relating to elections.

[Approved by Governor September 1, 2015. Filed with Secretary of State September 1, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SB 415, Hueso. Voter participation.

Existing law generally requires all state, county, municipal, district, and school district elections be held on an established election date. Existing law also establishes certain dates for statewide elections. Existing law requires any state, county, municipal, district, and school district election held on a statewide election date to be consolidated with a statewide election, except as provided.

This bill, commencing January 1, 2018, would prohibit a political subdivision, as defined, from holding an election other than on a statewide election date if holding an election on a nonconcurrent date has previously resulted in voter turnout for a regularly scheduled election in that political subdivision being at least 25% less than the average voter turnout within the political subdivision for the previous 4 statewide general elections, except as specified.

This bill would require a court to implement appropriate remedies upon a violation of this prohibition. The bill would authorize a voter who resides in a political subdivision where a violation is alleged to file an action in superior court to enforce this prohibition, and it would allow a prevailing plaintiff other than the state or political subdivision to collect a reasonable attorney's fee and litigation expenses, as provided.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 1.7 (commencing with Section 14050) is added to Division 14 of the Elections Code, to read:

CHAPTER 1.7. VOTER PARTICIPATION

14050. This chapter shall be known and may be cited as the California Voter Participation Rights Act.

14051. As used in this chapter:

(a) "Political subdivision" means a geographic area of representation created for the provision of government services, including, but not limited

to, a city, a school district, a community college district, or other district organized pursuant to state law.

(b) "Significant decrease in voter turnout" means the voter turnout for a regularly scheduled election in a political subdivision is at least 25 percent less than the average voter turnout within that political subdivision for the previous four statewide general elections.

(c) "Voter turnout" means the percentage of voters who are eligible to cast ballots within a given political subdivision who voted.

14052. (a) Except as provided in subdivision (b), a political subdivision shall not hold an election other than on a statewide election date if holding an election on a nonconcurrent date has previously resulted in a significant decrease in voter turnout.

(b) A political subdivision may hold an election other than on a statewide election date if, by January 1, 2018, the political subdivision has adopted a plan to consolidate a future election with a statewide election not later than the November 8, 2022, statewide general election.

14053. Upon a finding of a violation of subdivision (a) of Section 14052, the court shall implement appropriate remedies, including the imposition of concurrent election dates for future elections and the upgrade of voting equipment or systems to do so. In imposing remedies pursuant to this section, a court may also require a county board of supervisors to approve consolidation pursuant to Section 10402.5.

14054. In an action to enforce subdivision (a) of Section 14052, the court shall allow the prevailing plaintiff other than the state or political subdivision of the state, a reasonable attorney's fee consistent with the standards established in *Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49, and litigation expenses including, but not limited to, expert witness fees and expenses as part of the costs. A prevailing defendant shall not recover any costs, unless the court finds the action to be frivolous, unreasonable, or without foundation.

14055. A voter who resides in a political subdivision where a violation of subdivision (a) of Section 14052 is alleged may file an action pursuant to that section in the superior court of the county in which the political subdivision is located.

14056. This chapter does not apply to special elections.

14057. This chapter shall become operative on January 1, 2018.



**RESOLUTION NO.**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT, SAN BERNARDINO COUNTY, RECOMMENDING CONSOLIDATED ELECTION FOR GOVERNING BOARD MEMBERS WITH STATEWIDE GENERAL ELECTIONS AND APPROVING THE RESCHEDULING OF SUCH ELECTIONS FROM ODD-YEAR TO EVEN-YEAR ELECTIONS COMMENCING WITH THE 2017 ELECTION**

WHEREAS, Helendale Community Services District ("HCSD") is a Community Services District organized and operating within the County of San Bernardino pursuant to California Government Code Section 61000 et seq.;

WHEREAS, HCSD was formed on or about December 4, 2006 pursuant to Resolution No. 2951 of the Local Agency Formation Commission of the County of San Bernardino ("LAFCO");

WHEREAS, Condition No. 7 of LAFCO Resolution No. 2951 expressly states that HCSD's Board of Directors ("the Board") "shall consist of five members, elected at-large, pursuant to the provisions of Government Code Section 61020 ...";

WHEREAS, under Sections 61020 and 61021(c) of the Government Code, the elections and terms of office for members of the Board shall be determined pursuant to the Uniform District Election Law (Elections Code Section 10500 et seq.);

WHEREAS, by operation of Sections 10505 and 10507 of the Elections Code, districts such as HCSD that are formed in an even-numbered year are required to hold their Board elections on the first Tuesday after the first Monday in November in each odd-numbered year;

WHEREAS, the current date for election of the Board is every two (2) years on the first Tuesday after the first Monday in November of odd years (e.g. the next election is scheduled for November 7, 2017);

WHEREAS, statewide general elections are held in California only in June and November of even years (e.g. the next statewide general election is scheduled for November 8, 2016) (Elections Code Section 1001);

WHEREAS, HCSD is located entirely within San Bernardino County;

WHEREAS, the California Voter Participation Rights Act (Senate Bill 415), approved by the Governor in September 2015 and effective January 1, 2016, prohibits a political subdivision from holding an election other than on a statewide election date commencing January 2018 (Elections Code Sections 14050-14057);

WHEREAS, elections that are held in odd-numbered years have historically had lower levels of voter participation than statewide elections conducted in even-numbered years;



WHEREAS, since HCSD's Board-member elections are not held in conjunction with most state elections, HCSD is forced to bear disproportionately higher election costs than if the elections were consolidated with statewide general elections in even-numbered years;

WHEREAS, the cost of HCSD's Board-member elections has increased with each succeeding election, and HCSD wishes to reduce its election expenses;

WHEREAS, HCSD wishes to increase voter participation in elections for Board members and to reduce expenses whenever possible;

WHEREAS, it is considered the view of the Board that starting with the 2017 Board elections, the public interest will be better served by election of its Board members pursuant to "even-year elections" in conjunction with the statewide general elections;

WHEREAS, as a result of these facts, the Board desires to change the date of future Board member elections to be consolidated with the California statewide general election in order to increase and enhance voter participation;

WHEREAS, while the Board recognizes there is a cost savings to HCSD resulting from aligning its election with the statewide general elections, this factor is not the primary motivation for the Board's decision, however, this incidental benefit furthers HCSD's policy of fiscal responsibility;

WHEREAS, while the Board recognizes the terms of its members would be extended as a result of aligning HCSD's elections with the statewide general elections, this is not the reason for the Board's decision;

WHEREAS, pursuant to Elections Code Section 10505(d), HCSD is authorized by Section 10404 of the Elections Code to adopt a resolution requiring that its Board-member elections be held on the same day as the statewide general election; and

WHEREAS, if the change in election date is approved, it is being requested the new election date be moved from November 2017 to November 2018 with Board members whose terms would have expired in 2017 being extended to 2018 and Board members whose terms would have expired in 2019 being extended to 2020, as required by Elections Code Section 10404(i) [refer to Exhibit A].

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Helendale Community Services District that the above recitals are true and correct and that the Board hereby adopts this Resolution to consolidate the election date for members of the Board with the California state general election in November in even years (Elections Code Section 1001) pursuant to Elections Code Section 10404(b).

BE IT FURTHER RESOLVED by the Board of Directors of the Helendale Community Services District that the Board Secretary will notify the San Bernardino County Elections Office that the District is prepared to pay the expenses of mailing notice of approval of the change in election date by the San Bernardino County Board of Supervisors as required by Elections Code 10405.7(f).

BE IT FURTHER RESOLVED by the Board of Directors of the Helendale Community Services District that the San Bernardino County Board of Supervisors is hereby requested to consolidate all future elections for the Board of Directors of the Helendale Community Services District with the statewide general elections to be held in even-numbered years, beginning on November 6, 2018.

BE IT FURTHER RESOLVED by the Board of Directors of the Helendale Community Services District that if the consolidation of election is approved, the term of office of current Board members expiring in November 2017 will be extended to November 2018 and the term of Board members expiring in November 2019 will be extended to November 2020.

BE IT FURTHER RESOLVED by the Board of Directors of the Helendale Community Services District that, upon consolidation with the statewide general election, all such future elections for the Board of Directors of the Helendale Community Services District shall be conducted in accordance with, including dates that are consistent with, the primary or general election with respect to nominations, notices, canvass of votes, certification of election, and all other procedural requirements of the California Elections Code pertaining to the primary or general election.

BE IT FURTHER RESOLVED by the Board of Directors of the Helendale Community Services District that the District's Board Secretary or designee is authorized to take such actions and execute such agreements and documentation necessary to implement the intent of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Helendale Community Services District on \_\_\_\_\_, 2016, by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**

\_\_\_\_\_  
President, Board of Directors

**ATTEST:** \_\_\_\_\_

**EXHIBIT A**

**HELENDALE COMMUNITY  
SERVICES DISTRICT  
BOARD OF DIRECTORS**

<b>Board Member</b>	<b>Current Election Year</b>	<b>New Election Year</b>



## Helendale Community Services District

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Date: January 5, 2017  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Item #7  
Discussion Only Regarding Review of Public Notice information Related to 2012  
Water Rate Increase

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**STAFF RECOMMENDATION:**

None.

**STAFF REPORT:**

Attached for the Board's review and discussion is a copy of the public notice that was mailed to every water customer within the District prior to the public hearing in 2012. The notice provided information related to the rate increase including why the increase was necessary and how the public could participate in the process.

Staff and District Counsel will provide a review of the process at the meeting.



# HELENDALE COMMUNITY SERVICES DISTRICT

## NOTICE OF PUBLIC HEARING FOR PROPOSED WATER RATE INCREASES

Article XIID of the California Constitution requires the Helendale Community Services District (HCSD) to send notification of a proposed rate increase at least 45 days prior to a public hearing, to all owners and tenants of real property within HCSD's service area who would be directly liable to pay for water service to the property at which adoption of the proposed rate increases will be considered. In accordance with those requirements, please be advised that HCSD is proposing an increase in its water service charges. This Notice identifies the amount of the proposed rate increases; the basis upon which the proposed

increases were calculated; the reason for the proposed rate increases; the date, time, and location of a public hearing on the proposed rate increases; and the manner in which all persons opposed to the proposed increases may object and/or file a written protest thereto. Consequently, please be advised that this document shall serve as formal notification to you that HCSD's Board of Directors will hold a Public Hearing on the proposed rate increases described herein on **Thursday, June 7, 2012, at 6:30 p.m., in the Helendale CSD Board Room located at 26540 Vista Road, Suite C, Helendale, California.**

## SUMMARY OF FINDINGS

### **Why are water rates increasing?**

Helendale Community Services District (HCSD) is committed to providing safe, reliable water to its customers. HCSD customers receive local water from four ground water wells located within the District service area. Despite our best efforts to keep costs down, HCSD's financial stability is tied to several factors beyond our control.

The proposed rates outlined in this notice are designed to collect the revenue needed to cover operating expenses, meet debt service obligations and fund necessary capital improvement projects.

HCSD's basic operational costs have seen increases including rising electricity costs to operate wells and other facilities, increased maintenance and infrastructure costs and other labor-related costs. HCSD has not increased rates for over five years but has taken measures to seek grants and affordable loans to fund needed infrastructure. In 2007, the District engaged in a capital improvement project to replace all of the service lines in the community at a total project cost of \$2.1 million dollars. The tangible benefit of the project was the elimination of the almost daily water system leaks and a savings of more than 500 acre-feet of precious groundwater per year. To meet the annual water demand of our customers the District has

invested \$2.3 million dollars in leased and permanent water rights. The District currently owns 2,678 acre-feet of permanent water rights but still needs approximately 225 acre-feet to meet annual water demand. At the current cost of permanent water this would cost close to \$1 million to purchase. In addition, HCSD has drilled and equipped two new production wells at a cost of \$1.4 million dollars. The two new wells have water quality that meets State and Federal standards and the reliability and production capacity of the new wells ensures that we have a consistent supply during the high demand summer months. To date, the District has expended more than \$5.5 million dollars on necessary improvements and water rights to service the needs of our customers.

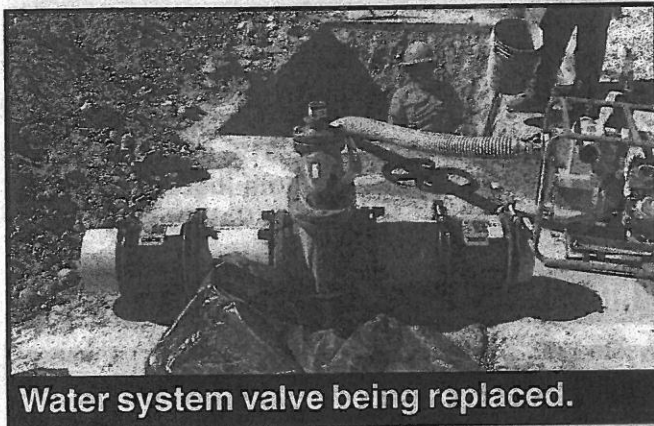
### **Governmental Regulations**

Strict government regulation also plays a role in the District's operation. The Federal Environmental Protection Agency mandates protocol which HCSD must follow regarding water quality. Changes in both State and Federal mandates have required us to drill two new water production wells because HCSD is no longer allowed to use three production wells that exceed water quality standards. As new laws are passed, additional water quality monitoring is required at additional expense to the District.



## Responsible Fiscal Management

Helendale Community Services District's proposed water rate increases are consistent with the rate study performed by an independent professional consulting firm, Bartle Wells Associates. That study took into account (1) fixed charges versus fixed cost, (2) infrastructure replacements and upgrades for the capital improvement projects discussed in this Notice, and (3) inflationary pressure on routine operating and administrative costs. Based upon all of the factors, elements, and calculations considered in that study, a rate increase in the amount set forth herein was recommended. Copies of the rate study may be viewed on HCSD's website, [www.Helendalecsd.org](http://www.Helendalecsd.org), or at the administrative office.



Water system valve being replaced.

## Capital Improvement Projects: Protecting the Future of Your Water Supply

As its name suggests, capital improvement is an enhancement to your water system. Helendale Community Services District is committed to planning, designing and implementing the most cost-effective and efficient capital improvement projects, with the long-term goal of ensuring a reliable, high quality local water supply. HCSD's financial approach to capital improvement combines responsible fiscal decision making with an investment in smart infrastructure planning. Capital projects are often complex and require considerable management, such investment directly benefits HCSD customers by providing new technologies in water system operations and equipment maintenance, efficient water resource management and an overall highly-sustainable water system.

Helendale Community Services District evaluated the full scope of potential projects individually to determine top priorities to support the continued delivery of reliable, high quality drinking water to its customers. HCSD plans the following vital projects:

As a public agency, the Helendale Community Services District receives no profit from its water rates and is obligated to charge its customers no more than the actual cost incurred for furnishing the services that HCSD provides. Standard expenses include operations and maintenance components, government compliance costs, and the development of capital improvement projects within HCSD's service area. HCSD collects no tax money for water, and customers pay only for the benefits and services they receive. Consequently, the new rate structure that is being proposed reflects the professional opinion of an independent financial consulting firm after incorporating cost of service with fiscal responsibility and sound water resource management.

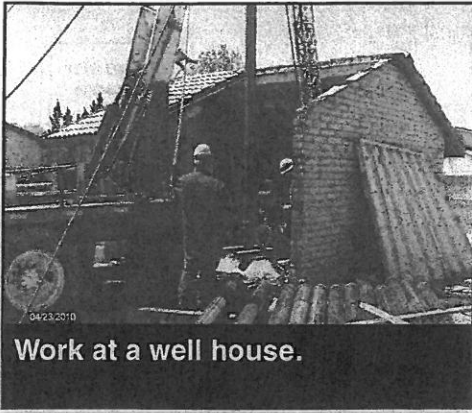
**Water Rights:** Over the past five years the District has expended over \$2.3 million dollars on leased and/or permanent water rights. Currently the District owns 2,678 acre-feet of permanent water rights. An additional 225 acre-feet of permanent water rights is needed to meet the annual pumping requirements of the District. At current market prices this would cost approximately \$945,000.

**SCADA System:** A Supervisory Control and Data Acquisition system would allow operators to monitor the tanks levels and well activity remotely and to identify immediately any abnormal operations within the monitored areas. Many adjustments can be made remotely saving valuable time and resources.

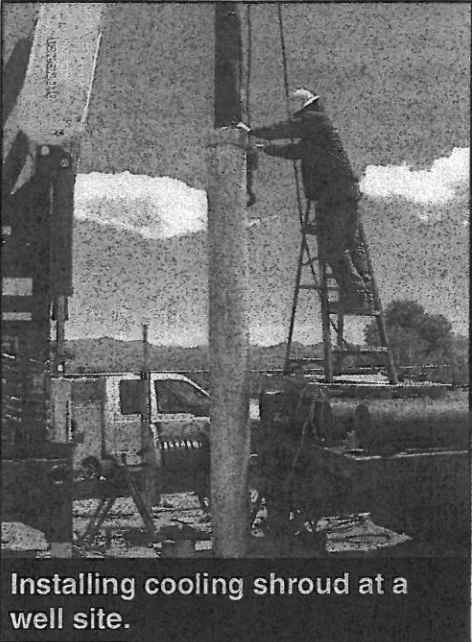
**Well Manifold Project:** Blending is a preferred treatment methodology for some water quality constituents. Through a three-phase manifold project the District will be able to blend water to maximize operational ability. At project build-out the District will be able to utilize three wells that are currently off-line and blend with other sources in order to comply with governmentally regulated standards.

**New Well Development:** Evaluation and development of a new well site will provide the District assurances of meeting water system demand and maximize the operational ability of the District. Two new wells have been constructed to replace wells that were no longer viable. Two additional wells are aging and will need to be replaced in the near future.

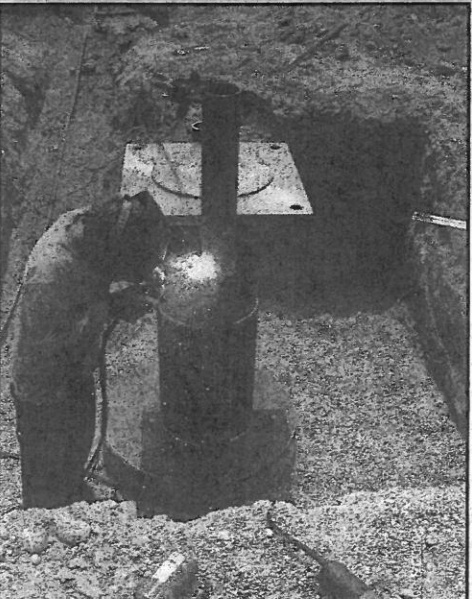
**Water Storage Building:** Storage is needed for equipment and supplies to protect from theft and weather damage.



Work at a well house.

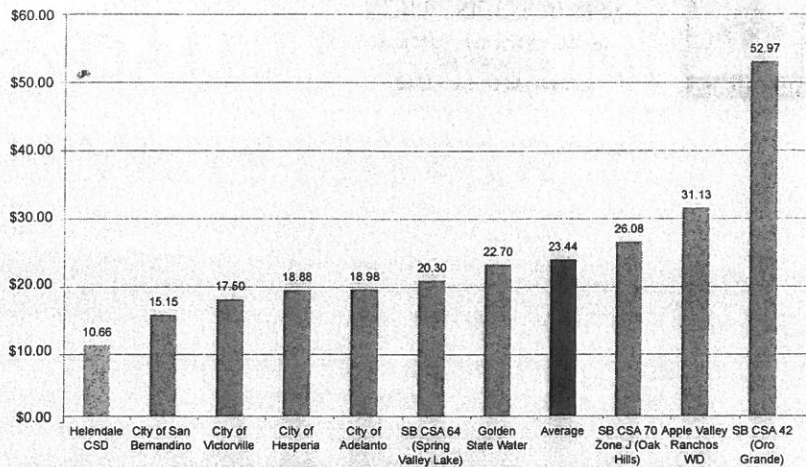


Installing cooling shroud at a well site.



Base plate for well head.

### Single Family Residential Water Fixed Rate Survey - Oct 2011



### Proposed fixed rate increases

Meter Size	Current Service Charge						
	7/1/2012	1/1/2013	7/1/2013	7/1/2014	7/1/2015	7/1/2016	
Fixed Rate 1" & 3/4"	10.66	15.66	20.66	25.66	CPI adjustment	CPI adjustment	CPI adjustment
2"	25.00	48.82	64.41	80.00	CPI adjustment	CPI adjustment	CPI adjustment
3"	41.81	92.12	121.53	150.94	CPI adjustment	CPI adjustment	CPI adjustment
4"	63.70	153.84	202.95	252.07	CPI adjustment	CPI adjustment	CPI adjustment
6"-SL RV	63.70	153.84	202.95	252.07	CPI adjustment	CPI adjustment	CPI adjustment
6"	116.36	234.90	309.90	384.90	CPI adjustment	CPI adjustment	CPI adjustment

Based on the rate analysis performed, the following table summarizes the proposed water rate. If approved, the rate change would phase-in periodically in accordance with this schedule for the next five years beginning July 1, 2012.

### Proposed usage rate increases adjusted by Consumer Price Index

Usage	Current Usage Rate					
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016	
0-7 hcf* 0-5,236 gallons	.81 cents	.81 cents	CPI adjustment	CPI adjustment	CPI adjustment	CPI adjustment
7-40 hcf 5,237 -29,920 gallons	.90 cents	.90 cents	CPI adjustment	CPI adjustment	CPI adjustment	CPI adjustment
>40 hcf More than 29,921 gallons	1.01 cents	1.01 cents	CPI adjustment	CPI adjustment	CPI adjustment	CPI adjustment

\*HCF = hundred cubic foot or 748 gallons  
Consumer Price Index historical average has been around 2%

Based on the rate analysis performed, the following table summarizes the proposed water rate. If approved, the rate change would phase-in periodically in accordance with this schedule for the next five years beginning July 1, 2012.





HELENDALE COMMUNITY  
SERVICES DISTRICT

26540 VISTA RD. SUITE B  
P.O. BOX 359  
HELENDALE, CA 92342

PRSRTD STD  
U.S. Postage  
**PAID**  
Victorville, CA  
Permit No. 235

## HOW TO PARTICIPATE

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

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

**Attend the Public Hearing** – Written protests may also be submitted at the Public Hearing on **June 7, 2012, at 6:30 p.m. in the Helendale Community Services District Board Room, 26540 Vista Road, Suite C, Helendale, California.** Written protests must be received before the conclusion of the Public Hearing. You may address the Board; however, oral comments do not qualify as a formal protest unless accompanied by a written protest.

**Information available to you** – Copies of the rate study, the proposed Ordinance and Resolutions, and further details concerning the reasons for the proposed rate increases and the basis upon which they were calculated are available for review at the HCSD office at 26540 Vista Road, Ste B, or on our website: [www.helendalecsd.org](http://www.helendalecsd.org)

**Public Hearing Process** – At the time of the Public Hearing, the Board of Directors will hear and consider all protests and objections. After the Public Hearing, if a majority of the property owners and tenants of real property directly liable for paying water bills for the affected parcels file written protests in opposition to the proposed rate increases, the increases will not be imposed. However, if a majority protest is not received, HCSD's Board of Directors may increase its water service rates in the manner described in the Notice. If adopted, the proposed rates would become effective July 1, 2012, but the increase would be phased-in periodically over the next five years as outlined in this Notice.