



SPECIAL BOARD MEETING
Thursday, September 5, 2024, at 5:00 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

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

Pursuant to Government Code Section 54953(b), Director Haas will attend the meeting via teleconference; location at 26454 Edgewater Lane, Helendale, CA 92342 and Director Clark will participate in the meeting via teleconference from 3280 Black Jack Ridge, Prescott, AZ 86305

Call to Order - Pledge of Allegiance

- 1. Discussion and Possible Action Regarding Director Remote Participation pursuant to AB2449 (Government Code Section 54953(f))**
 - a. Notification due to Just Cause
 - b. Request due to Emergency Circumstances

2. Approval of Agenda

3. Public Participation

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

Call to Order - Pledge of Allegiance

Closed Session

- 4. Conference with Legal Counsel – Existing Litigation**
[Government Code Section 54956.9(d)(1)]
Name of Case: In re: Aqueous Film-Forming Foams Product Liability Litigation, United States District Court South Carolina Charleston Division, Master Docket No. 2:18-mn-2873-RMG
- 5. Report out of Closed Session Item**
- 6. 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 agenzized 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.



REGULAR BOARD MEETING
Thursday, September 5, 2024, at 6:00 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

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 - a. Notification due to Just Cause
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4. Consent Items

- a. Approval of Minutes: Regular Board Meeting of August 15, 2024
- b. Bills Paid Report
- c. July Financial Report

5. Reports

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

Special Presentation

- 6. San Bernardino County Fire Budget – Station 4**

Regular Business:

- 7. Discussion and Possible Action Regarding Acceptance of a Grant Agreement with EPA for Wastewater Engineering, Environmental and Bureau Feasibility Study**
- 8. Discussion and Possible Action Regarding Development and Circulation of Request for Proposals for Engineering Services for Wastewater Plant Upgrade**

9. Discussion and Possible Action Regarding Approval of Revisions to the District's Purchasing Policies and Procedures

10. Discussion and Possible Action Regarding Helendale Farmers Market

Other Business

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

Closed Session

12. Conference with Real Property Negotiators

(Government Code Section 54956.8)

Property: 15302 Smithson Road, Helendale, California

District Negotiator: Dr. Kimberly Cox, General Manager

Negotiating Parties: Vertical Bridge

Under Negotiation: Price and Terms of Option and Lease Agreement

13. Announcement of Reportable Closed Session Actions

14. Adjournment

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



Helendale Community Services District

Date: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #1
Discussion and Possible Action Regarding Director Remote Participation
Pursuant to AB2449 (Government Code Section 54953(f))

NOTIFICATION OF REMOTE BOARD MEETING ATTENDANCE

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

JUST CAUSE

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

Just Cause means any of the following:

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

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

EMERGENCY CIRCUMSTANCES

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

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

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



Helendale Community Services District

Date: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #4
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: Regular Board Meeting of August 15
- b. Bills Paid Report
- c. July Financial Report



Helendale Community Services District

Date: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #4a
Minutes from Regular Board meeting 8/15/2024



**Minutes of the Helendale Community Services District
SPECIAL BOARD OF DIRECTORS MEETING**

Date: August 15, 2024
 Time: 6:00 PM
 Meeting called to order by: President Henry Spiller

Attendance

President Henry Spiller	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Vice President Ron Clark	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Secretary Sandy Haas (Left at 7:20 pm)	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input type="checkbox"/> In Person	<input checked="" type="checkbox"/> Remote
Director George Cardenas	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Director Gail Guinn	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote

Pursuant to Government Code Section 54953(b), Director Haas attended the meeting via teleconference; located at 26454 Edgewater Lane.

Staff Members Present

Kimberly Cox, General Manager; Alex Aviles, Wastewater Operations Manager; Cheryl Vermette, Administrative Services Manager

Consultants/Guests

Steven Kennedy, Legal Counsel (Zoom)

Members of the public

There were two members of the public attending in person.

1. DISCUSSION AND POSSIBLE ACTION REGARDING DIRECTOR REMOTE PARTICIPATION PURSUANT TO AB2449 (GOVERNMENT CODE SECTION 54953(F)) OF AGENDA

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

Discussion None

2. APPROVAL OF AGENDA

Discussion General Manager Cox requested to remove the closed session item from the agenda.

Motion Vice President Clark made a motion to approve the agenda as presented.

Second Director Guinn

Vote

President Henry Spiller	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Secretary Sandy Haas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

Director Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
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3. PUBLIC PARTICIPATION

Greg Thomson, Resident – Mr. Thomson expressed his concern for the crime in the community, and said he read that Helendale is rated a D+ for crime. He suggested looking into cameras for the community. He also spoke about the family dinner and game night.

CONSENT ITEMS

4. CONSENT ITEMS

- a. Approval of Minutes: Regular Board Meeting for August 1, 2024
- b. Bills Paid Report

Discussion None

Motion Director Cardenas made the motion to approve the consent items as presented.

Second Vice President Clark

Vote

President Henry Spiller	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Secretary Sandy Haas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

5. REPORTS

- a. Directors' Reports

Director Guinn discussed the concert in the park and suggested holding the safety night in October. She said that CERT did great at the event. She also said the Senior Resource Fair was great.

Director Cardenas reported that he attended the tri-state seminar and attended sessions on PFA's and leak detection.

President Spiller reported that he assisted with Helendale Night Out. He requested Staff look into a PA system in the upcoming year. He also announced that we lost our certified farmer for the Farmers Market.

- b. General Managers Report

General manager Cox reported that at the 9/1 meeting, County Fire Station 4 will present their budget. The Reserve Policy & Purchasing Policy will also be discussed at that meeting.

Helendale Night out and August Concert were a huge success. The Senior resource fair hosted by County was well attended.

Staff has completed the Workplace Violence plan as required by OSHA. Staff provided additional documentation to EPA for Wastewater grant. The FREE Family Dinner and Game Night is on August 16th. The game night is open to anyone, no reservations are required. ACE Cheer will be waiting tables for tips again.

Wastewater Operations Manager Aviles gave the wastewater report. The collection system lining has been scheduled. The fine bar screen is underway. Staff is seeking quotes on the pump room valve replacements and diaphragm sludge pumps. The headworks fence repair and modifications will be done as time permits. The primary clarifier coating is not scheduled yet. The pick up truck (Chevy 1500) is on hold. Staff is seeking quotes on blowers. The crane systems in the blower room has not been started yet. The plant & lift Station SCADA will be completed when the building is done.

Staff completed two more sewer inspections for new construction. The coarse bar screen at the headworks jammed due to over torque. Staff was able to spin the motor backwards and clear debris. Five water and wastewater staff attended the Tri-State seminar last week. The primary scum box and sludge plugged, so staff had to open up the pump to clear blockage and clean the check balls. Found electrical damage to wiring and panel for East alfalfa field - installed 300' conduit, pulled 340' #4 wire, and installed new disconnect.

General Manager Cox presented the Administration update. There were 32 account transfers for the month of July and 62 new trash accounts (annexed customers).

REGULAR BUSINESS

6. Discussion and Possible Action Regarding Adoption of Ordinance 2024-02: An Ordinance of the Board of Directors of the Helendale Community Services District Establishing Guidelines for the Conduct of Its Public Meetings and Activities

Discussion: This document was last reviewed and approved by the Board in March and is a foundational document that governs Board conduct. Exhibit A outlines examples of compensable meetings and exhibit B provides guidance for teleconferencing. California Attorney General, Rob Bonta has issued an opinion that precipitated the proposed changes to Exhibit B. Counsel provided an overview for the Board. The Board can provide suggestions for any additional changes to the Ordinance. There were no requested changes, however, the Board requested to bring back a Board conduct policy.

Motion Director Guinn made the motion to adopt Ordinance 2024-02.

Second Director Cardenas

Vote

President Henry Spiller	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Secretary Sandy Haas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Gail Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

7. Discussion and Possible Action Regarding the Write-Off of Certain Uncollectable Accounts

Discussion Typically, on an annual basis write-offs are approved by the Board. The write-off policy approved in 2009, revised in 2017 & 2019. The policy states write-offs can be done every quarter but at least annually. Due to the low number of write-offs, this item is typically brought to the Board annually. A write-off occurs when a balance not paid – typically closing bills and efforts to collect have been futile. Staff makes phone calls and sends letters. These accounts represent at least two months of bills (SB998 extended the disconnect to 60 days). Staff will evaluate options for reporting to credit bureaus. General Manager Cox showed a chart of write offs from FY 2019 to FY 2024. Write-offs under \$25 approved by GM, write-offs over \$25 approved by Board. There were two accounts under \$25 (\$44.73) and 15 accounts over \$25 (\$3593.99). The total write-off amount this year is \$3638.72.

Motion President Spiller made the motion approve the write-offs of certain utility accounts.

Second Vice President Clark

Vote

President Henry Spiller	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Secretary Sandy Haas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Gail Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

8. Discussion and Possible Action Regarding Adoption of Resolution 2024-14: A Resolution of the Helendale Community Services District Board of Directors Establishing the Statement of Investment Policy for Fiscal Yer 2025

Discussion: The District's guiding principles are safety, liquidity, and yield. The District has relied on safe investment strategies. Government Code 53600.3 outlines the requirements for public agency investments establishing the standard of "Prudent Investor." Gov Code 53646 requires an annual review of the District's Investment Policy in a public meeting. Policy outlines how District's funds can be invested

Represents the commitment to protecting the public's funds. The District has \$2,121,195.27 in CBB Trust, \$1,097,656.97 in LAIF, \$727,212.76 in CBB, \$325,862.05 Flagstar and \$3,721,094.46. The District's cash balance is \$8,003,517. The water fund has \$3,594,664; the sewer fund has \$3,593,390; the park fund has \$591,613 and the solid waste fund has \$162,696. The 2014 loan (2.75%) was a refinance of 2008 \$2.83M (4.1%) Balance \$911,811.42 (water 23.4% / Sewer 35.72% / Property 40.88%). This loan was for the purchase of park property, drying beds, and water improvements. The 2014 loan for \$4 million is at 4.25% and matures 2034. The balance is \$2,988,949. This loan was used to purchase water rights. The loan is eligible for early pay off now (8/15/24). Previously Paid Off 2011 loan for \$1 million at 5.25% (Park 50% / Water 50%). This loan was for the purchase of the community center and a new well. The District's policy outlines how District's funds can be invested and represents the commitment to protecting the public's funds.

Motion Director Guinn made the motion to adopt Resolution 2024-14 adopting the Statement of Investment Policy for FY 2025.

Second Vice President Clark

Vote

President Henry Spiller	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Secretary Sandy Haas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Gail Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

9. Discussion Only Regarding Solar to Offset Power Demand

Discussion: The District previously looked at solar option from Engie – at the time the feasibility analysis was \$28,000 and the project cost was \$4 million with a lease back agreement. The Board requested a site-by-site solution with no lease (wanted to own the solution outright). Staff has been in discussions with a design-build contractor. The contractor provided solutions for each use and has experience with Southern California Edison interconnection agreements. For the Community Center, the District would get 100 energy produced except during 4-9pm reduced to 25%. Batteries will run critical load from 4-9 pm, excess power will be generated and recharge batteries. Excess energy is stored with Edison; the District would get back at 100% offset. General Manager Cox presented a chart of Edison Costs from FY 2016 – FY 2024.

Motion None. The Board gave direction to staff to look into solar options. President Spiller appointed Director Cardenas and Vice President Clark to the solar ad hoc committee.

OTHER BUSINESS

10. Requested items for next or future agendas (Directors and Staff only)
Discussion regarding security cameras

Closed Session

The Closed session item was removed from the agenda.

11. Conference with Legal Counsel – Anticipated Litigation

~~Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
One Potential Case~~

12. Report of Closed Session Item

13. Adjournment

President Spiller adjourned the meeting at 7:44 pm.

Henry Spiller, President

Cheryl Vermette, Clerk of the Board

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



Helendale Community Services District

DATE: September 05, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item #4b
Consent Items: Bills Paid and Presented for Approval

STAFF RECOMMENDATION

Updated Report Only. Receive and File

STAFF REPORT:

Staff issued 32 checks and 10 EFT's totaling \$198,841.43

Total Cash Available:	<u>08/29/24</u>	<u>08/12/24</u>
Cash	\$ 8,060,289.06	\$ 8,003,517.12
Checks/EFT's Issued	\$ 198,841.83	\$ 185,232.08

INVESTMENT REPORT:

The Investment Report shows the status of the invested District funds. July 2024 interest rates were 5.409% for CA Class and 4.516% for LAIF. Monthly interest to date on CA Class account is \$15,394.10.



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 08/13/2024 - 08/29/2024

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 211102187 - CBB Checking					
08/20/2024	27933	State of California - Franchise Tax Board Reversal	150.00	Check Reversal	Accounts Payable
08/13/2024	28101	Core & Main LP	-684.35	Check	Accounts Payable
08/14/2024	28102	ANDRENA WOOD	-223.17	Check	Utility Billing
08/15/2024	28103	Void Check	0.00	Check	Accounts Payable
08/15/2024	28104	Sonic Systems, Inc	-2,151.60	Check	Accounts Payable
08/15/2024	28105	Void Check	0.00	Check	Accounts Payable
08/15/2024	28106	Void Check	0.00	Check	Accounts Payable
08/15/2024	28108	California State Disbursement Unit	-230.76	Check	Accounts Payable
08/15/2024	28109	State of California - Franchise Tax Board	-150.00	Check	Accounts Payable
08/15/2024	28110	A&G Instrument Service and Calibration, Inc.	-1,344.61	Check	Accounts Payable
08/15/2024	28111	Burrtec Waste Group, Inc	-58,657.02	Check	Accounts Payable
08/15/2024	28112	Burrtec Waste Group, Inc	-14,723.80	Check	Accounts Payable
08/15/2024	28113	Frontier Communications	-88.91	Check	Accounts Payable
08/15/2024	28114	Geo-Monitor, Inc.	-3,407.50	Check	Accounts Payable
08/15/2024	28115	Lowe's Inc.	-1,585.39	Check	Accounts Payable
08/15/2024	28116	Sierra Analytical Labs, Inc	-300.00	Check	Accounts Payable
08/15/2024	28117	Synagro West, LLC	-1,177.92	Check	Accounts Payable
08/15/2024	28118	Verizon Wireless	-674.51	Check	Accounts Payable
08/15/2024	28119	Verizon Wireless	-136.41	Check	Accounts Payable
08/20/2024	28120	C. J. Brown & Company, CPAs	-9,544.00	Check	Accounts Payable
08/20/2024	28121	State of California - Franchise Tax Board	-150.00	Check	Accounts Payable
08/21/2024	28122	Western Water Works Supply Company	-621.61	Check	Accounts Payable
08/21/2024	28123	ACI Payments, Inc	-57.20	Check	Accounts Payable
08/21/2024	28124	Beck Oil Inc	-2,836.27	Check	Accounts Payable
08/21/2024	28125	County of San Bernardino, Solid Waste Mgmt. Div.	-737.44	Check	Accounts Payable
08/21/2024	28126	Frontier Communications	-103.19	Check	Accounts Payable
08/21/2024	28127	Frontier Communications	-65.83	Check	Accounts Payable
08/21/2024	28128	Geo-Monitor, Inc.	-4,056.00	Check	Accounts Payable
08/21/2024	28129	Helendale Community Services District	-178.06	Check	Accounts Payable
08/21/2024	28130	Home Depot Credit Services	-1,631.50	Check	Accounts Payable
08/22/2024	28131	AMS Construction	-63,200.00	Check	Accounts Payable
08/23/2024	28132	Quinn Company	-6,179.80	Check	Accounts Payable
08/28/2024	28133	State of California - Franchise Tax Board	-150.00	Check	Accounts Payable
08/13/2024	EFT0005122	SCE ACH 4-Plex Acct 700392338368	-1,017.39	EFT	General Ledger
08/13/2024	EFT0005123	ACH Water Shop SCE Acct 700453074415	-103.13	EFT	General Ledger
08/21/2024	EFT0005129	SCE ACH Park Wellheads Acct 700448234519	-491.79	EFT	General Ledger
08/26/2024	EFT0005135	SCE Street Lighting Acct # 700013030275	-1,746.45	EFT	General Ledger
08/27/2024	EFT0005136	SCE ACH Sod Farm Acct 700255337588	-2,253.12	EFT	General Ledger
08/29/2024	EFT0005145	SCE ACH Well 6,7,8,9 & 2 Acct 700620711734	-492.71	EFT	General Ledger
08/26/2024	EFT0005147	CalPERS Classic Pmt PPE 7/28/24	-9,505.55	EFT	General Ledger
08/26/2024	EFT0005148	CalPERS PEPRA Pmt PPE 7/28/24	-2,807.78	EFT	General Ledger
08/16/2024	EFT0005149	CalPERS 457 Pmt PPE 8/11/24	-4,637.51	EFT	General Ledger
08/19/2024	EFT0005150	To record Tasc Flex Claim Pmt PPE 8/11/24	-889.55	EFT	General Ledger
Bank Account 211102187 Total: (43)					-198,841.83
Report Total: (43)					-198,841.83

Summary

Bank Account

[211102187 CBB Checking](#)

Count	Amount
43	-198,841.83
Report Total: 43	-198,841.83

Cash Account

[**No Cash Account**](#)

[99 99-111000 Cash in CBB - Checking](#)

Count	Amount
3	0.00
40	-198,841.83
Report Total: 43	-198,841.83

Transaction Type

Transaction Type	Count	Amount
Check	32	-175,046.85
Check Reversal	1	150.00
EFT	10	-23,944.98
Report Total:	43	-198,841.83



Helendale Community Services District

DATE: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #4c
July Financial Report

Attached, please find the Financial Report for July.

In the August report you will see a correction in some of the personnel costs. It was identified that some of the changes in the new budget related to personnel cost centers was not implemented in the payroll system. That has now been corrected and the modification will be reflected in the next financial report. Some annual costs are front-loaded at the beginning of the fiscal year such as insurance, software and GIS.



Helendale CSD
Statement of Revenues and Expenses - Water
As of July 31, 2024
(Unaudited)

Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 135,627	\$ 135,627	\$ 1,600,864	8%	\$ 134,400
3 Water Sales	85,683	85,683	751,684	11%	83,757
4 Standby Charges	3,652	3,652	25,880	14%	2,034
5 Other Operating Revenue	48,755	48,755	101,887	48%	22,355
6 Total Operating Revenues	273,717	273,717	2,480,314	11%	242,546
7 Non-Operating Revenues					
8 Grant Revenue	75,000	75,000	-	0%	-
9 Miscellaneous Income (Expense)	-	-	-	0%	-
10 Total Non-Operating Revenues	75,000	75,000	-	0%	-
11 Total Revenues	348,717	348,717	2,480,314	14%	242,546
12 Expenses					
13 Salaries & Benefits					
14 Salaries	34,103	34,103	446,274	8%	41,275
15 Benefits	12,335	12,335	157,285	8%	14,723
16 Total Salaries & Benefits	46,438	46,438	603,559	8%	55,998
17 Transmission & Distribution					
18 Contractual Services	15,961	15,961	58,987	27%	16,429
19 Power	19,216	19,216	209,725	9%	14,679
20 Operations & Maintenance	6,034	6,034	158,000	4%	4,508
21 Rent/Lease Expense	2,060	2,060	11,600	18%	800
22 Permits & Fees	10	10	42,025	0%	-
23 Total T&D	43,281	43,281	480,337	9%	36,415
24 General & Administrative					
25 Utilities	431	431	3,906	11%	268
26 Office & Other Expenses	27	27	6,696	0%	51
27 Admin Allocation	57,008	57,008	684,098	8%	52,307
28 Total G&A	57,466	57,466	694,700	8%	52,626
29 Debt Service	149,447	149,447	350,351	43%	149,447
30 Total Expenses	296,632	296,632	2,128,947	14%	294,486
31 Net Income (Loss) Before Capital	52,086	52,086	351,367	15%	(51,940)
32 Sale or Lease of Water Rights	-	-	300,000	0%	-
33 Capital Expenses	-	-	(425,000)	0%	-
34 Net Income (Loss) After Capital	\$ 52,086	\$ 52,086	\$ 226,367	23%	\$ (51,940)

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

Helendale CSD
Financial Statement Analysis
Preliminary – No Year End Audit Adjustments
For the Month Ended July 31, 2024 – 8% of Fiscal Year

Fund 01-Water Revenues and Expenses

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

Line 3 Water Sales: Includes water consumption charges. YTD is trending a little ahead of budget due to the summer month.

Line 4 Standby Charges: Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April. YTD is trending over budget at 14% due to increased penalties collections from prior years.

Line 5 Other Operating Revenue: Includes permit & inspection charges, connection fees, meter installation fees, other fees/charges, and mechanic service reimbursements. Connection and meter installation fees are budgeted conservatively due to the unexpected nature of these fees. YTD is trending over budget at 48% due to the high volume of connections, meter installations, water supply and delinquent fees.

Line 8 Grant Revenue: YTD activity includes \$75K received from the Bureau of Reclamation Grant.

Line 9 Miscellaneous Income (Expense): Includes gain or loss on sale of assets, the Enel X Demand Response Program and other miscellaneous income. YTD does not have any activity.

Line 14 Salaries: Includes salaries for water employees. YTD is trending in line with budget.

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

Line 18 Contractual Services: Includes lab testing, engineering, geographic information system (GIS) support & other contract services. YTD is trending over budget at 27% due to the timing of the annual GeoViewer renewal.

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

Line 20 Operations & Maintenance: Includes operations & maintenance expenses, uniforms, vehicle maintenance and vehicle fuel. YTD can trend over/under budget due to need and the timing of services. YTD is trending under budget at 4% due to less maintenance costs than anticipated.

Line 21 Rent/Lease Expense: Includes rental costs for the water shop and Bureau of Land Management (BLM) tank sites. YTD is trending over budget at 18% due to the timing of rent payments for BLM tank sites.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD can trend over/under budget due to the timing of permits and fee payments. There is minimal activity YTD.

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

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

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

Line 29 Debt Service: Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments are due in August, December, February, and June.

Line 32 Sale or Lease of Water Rights: Includes the sale of replenishment water to the Silver Lakes Association. There is no activity YTD.

Line 33 Capital Expenses: There is no activity YTD.



Helendale CSD
Statement of Revenues and Expenses - Sewer
As of July 31, 2024
(Unaudited)
Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 152,507	\$ 152,507	\$ 1,892,130	8%	\$ 152,213
3 Standby Charges	934	934	24,317	4%	2,034
4 Other Fees & Charges	24,152	24,152	35,920	67%	9,316
5 Interfund Transfer In/(Out)	5,964	5,964	42,100	14%	3,508
6 Other Income/(Expense)	-	-	-	0%	-
7 Total Revenues	183,557	183,557	1,994,467	9%	167,071
8 Expenses					
9 Salaries & Benefits					
10 Salaries	28,805	28,805	383,982	8%	34,766
11 Benefits	12,877	12,877	127,147	10%	11,524
12 Total Salaries & Benefits	41,682	41,682	511,129	8%	46,290
13 Sewer Operations					
14 Contractual Services	6,258	6,258	117,475	5%	3,459
15 Power	11,479	11,479	133,350	9%	10,694
16 Operations & Maintenance	2,830	2,830	65,800	4%	3,986
17 Permits & Fees	1,055	1,055	43,300	2%	1,055
18 Total Sewer Operations	21,622	21,622	359,925	6%	19,194
19 General & Administrative					
20 Utilities	386	386	5,350	7%	379
21 Office & Other Expenses	509	509	21,460	2%	32
22 Admin Allocation	55,868	55,868	670,416	8%	51,261
23 Total G&A	56,763	56,763	697,226	8%	51,672
24 Debt Service	-	-	102,123	0%	-
25 Total Expenses	120,067	120,067	1,670,403	7%	117,156
26 Net Income (Loss) Before Capital	63,490	63,490	324,063	20%	49,915
27 Capital Expenses	-	-	(885,000)	0%	-
28 Net Income (Loss) After Capital	\$ 63,490	\$ 63,490	\$ (560,937)		\$ 49,915

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Fund 02-Sewer Revenues and Expenses

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

Line 3 Standby Charges: Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April. YTD is trending under budget at 4% due to timing of collections.

Line 4 Other Fees & Charges: Includes permit & inspection charges, connection fees, other fees, and charges. YTD is trending over budget at 67% due to higher permits and inspection, connection, and delinquent fees than anticipated.

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

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

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

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

Line 14 Contractual Services: Includes lab testing, engineering, GIS support & other contractual services. YTD is trending in line with budget.

Line 15 Power: Includes electricity used for Sewer. YTD is trending in line with budget.

Line 16 Operations & Maintenance: Includes compost disposal, vehicle maintenance, vehicle fuel, uniforms, small tools, and salaries for mechanics. YTD can trend over/under budget due to need and the timing of services. YTD is trending under budget at 4%.

Line 17 Permits and Fees: Includes all annual permits and fees paid to the state. YTD is trending under budget at 2% due to timing of annual renewals.

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

Line 21 Office & Other Expenses: Includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. These expenses are on an as-needed basis and can trend over/under budget. YTD is trending under budget at 2%.

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

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

Line 27 Capital Expenses: There is no activity YTD.



Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of July 31, 2024
(Unaudited)

Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 23,943	\$ 23,943	\$ 300,000	8%	\$ 22,774
3 Donations	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	-	0%	-
5 Miscellaneous Income (Expense)	-	-	-	0%	-
6 Total Revenues	23,943	23,943	300,000	8%	22,774
7 Expenses					
8 Salaries & Benefits					
9 Salaries	11,550	11,550	191,462	6%	19,801
10 Benefits	1,891	1,891	35,334	5%	2,781
11 Total Salaries & Benefits	13,441	13,441	226,796	6%	22,582
12 Recycling Center Operations					
13 Contractual Services	-	-	2,500	0%	-
14 Operations & Maintenance	1,692	1,692	9,750	17%	37
15 Total Recycling Center Operations	1,692	1,692	12,250	14%	37
16 General & Administrative					
17 Utilities	903	903	12,800	7%	1,958
18 Office & Other Expenses	742	742	9,000	8%	603
19 Total G&A	1,645	1,645	21,800	8%	2,561
20 Total Expenses	16,778	16,778	260,846	6%	25,180
21 Net Income (Loss) Before Capital	7,164	7,164	39,154	18%	(2,406)
22 Capital Expenses	-	-	-	-	-
23 Net Income (Loss) After Capital	\$ 7,164	\$ 7,164	\$ 39,154	18%	\$ (2,406)

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Fund 03-Recycling Center Revenues and Expenses

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

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

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

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

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

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

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

Line 14 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD is trending over budget at 17% due to various thrift store supply purchases in July.

Line 17 Utilities (G&A): Includes electric and telephone expenses. YTD is trending in line with budget.

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

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

Line 22 Capital Expenses: There is no activity YTD.



Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of July 31, 2024
(Unaudited)
Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 12,199	\$ 12,199	\$ 146,388	8%	\$ 9,329
3 Other Income	200	200	-	0%	-
4 Board Discretionary Revenue	-	-	-	0%	-
5 Total Revenues	12,399	12,399	146,388	8%	9,329
6 Expenses					
7 Contractual Services	-	-	10,000	0%	-
8 Utilities	705	705	17,203	4%	1,634
9 Operations & Maintenance	1,808	1,808	13,400	13%	22
10 Debt Service	-	-	53,088	0%	-
11 Capital Expenses	-	-	-	0%	-
12 Total Expenses	2,513	2,513	93,690	3%	1,657
13 Net Income (Loss)	\$ 9,886	\$ 9,886	\$ 52,698	19%	\$ 7,672

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Fund 04-Property Rental Revenues and Expenses

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

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

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

Line 7 Contractual Services: Includes contractor and handyman expenses for installation of appliances, drywall repair, roofing, or plumbing repairs. Services are on an as-needed basis. YTD can trend under or over budget due to the timing of services needed. There is no activity YTD.

Line 8 Utilities: Includes electric & gas expense for the rental properties. YTD is trending under budget at 4% due to the timing of utility payments.

Line 9 Operations & Maintenance: Includes maintenance and other costs relating to the rental properties. YTD is trending over budget at 13% due to maintenance supply purchases for Wild Road.

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

Line 11 Capital Expenses: There is no activity YTD.

Line 13 Net Income: Net income in the Property Rental Fund (Fund 04) is moved to the Parks & Recreation Fund (Fund 05) through Board discretionary revenue at year-end for the audit.



Helendale CSD
Statement of Revenues and Expenses - Parks & Recreation
As of July 31, 2024
(Unaudited)

Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 2,844	\$ 2,844	\$ 38,000	7%	\$ 2,746
3 Property Taxes	1,746	1,746	23,000	8%	1,705
4 Donations & Sponsorships	5,688	5,688	-	0%	-
5 Rental Income	1,465	1,465	24,075	6%	6,490
6 Developer Impact Fees	8,600	8,600	6,880	125%	3,440
7 Grants	-	-	-	0%	-
8 Interfund Transfer In/(Out)	(5,964)	(5,964)	(71,571)	8%	(3,508)
9 Board Discretionary Revenue	23,625	23,625	459,818	5%	22,175
10 Miscellaneous Income (Expense)	-	-	-	0%	-
11 Total Revenues	38,004	38,004	480,202	8%	33,047
12 Expenses					
13 Salaries & Benefits					
14 Salaries	2,583	2,583	32,200	8%	6,833
15 Benefits	547	547	3,960	14%	2,901
16 Total Salaries & Benefits	3,130	3,130	36,160	9%	9,733
17 Program Expense	8,358	8,358	75,765	11%	7,025
18 Contractual Services	6,965	6,965	103,775	7%	-
19 Utilities	2,982	2,982	69,588	4%	8,832
20 Operations & Maintenance	8,005	8,005	29,789	27%	4,369
21 Permits & Fees	-	-	1,733	0%	-
22 Grant Expense	-	-	-	0%	-
23 Other Expenses	-	-	900	0%	-
24 Total Expenses	29,440	29,440	317,709	9%	29,960
25 Net Income (Loss) Before Capital	8,564	8,564	162,493	5%	3,087
26 Capital Expenses	-	-	(176,000)	0%	(18,295)
27 Net Income (Loss) After Capital	\$ 8,564	\$ 8,564	\$ (13,507)		\$ (15,208)

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Fund 05-Parks & Recreation Revenues and Expenses

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

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

Line 4 Donations & Sponsorships: Includes concert in the park sponsorships, event sponsorships and other donations/sponsorships. YTD activity includes a \$5.6K donation from American Legion.

Line 5 Rental Income: Includes rental income from the water shop, storage for the recycling center, community center room rental, church rental, and gymnastics rental. YTD is trending in line with budget.

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

Line 7 Grant Revenue: There is no grant activity YTD.

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

Line 9 Board Discretionary: Board Discretionary Revenue in July includes the following:

- Radio Tower Site Rent – \$13,785
- Property Taxes – \$2,078
- Solid Waste Franchise Fees – \$9,509
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,747)

Line 10 Miscellaneous Income/(Expense): Includes gain or loss on sale of assets and other miscellaneous income. There is no activity YTD.

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

Line 15 Benefits: Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education & trainings. YTD is trending over budget at 14% due 457 payments for in-lieu health expenses not included in the budget.

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

Line 18 Contractual Services: Includes software support and other contract services. These expenses are on an as-needed basis and can trend over/under budget. YTD is trending in line with budget.

Line 19 Utilities: Includes gas and electric for parks and the community center, along with telephone & electricity for street lighting. YTD is trending under budget at 4% due to timing of utility payments.

Line 20 Operations & Maintenance: Includes vehicle maintenance, small tools, vehicle fuel and building repair for the park and community center. YTD can trend over/under budget due to need and the timing of services. YTD is trending over budget at 27% due to several expenses:

- \$2.7K park maintenance
- \$1.2K safety socket box
- \$1.7K remove/install park meter panel

Line 21 Permits & Fees: Includes permit and inspection fees, along with San Bernardino County fees. There is no activity YTD.

Line 22 Grant Expense: There is no grant activity YTD.

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

Line 26 Capital Expenses: There is no activity YTD.



Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of July 31, 2024
(Unaudited)

Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 58,807	\$ 58,807	\$ 708,761	8%	\$ 50,750
3 Assessments & Fees	3,152	3,152	245,096	1%	3,394
4 Other Charges	4,387	4,387	25,460	17%	1,871
5 Grant Revenue	-	-	-	0%	-
6 Board Discretionary Revenue	-	-	-	0%	-
7 Miscellaneous Income (Expense)	-	-	-	0%	-
8 Total Revenues	66,346	66,346	979,316	7%	56,015
9 Expenses					
10 Salaries & Benefits					
11 Salaries	6,936	6,936	51,584	13%	8,955
12 Benefits	2,797	2,797	20,312	14%	4,283
13 Total Salaries & Benefits	9,733	9,733	71,896	14%	13,239
14 Contractual Services	-	-	694,752	0%	106,973
15 Disposal Fees	3,100	3,100	173,000	2%	2,134
16 Operations & Maintenance	76	76	2,650	3%	-
17 Other Operating Expenses	84	84	5,090	2%	112
18 Admin Allocation	1,140	1,140	13,682	8%	1,046
19 Total Expenses	14,134	14,134	961,070	1%	123,504
20 Net Income (Loss) Before Capital	52,212	52,212	18,246		(67,489)
21 Capital Expenses	(67,672)	(67,672)	-	0%	-
22 Net Income (Loss) After Capital	\$ (15,460)	\$ (15,460)	\$ 18,246		\$ (67,489)

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Fund 06-Solid Waste Disposal Revenues and Expenses

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

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

Line 4 Other Charges: Includes delinquent fees and penalties on delinquent taxes. YTD is trending over budget at 17% due to more delinquent fees, penalties, and recycling revenue than anticipated.

Line 5 Grant Revenue: There is no activity YTD.

Line 6 Board Discretionary Revenue: This is the amount that would be transferred in from discretionary funds if this fund operates at a deficit for the FY.

Line 7 Miscellaneous Income/(Expense): Includes gain or loss on sale of assets and other miscellaneous income. There is no activity YTD.

Line 11 Salaries: Includes salaries for solid waste employees. YTD is trending over budget at 13% due to allocation of staff between funds.

Line 12 Benefits: Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education & training. YTD is trending over budget at 14% due to allocation of staff between funds.

Line 14 Contractual Services: Includes Burrtec fees and other miscellaneous contract services. YTD can trend over/under budget due to need and the timing of services and fees. There is no activity YTD.

Line 15 Disposal Fees: Includes San Bernardino County disposal fees and green waste disposal fees. YTD is trending under budget at 2%.

Line 16 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD can trend over/under budget due to need and the timing of services. YTD is trending under budget at 3% due to less maintenance and fuel costs than anticipated.

Line 17 Other Operating Expenses: Includes rent for park storage, telephone, postage, event expenses, public outreach, printing, small tools, and bad debt expenses. YTD is trending under budget at 2%.

Line 18 Admin Allocation: This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds.

Line 21 Capital Expenses: YTD balance in capital expenses includes \$67.7K for a brush chipper. This purchase was funded by grant proceeds received in the prior fiscal year.



Helendale CSD
Statement of Revenues and Expenses - Administration
As of July 31, 2024
(Unaudited)
Preliminary Results - Subject to Change

	July 2024	YTD Actual	Budget	8% of Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 13,785	\$ 13,785	\$ 198,909	7%	\$ 13,579
3 Property Taxes	2,078	2,078	125,742	2%	2,110
4 Solid Waste Billing & Fees	16,422	16,422	190,781	9%	14,480
5 Fees & Charges	3,226	3,226	28,500	11%	3,093
6 Investment income	13,593	13,593	80,000	17%	17,572
7 Other Income	-	-	200	0%	-
8 Board Discretionary Revenue	(25,372)	(25,372)	(423,818)	6%	(23,879)
9 Total Revenues	23,732	23,732	200,314	12%	26,955
10 Expenses					
11 Salaries & Benefits					
12 Salaries	51,074	51,074	669,796	8%	73,516
13 Benefits	19,023	19,023	317,371	6%	65,352
14 Directors' Fees	1,420	1,420	47,500	3%	6,699
15 Total Salaries & Benefits	71,517	71,517	1,034,667	7%	145,955
16 Contractual Services	53,367	53,367	270,482	20%	55,637
17 Insurance	82,416	82,416	120,862	68%	250
18 Utilities	1,854	1,854	22,140	8%	2,835
19 Operations & Maintenance	396	396	5,150	8%	110
20 Permits & Fees	10,041	10,041	14,850	68%	10,005
21 Office & Other Expenses	7,675	7,675	96,860	8%	4,402
22 Administrative Allocation	(114,016)	(114,016)	(1,368,196)	8%	(104,614)
23 Total Expenses	113,248	113,248	200,315	57%	114,579
24 Net Income (Loss) Before Capital	(89,517)	(89,517)	-		(87,624)
25 Capital Expenses	-	-	-	0%	-
26 Net Income (Loss) After Capital	\$ (89,517)	\$ (89,517)	\$ -		\$ (87,624)

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Fund 10-Administrative Revenues and Expenses

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

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

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

Line 5 Fees & Charges: Includes credit card processing fees and other miscellaneous fees. YTD is trending in line with budget.

Line 6 Investment Income: Includes investment income and unrealized gain or loss on investments. YTD is trending over budget at 17% due to the investment in California Cooperative Liquid Assets Security System (CA CLASS) account yielding higher interest returns.

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

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

- Radio Tower Site Rent – \$13,785
- Property Taxes – \$2,078
- Solid Waste Franchise Fees – \$9,509

Line 12 Salaries: Includes full time, part time & overtime for administrative employees. YTD is trending in line with budget.

Line 13 Benefits: Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, employee benefit & morale and education & training. YTD is trending in line with budget.

Line 14 Directors' Fees: Includes directors fees as well as directors training, seminars, and mileage expense. YTD is trending under budget at 3%.

Line 16 Contractual Services: Includes software support, legal services, and auditing & accounting services. YTD is trending over budget at 20% due to increased Insite transaction fees related to credit card processing transactions and annual software support renewals.

Line 17 Insurance: Includes both general liability and vehicle insurance expenses. YTD is trending over budget at 68% due to the timing of annual insurance policy renewals.

Line 18 Utilities: Includes telephone and electricity expenses. YTD is trending in line with budget.

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

Line 20 Permits & Fees: Includes the annual LAFCO fees, the GFOA application fee for the budget award, and San Bernardino County fees. YTD is trending over budget at 68% due to the timing of annual LAFCO fees.

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

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

Line 25 Capital Expenses: There is no activity YTD



Helendale Community Services District

Date: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Acceptance of a Grant Agreement with EPA for Wastewater Engineering, Environmental and Bureau Feasibility Study

STAFF RECOMMENDATION:

Staff recommends acceptance of the Grant from EPA.

STAFF REPORT:

Attached to this staff report is the EPA Grant Agreement documents. The acceptance is passive in that if the Board elects to accept the Grant (1) we need to do nothing or (2) draw down funds within 21 days. If the Board elects not to accept the grant then we need to provide notification prior to September 11.

The \$1MM grant award will cover design engineering, environmental and a Bureau Feasibility Report that will be necessary if the District wishes to apply for any federal construction grants. As recently affirmed, the District will be responsible for \$250,000 of the project which totals \$1,250,000. This is the first federal award of this significance and will require compliance with the numerous EPA regulations. Albeit an additional work load to Staff, we feel the benefits are well worth the effort. Alex Aviles is the designed Project Manager for the grant and the General Manager will provide administrative support for grant compliance. To date, Staff's experience working with the EPA grant staff has been very positive. Staff has read all the pertinent requirements of the grant and believes that we are able and capable of complying with them.


The Grant includes a small amount of \$50,000 to help offset Staff's time spent on the administrative details and \$500 included for outreach materials for the environmental portion of the work.

Staff will work closely with District General Counsel and the EPA grant staff to meet the requirements encumbered upon the District by this grant.

Fiscal Impact: \$1,000,000 grant award with \$250,000 matching component

Possible Motion: Accept Grant Agreement with EPA for Wastewater Funding as outlined

Attachments: Grant Agreement

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement		GRANT NUMBER (FAIN): 98T85301 MODIFICATION NUMBER: 0 PROGRAM CODE: CG	DATE OF AWARD 08/21/2024
			TYPE OF ACTION New	MAILING DATE 08/26/2024
			PAYMENT METHOD: Reimbursement	ACH# PEND
			Send Payment Request to: Contact EPA RTPFC at: rtpfc-grants@epa.gov	
RECIPIENT TYPE: Special District			RECIPIENT:	
RECIPIENT: HELENDALE CSD PO BOX 359 HELENDALE, CA 92342 EIN: 06-1803735			PAYEE: HELENDALE CSD PO BOX 359 HELENDALE, CA 92342	
PROJECT MANAGER		EPA PROJECT OFFICER		EPA GRANT SPECIALIST
Alex Aviles PO BOX 359 Helendale, CA 92342 Email: aaviles@helendalecsd.org Phone: 760-951-0006		David Larsen 75 Hawthorne Street, WTR-3-4 San Francisco, CA 94105 Email: larsen.david@epa.gov Phone: 415-972-3182		Caitlin Hui Grants Branch, MSD-6 75 Hawthorne Street San Francisco, CA 94105 Email: Hui.Caitlin@epa.gov Phone: 415-972-3364
PROJECT TITLE AND DESCRIPTION Community Grants Program - Wastewater Treatment Plant Tertiary Upgrade Engineering, Environmental and Design Project This agreement provides funding to Helendale Community Service District to implement its project to Helendale Wastewater Treatment Plant Tertiary Upgrade Engineering and Design as directed in the 2023 Consolidated Appropriations Act. This agreement provides full federal funding in the amount of \$1,000,000. Refer to Terms and Conditions. The activities to be performed are: 1) Complete the engineering planning, specifications and design for a wastewater plant upgrade to tertiary treatment. 2) Complete the environmental analysis for the Project to facility construction. 3) Complete a Bureau of Reclamation feasibility study. The anticipated deliverables are final engineering design, specifications and plans, along with a feasibility study which are expected to lead to preparation for construction of the tertiary treatment wastewater plant for residents of San Bernadino County, CA. No subawards are included in this assistance agreement.				
BUDGET PERIOD 10/01/2024 - 12/31/2026	PROJECT PERIOD 10/01/2024 - 12/31/2026	TOTAL BUDGET PERIOD COST \$ 1,250,000.00	TOTAL PROJECT PERIOD COST \$ 1,250,000.00	
NOTICE OF AWARD				
Based on your Application dated 07/20/2023 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$ 1,000,000.00. EPA agrees to cost-share 80.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$ 1,000,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.				
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)			AWARD APPROVAL OFFICE	
ORGANIZATION / ADDRESS			ORGANIZATION / ADDRESS	
U.S. EPA, Region 9, U.S. EPA, Region 9 Grants Branch, MSD-6 75 Hawthorne Street San Francisco, CA 94105			U.S. EPA, Region 9, Water Division, WTR-1 R9 - Region 9 75 Hawthorne Street San Francisco, CA 94105	
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY				
Digital signature applied by EPA Award Official for Carolyn Truong - Grants Management Officer by Angela Mendiola - Award Official Delegate				DATE 08/21/2024

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$ 0	\$ 1,000,000	\$ 1,000,000
EPA In-Kind Amount	\$ 0	\$ 0	\$ 0
Unexpended Prior Year Balance	\$ 0	\$ 0	\$ 0
Other Federal Funds	\$ 0	\$ 0	\$ 0
Recipient Contribution	\$ 0	\$ 250,000	\$ 250,000
State Contribution	\$ 0	\$ 0	\$ 0
Local Contribution	\$ 0	\$ 0	\$ 0
Other Contribution	\$ 0	\$ 0	\$ 0
Allowable Project Cost	\$ 0	\$ 1,250,000	\$ 1,250,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.202 - Congressionally Mandated Projects	2023 Consolidated Appropriations Act (PL 117-328)	2 CFR 200, 2 CFR 1500 and 40 CFR 33

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	2409W34027	23	E5	0923CMM	000B80	4192	-	-	\$ 1,000,000
									\$ 1,000,000

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$ 34,815
2. Fringe Benefits	\$ 14,920
3. Travel	\$ 0
4. Equipment	\$ 0
5. Supplies	\$ 500
6. Contractual	\$ 1,199,765
7. Construction	\$ 0
8. Other	\$ 0
9. Total Direct Charges	\$ 1,250,000
10. Indirect Costs: 0.00 % Base	\$ 0
11. Total (Share: Recipient <u>20.00</u> % Federal <u>80.00</u> %)	\$ 1,250,000
12. Total Approved Assistance Amount	\$ 1,000,000
13. Program Income	\$ 0
14. Total EPA Amount Awarded This Action	\$ 1,000,000
15. Total EPA Amount Awarded To Date	\$ 1,000,000

Administrative Conditions

General Terms and Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at: <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2023-or-later>.

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Federal Financial Reporting (FFR)

For awards with cumulative project and budget periods greater than 12 months, the recipient will submit an annual FFR (SF 425) covering the period from "project/budget period start date" to **September 30** of each calendar year to the EPA Finance Center in Research Triangle Park, NC. The annual FFR will be submitted electronically to rtpfc-grants@epa.gov no later than **December 30** of the same calendar year. Find additional information at <https://www.epa.gov/financial/grants>. (NOTE: The grantee must submit the Final FFR to rtpfc-grants@epa.gov within 120 days after the end of the project period.)

B. Procurement

The recipient will ensure all procurement transactions will be conducted in a manner providing full and open competition consistent with 2 CFR Part 200.319. In accordance with 2 CFR Part 200.324, the grantee and subgrantee(s) must perform a cost or price analysis in connection with applicable procurement actions, including contract modifications.

C. MBE/WBE Reporting, 40 CFR, Part 33, Subpart E (EPA Form 5700-52A)

The recipient agrees to submit a "MBE/WBE Utilization Under Federal Grants and Cooperative Agreements" report (EPA Form 5700-52A) annually for the duration of the project period. The current EPA Form 5700-52A with instructions is located at <https://www.epa.gov/grants/epa-grantee-forms>

This provision represents an approved exception from the MBE/WBE reporting requirements as described in 40 CFR Section 33.502.

Reporting is required for assistance agreements where funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the "Other" category) with a cumulative total that exceed the **Simplified Acquisition Threshold (SAT) currently set at \$250,000** (the dollar threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1), including amendments and/or modifications. All procurement actions are reportable when reporting is required, not just the portion which exceeds the SAT.

Recipients with expended and/or budgeted funds for procurement are required to report annually whether the planned procurements take place during the reporting period or not. If no budgeted procurements take place during the reporting period, the recipient should check the box in section

4A when completing the form.

When completing the annual report, recipients are instructed to check the box titled "annual" in section 1B of the form. For the final report, recipients are instructed to check the box indicated for the "Final Report (project completed)" in section 1B of the form.

The annual reports are due by October 30th of each calendar year and the final report is due within 120 days after the end of the project period, whichever comes first. The recipient will submit the MBE/WBE report(s) and/or questions to GrantsRegion9@epa.gov and the EPA Grants Specialist identified on page 1 of the award document.

D. Indirect Costs

The Cost Principles under 2 CFR Part 200, Subpart E apply to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

E. Prior Approval of Payments for EPA Community Grants

Payment Requests are to be completed on Standard Form 270, "Request for Advance or Reimbursement" and submitted to the EPA Grants Office with a copy to the EPA Project Officer. This form and instructions for completing it can be found at <https://www.epa.gov/grants/epa-grantee-forms>. The requests will report cumulative expenditures both (federal and non-federal) incurred under the grant. EPA will approve payments for allowable expenditures at the ratio shown in the latest Agreement.

Under this payment mechanism, the recipient submits for EPA approval the Standard Form 270 along with supporting cost documentation via email to GrantsRegion9@epa.gov, the EPA Project Officer and the EPA Grants Management Specialist listed on this award document. Attachments must be submitted in pdf or other acceptable software format (e.g., DocuSign) and the Standard Form 270 must be electronically or digitally signed by your organization's authorized representative or their designee in accordance with EPA's Recipient/Applicant Information Notice (RAIN), [Establishment of Standards for Submission of Administrative and Financial Assistance Agreement Forms/Documents with Electronic or Digital Signatures by Email](#). Documentation to support costs claimed for reimbursement include copies of bills (vouchers, invoices, etc.), along with a description of services rendered, time spent, and charges. The table below provides examples of acceptable documentation. Also, as a reminder, please refer to the Grant-Specific Programmatic Terms and Conditions of this award for additional information regarding procurement documentation submission requirements.

After review and written notification of EPA's approval, the recipient will request funds via the U.S. Treasury's Automated Standard Application for Payment (ASAP) system for **80%** of the total allowable expenditures shown on the Standard Form 270 (i.e., the Federal share) for the period covered by the request. EPA may pay 100% of the allowable expenditures reported for the period of the request for grants for which the cost share requirement has been waived by EPA. Payment for costs approved by EPA and authorized for drawdown by the recipient via the ASAP System will be credited to the recipient's designated financial institution (See Financial Information in the [EPA General Terms and Conditions](#) applicable to this award). Any questioned or disallowed costs will be detailed in writing by EPA's Grants Management Officer.

SUPPORTING DOCUMENTATION BY BUDGET CATEGORY	
BUDGET CATEGORY	ACCEPTABLE DOCUMENTATION

<p>1. PERSONNEL-- (For both EPA-funded and non-EPA funded employees whose services will count towards the recipient's cost share) Records must:</p> <ul style="list-style-type: none"> • meet the requirements in 2 CFR 200.430(i) for producing accurate information regarding actual hours an employee worked performing the EPA agreement. • reflect 100% of actual hours worked daily and the projects, programs or activities worked, not estimated amounts or percentages. They must also reflect non-working hours used during the pay period. • be certified by an appropriate recipient manager indicating that the hours shown as worked in support of the EPA assistance agreement were actually spent on activities approved and eligible under the agreement for which the costs are claimed. • contain names of employees charging time to the agreement, with explicit indication of number of hours charged, the hourly rate, and the total amount thereof charged. 	
<p>1a. Working Hours</p>	<ul style="list-style-type: none"> • Copies of time sheets or equivalent personnel activity reports
<p>1b. Non-Working Hours-- (e.g., sick leave, annual leave, holiday pay, etc.) being charged to the agreement if not covered by a leave rate or included in fringe benefits.</p>	<ul style="list-style-type: none"> • A schedule or report showing the non-working hour cost calculations and amounts claimed, including the applicable accruals and distribution methodologies for the periods used in the calculations.
<p>2. FRINGE BENEFITS-- if applicable, approved fringe rate or actual costs per employee.</p>	<ul style="list-style-type: none"> • A schedule or report showing the fringe benefit cost calculations per employee, per pay period being claimed for payment and charged to the assistance agreement. Individual items included in approved fringe benefit rates must be identified.
<p>3. INDIRECT COSTS-- Either an approved indirect cost rate agreement covering the period for the indirect costs being claimed, or otherwise approved to use the 10% de minimis rate. See the General Terms and Conditions for additional information.</p>	<ul style="list-style-type: none"> • A schedule or report showing the indirect costs calculations and amounts claimed and charged to the assistance agreement, including the applicable rates and cost basis for the periods used in the calculations.
<p>4. TRAVEL-- Note: First class/business class travel costs are not allowable.</p>	<ul style="list-style-type: none"> • listing of trips taken, trip dates, location, purpose, and actual costs incurred. • copy of signed and dated authorization documents for each trip. • written certification by employee's supervisor or other authorized official that the trip took place. • copy of

	signed and dated travel vouchers showing actual expenditures
5. EQUIPMENT -- Records must show equipment items, quantity, unit cost, and total amount consistent with the PO and RFP.	<ul style="list-style-type: none"> • copy of procurement requests • copy of vendor invoices • quotes or bid announcements as required
6. SUPPLIES	<ul style="list-style-type: none"> • invoices showing supply items, quantity, unit cost, and total amount consistent with the Purchase Order. • copy of procurement requests • copy of vendor invoices • quotes or bid announcements as required
7. CONTRACTUAL -- The contract agreement must include all applicable clauses stipulated at 2 CFR Part 200.327 and Appendix II . NOTE: Per the grant-specific Programmatic Terms and Conditions of the award, all contracts should have already been reviewed and approved by the EPA project officer. Contracts for Architectural and Engineering services are included in this category. The costs for consultant compensation that are charged to the EPA assistance agreement (including cost shares) must not exceed the consultant cap (Level IV of the Executive Schedule) as described at 2 CFR 1500.10	<ul style="list-style-type: none"> • documents showing quotes or bid announcements as required. • evidence of the selection decision and a cost and price analysis • copy of contractor invoices
8. CONSTRUCTION -- This category includes contracts for general construction and other contractor costs for activities described in EPA's Small and Disadvantaged Business (DBE) rule at 40 CFR 33.103 .	<ul style="list-style-type: none"> • documents showing quotes or bid announcements as applicable. • evidence of the selection decision and a cost and price analysis • copy of contractor and vendor invoices
9. OTHER -- If subaward costs are being claimed, a copy of the executed subaward agreement must be provided. The subaward agreement must comply with the requirements of the subaward term and condition of the EPA award and 2 CFR 200.331 and 200.332 .	<ul style="list-style-type: none"> • invoices showing items, quantity, unit cost, and total amount. As applicable ensure there are: • copies of procurement requests • copy of vendor invoices • quotes or bid announcements as required • documentation of participant support cost payments approved in the budget • cost Calculations/Allocations of shared costs like rent, utilities, etc.

Programmatic Conditions

a.] Performance Reporting ([2 CFR 200.329](#))

The recipient agrees to submit semi-annual performance reports electronically to the EPA Project Officer due no later than April 30 and October 30 of each year. The final performance report must be submitted no later than 120 calendar days after the period of performance end date.

Performance reports must relate financial data and accomplishments to performance goals and objectives; include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement workplan for the period; 2) the reasons for slippage if established outputs/outcomes were not met; and 3) additional pertinent information, including, when appropriate, analysis and formation of cost overruns or high unit costs.

The recipient agrees to inform EPA as soon as problems, delays, or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement workplan.

b.] Project changes

The recipient must obtain written EPA approval before implementing changes which alter the project performance standards; change the scope or objectives of the project or substantially alter the design of the project; transfer funds between construction and non-construction budget categories; significantly delay or accelerate the project schedule; substantially alter the facilities plan, design drawings and specifications, or the location, size, capacity, or quality of any major part of the project.

c.] Right of Access ([2 CFR 200.337](#))

EPA will have access to all records including fiscal, procurement, and engineering data and files which are pertinent to the assistance agreement, and EPA may conduct site visits and inspections related to progress of the assistance agreement workplan activities.

Procurement Document Submission

A copy of all proposed contracts for services and supplies over \$250,000 shall be submitted to the EPA Project Officer for review. The submittal of the proposed contracts shall include procurement records. A copy of all proposed contracts for construction shall be submitted to the EPA Project Officer for review. The submittal of the proposed contracts shall include procurement records.

(a) Recipient agrees to submit plans and specifications, requests for proposals, invitations for bid, scopes of work and/or plans and specifications to the EPA Project Officer for review prior to advertising for bids. Recipient will also submit any addenda to these documents to the EPA Project Officer for review prior to the opening of bids.

(b) Recipient agrees to submit to the EPA Project Officer, within ten calendar days after a bid opening, the bid package of the lowest responsive, responsible bidder for review prior to the award of a contract. The bid package will include a bid tabulation, a copy of the proof of advertising, the bid bond of the low bidder, the signed EPA Form 5700-49 (Certification

Regarding Debarment, Suspension, and Other Responsibility Matters), the MBE/WBE proposed utilization by the low bidder with a statement from Recipient that the efforts taken by the low bidder meet the regulatory requirements, and the recommendation to award a contract to the low bidder.

(c) Recipient agrees to submit to the EPA Project Officer for review any proposed contract for services, such as engineering or grant management, prior to signing each contract as well as any change orders executed after the award of the contract. A description of the process used to procure those services will also be submitted. Such contracts must comply with provisions in the regulations at [2 CFR Part 200](#) and/or [40 U.S.C. 1101 et seq.](#), or an equivalent State requirement as applicable to be accepted as allowable project costs.

d.] Procurement

(a) The recipient agrees to procure all services (professional or otherwise), supplies, and construction awarded under this grant in accordance with [2 CFR 200.317 through 2 CFR 200.327](#) and [40 CFR Part 33](#).

(b) Recipient agrees to comply with the procurement processes for architectural and engineering (A/E) services as identified in [40 U.S.C. 1101 et seq.](#), or an equivalent State requirement.

Where equivalent State requirements are complied with, the source of the requirement (e.g., existing State legislation or regulation, etc.) must be stated, and a certification from the Governor of the State that the State's A/E procurement requirements are equivalent to [40 U.S.C. 1101 et seq.](#) must accompany the grant application. In lieu of a certification from the Governor, the Attorney General's certification submitted with each grant application may include this certification. The requirements of [40 U.S.C. 1101 et seq.](#) are:

- Public announcement of the solicitation (e.g., a Request for Qualifications);
- Evaluation and ranking of the submitted qualifications statements based on established, publicly available criteria (e.g., identified in the solicitation);
- Evaluation criteria should be based on demonstrated competence and qualification for the type of professional services required (e.g., past performance, specialized experience, and technical competence in the type of work required);
- Discussion with at least three firms to consider anticipated concepts and compare alternative methods for furnishing services;
- Selection of at least three firms considered to be the most highly qualified to provide the services required; and
- Contract negotiation with the most highly qualified firm to determine compensation that is fair and reasonable based on a clear understanding of the project scope, complexity, professional nature, and the estimated value of the services to be rendered;

-In the event that a contract cannot be negotiated with the most highly qualified firm, negotiation continues in order of qualification.

In the event that the State has no existing equivalent qualifications-based requirement for procurement, the federal requirements in [40 U.S.C. 1101 et seq.](#) apply.

e.] Cybersecurity

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State or Tribal law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under [2 CFR 200.332\(d\)](#), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

f.] Signage

The recipient is required to place a physical sign displaying the EPA logo at the construction site for this project in an easily visible location that can be directly linked to the work taking place. -The sign must be maintained in good condition throughout the construction period. In cases where the construction site covers a large area (e.g., lead service line replacement or septic tank repair/replacement projects), a sign should be placed in an easily visible location near where the work is being performed (e.g., entrance to the neighborhood, along a main road through town, etc.). Signage costs are considered an allowable grant expense, provided the costs associated with the signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, assistance recipients are encouraged to translate the language on signs (excluding the EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable grant expenses, provided the costs are reasonable.

Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs.

EPA Logo: The recipient will ensure that signage displays the EPA logo. The EPA logo must not be displayed in a manner that implies that EPA itself is conducting the project. Instead, the EPA logo must be accompanied with a statement indicating that the recipient received financial assistance from EPA for the project.

The recipient will ensure compliance with the sign specifications provided by the EPA Office of Public Affairs (OPA) available at: <https://www.epa.gov/grants/epa-logo-seal-specifications-signage-produced-epa-assistance-agreement-recipients>. As provided in the sign specifications from OPA, the EPA logo is the preferred identifier for assistance agreement projects and use of the EPA seal requires prior approval from the EPA. To obtain the appropriate EPA logo or seal graphic file, the recipient should send a request directly to [Londa Scott-Forte \(202-564-1504\)](mailto:Londa.Scott-Forte@epa.gov) and [Jini Ryan \(202-564-1075\)](mailto:Jini.Ryan@epa.gov). Please explain in the message that the EPA logo is to be used on signage at a construction site funded with EPA assistance and copy the EPA Project Officer on the message.

g.] Public or Media Events

The Recipient agrees to notify the EPA Project Officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

h.] Federal Cross-cutting Requirements/Other Applicable Federal Laws

Recipient must comply with federal cross-cutting requirements as well as other applicable federal laws as provided in EPA's [Community Grants Program Final Implementation Guidance](#), October 2022.

i.] American Iron and Steel (AIS)

AIS requirements apply to State Revolving Fund assistance agreements signed on or after January 17, 2014, including all treatment works projects funded by a CWSRF assistance agreement and all public water system projects funded by a DWSRF assistance agreement signed on or after January 17, 2014. Based on the FY 2023 Consolidated Appropriations Act directive Congressional language ("Applicable Federal requirements that would apply to a Clean Water State Revolving Fund or Drinking Water State Revolving Fund project grant recipient shall apply to a grantee receiving a CPF grant under this section"), AIS requirements apply to this award agreement.

(a) *Definitions.* As used in this award term and condition—

(1) "iron and steel products" mean the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(2) "steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent

carbon, and may include other elements.

(b) *Domestic preference.*

(1) This award term and condition requires that all iron and steel products used for a project for the construction, alteration, maintenance or repair of a public water system or treatment work are produced in the United States except as provided in paragraph (b)(2) of this section and condition.

(2) This requirement shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency finds that—

- (i) applying the requirement would be inconsistent with the public interest;
- (ii) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
- (iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(3) The Build America, Buy America (BABA) Act requirements do not supersede the AIS requirements, and both provisions still apply and work in conjunction. Compliance with AIS requirements meets the BABA requirements for iron and steel.

(c) *Request for a Waiver under (b)(2) of this section*

(1) Any recipient request to use foreign iron or steel products in accordance with paragraph

(b)(2) of this section shall include adequate information for federal Government evaluation of the request, including—

- (i) A description of the foreign and domestic iron, steel, and/or manufactured goods;
- (ii) Unit of measure;
- (iii) Quantity;
- (iv) Cost;
- (v) Time of delivery or availability;
- (vi) Location of the project;
- (vii) Name and address of the proposed supplier; and
- (viii) A detailed justification of the reason for use of foreign iron or steel products cited in accordance with paragraph (b)(2) of this section.

(2) If the Administrator receives a request for a waiver under this section, the waiver request shall

be made available to the public for at least 15 days prior to making a finding based on the request.

(3) Unless the Administrator issues a waiver of this term, use of foreign iron and steel products is noncompliant with P.L. 117-103 and the Explanatory Statement for Division G of P.L. 117-103.

(d) This term and condition shall be applied in a manner consistent with United States obligations under international agreements.

j.] Build America, Buy America Act

This term and condition supplements the “Build America, Buy America” term and condition included in EPA's [General Terms and Conditions](#).

(a) Definitions.

As used in this award term and condition —

(1) “Construction materials” includes an article, material, or supply—other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of:

- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- lumber; or
- drywall.

(2) “Domestic content procurement preference” means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

(3) “Infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.

(4) “Project” means the construction, alteration, maintenance, or repair of infrastructure in the United States.

(b) Domestic Preference.

This term and condition implements the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, including Build America, Buy America Act, Pub. L. No. 117-58, §§70901-52. None of the funds provided under this award may be used for a project for infrastructure unless:

- (1) all iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- (3) all construction materials (excluding cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. All manufacturing processes for the construction material occurred in the United States.
- (4) The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

(c) Waiver Request.

- (1) When necessary, recipients may apply for a waiver from these requirements.
- (2) A request to waive the application of the domestic content procurement preference must be in writing and submitted following the waiver instructions at <https://www.epa.gov/cwsrf/build-america-buy-america-baba>.
- (3) Waiver requests are subject to public comment for at least 15 days prior to making a finding based on the request.
- (4) Waiver requests are subject to review by the Office of Management and Budget's Made in America Office.
- (5) There may be instances where an award qualifies, in whole or in part, for an existing waiver described at <https://www.epa.gov/cwsrf/build-america-buy-america-baba-approved-waivers>.
- (6) The U.S. Environmental Protection Agency may grant a waiver based upon one of the exceptions as established in Section 70914(b) of the Infrastructure Investment and Jobs Act and further described in the Office of Management and Budget Memorandum M-22-11.

(7) Any recipient waiver request to use foreign iron, steel, manufactured products, and/or construction materials in an infrastructure project shall include adequate information for the Federal Government evaluation of the request, including—

- i. The Federal Award Identification Number (FAIN);
- ii. Location and description of the project;
- iii. Total cost of infrastructure expenditures, including federal and non-federal funds;
- iv. List of iron or steel item(s), manufactured products, and construction material(s) proposed to be excepted from Buy America requirements, including name, cost, country (ies) of origin (if known), relevant Product Services Code (PSC) and North American Industry Classification System (NAICS) code for each, unit of measure, quantity, time of delivery or availability, and name and address of the proposed supplier;
- v. A detailed justification of the reason for use of foreign iron, steel, manufactured products, and/or construction materials;
- vi. Anticipated impact if no waiver is issued; and
- vii. A certification that the federal official or assistance recipient made a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and nonproprietary communications with the prime contractor.

(8) Unless a waiver applies, use of foreign iron, steel, manufactured products, and/or construction materials that are consumed in, incorporated into, or affixed to an infrastructure project is noncompliant with this term and condition pursuant to the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, including Build America, Buy America Act, Pub. L. No. 117-58 §§70901-52.

(d) Waiver Evidence Submission.

(1) Maintain documentation of any use of materials which are considered de minimis and are covered by an [existing waiver](#) (e.g. miscellaneous, generally low-cost products that are essential for construction and are incorporated into the physical structure of the project) with grant project files for a period of three years from the date of submission of the final expenditure report, in accordance with [2 CFR 200.334](#).

(2) If recipient seeks coverage under an existing [BABA waiver](#), recipient agrees to submit available evidence to the EPA project officer to support such a determination as identified in the BABA waiver. Recipient shall maintain this evidence with grant project files for a period of three years from the date of submission of the final expenditure report, in accordance with [2 CFR 200.334](#).

k.] Environmental Review

This project consists of activities listed in paragraphs 40 C.F.R 6.204(a)(2)(i) through 40 C.F.R 6.204 (a)

(2)(x) and no further NEPA documentation is necessary; EPA has met its NEPA compliance requirement. No separate NEPA documentation needs to be developed for use of a NEPA CATEX determination under 40 C.F.R 6.204(a)(2). If the scope of the project changes, Recipient understands that additional environmental review may be necessary.

I.] Davis-Bacon

(a) Applicability of the Davis-Bacon (DB) Prevailing Wage Requirements.

The recipient agrees to include in all procurement contracts and subawards to provide assistance for the construction, alteration, and repair of treatment works carried out in whole or in part with funds made available by the FY 2023 Consolidated Appropriations Act a term and condition requiring compliance with section 513 of the Federal Water Pollution Control Act, also known as the Clean Water Act (CWA), and section 1450(e) of the Safe Drinking Water Act (SDWA) (42 U.S.C. 300j-9(e)) and require that procurement contractors and sub-grantees include such a term and condition in subcontracts and other lower tiered transactions. All contracts and subcontracts in excess of \$2,000 for the construction of treatment works carried out in whole or in part with assistance made available as stated herein shall include in full in the contract clauses as attached hereto entitled "Wage Rate Requirements Under the Clean Water Act, Section 513 and the Safe Drinking Water Act, Section 1450(e)." This term and condition applies to all subagreements to provide assistance under the authorities referenced herein, whether in the form of a subgrant, or any other vehicle to provide financing for a project.

If the recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the recipient must discuss the situation with EPA before authorizing work on that site.

(b) Obtaining Wage Determinations.

(1) Unless otherwise instructed by EPA on a project specific basis, the recipients shall use DOL General Wage Classifications for the locality in which the construction activity subject to DB will take place. Recipients must obtain proposed wage determinations for specific localities at [SAM.gov](https://sam.gov). If the recipient is a non-governmental entity, after the recipient obtains its proposed wage determination, it must submit the wage determination to EPA_Grants_Info@epa.gov, for approval prior to inserting the wage determination into a solicitation, contract or before issuing task orders, work assignments, or similar instruments to existing contractors (ordering instruments) unless subsequently directed otherwise by EPA's Award Official.

Note: Recipients must discuss unique situations that may not be covered by the DOL General Wage Classifications with EPA. If, based on discussions with a recipient, EPA determines that DB applies to a unique situation (e.g., unusually extensive excavation) the Agency will advise the recipient which General Wage Classification to use based on the nature of the construction activity at the site.

(2) Recipients shall obtain the wage determination for the locality in which a Community Grants activity subject to DB will take place *prior* to issuing requests for bids, proposals, quotes, or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the recipient shall monitor [SAM.gov](https://www.sam.gov) on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The recipient shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e., bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the recipient may request a finding from EPA that there is not a reasonable time to notify interested contractors of the modification of the wage determination. EPA will provide a report of the Agency's finding to the recipient.

(ii) If the recipient does not award the contract within 90 days of the closure of the solicitation, any modifications DOL makes to the wage determination contained in the solicitation shall be effective unless EPA, at the request of the recipient, obtains an extension of the 90-day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The recipient shall monitor [SAM.gov](https://www.sam.gov) on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(iii) If the recipient carries out a Community Grants activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the recipient shall insert the appropriate DOL wage determination from [SAM.gov](https://www.sam.gov) into the ordering instrument.

(3) Recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(4) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

(c) Contract and Subcontract Provisions

(1) The recipient shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of treatment works, and construction projects that would be [eligible under the Drinking Water State Revolving Fund Program](#), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or Title VI of the CWA or Section 1452(a)(5) of the SDWA, the following labor standards provisions.

(i) Minimum wages.

(I) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not

less than those contained in the applicable wage determination of the Secretary of Labor which the recipient obtained under the procedures specified in Item(b) Obtaining Wage Requirements, above, and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1 (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(i)(IV) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (1)(i)(II) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. Recipients shall require that the contractor and subcontractors include the name of the recipient employee or official responsible for monitoring compliance with DB on the poster. Recipients may obtain wage determinations from <https://sam.gov/content/wage-determinations>.

(II)(A) The recipient, on behalf of EPA, shall require that contracts and subcontracts entered into under this agreement provide that any class of laborers or mechanics, including helpers, which is not listed in the wage determination, and which is to be employed under the contract shall be classified in conformance with the wage determination. The EPA Award Official shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(II)(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the recipient agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the recipient to the EPA Award Official. The Award Official will transmit the report, to the Administrator of the Wage and Hour Division (WHD) at whd-cbaconformance_incoming@dol.gov. The WHD Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the Award Official or will notify the Award Official within the 30-day period that additional time is necessary.

(II)(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the recipient do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the questions, including the views of all interested parties and the recommendation of the Award Official, to the WHD Administrator for determination. The WHD Administrator, or an authorized representative, at whd-cbaconformance_incoming@dol.gov will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the Award Official within the 30-day period that additional time is necessary.

(II)(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (1)(i)(II)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(III) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(IV) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account, assets for the meeting of obligations under the plan or program.

(ii) Withholding. The recipient, upon written request of the Award Official or an authorized representative of the Department of Labor, shall withhold or cause to withhold from the contractor under this contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, EPA may, after written notice to the contractor, or recipient take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(iii) Payrolls and basic records.

(I) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever

the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(II)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the recipient who will maintain the records on behalf of EPA. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead, the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at <https://www.dol.gov/whd/forms/wh347.pdf> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker and shall provide them upon request to the recipient for transmission to the EPA, if requested by EPA, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the recipient.

(II)(B) Each payroll submitted to the recipient shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR Part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR Part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(II)(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (1)(iii)(II)(B) of this section.

(II)(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(III) The contractor or subcontractor shall make the records required under paragraph (1)(iii)(I) of this section available for inspection, copying, or transcription by authorized representatives of the EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, EPA may, after written notice to the contractor, recipient, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(iv) Apprentices and Trainees.

(I) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the WHD Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no

longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(II) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(III) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

(v) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

(vi) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this term and condition.

(vii) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(viii) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

(ix) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of

this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors), the recipient, borrower or subrecipient and EPA, the U.S. Department of Labor, or the employees or their representatives.

(x) Certification of eligibility.

(I) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(II) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(III) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(d) Contract Provisions for Contracts in Excess of \$100,000.

(1) Contract Work Hours and Safety Standards Act. The recipient shall insert the following clauses set forth in paragraphs (1)(i), (ii), (iii), and (iv) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item (c) Contract and Subcontract Provisions, above, or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(i) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(ii) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1)(i) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1)(i) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1)(i) of this section.

(iii) Withholding for unpaid wages and liquidated damages. The recipient, upon written request of the Award Official or an authorized representative of the Department of Labor, shall withhold or cause to withhold from any moneys payable on account of work performed by the contractor or

subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (1)(ii) of this section.

(iv) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1)(i) through (iv) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1)(i) through (iv) of this section.

(2) In addition to the clauses contained in Item (c) Contract and Subcontract Provisions, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in [29 CFR 5.1](#), the recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of EPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

(e) Compliance Verification.

(1) The recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in [29 CFR 5.6\(a\)\(6\)](#), all interviews must be conducted in confidence. The recipient must use [Standard Form \(SF\) 1445](#) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the recipient must conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. Recipients must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. Recipients shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(3) The recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the recipient must spot check payroll data within two weeks of each contractor or

subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations, the recipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(4) The recipient shall periodically review contractor and subcontractor use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(5) Recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <https://www.dol.gov/whd/america2.htm>.

END OF DOCUMENT



Helendale Community Services District

Date: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Development and Circulation of a Request for Proposals for Engineering Services for Wastewater Plant Upgrade

STAFF RECOMMENDATION:

Staff recommends approval.

STAFF REPORT:

The Grant award discussed in the previous item requires competitive bidding for all expenditures over \$250,000. While the District's purchasing policy allows for the award of professional services contacts, including engineering services, without going through the competitive bid process, the grant does not. Based upon this requirement, Staff will draft the necessary documents with the assistance of Counsel, to competitively bid the engineering services contemplated by the grant. This process will take approximately a month to complete. In an effort to get the Request for Proposals (RFP) in circulation as soon as possible, Staff is requesting the Board's approval to do so.

In addition, the RFP has to be reviewed and approved by the granting officer to ensure that required verbiage is in the solicitation. Staff will keep the Board apprised of the process as it occurs and the final request to award the contract will come back to the Board for approval prior to the end of the calendar year.

The contract for environmental services and the feasibility report are both under the EPA threshold requirement for competitive bidding that affects the engineering contract. Both will be over the General Managers' signing authority and will be brought to the Board for consideration.

FISCAL IMPACT: To be determined

POSSIBLE MOTION: Approve the circulation of an RFP for engineering services.

ATTACHMENTS: None



Helendale Community Services District

DATE: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion and Possible Action Regarding Approval of Revisions to the District's Purchasing Policy and Procedures

STAFF REPORT:

Staff seeks approval of this item.

Staff Report

The Purchasing Policy is one of the most referenced documents by District staff second only to the budget. It outlines the allowable methods for purchases and clearly articulates statutory requirements as well as Board policy. Further, the Purchasing Policy, as a public document, provides transparency to the public on the procedures the District follows for making purchases. The document has been modified from time to time for clarity and conformity to the law.

Changes proposed in the attached document include:

- Sections 4&5 - Adding the Public Contract Code citation
- Section 6 - Identifying that this section is Board policy, correcting numbering issues and removing reference to Finance Manager, a position that is no longer on the organizational chart
- Section 7 - Modifying the section for clarity; increasing the limit in 7A from \$15k to \$25k
- Section 9 – General clean up

Counsel will provide an overview of the document and the proposed changes.

FISCAL IMPACT: None

POSSIBLE MOTION: Approve the proposed Revisions to the District's Purchasing Policy and Procedures

ATTACHMENTS: Draft Purchasing Policy and Procedures

HELENDALE COMMUNITY SERVICES DISTRICT

Purchasing Policy and Procedures

(Revised ~~January 19, 2023~~ September 15, 2024)

Section 1. Purpose

The purposes of this policy are to standardize the purchasing procedures of the Helendale Community Services District, thereby securing for the District the advantages of a centralized and uniform purchasing policy saving the taxpayers money and increasing public confidence in the procedures for District purchasing; to promote the fair and equitable treatment of all consumers and suppliers of goods and services; and to set forth the duties and responsibilities of the General Manager and District staff.

Section 2. Definitions

A) Approved Vendors – means those vendors approved by the General Manager for bidding purposes after satisfactory compliance with the Pre-Qualification Program contained in Section 7 below. The detailed list of Approved Vendors shall be on file at the District office at all times.

B) Bid Most Advantageous To The District – means the Lowest Responsible bidder on a District project that is subject to Competitive Bidding from among those bids that are deemed to be Responsive to the Specifications.

C) Board – means the Board of Directors of the District.

D) Capital Expenditure – means all major expenditures of a non-recurring nature such as new buildings, major remodeling projects and major equipment Purchases. Excluded from this definition shall be all in-house projects unless the cost of the materials alone exceeds \$5,000.

E) Competitive Bidding – means the process of obtaining the “Bid Most Advantageous To The District”²² for any Purchase conducted through a Formal Bid or Informal Bid.

F) District – means the Helendale Community Services District.

G) Formal Bid – means a written quotation obtained in a sealed envelope from an Approved Vendor, or through District direct solicitation, public announcement, or published advertisement and opened at a specific day, place, and time. Bidders can be from the Approved Vendor’s list or from bidders responding to advertisements or openly solicited requests for bids. Notice inviting bids for any contract requiring Competitive Bidding shall be published at least one time in a local newspaper of general circulation within the District.

H) Informal Bid – means a written or oral quotation obtained from an Approved Vendor, but not required to be opened publicly at a specified day, place, and time.

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

I) Lowest – means the smallest bid in monetary terms received by the District for the cost of a project subject to Competitive Bidding.

J) Plans – means drawings or diagrams made to scale showing the structure or arrangement of a construction project, or a method or program showing a level of service or benefit defined within a contract. Plans will become part of the awarded contract. All bidders will be afforded an opportunity to examine the Plans.

K) Purchase – means buying, renting, leasing or otherwise acquiring Supplies or Services for a price.

L) Responsible – means the Lowest bidder who possesses the trustworthiness, quality, fitness, ability, capacity, and experience to satisfactorily perform a District project subject to Competitive Bidding. When the Lowest bidder is found not to be Responsible, the District must notify the bidder of this finding and the evidence upon which the finding was based, and the District must afford the bidder an opportunity to rebut such adverse evidence, and permit the bidder to present evidence that the bidder is Responsible.

M) Responsive – means a bid received by the District for a project subject to Competitive Bidding that substantially conforms to the bid Specifications and all applicable statutory requirements. A bidder is not entitled to a hearing on the question of Responsiveness, but is entitled to notice and the right to submit materials to the Board or the District’s General Manager before a decision is made.

N) Services – means all labor furnished to the District by persons, firms, individuals or corporations not part of or connected with the District.

O) Sole Source Contractor – means a contractor or consultant that has been evaluated to provide unique or specialized Services or Supplies that cannot be obtained from other contractors or consultants. Such designation must be approved by the Board.

P) Specifications – means standards, including quality, set by the General Manager, supervisory staff or consultants as a guide and as a measure of that which successful vendors must achieve. Specifications shall be either technical specifications for bids, which shall state formulations as broadly as practicable, yet shall be specific enough to describe the requirements of the District or non-technical specification for bids, which shall state the quality required in general terms. Specifications will become part of the awarded contract. All bidders will be afforded an opportunity to examine the specifications.

Q) Splitting Purchases – means the intentional separation of a District project into smaller portions in order to avoid any of the Purchasing limits established by this policy.

R) Supplies – means all materials and equipment.

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

Section 3. Applicability

This policy shall apply to all Purchases made by the District, except as otherwise specified herein. In implementing this policy, District employees are prohibited from Splitting Purchases.

Section 4. Purchase of Construction Supplies ([Public Contract Code Section 20682](#))

The District must comply with the following Competitive Bidding requirements with respect to the Purchase of Supplies for the construction or completion of any building, structure, or improvement when the cost exceeds \$25,000:

- A) **Formal Bids.** Contracts for Supplies for the construction or completion of any building, structure, or improvement, when the cost exceeds \$25,000, shall be contracted for and let to the Bid Most Advantageous To The District after notice. If two or more bids are the same and the Lowest, the Board may accept the one it chooses.
- B) **Notice.** The District shall publish a notice inviting bids for any contract for which Competitive Bidding is required at least one time in a newspaper of general circulation in the District at least one week before the time specified for receiving bids. The notice inviting bids shall set a date for opening the bids and distinctly state the Supplies to be Purchased.
- C) **Alternate Publication.** If the District's General Manager recommends, and the Board determines, that the publication of advertisements of the notice in trade journals and papers in lieu of publication in a newspaper of general circulation will increase the number of business enterprises receiving that notice, the Board may by resolution declare that those notices shall be published in trade journals and papers at least ten days prior to the time specified for receiving bids.
- D) **Rejection of Bids.** At its discretion, the Board may reject any bids presented and re-advertise. The Board may also waive a minor bid irregularity that does not give an unfair advantage to another bidder. However, the Board is under no obligation to waive bid irregularities.
- E) **Emergencies.** In the case of an emergency, the District may proceed in accordance with Section 8 below.

Section 5. Construction Contracts ([Public Contract Code Section 20682.5](#))

The District must comply with the following Competitive Bidding requirements with respect to the construction or completion of any building, structure, or improvement when the cost exceeds \$25,000:

- A) **Formal Bids.** All contracts for the construction or completion of any building, structure, or improvement, when the cost exceeds \$25,000, shall be contracted for and let to the Bid

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

Most Advantageous to the District after notice. If two or more bids are the same and the Lowest, the Board may accept the one it chooses.

- B) Notice.** The District shall publish a notice inviting bids for any contract for which Competitive Bidding is required at least one time in a newspaper of general circulation in the District at least ten days before the time specified for receiving bids. The notice inviting bids shall set a date for opening the bids and distinctly state the work to be done.
- C) Alternate Publication.** If the District's General Manager recommends, and the Board determines, that the publication of advertisements of the notice in trade journals and papers in lieu of publication in a newspaper of general circulation will increase the number of business enterprises receiving that notice, the Board may by resolution declare that those notices shall be published in trade journals and papers at least ten days prior to the time specified for receiving bids.
- D) Plans and Specifications.** If Plans and Specifications are prepared describing the work, all bidders shall be afforded an opportunity to examine the Plans and Specifications, and the Plans and Specifications shall be attached to and become a part of the contract, if one is awarded.
- E) Bid Security.** All bids for construction work shall be presented under sealed cover and shall be accompanied by bidder's security in the form of either cash, a cashier's check made payable to the District, a certified check made payable to the District, or a bidder's bond executed by an admitted surety insurer made payable to the District. Upon an award to the bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the District beyond 60 days from the time the award is made.
- F) Rejection of Bids.** At its discretion, the Board may reject any bids presented and re-advertise. The Board may also waive a minor bid irregularity that does not give an unfair advantage to another bidder. However, the Board is under no obligation to waive bid irregularities.
- G) Emergencies.** In the case of an emergency, the District may proceed in accordance with Section 8 below.
- H) Bonds.** The Board may, subject to Civil Code Section 9550 et seq., require the posting of those bonds it deems desirable as a condition to the filing of a bid or the letting of a contract.
- I) Record.** The District shall keep cost records of the work in the manner provided in Government Code Section 4000 et seq.

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

Section 6. Purchasing Limits for Other Contracts

The following provisions are based upon Board policy. The District ~~must~~ shall comply with the following requirements with respect to Purchases that are not subject to the provisions of Sections 4 and 5 above:

A) Formal Bids. Purchases shall be made by Formal Bid whenever such method is feasible and practical under existing conditions and circumstances.

B) Record of Bids. The District's General Manager shall keep a record of all bids submitted, and such record shall be open to proper inspection by any interested party within a reasonable amount of time.

C) Approval

1) No Purchase of Supplies or Services exceeding \$250 shall be made by any District staff without the approval of the General Manager. Notwithstanding the above, District staff may Purchase Supplies or Services in excess of the limit if the Supplies or Service has been approved on an open purchase order ("P.O.") and the staff person is identified as an authorized purchaser on the P.O. A Verbal Approval List shall be kept by the General Manager containing the date, employee name, vendor name, and amount of approval. All Purchases exceeding the \$250 limit shall be compared to the list. (See attached form)

2) No single Purchase of Supplies or Services exceeding \$25,000 shall be made by the District's General Manager without the approval of the Board.

DE) Purchasing Procedures & Policies. The Purchase of Services and Supplies shall be on the basis of Competitive Bidding to the maximum practical extent. However, whenever Supplies or Services are procured by Competitive Bidding, negotiation, price quotations or other evidence of reasonable prices and other vital matters deemed necessary by the District's General Manager shall be solicited by the maximum number of qualified sources of Supplies or Services consistent with the nature of and requirements for the Supplies or Services to be Purchased, in accordance with the basic policies set forth below:

1) **Purchases - Not to Exceed \$5,000.** When the General Manager considers prices to be fair and reasonable and when the total amount of the Purchase does not exceed \$5,000, procedures and documentation will be simplified to the maximum degree possible. The General Manager shall establish such rules of procedures for such Purchases as he/she feels necessary to insure against abuse of the public interest. Procedures shall include verbal authorization, fax authorization, or other form of written authorization as required from the General Manager ~~or the Finance Manager.~~

2) **Purchases - \$5,000 to \$15,000.** Purchases exceeding \$5,000 but not exceeding \$15,000 in total cost will be supported by a record of price quotations from three (3) different sources or an adequate explanation justifying the absence of such alternate quotes. Such quotations may be obtained in writing, verbally or by such other means as may be prescribed by

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

the General Manager as appropriate to the circumstances. General Manager ~~or Finance Manager~~ approval shall be written and become part of the supporting documentation for the Purchase.

3) Purchases - \$15,000 to \$25,000. Purchases exceeding \$15,000 but not exceeding \$25,000 in total cost will be supported by a record of price quotations ~~and~~, Informal Bids, or Formal Bids at the discretion of the General Manager. Criteria to be used for Formal Bid shall be whether or not the Purchase is a Capital Expenditure, a contract for professional services or lease, or an annual purchase order for Supplies, and/or maintenance and repair services. General Manager approval shall be written and become part of the supporting documentation for the Purchase.

4) Purchases Exceeding \$25,000 to \$100,000. Purchases exceeding \$25,000 to \$100,000 in value must be approved by the Board prior to award. Request for such approval will be accompanied by a full statement of facts justifying the recommendation for award. The District may advertise at least once in any appropriate industry publications or periodicals or bids may be solicited directly from known vendors via mail or fax. Specifications, Plans, and bid procedures shall be provided to vendors responding to the advertisement or to the direct solicitation to bid. Bid responses to these bids must be made in a written format. The Specifications and Plans shall become part of the awarded contract.

5) Purchases Exceeding \$100,000. Purchases exceeding \$100,000 in value must be approved by the Board prior to award. Request for such approval will be accompanied by a full statement of facts justifying the recommendation for award. Purchases with potential values that may exceed \$100,000 will be advertised at least once in a newspaper of general circulation within the District and at least ten (10) days before the time specified to receive bids. The District may advertise at least once in any appropriate industry publications or periodicals. Bids may also be solicited directly from known vendors via mail or fax. Specifications, Plans, and bid procedures shall be provided to vendors responding to the advertisement or to the direct solicitation to bid. Bid responses to these bids must be made in a written format. The Specifications and Plans shall become part of the awarded contract.

EF) Rejection of Bids. The Board shall have the authority to reject any and all bids received in response to invitations for bids. The Board may also waive a minor bid irregularity that does not give an unfair advantage to another bidder. However, the Board is under no obligation to waive bid irregularities.

FG) Requisitions. Purchases involving the immediate encumbrance of District funds shall be made only on a written requisition submitted by supervisory staff in such form as required by and approved by the General Manager in accordance with the procedures in this policy. Approval of the requisition shall result in the issuance of a P.O. or District check made payable to the vendor for the materials and supplies or services requested. For purchases where a P.O. is not necessary or accepted by the vendor, but a check is required, a request for a check shall be completed by District staff and approved by the General Manager. (See attached Requisition and Check Request Forms.) The General Manager shall examine each requisition and check request and shall have the authority to revise it as to quantity, quality, or estimated cost upon discussion with the requesting District staff.

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

GH) Open Purchase Orders.

1) **Limit under \$25,000.** The General Manager shall have the authority to issue an open P.O. for Services and Supplies to any Approved Vendor in an amount not to exceed \$25,000. All open P.O.'s shall expire at 5:00 p.m. on June 30 of each fiscal year. District staff authorized to purchase on the open P.O. shall be identified on the P.O. and provide District identification to the Approved Vendor for every Purchase.

2) **Limit exceeding \$25,000.** Open P.O.'s exceeding \$25,000 shall be approved by the Board. Approval by the Board can be made during annual budget adoption process when individual open P.O.'s are identified within the budget and made part of the budget adoption resolution. Additional open P.O.'s exceeding \$25,000 opened during the fiscal year must have Board approval before issuance. All open P.O.'s shall expire at 5:00 p.m. on June 30 of each fiscal year. District staff authorized to purchase on the open P.O. shall be identified on the P.O. and provide District identification to the vendor for every Purchase.

SECTION 7. Exemptions

~~A) Exemptions to Competitive Bidding.~~ Notwithstanding the basic policy that the procurement of Services and Supplies shall be on a Competitive Bidding basis to the maximum practical extent, Purchases may be negotiated when one of the following circumstances is present:

~~A) 1) When the total dollar value of the Purchase does not exceed \$25,000.~~

~~B) 2) When an emergency exists, the District may proceed in accordance with Section 8.~~

~~C) 3) When a Sole Source Contractor has been designated.~~

~~D) 4) When Competitive Bidding would fail to produce an advantage and/or when the advertisement for Competitive Bidding would be undesirable, impractical, or impossible, including when the Board has determined after due consideration of the totality of circumstances that the public interest is better served by avoiding demonstrable delays in the Purchase that would be caused by Competitive Bidding.~~

~~5) When the Board of Directors has determined that time is of the essence.~~

~~E) 6) When the contract Purchase is for professional sServices.~~

Section 8. Emergencies

A) **Vote.** In the case of an emergency, the District, pursuant to a four-fifths vote of the Board, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary Services and Supplies for those purposes, without giving notice for bids to let contracts.

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B) Findings. Before the Board takes any action pursuant to paragraph A) above, it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

C) Delegation. The Board, by four-fifths vote, may delegate, by resolution or ordinance, to the District's General Manager the authority to order any action pursuant to paragraph A) above.

D) Report. If the District's General Manager, pursuant to the authority delegated by the Board under paragraph C) above, orders any action specified in paragraph A) above, that person shall report to the Board, at its next meeting, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.

E) Review.

1) If the Board orders any action specified in paragraph A) above, the Board shall review the emergency action at its next regularly scheduled meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue this action.

2) If the District's General Manager, pursuant to the authority delegated by the Board under paragraph C) above, orders any action specified in paragraph A) above, the Board shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless the District's General Manager has terminated that action prior to the Board reviewing the emergency action and making a determination pursuant to this paragraph.

3) When the Board reviews the emergency action pursuant to paragraph E)1) or E)2) above, it shall terminate the action at the earliest possible date completed by giving notice for bids to let contracts.

Section 9. Scope of General Manager's Authority

The District's General Manager shall purchase or contract for all Supplies, Services, and Capital Equipment needed in accordance with procedures prescribed by this adopted policy and such additional lawful rules, not inconsistent herewith, as the District Manger shall employ for the efficient internal management and operation of the District.

A) Exceptions

1) **Exceptions Prohibited.** The authority of the General Manager ~~to make all purchases for the District~~ expressly set forth herein shall not be abridged unless, by order of the Board, such exception is granted for a specific purpose.

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2) **Temporary Absences.** During periods of temporary absences of the General Manager, the authority to implement the provisions of these regulations will be held by a District staff member so appointed by the General Manager and approved by the Board for the period of the absence.

B) Tax Exemptions. The General Manager shall act to procure for the District all Federal and State tax exemptions to which the District is entitled.

C) Cooperative Purchasing. The General Manager shall have the authority to join other units of government including Federal, State, County, Municipal and Municipal sub-divisions, such as Water Districts, Sewer Districts, School Districts, Special Districts and Councils of Government in cooperative purchasing plans when the best interests of the District would be served thereby and when such action is in accordance with and pursuant to law.

D) Other Duties. The District's General Manager shall perform such other duties related to the functions, duties, and authorities set forth herein, as may be prescribed by the Board and by any applicable state or local laws or ordinances.

E) Water Rights Purchases. The District's General Manager shall have special authority for the purchase of permanent water rights up to an aggregate dollar amount of one million dollars (\$1,000,000.00).

1) **Renewal.** This special right shall be renewed at the beginning of each fiscal year by ~~Resolution~~ of the Board ~~of Directors~~ for the remaining balance of the unspent funds so approved by the Board and subsequently earmarked in each fiscal year budget.

2) **Revocation.** The special authority for the purchase of permanent water rights can be revoked at any time by a majority vote of the Board ~~of Directors~~.

3) **Purchases.** Upon completion of a water rights purchase, all details of the purchase shall be brought to the Board ~~of Directors~~ for ratification and approval at the next regularly scheduled meeting of the Board ~~of Directors~~.

4) **Debt Service.** At the Board ~~of Directors~~'s discretion, the General Manager shall be authorized to solicit a loan to repay the District for the aggregate amount of expended funds for the purpose of purchasing permanent water rights.

Section 10. Pre-Qualification Program

A) Adoption. All Approved Vendors must be pre-qualified prior to submitting bids for the District's public works projects. It is mandatory that all Approved Vendors who intend to submit bids fully complete the pre-qualification questionnaire, provide all materials requested herein, and be approved by the District to be on the Approved Vendors list.

HELENDALE COMMUNITY SERVICES DISTRICT
Purchasing Policy and Procedures

B) Applications. Pre-qualification applications may be submitted four times each year: (1) from January 1 through January 10; (2) from April 1 through April 10; (3) from July 1 through July 10; and (4) from October 1 through October 10. Contractors who submit a complete pre-qualification package will be notified by first class mail of their qualification status, such notice to be mailed no later than fifteen business days after submission of the information.

C) Questionnaire. Answers to questions contained in the District's pre-qualification questionnaire, information about current bonding capacity on an aggregate and per project limit, notarized statement from surety, and the most recent reviewed or audited financial statements, with accompanying notes and supplemental information, are required. The District will use these documents as the basis of rating Approved Vendors in respect to the size and scope of contracts upon which each Approved Vendor is qualified to bid. The District reserves the right to check other sources available. Each questionnaire must be signed under penalty of perjury in the manner designated at the end of the form, by an individual who has the legal authority to bind the Contractor on whose behalf that person is signing. If any information provided by a Contractor becomes inaccurate, the Contractor must immediately notify the District and provide updated accurate information in writing, under penalty of perjury.

D) Approval. Pre-qualification approval will remain valid for one (1) calendar year from the date of notice of qualification, except that the District reserves the right during that calendar year to adjust, increase, limit, suspend, or rescind the pre-qualification ratings based on subsequently learned information and after giving notice of the proposed action to the Contractor and an opportunity for a hearing consistent with the hearing procedures described below for appealing a pre-qualification determination.

E) Selection. While it is the intent of the pre-qualification questionnaire and documents required therewith to assist the District in determining bidder responsibility prior to the submission of bids and to aid the District in selecting the Bid Most Advantageous To The District, neither the fact of pre-qualification, nor any pre-qualification rating, will preclude the District from a post-bid consideration and determination on a specific project of whether a bidder has the quality, fitness, capacity, and experience to satisfactorily perform the proposed work, and has demonstrated the requisite trustworthiness. Contractors are encouraged to submit pre-qualification packages as soon as possible, so that they may be notified of pre-qualification status well in advance of upcoming projects. The District reserves the right to waive minor irregularities and omissions in the information contained in the pre-qualification application submitted, to make all final determinations, and to determine at any time that the pre-qualification procedures will not be applied to a future public works project. A contractor may be found not pre-qualified for bidding on a specific public works contract to be let by the District, or on all contracts to be let by the District, until the contractor meets the District's requirements. In addition, a contractor may be found not pre-qualified for either omission of requested information or falsification of information.

F) Appeal. A contractor who has submitted a completed application form, and who receives a rating of "not qualified" from the District, may appeal that determination. There is no appeal from a finding that a contractor is not pre-qualified because of a failure to submit required information, but reapplication during one of the designated time periods is permitted. A

HELENDALE COMMUNITY SERVICES DISTRICT
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contractor may appeal the District's decision with respect to its request for pre-qualification, and request a hearing by giving notice to the District no later than ten (10) business days after receipt of notice of its qualification status. Unless a Contractor files a timely appeal, the Contractor waives any and all rights to challenge the qualification decision of the District, whether by administrative process, judicial process, or any other legal process or proceeding.

G) Hearing. If the Contractor gives the required notice of appeal and requests a hearing, the hearing shall be conducted so that it is concluded no later than ten (10) business days after the District's receipt of its Notice of Appeal. The hearing so provided shall be an informal process conducted by a panel to whom the Board has delegated responsibility to hear such appeals (the "Appeals Panel"). At or prior to the hearing, the Contractor will be given the opportunity to present information and present reasons in opposition to the pre-qualification determination. At the conclusion of the hearing or no later than one day after completion of the hearing, the Appeals Panel will render its decision. The date for submission and opening of bids for a specific project will not be delayed or postponed to allow for completion of an appeal process.

Section 11. Miscellaneous

A) Local Purchases. The District will make every effort to Purchase from businesses located within the District's service area if the Purchase provides the best overall value for the District.

B) Conflict of Interest. No District employee or Board member authorized to act on behalf of the District shall enter into any agreement, contract, or P.O. with any individual, firm, corporation, or organization in which said employee, Board member, or relative of same has a financial interest. This shall also include the acceptance of any gift or gratuity, directly or indirectly, from any person, firm, corporation, or organization to which any P.O. or contract is, or might be, awarded, any rebate, gift, or anything of value whatsoever, except where given for the express use of benefit of the District. Inexpensive advertising items, bearing the name of a vendor, such as pens, pencils, paper weights, cups, candy, calendars, etc., are not considered articles of value or gifts in relation to this policy.

C) Supersedes Other Policies. This purchasing policy and procedures supersedes any inconsistent prior policies adopted by the Board.



Helendale Community Services District

Date: September 5, 2024
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #10
Discussion and Possible Action Regarding the Helendale Farmers Market

STAFF RECOMMENDATION

Staff seeks input from the Board regarding this matter.

BACKGROUND

The District has hosted the Helendale Farmers Market since 2018. During COVID it was one of the few public venues that was allowed to remain open. It provided a welcomed outing for the community and the Market enjoyed a fair amount of success from 2018 through 2022. For the past couple of years, market participation has continued to wane. After a few months hiatus, the Market started back up in Spring meeting the first and third Wednesdays of each month.

Recently the farmer that has come for the majority of the years has ceased to participate. Without a farmer, we lose the designation as a certified farmers' market. Currently the market is a sanctioned Farmers Market and overseen by the Department of Agriculture. A \$5 fee is paid to the Department for each vendor at the market. The District has also been eligible for EBT transactions and the Market Match program which provides additional funding to purchase fruits and vegetables. The market, without a farmer, no longer qualifies for EBT transactions nor the Market Match program.

Staff suggests that the Board consider continuing the Market through the end of the year and then transition to a Saturday morning boutique/flea market. The final markets would be 9/18; 10/2; 10/16; 11/6; 11/20; 12/4 and 12/18. This would give the residents and vendors an opportunity for Christmas shopping. A Fall market with Pumpkin patch is scheduled for 10/16 and the Board can add a market for 10/30 for trick-or-treating. Santa will be at the Market on 12/18 for Christmas pictures. The market would then conclude on 12/18.

FISCAL IMPACT: Cost savings of Staff time

POSSIBLE MOTION: Provide direction to Staff regarding the Market closure and adding a 10/30 Fall market

ATTACHMENTS: None