



BOARD PACKAGE

January 19, 2022

Regular Board Meeting – 6:00 p.m.

REGULAR BOARD MEETING AGENDA

January 19, 2022 – 6:00 P.M.
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371
& Via Conference Call (see below)

THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF AB361, WHICH EFFECTIVE OCTOBER 1, 2021, MODIFIED CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT WITH RESPECT TO REMOTE TELECONFERENCE BOARD MEETINGS DURING PERIODS OF STATE-DECLARED EMERGENCIES.

The Phelan Pinon Hills Community Services District is continuing to hold Board meetings to conduct essential District business. Pursuant to AB361, members of the Board may attend the meeting via teleconference or video conference and will participate in the meeting to the same extent as if they were present. Members of the public may watch and participate electronically in the meetings via Zoom or telephone conference. Guidelines from the County of San Bernardino allow for in-person attendance.

REMOTE PARTICIPATION INFORMATION:

Dial-in

(253) 215-8782
Meeting ID: 488 345 9959
Passcode: 7608681212

Zoom

<https://us06web.zoom.us/j/4883459959?pwd=ODIUVCZwbFMlNK15K1hHZl0weXNmOT09>
Meeting ID: 488 345 9959
Passcode: 7608681212

One-Tap Mobile

+12532158782,,4883459959#

Remote Comment Procedure:

- You will be muted until you are called on during the public comment period.
- You will be recognized by the last 4 digits of your phone number or Zoom ID and asked if you have a comment.
 - If you do not have a comment, state “no comment.”
 - If you do have a comment, please state your name, where you live, and limit your comment to 5 minutes. After 5 minutes you may be muted so that others can comment.
- You may also email your public comment to the Board Secretary at kward@pphcsd.org by 6:00 p.m. on January 19, 2022. Your comment will be added to the record by the Board Secretary.

Please check the District website for updates on this meeting. We encourage you to sign up for our email notifications by emailing kward@pphcsd.org or by visiting our website and completing the signup form at www.pphcsd.org under the “Agendas and Minutes” tab.



Mission Statement:

The Mission of the Phelan Piñon Hills Community Services District is to efficiently provide authorized services and maximize resources for the benefit of the community.

Authorized Services:

- Water
- Parks & Recreation
- Street Lighting
- Solid Waste & Recycling

REGULAR BOARD MEETING – 6:00 P.M.

Call to Order – Pledge of Allegiance

Roll Call1) **Approval of Agenda**

2) **Public Comment** – Under this item, any member of the public wishing to directly address the Board on any item of interest that may or may not be within the subject matter jurisdiction of the Board, but not listed on the agenda, may do so at this time. However, the Board is prohibited by law from taking any action on any item not appearing on the agenda unless the action is otherwise authorized by the Brown Act. Any member of the public wishing to directly address the Board on any item listed on the agenda may do so when the item is being considered by the Board. *If you wish to address the Board, please do so by the method listed on the first page of this agenda.* Speakers are requested to be brief in their remarks. The Chair may limit each speaker to a comment period of five (5) minutes.

a) **General Public**b) **Community Reports**

- C.E.R.T.
- County Supervisor
- Fire
- Mojave Water Agency
- School District
- Sheriff

3) **Consent Items**

- a) Approval of Board Minutes
- b) Approval of Board Stipends/Reimbursements
- c) Approval of Contractor Payments
- d) Acceptance of Quarterly Director Expenses
- e) Acceptance of Disbursements

4) **Matters Removed from Consent Items**

5) **Presentations/Appointments** – Presentation of Draft Community Survey

6) **Continued/New Agenda Items**

- a) Discussion & Possible Adoption of Ordinance No. 2022-01; Establishing Guidelines for the Conduct of District Public Meetings and Activities
- b) Discussion & Possible Adoption of First Amendment to the Exclusive Franchise Agreement between the Phelan Piñon Hills Community Services District and CR&R Incorporated for the Solid Waste Handling and Recycling Services
- c) Discussion & Possible Action Regarding the District's Purchasing Policy
- d) Discussion & Possible Action Regarding District Boundaries
- e) Update on the Proposed Civic Center & Phelan Park Expansion Projects
- f) Update on the Status of Negotiations for the Consolidation of Sheep Creek Mutual Water Company into the District

7) **Committee Reports/Comments**

- a) Antelope Valley Adjudication Committee (Ad Hoc)
- b) Engineering Committee (Standing)
- c) Finance Committee (Standing)
- d) Legislative Committee (Standing)
- e) Parks, Recreation & Street Lighting Committee (Standing)
- f) Waste & Recycling Committee (Standing)

8) Staff and General Manager's Report**9) Reports**

- a) Director's Report
- b) President's Report

10) Correspondence/Information**11) Review of Action Items**

- a) Prior Meeting Action Items
- b) Current Meeting Action Items

12) Set Agenda for Next Meeting

- Board Workshop – January 26, 2022
- Regular Board Meeting – February 2, 2022
 - Review of Draft Strategic Plan

13) Adjournment

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above-agendized public meeting should be directed to the District's General Manager at (760) 868-1212 at least 24 hours prior to said meeting.

Agenda materials can be viewed online at <http://www.pphcsd.org>

Agenda Item 3a

Approval of Board Minutes

REGULAR BOARD MEETING MINUTES

January 5, 2022
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371
& Remotely Via Zoom or Conference Call

Board Members Present: Rebecca Kujawa, President
Deborah Philips, Vice President (Zoom)
Kathy Hoffman, Director (Zoom)
Charlie Johnson, Director (Zoom)
Mark Roberts, Director (Zoom)

Board Members Absent: None

Staff Present: Don Bartz, General Manager
George Cardenas, Engineering Manager
Sean Wright, Water Operations Manager (Zoom)
Jennifer Oakes, Executive Management Analyst
Aimee Williams, Administrative Technician II

District Counsel: Steve Kennedy, General Counsel (Zoom)

Call to Order

President Kujawa called the meeting to order at 6:00 p.m. and the Pledge of Allegiance was conducted.

Roll Call

All Directors were present at roll call.

1) **Approval of Agenda**

Mr. Bartz requested to remove item 5 and item 6d from the agenda. Vice President Philips moved to approve the Agenda as amended. Director Hoffman seconded the motion. Motion carried 5-0.

2) **Public Comment**

a) **General Public**

Regarding Item 6c, Cheryl Rhoden commented on section 2.3.2 of the ordinance and requested that clarification is added on how to be recognized as a remote participant in a virtual meeting. She requested that any consultant material that is submitted for consideration be submitted in advance of the meeting like the meeting packets are. Ms. Rhoden also asked that recordings of meetings are added to the website.

b) **Community Reports**

- **County Supervisor** – Sam Shoup, Field Representative for Supervisor Cook, reported on the final supervisorial maps that were approved by the Board. There

were no changes for our area. There are changes in the congressional map and the assembly map. The maps can be viewed online. Operation Hammerstrike is continuing to move forward and has recently done raids in Adelanto and El Mirage.

- **Snowline School District** – Ryan Holman, Superintendent, reported that it is the beginning of a new semester and there are a lot of absences due to the Omicron variant. There are currently 46 staff and 33 students out due to positive tests. Attendance has been trending at 90-94% for the school year, and for the last 2 days it is trending at 83-90%. The school district is still waiting for the arrival of home test kits that will be free to all students. They will be distributed as soon as they are received. The school district supports potential legislation regarding being funded on an enrollment model.
- **Sheriff** – Sergeant Paul Solorio gave the call statistics for December. There were 4 search warrants served today where 4 arrests were made, 1700 marijuana plants were eradicated, 153 pounds of processed marijuana was seized, and 3 guns taken off the streets. The narcotics and marijuana teams were also in the Phelan and El Mirage area today serving search warrants. Outdoor grows have slowed down due to the weather and there has been an increase in indoor marijuana grows.

3) **Consent Items**

Director Hoffman moved to approve the Consent Items. Director Roberts seconded the motion. Motion carried 5-0.

4) **Matters Removed from Consent Items**

None

5) **Presentations/Appointments**

None

6) **Continued/New Agenda Items**

a) **Discussion & Possible Action Regarding 2022/2023 Budget Process Schedule**

Staff Recommendation: For the Board to review the attached draft 2022/2023 budget timeline and determine if modifications are necessary.

Mr. Bartz presented this item.

Director Johnson moved to approve the staff recommendation. Director Hoffman seconded the motion. Motion carried 5-0.

b) **Discussion & Possible Action Regarding Resolution No. 2022-01; Establishing Policies for Board Conduct Amongst Directors and with Staff**

Staff Recommendation: For the Board to review and adopt Resolution No. 2022-01; Establishing Policies for Board Conduct Amongst Directors and with Staff.

Mr. Bartz presented this item.

Director Roberts moved to approve the staff recommendation as long as it was reviewed by legal counsel and no changes were recommended. Vice President Philips seconded the motion. Motion carried 5-0.

c) **Review of Ordinance No. 2019-01; Establishing Guidelines for the Conduct of District Public Meetings and Activities**

Staff Recommendation: For the Board to review Ordinance No. 2019-01; Guidelines for Conduct of District Public Meetings and Activities.

Mr. Bartz presented this item.

The Board recommended for staff to update the ordinance and bring it back to a future meeting.

d) **Discussion & Possible Action Regarding District Boundaries**

Staff Recommendation: None

This item was removed from the agenda.

e) **Update on the Proposed Civic Center & Phelan Park Expansion Projects**

Staff Recommendation: None

Mr. Bartz stated that there are no updates at this time.

No action taken; not an action item.

d) **Update on the Status of Negotiations for the Consolidation of Sheep Creek Mutual Water Company into the District**

Staff Recommendation: None

Mr. Bartz reported that negotiations are still moving forward. A meeting took place today with a water rights attorney regarding rights that Sheep Creek has and how the shares can be transferred. It will be approximately 2-3 weeks before a report is provided. Meetings will continue on until a determination is provided.

No action taken; not an action item.

7) **Committee Reports/Comments**

- a) **Antelope Valley Adjudication Committee (Ad Hoc)** – An appeal was made to the court regarding water rights for the 2 years that were in question and the appeal was denied.
- b) **Engineering Committee (Standing)** – Report is included in the packet.
- c) **Finance Committee (Standing)** – Meeting in January.
- d) **Legislative Committee (Standing)** – Meeting in February.
- e) **Parks, Recreation & Street Lighting Committee (Standing)** – Meeting next week.
- f) **Waste & Recycling Committee (Standing)** – Meeting next week.

8) Staff and General Manager's Report

Mr. Bartz gave an update on some recent water line breaks. On December 29, 2021, a 16" water line coming from Well 14 had a leak at the reducer on the pipe. It was a major leak and staff was able to get it repaired quickly. The second leak started at approximately 5:00 pm on December 31, 2021. A person grading property on Mescalero Rd. hit a 6" water line and left the area without reporting it. Once they were notified, it took 6 staff members until approximately 2:00-3:00 am to get it repaired. Approximately 125,000 gallons of water was lost, but it was caught before the tank went dry. Approximately 100 customers were without water until midnight. Mr. Bartz commended staff on wonderful job. Immediately after that repair, a seal broke at a connection to the tank about ½ mile away and repairs had to be made. This incident was turned in to the District insurance company due to the nature of the damage and they will be handling it from there. On January 3, 2022, there was an area of low pressure due to air in the line between the tank and customer service lines.

The insurance company will be contacting the person that hit the line. There was not a current dig ticket called in but the area had been marked about 6 weeks ago when Race Communications was in the area and some blue markings were still visible. The operator will be responsible for the damage.

9) Reports**a) Director's Report**

Hoffman – Nothing further to report.

Philips – Attended the TAC meeting and there is a letter being written regarding the Chromium-6 issue and that it will be a burden on disadvantaged communities.

Roberts – Asked about future meetings being in person.

Johnson – Wished everybody a happy New Year. Asked about the policy regarding change orders that were listed in the consent items. The purchasing policy covers the amount of purchase orders, but he didn't find anything covering the policy on change orders. He would like to bring the purchasing policy back for review.

b) President's Report – Nothing to report. Thanked everyone for bearing with her first meeting being completely on Zoom.

10) Correspondence/Information – The items in the packet were noted.

11) Review of Action Items**a) Prior Meeting Action Items**

- None

b) Current Meeting Action Items

- Modification of Ordinance No. 2019-01; Establishing Guidelines for the Conduct of District Public Meetings and Activities
- Annual Review of Purchasing Policy
- Review of Strategic Plan

12) Set Agenda for Next Meeting

- **Regular Board Meeting** – January 19, 2022

13) **Adjournment**

With no further business before the Board, the meeting was adjourned at 6:47 p.m.

Agenda materials can be viewed online at <https://www.pphcsd.org>

Rebecca Kujawa, President of the Board

Date

Aimee William, Administrative Technician II

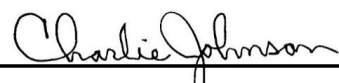
Date

Agenda Item 3b

Approval of Board
Stipends/Reimbursements

Phelan Piñon Hills Community Services District

BOARD STIPEND & EXPENSE VOUCHER/REPORT

2021					AB1234 Compliant					Report of items paid for with District Credit Card***		
*MAXIMUM PAID @ \$110 PER MEETING DAY AND LIMITED TO 10 MEETINGS PER MONTH												
Name: Charlie Johnson					Date: December 31, 2021							
Reimbursed @ 0.560					REIMBURSEMENT REQUESTED					CREDIT CARD EXPENSES		
Date of mtg. or event	A	Expense Description / Business Purpose	*Meeting (\$120 or N/C)	Miles	Mileage**	Meals	Lodging	Other	Meals	Lodging	Other	
12/01/21		Regular Board Meeting	120.00	13.80	7.73							
12/15/21		Regular Board Meeting	120.00	13.80	7.73							
12/16/21		Mojave Water Agency TAC Meeting	120.00	0.00	-							
					-							
					-							
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					-							
					-							
					-							
					-							
					-							
Totals			360.00	27.60	15.46	-	-	-	-	-	-	
A: Board Approved? (section 2.4)					Totals:							
I certify the expenses listed above are related to my authorized travel according to the Phelan Piñon Hills Community Services District Policies. Board member's signature below  _____ Signature					Acct #	_____	Meetings	360.00	Payroll	_____	Date	_____
					_____	Mileage	15.46	Board Mtg	_____	Meals	-	
					_____	Meals	-	Lodging	-	Lodging	-	
					_____	Lodging	-	Other	-	Other	-	
					_____	Other	-	Grand Total	375.46	Grand Total	-	

**Mileage is automatically calculated based on the number of miles entered.

***Credit card receipts must be turned in to the office within 24 hours of the charge or return to the District.

Agenda Item 3c

Approval of Contractor
Payments

Date: 01/10/2022

Name of Vendor: Lilburn Corporation

Description of work: Civic Center Park Environmental Project

Purchase Order # PO-04593

Date of Board Approval June 1, 2021

Original Approved Amount:	\$ 59,000.00
Amount Approved C/O #1	<u>\$9,840.00</u>
Amount Approved C/O #2	<u>\$4,800.00</u>

Total Contract Amount \$ 73,640.00

% Completed to Date 42%

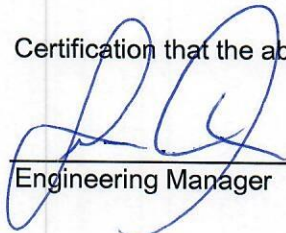
Total Invoiced to Date \$ 30,858.25

Amount Paid to Date 28,870.75

Total Due this Invoice \$1,987.50

Total Contract Amount After Invoice: \$ 42,781.75

Certification that the above work is completed as reflected on the invoice.



Engineering Manager

1/11/22

Date

General Manager

Date

Approved by Board of Directors:

Date

Agenda Item 3d

Acceptance of Quarterly Director
Expenses



Phelan Pinon Hills Community Services Distr

Expense Approval Report

By Fund

Payable Dates 07/01/2021 - 12/31/2021

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 01 - WATER FUND					
First Bank Card	093021	09/30/2021	Fisherman's Grotto - CSDA Conf...	01-0-1-52228	100.45
First Bank Card	093021	09/30/2021	Alvarado St. Brewery & Grill - C...	01-0-1-52228	10.15
First Bank Card	093021	09/30/2021	Alvarado St. Brewery & Grill - ka...	01-0-1-52228	36.59
First Bank Card	093021	09/30/2021	Portola Hotel - CSDA Conf.	01-0-1-52228	8.74
First Bank Card	093021	09/30/2021	Firestone Walke - CSDA Conf.	01-0-1-52228	46.51
First Bank Card	093021	09/30/2021	Alvarado St. Brew & Grill - CSDA...	01-0-1-52228	67.28
First Bank Card	093021	09/30/2021	Portola Hotel - CSDA Conf.	01-0-1-52228	1,176.33
Fund 01 - WATER FUND Total:					1,446.05
Grand Total:					1,446.05

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	1,446.05
Grand Total:	1,446.05

Account Summary

Account Number	Account Name	Payment Amount
01-0-1-52228	Board - Meals,Travel Expe...	1,446.05
Grand Total:		1,446.05

Project Account Summary

Project Account Key	Payment Amount
None	1,446.05
Grand Total:	1,446.05



Expense Approval Report

By Fund

Payable Dates 07/01/2021 - 12/31/2021

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 01 - WATER FUND					
Charlie Johnson	073021	07/31/2021	July Mileage - Regular & Parks ...	01-0-1-52213	30.91
Charlie Johnson	083121	08/31/2021	Aug. Mileage - GM & Board Me...	01-0-1-52213	15.57
First Bank Card	083121	08/31/2021	Portola Hotel - CSDA Conf. Dep...	01-0-1-52223	256.80
First Bank Card	083121CR	08/31/2021	Portola Hotel Deposit Refund	01-0-1-52223	-256.80
First Bank Card	083121CR	08/31/2021	CSDA Conference Cancellation	01-0-1-52233	-625.00
Charlie Johnson	092921	09/29/2021	Sept. Mileage - Regular & Finan...	01-0-1-52213	31.02
Charlie Johnson	103121	10/31/2021	Oct. Mileage - Regular & Parks ...	01-0-1-52213	30.91
Charlie Johnson	112221	11/24/2021	Nov. Mileage - Ethics & Regular...	01-0-1-52213	23.18
Charlie Johnson	123121	12/31/2021	Dec. Mileage - Regular Board M...	01-0-1-52213	15.46
Fund 01 - WATER FUND Total:					-477.95
Grand Total:					-477.95

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	-477.95
Grand Total:	-477.95

Account Summary

Account Number	Account Name	Payment Amount
01-0-1-52213	Board - Auto Expense/Joh...	147.05
01-0-1-52223	Board - Meals,Travel Expe...	0.00
01-0-1-52233	Board - Education,Trainin...	-625.00
Grand Total:		-477.95

Project Account Summary

Project Account Key	Payment Amount
None	-477.95
Grand Total:	-477.95



Expense Approval Report

By Fund

Payable Dates 07/01/2021 - 12/31/2021

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 01 - WATER FUND					
Rebecca A. Kujawa	073021	07/31/2021	July Mileage - Regular & Parks ...	01-0-1-52212	52.19
Rebecca A. Kujawa	083121	08/31/2021	Aug. Mileage - TAC, ASBCSD, Bo...	01-0-1-52212	91.62
Assn of SB County Special Distri...	083121	08/31/2021	ASBCSD - July & Aug. Meetings...	01-0-1-52232	72.00
Assn of SB County Special Distri...	092021	09/29/2021	Sept. Meeting - Rebecca	01-0-1-52222	24.00
Rebecca A. Kujawa	093021	09/30/2021	Sept. Mileage - Board & ASBCSD..	01-0-1-52212	27.55
Assn of SB County Special Distri...	101821	10/14/2021	Oct. Meeting - Rebecca	01-0-1-52232	30.00
Rebecca A. Kujawa	103121	10/31/2021	Oct. Mileage - Board & ASBCSD...	01-0-1-52212	49.28
Assn of SB County Special Distri...	111521-2	11/15/2021	Nov. Meeting - Rebecca	01-0-1-52232	34.00
Rebecca A. Kujawa	113021	11/30/2021	Nov. Mileage - Regular Board M...	01-0-1-52212	11.42
Rebecca A. Kujawa	123121	12/31/2021	Dec. Mileage - Regular Meetings..	01-0-1-52212	85.79
Fund 01 - WATER FUND Total:					477.85
Grand Total:					477.85

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	477.85
Grand Total:	477.85

Account Summary

Account Number	Account Name	Payment Amount
01-0-1-52212	Board - Auto Expense/Kuj...	317.85
01-0-1-52222	Board - Meals,Travel Expe...	24.00
01-0-1-52232	Board - Education,Trainin...	136.00
Grand Total:		477.85

Project Account Summary

Project Account Key	Payment Amount
None	477.85
Grand Total:	477.85



Expense Approval Report

By Fund

Payable Dates 07/01/2021 - 12/31/2021

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 01 - WATER FUND					
Deborah Jeanne Philips	073121	07/31/2021	July Mileage - Regular Meetings	01-0-1-52219	123.76
First Bank Card	073121	07/31/2021	CSDA - Leadership Academy	01-0-1-52239	600.00
Deborah Jeanne Philips	083121	08/31/2021	Aug. Mileage - TAC, CSDA, ASBC...	01-0-1-52219	328.72
First Bank Card	083121	08/31/2021	Portola Hotel - CSDA Conf. Dep...	01-0-1-52229	256.80
Assn of SB County Special Distri...	083121	08/31/2021	ASBCSD - July & Aug. Meetings...	01-0-1-52239	72.00
Assn of SB County Special Distri...	092021	09/29/2021	Sept. Meeting - Deborah	01-0-1-52229	24.00
Deborah Jeanne Philips	092921	09/29/2021	Sept. Mileage - Board, CSDA, Sol...	01-0-1-52219	690.48
First Bank Card	093021	09/30/2021	Starbucks - CSDA Conf. Expense	01-0-1-52229	13.00
First Bank Card	093021	09/30/2021	Carl's Jr - CSDA Conf. Expense	01-0-1-52229	12.05
First Bank Card	093021	09/30/2021	Mono Cup - CSDA Conf. Expense	01-0-1-52229	11.61
First Bank Card	093021	09/30/2021	Carl's Jr - CSDA Conf. Expense	01-0-1-52229	9.41
First Bank Card	093021	09/30/2021	Portola Hotel - CSDA Conf. Expe...	01-0-1-52229	558.60
First Bank Card	093021	09/30/2021	Portola Hotel Parking Fee	01-0-1-52229	75.00
First Bank Card	093021	09/30/2021	Uber Eats - CSDA Conf. Expense	01-0-1-52229	40.98
First Bank Card	093021	09/30/2021	Uber Eats - CSDA Conf. Expense	01-0-1-52229	28.44
First Bank Card	093021	09/30/2021	Los Portales - CSDA Conf. Expen...	01-0-1-52229	25.66
First Bank Card	093021	09/30/2021	Uber Eats - CSDA Conf. Expense	01-0-1-52229	7.10
First Bank Card	093021	09/30/2021	Mountain Mike's Pizza - CSDA C...	01-0-1-52229	21.68
First Bank Card	093021	09/30/2021	Starbucks - CSDA Conf. Expense	01-0-1-52229	5.45
First Bank Card	093021	09/30/2021	Starbucks - CSDA Conf. Expense	01-0-1-52229	5.25
First Bank Card	093021	09/30/2021	Fisherman's Grotto - CSDA Conf...	01-0-1-52229	100.45
First Bank Card	093021	09/30/2021	Exxon - CSDA Conf. Expense	01-0-1-52229	9.29
First Bank Card	093021	09/30/2021	Denny's - CSDA Conf. Expense	01-0-1-52229	21.69
Assn of SB County Special Distri...	103021	10/31/2021	Oct. Meeting Deborah	01-0-1-52239	30.00
Deborah Jeanne Philips	103121	10/31/2021	Oct. Mileage - Board, TAC & AS...	01-0-1-52219	56.00
First Bank Card	103121	10/31/2021	Carl's Jr - CSDA Conf. Expense	01-0-1-52229	14.38
First Bank Card	103121	10/31/2021	McP's Taphouse - CSDA Conf. E...	01-0-1-52229	63.72
First Bank Card	103121	10/31/2021	Lake Tahoe Hotel - CSDA Conf. ...	01-0-1-52229	605.58
First Bank Card	103121	10/31/2021	Starbucks - CSDA Conf. Expense	01-0-1-52229	7.25
Assn of SB County Special Distri...	111521	11/01/2021	Nov. Meeting - Deborah	01-0-1-52239	34.00
Deborah Jeanne Philips	113021	11/30/2021	Nov. Mileage-Board, ASBCSD & ...	01-0-1-52219	80.64
Deborah Jeanne Philips	123121	12/31/2021	Dec. Mileage-Board Meeting, C...	01-0-1-52219	29.68
Fund 01 - WATER FUND Total:					3,962.67
Grand Total:					3,962.67

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	3,962.67
Grand Total:	3,962.67

Account Summary

Account Number	Account Name	Payment Amount
01-0-1-52219	Board - Auto Expense/Phil...	1,309.28
01-0-1-52229	Board - Meals,Travel Expe...	1,917.39
01-0-1-52239	Board - Education,Trainin...	736.00
Grand Total:		3,962.67

Project Account Summary

Project Account Key	Payment Amount
None	3,962.67
Grand Total:	3,962.67

Agenda Item 3e

Acceptance of Disbursements



Phelan Pinon Hills Community Services Distr

Cash Disbursements Report

By Payment Number

Payment Dates 12/01/2021 - 12/31/2021

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
431	12/8/2021 113021	DEBPHI Nov. Mileage-Board, ASBCSD & Legislati...	Deborah Jeanne Philips	01-0-1-52219		80.64 80.64
432	12/8/2021 113021	REBKUJ Nov. Mileage - Regular Board Meetings	Rebecca A. Kujawa	01-0-1-52212		11.42 11.42
433	12/16/2021 120921	ANGROM Reimb. Cal Comp Excel Class Lunch Ange..	Angelica Romero	01-0-1-54470		39.60 39.60
434	12/16/2021 121321	SEAWRI Reimb. - Water Treatment (T4) Exam & ...	Sean Wright	01-1-1-54260		235.00 235.00
32147	12/8/2021 65089	ALEWYN Antelope Valley Legal Svcs. - Nov.	Aleshire & Wynder, LLP	01-0-1-53120	C0057 LEGAL	188.00 188.00
32148	12/8/2021 67189	APEREN Manlift Rental for Street Lights & Decor...	Apex Rentals	22-2-2-54300		488.00 488.00
32149	12/8/2021 16802	AVCOM Answering Svc. - Nov.	AVCOM Services Inc.	01-0-1-53150		70.00 70.00
32150	12/8/2021 28459	CALCOM Excel II - Aimee & Angelica	California Computer Schools, Inc	01-0-1-54260		160.00 160.00
32151	12/8/2021 39818	CAZCOM Site Rent - Dec.	CAZCOM, Inc.	01-1-2-53150		200.00 200.00
32152	12/8/2021 113021 113021 4101873250	CIN UNI Uniform Rental Svcs. Nov. Uniform Rental Svcs. Nov. Vehicle Wash Station Supplies	Cintas Corporation	01-1-1-54680 22-2-1-54680 01-1-8-54710		653.17 553.79 44.60 54.78
32153	12/8/2021 3622 3631	CONUTI Meters Replaced - (20) 3/4", (38) 1" Meters Replaced (7) 3/4", (20) 1"	Concord Environmental Energy, Inc	01-0-0-17000 01-0-0-17000	C0084 OUTSIDE SVCS C0084 OUTSIDE SVCS	5,907.50 4,031.00 1,876.50
32154	12/8/2021 9085-1014124 9085-1014131	CED Fuses for Station 12 Booster B Relays for Station 12 Booster B	Consolidated Electrical Distributors Inc	01-1-5-54620 01-1-5-54620		833.68 222.94 610.74
32155	12/8/2021 20-430815	SBC LIENS (52) Lien Release Docs.	County of San Bernardino	01-1-1-54830		1,040.00 1,040.00
32156	12/8/2021 2021-0080PT	SBC ACR Amended Tax Bill	County of San Bernardino County Treasurer	01-0-1-54830		26.00 26.00
32157	12/8/2021 CAVIC81444 CAVIC81495	FASTEN 1/4" Port Pressure Gauge Qty. (20) USA Feather Nails	Fastenal Company	01-1-2-54500 01-1-2-54500		573.66 383.70 189.96
32158	12/8/2021 6760 6761	FAUPRI Conservation Brochures Qty. (2,000) Postcard for Phase 2 Meter Installations	Faust Media Services LLC	01-1-9-54890 01-1-1-54890	C0049 OUTSIDE SERVIC	1,962.99 1,278.99 684.00
32159	12/8/2021 122421	FRO 5072 Phones - Oasis Yard 11/25 - 12/24	Frontier Communications	01-1-1-58010		128.69 128.69

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32160	12/8/2021 121821	FRO 8637 Phones - Sr. Ctr. 11/19 - 12/18	Frontier Communications	22-0-1-58010		64.67 64.67
32161	12/8/2021 101-52125-01 101-5238-01	GAOSBO Parts for CI2 Repairs Parts for Fill Station Repairs	G.A. Osborne Pipe & Supply Inc	01-1-2-54620 01-1-2-54620		652.52 486.37 166.15
32162	12/8/2021 10667962	GARDA Armored Svcs. - Dec.	Garda CL West, Inc	01-0-1-54200		348.89 348.89
32163	12/8/2021 28889	GENPUM Site 2B Booster C Pump Replaced & a S...	General Pump Company, Inc.	01-1-5-54620		20,927.61 20,927.61
32164	12/8/2021 409	GREEAR Phelan Park Maint. - Nov.	GreenEarth Landscape	22-2-2-54620		80.00 80.00
32165	12/8/2021 968680	HARFRE Chain for Lifting	Central Purchasing LLC	01-1-2-54650		123.89 123.89
32166	12/8/2021 19212 19213	IB CON Water Rate Study 2021 Consulting Svcs-Conservation Ord., U...	IB Consulting, LLC	01-1-1-53150 01-1-9-53150	C0049 OUTSIDE SERVIC	9,840.00 6,150.00 3,690.00
32167	12/8/2021 S1048759-004 S1050474-001	INLWAT 3C Tie in on Snowline Material Tapping Tool Bits	Inland Water Works Supply Co.	01-1-2-54620 01-1-2-54650		4,784.10 4,202.25 581.85
32168	12/8/2021 113021	ANDTRU Inv #309636 - CD Cup for Lobby Inv #309714 - Knee Pads Inv #309609 - Taps for Winterizing Inv #309710 - Box of Gloves Inv #309667 - Straps Inv #309707 - Cable Ties Inv #309694 - Key Inv #309611 - Duct Tape & Rope Inv #309712 - Paint Pail Gasket & Plastic Inv #309747 - Tape Inv #309585 - Garden Hose Inv #309705 -Repair Supplies for Pupm ... Inv #309568 - Repair Supplies for 1B Inv #309680 - Air Vac Maint. Supplies Inv #309563 - Plywood & Cut Sheets Inv #309653 - Mouse Traps Inv #309750 - Outdoor Cord Inv #309748 - Clamp Spring & Light Bulb	Mills Hardware	01-0-1-54500 01-1-2-54500		786.26 3.76 81.43 86.14 40.93 47.52 19.37 5.38 69.99 42.15 70.03 52.78 44.52 40.57 70.69 16.51 21.53 34.46 38.50
32170	12/8/2021 113021 113021 113021 113021 113021	NAPA Inv #524984 - Zone G Tank 2 Battery Inv#524852 - Trk #111 Hydraulic Fluid &... Inv #524946 - Trk #112 Right Angle & Cr... Inv #523061 - Trk #1 Fluid & Funnel Inv #523246 - Trk #111 Windshield Seal...	NAPA Auto Parts	01-1-5-54500 01-1-8-54710 01-1-8-54710 01-1-8-54710 01-1-8-54710		377.65 174.03 98.03 41.24 31.71 32.64
32171	12/8/2021 50265	PAP REC On-Site Shredding	Paper Recycling & Shredding Specialist	01-0-1-53150		58.00 58.00
32172	12/8/2021 32130	PHEEXP Trk #23 - Oil Change	Davy R Feller	01-1-8-54710		113.06 113.06
32173	12/8/2021 592987 592987	RACE Phones - Internet CSD Dec. Phones - Internet Credit CSD	Race Communications	01-0-1-58010 01-0-1-58010		618.00 254.50 -100.00

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	592987	Phones - Internet Shop Dec.		01-1-1-58010		204.50
	592987	Phones - Internet CC Dec.		22-0-1-58010		204.50
	592987	Phones - Internet Pinon Hills Dec.		22-0-1-58010		254.50
	592987	Phones - Internet Credit CC		22-0-1-58010		-200.00
32174	12/8/2021	REBEL	Rebel Oil Company, Inc.			3,638.07
	7042393	Fuel - 500 Gl.		01-1-8-54410		2,380.86
	7042422	Fuel - 279 Gl.		01-1-8-54410		1,257.21
32175	12/8/2021	SITEONE	SiteOne Landscape Supply Holding, LLC			188.13
	115023138-001	Siphon Pump, Qty. (4)		01-1-2-54620		188.13
32176	12/8/2021	STAINS	Standard Insurance Company			998.52
	120121	LDT/Life/AD&D - Dec.		01-0-1-51230		831.42
	120121	LDT/Life/AD&D - Dec.		01-7-7-51230		100.89
	120121	LDT/Life/AD&D - Dec.		22-0-1-51230		66.21
32177	12/8/2021	STEENT	Steven Enterprises Inc			383.34
	0448816	Plotter Supplies HP T1300 - Ink and Prin...		01-7-7-54530		383.34
32178	12/8/2021	AQUA MET	Aqua Metric Sales Co			58,864.67
	INV0085408	MXU 520 M Single Port Antenna		01-1-0-13010		6,845.47
	INV0085594	2" Sensus Meter		01-1-0-13010		4,618.78
	INV0085594	1" Sensus IPERL		01-1-0-13010		30,069.66
	INV0085594	MXU 520 M Single Port Antenna		01-1-0-13010		17,153.37
	INV085643	Meter Cable for School		01-1-6-54620		177.39
32179	12/8/2021	TOMDOD	Tom Dodson & Associates			3,175.00
	PPH116-3	CEQA Svcs. for Proposed Well #15 & #16		01-0-0-17000	C0095 OUTSIDE SVCS	3,175.00
32180	12/8/2021	TOPNOT	Top Notch Networking, LLC			2,437.05
	25164	Software Support - Nov.		01-0-1-53170		2,437.05
32181	12/8/2021	TRLS	TRLS Engineering, Inc			41,400.00
	3980	Civic Center - Revision to CUP - Engineer..		01-0-0-17000	C0002 OUTSIDE SVCS	41,400.00
32182	12/8/2021	TURSEC	Turner Security, Inc			258.70
	208088	Monitoring Svcs. - Dec.		01-1-1-53150		258.70
32183	12/8/2021	TYLTEC	Tyler Technologies, Inc			265.00
	025-358437	UB Online Support - Dec.		01-1-6-53170		265.00
32184	12/8/2021	USA	Underground Service Alert of So. Cal.			549.71
	1120210534	(120) Tickets		01-1-2-53150		206.35
	dsb20206097	USA Dig Safe Regulatory Fee		01-1-1-53160		343.36
32185	12/8/2021	USABB	HD Supply Facilities Maintenance, Ltd			1,059.00
	786848	(13) Hard Hats		01-1-2-54620		483.55
	787006	DPD Chlorine Spec Check		01-1-4-54500		240.63
	796123	Corp Stop Socket Adapter, Qty. (6)		01-1-2-54650		334.82
32186	12/16/2021	ASBCSD	Assn of SB County Special Districts			300.00
	121421	Membership Dues		01-0-1-54230		300.00
32187	12/16/2021	BRUMCE	Brunick, McElhaney & Kennedy			3,956.25
	167	Legal Svcs. - Nov.		01-0-1-53120		3,956.25
32188	12/16/2021	CFORD	Curtiss Leslie Ford			1,157.09
	6447	Water Heater Replaced - Phelan C.C. Un...		22-2-2-54620		1,157.09
32189	12/16/2021	CHA INT	Charter Communications			600.00
	14069120721	Internet Svc. 12/7 - 1/6		01-0-1-58010		588.00
	14069120721	Internet Svc. 12/7 - 1/6		22-0-1-58010		12.00

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Payment Dates: 12/01/2021 - 12/31/2021

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32190	12/16/2021 5087715541 5087715541	CINFIR First Aid Supplies CSD First Aid Supplies CSD	Cintas	01-0-1-54500 22-0-1-54500		169.19 165.81 3.38
32191	12/16/2021 3634 3646	CONUTI Meters Replaced (34) 3/4", (58) 1" Meters Replaced (16) 3/4", (70) 1"	Concord Environmental Energy, Inc	01-0-0-17000 01-0-0-17000	C0084 OUTSIDE SVCS C0084 OUTSIDE SVCS	12,371.00 6,394.00 5,977.00
32192	12/16/2021 9085-1014880	CED Generator plug adapters for 400 Amp	Consolidated Electrical Distributors Inc	01-0-0-17000	C0092 OUTSIDE SVCS	780.39 780.39
32193	12/16/2021 0369099	SBC PUBHLT Phelan CC Health Permit	County of San Bernardino	22-2-2-53160		612.00 612.00
32194	12/16/2021 700806-4538 701091-1564 701380-8478 701380-8478	CR&R Trash - Oasis Yard Dec. Trash - Pinon Hills Park Dec. Trash - Phelan CSD Dec. Trash - Phelan CC Dec.	CR&R Incorporated	01-0-2-58110 22-0-2-58110 01-0-1-58110 22-0-2-58110		872.03 272.22 189.89 204.96 204.96
32195	12/16/2021 121621	DENMOR 2nd Time Outstanding Employee	Dennis Morrison	01-0-1-54260		30.00 30.00
32196	12/16/2021 103121 113021	DONBAR Mileage Reimbursement - Oct Mileage Reimbursement - Nov.	Don Bartz	01-0-1-54140 01-0-1-54140		552.24 258.57 293.67
32197	12/16/2021 120721	FRO 5743 Phones- Office 12/7 - 1/6	Frontier Communications	01-0-1-58010		75.98 75.98
32198	12/16/2021 25027	GEOMON Routine Samples	GEO-Monitor, Inc.	01-1-4-53140		1,290.00 1,290.00
32199	12/16/2021 S1051896-001	INLWAT Non-Inv Flex Couplings for Well 2 Emer...	Inland Water Works Supply Co.	01-1-5-54620		803.29 819.68
32200	12/16/2021 33495	KTUA Civic Center Landscape-Hardscape Const..	KTUA	01-0-0-17000	C0002 IMPROVE	4,995.00 4,995.00
32201	12/16/2021 113021 113021	LOWES Inv #920646 - Christmas Tree for Office Inv #1322 Electrical Su0plies for Zone G..	Lowe's Credit	01-0-1-54530 01-1-2-54500		160.62 77.47 83.15
32202	12/16/2021 27	SHINE Painting Classes 12/11	Mary Gabriel	22-2-2-54800		646.00 646.00
32203	12/16/2021 E20212310	MERJOH Well 15 and Pipeline Survey Services	Merrell-Johnson Engineering Inc	01-0-0-17000	C0095 OUTSIDE SVCS	6,963.50 6,963.50
32204	12/16/2021 MD16271	MDAQMD Generators Permit Fees #116, #117 & #...	Mojave Desert Air Quality Management District	01-1-1-53160		345.39 345.39
32205	12/16/2021 2021-1096	MOUPRO Christmas Greetings Ad	Mountaineer Progress Newspaper	01-0-1-54110		150.00 150.00
32206	12/16/2021 526700	NAPA Trk #113 Hydraulic Tank	NAPA Auto Parts	01-1-8-54710		265.03 265.03
32207	12/16/2021 121421	PHECHA Angel Tree Sponsorship	Phelan Chamber of Commerce	22-0-1-54920		1,000.00 1,000.00
32208	12/16/2021 32131 32286 32326	PHEEXP Trk #19 - Belt Tension Repair Trk #24 - Oil Change Trk #17 - Headlight Repair	Davy R Feller	01-1-8-54710 01-1-8-54710 01-1-8-54710		538.14 355.22 121.07 61.85

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
32209	12/16/2021 7000637	REBEL Fuel - 300 Gl.	Rebel Oil Company, Inc.	01-1-8-54410		1,364.09 1,364.09
32210	12/16/2021 INV0084161	AQUA MET Sensus base station annual support	Aqua Metric Sales Co	01-0-0-17000	C0083 OUTSIDE SVCS	5,250.00 5,250.00
32211	12/16/2021 12521286 12521286	TRIMBLE 3 Injection Meters for DMA's 3 Injection Meters for DMA's	Trimble Inc.	01-0-9-54800 01-0-9-54800	C0098 OUTSIDE SVCS	19,814.03 17,500.00 2,314.03
32212	12/16/2021 49656659	UNIVAR Liquid Chlorine	UNIVAR INC.	01-1-3-54500		1,565.40 1,565.40
32214	12/16/2021 2974514	XEROX Copier Lease 12/12 - 1/11	Xerox Corporation	01-0-1-54300		306.59 306.59
32216	12/22/2021 142356	BOOBAR Sfty. Work Boots - Aaron & Lance	Boot Barn Inc.	01-1-2-54680		300.00 300.00
32217	12/22/2021 Q015544 Q015694	CORE 1 CTS Clamp 1 IPS Clamp	Core & Main	01-1-0-13010 01-1-0-13010		4,802.28 2,912.59 1,889.69
32218	12/22/2021 701380	CR&R Disposal Bins - High Desert Keepers	CR&R Incorporated	25-0-1-54920		2,080.78 2,080.78
32219	12/22/2021 94155578	ESRI ESRI Subscription - Aaron Barnes	Environmental Systems Research Institute, Inc	01-7-7-53170		175.00 175.00
32220	12/22/2021 121021	FRO 3434 Phones - Telemetry 12/10 - 1/9	Frontier Communications	01-1-5-58010		174.96 174.96
32221	12/22/2021 203038 203038 203038	INFOSE Postage - Nov. Printng - Nov. Postage & Printing - Nov.	Infosend Inc	01-1-6-54860 01-1-6-54890 22-2-2-54800		11,987.62 7,690.76 914.38 3,382.48
32222	12/22/2021 2021122 2021122 2021122	LIN SVC Janitorial Svcs - CSD Janitorial Svcs -Oasis Janitorial Svcs - Pinon Hills, Phelan CC	Richard J. Linsalato	01-0-1-54320 01-1-1-54320 22-0-1-54320		925.00 310.00 225.00 390.00
32223	12/22/2021 I-01949808	OFFSOL Office Supplies	Office Solutions	01-0-1-54530		240.83 240.83
32224	12/22/2021 7000504	REBEL Fuel - 507 Gl.	Rebel Oil Company, Inc.	01-1-8-54410		2,300.14 2,300.14
32225	12/22/2021 111712182021	ARMELE Electric Repairs - Site 3B, 3C & Generato...	Rodger Ashby	01-1-5-54620		3,210.00 3,210.00
32226	12/22/2021 VoIP1604394	TOPNOT Office Phones 12/20 - 1/19	Top Notch Networking, LLC	01-0-1-58010		448.93 448.93
32227	12/22/2021 2465 2466	TOP OPT General Pest Control Dec. - Oasis General Pest Control Dec. - CSD	Top Option Pest Control	01-1-1-53150 01-0-1-53150		173.00 98.00 75.00
32228	12/22/2021 200744025-001 9168... 200744025-001 9168... 200744025-001 9168...	UNIREN Equipment Rental for Smithson Springs ... Equipment Rental for Smithson Springs ... Credit - Overcharged Days	United Rentals	01-1-1-54300 01-1-1-54300 01-1-1-54300		6,499.53 6,620.86 2,501.68 -2,623.01
32229	12/22/2021 25AR1375576	IMA SOU Base Rate & Copies	Visual Edge, Inc.	01-0-1-53150		458.92 458.92

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32230	12/22/2021	WAXIE	Waxie Enterprises, Inc			342.82
	17046 0	Transportation Surcharge		22-2-2-54500		7.75
	17046 0	Black Trash Bags- Case		22-2-2-54500		127.61
	17046 0	Bleach- Case		22-2-2-54500		57.52
	80533332	Paper Towels-Case		01-0-1-54530		149.94
DFT0010674	12/8/2021	SCE 2439-1773	Southern California Edison			16.10
	112321	Electricity - Phelan Park 10/26 - 11/23		22-0-2-58110		16.10
DFT0010675	12/8/2021	SCE 8362-7804	Southern California Edison			164.12
	102821	Electricity - Solar Meter 9/29 - 10/28		01-1-3-58110		164.12
DFT0010676	12/8/2021	SCE 9587-0653	Southern California Edison			1,137.01
	102521	Electricity - Office 9/24 - 10/25		01-0-1-58110		1,228.08
	102521	Electricity - Solar Credit 9/24-10/25		01-1-3-58115		-91.07
DFT0010678	12/8/2021	SCE 9587-0653	Southern California Edison			-2,613.70
	092321 CR	Electricity - Solar Credit 5/26 - 9/23		01-1-3-58115		-2,613.70
DFT0010679	12/8/2021	THEGAS	The Gas Company			112.50
	112221-4084	Gas - Phelan Sr. Ctr. 10/21 - 11/22		22-0-2-58110		112.50
DFT0010680	12/8/2021	THEGAS	The Gas Company			81.96
	112221-4585	Gas - Phelan CC 10/25 - 11/22		22-0-2-58110		81.96
DFT0010681	12/3/2021	EDD	Employment Development Department			432.88
	INV0004792	State Disability Ins - Payroll Taxes		01-0-0-24510		432.88
DFT0010682	12/3/2021	EDD	Employment Development Department			2,622.21
	INV0004793	CA State Income Tax - Payroll Taxes		01-0-0-24510		2,622.21
DFT0010683	12/3/2021	IRS	Internal Revenue Service			1,704.84
	INV0004794	Medicare - Payroll Taxes		01-0-0-24510		1,704.84
DFT0010684	12/3/2021	IRS	Internal Revenue Service			7,038.75
	INV0004795	Federal Income Tax - Payroll Taxes		01-0-0-24510		7,038.75
DFT0010685	12/8/2021	THEGAS	The Gas Company			16.27
	113021-6781	Gas - Pinon Hills Fire 10/28 - 11/30		22-0-2-58110		16.27
DFT0010686	12/8/2021	THEGAS	The Gas Company			72.72
	113021-6056	Gas - Pinon Hills CC 10/28 - 11/30		22-0-2-58110		72.72
DFT0010687	12/8/2021	SCE 1613-6373	Southern California Edison			15.62
	113021	Electricity - R/R Crossings 11/1 - 11/30		23-0-2-58210		15.62
DFT0010688	12/8/2021	SCE 5917-6455	Southern California Edison			23.85
	113021	Electricity - Phelan Park St. Lights 11/1 - ...		22-2-2-58110		23.85
DFT0010689	12/8/2021	SCE 7441-5755	Southern California Edison			192.64
	113021	Electricity - Pinon Hills CC 11/2-12/2		22-0-2-58110		192.64
DFT0010690	12/8/2021	SCE 9587-0653	Southern California Edison			2,451.88
	092321-2	Electricity - Office 8/25-9/23		01-0-1-58110		1,723.56
	092321-2	Electricity - Office 5/26-8/24		01-0-1-58110		728.32
DFT0010691	12/10/2021	CALPERS 457	California Public Employees' Deferred Compensation Plan			215.00
	INV0004796	Cal PERS 457/ Employer Plan: 450 717 - ...		01-1-0-24560		212.00
	INV0004796	Cal PERS 457/ Employer Plan: 450 717 - ...		22-2-0-24560		3.00
DFT0010692	12/10/2021	CALPERS	Calif Public Employees' Retirement System			2,644.39
	INV0004797	CalPERS/Employee Portion(E)		01-1-0-24530		2,194.29
	INV0004797	CalPERS/Employee Portion(E)		01-7-0-24530		216.20
	INV0004797	CalPERS/Employee Portion(E)		22-2-0-24530		193.02
	INV0004797	CalPERS/Employee Portion(E)		25-5-0-24530		40.88

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DFT0010693	12/10/2021	CALPERS	Calif Public Employees' Retirement System			3,239.04
	INV0004798	CalPERS/Employee Portion(ER)		01-1-0-24530		2,552.28
	INV0004798	CalPERS/Employee Portion(ER)		01-7-0-24530		376.77
	INV0004798	CalPERS/Employee Portion(ER)		22-2-0-24530		309.99
DFT0010694	12/10/2021	CALPERS	Calif Public Employees' Retirement System			7,518.75
	INV0004799	CalPERS/Employer Portion		01-1-0-24530		6,018.65
	INV0004799	CalPERS/Employer Portion		01-7-0-24530		788.95
	INV0004799	CalPERS/Employer Portion		22-2-0-24530		665.19
	INV0004799	CalPERS/Employer Portion		25-5-0-24530		45.96
DFT0010695	12/10/2021	CALPERS	Calif Public Employees' Retirement System			23.25
	INV0004800	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		18.64
	INV0004800	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		2.00
	INV0004800	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.46
	INV0004800	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		0.15
DFT0010696	12/10/2021	CALPERS 457	California Public Employees' Deferred Compensation Plan			136.03
	INV0004801	457 Loan Payback		01-1-0-24560		136.03
DFT0010697	12/10/2021	EDD	Employment Development Department			836.67
	INV0004802	State Disability Ins - Payroll Taxes		01-0-0-24510		836.67
DFT0010698	12/10/2021	IRS	Internal Revenue Service			328.16
	INV0004803	Social Security - Payroll Taxes		01-0-0-24510		328.16
DFT0010699	12/10/2021	EDD	Employment Development Department			3.84
	INV0004804	State Employer Training Tax - Payroll Ta...		01-0-0-24510		3.84
DFT0010700	12/10/2021	EDD	Employment Development Department			180.85
	INV0004805	State Unemployment Ins - Payroll Taxes		01-0-0-24510		180.85
DFT0010701	12/10/2021	EDD	Employment Development Department			3,201.61
	INV0004806	CA State Income Tax - Payroll Taxes		01-0-0-24510		3,201.61
DFT0010702	12/10/2021	IRS	Internal Revenue Service			2,608.50
	INV0004807	Medicare - Payroll Taxes		01-0-0-24510		2,608.50
DFT0010703	12/10/2021	IRS	Internal Revenue Service			8,955.74
	INV0004808	Federal Income Tax - Payroll Taxes		01-0-0-24510		8,955.74
DFT0010704	12/17/2021	VER AIR	Verizon Wireless			838.18
	9894124641	Phones-Jet Packs, Tablets, On-Call Nov.		01-1-1-58010		838.18
DFT0010705	12/17/2021	SCE 1078-5254	Southern California Edison			317.03
	120821	Electricity - CC & Sr. Ctr. 11/8 - 12/8		22-0-2-58110		317.03
DFT0010706	12/17/2021	SCE 9515-2666	Southern California Edison			81,316.03
	120621	Electricity- Wells, Boosters, Tanks		01-1-3-58110		88,333.45
	120621	Electricity- Solar Credit		01-1-3-58115		-8,453.45
	120621	Electricity- St. Lights		23-3-2-58210		1,436.03
DFT0010707	12/17/2021	FBC-STEVE	First Bank Card			570.00
	113021	Amazon - Spout Kit		22-2-2-54620		28.41
	113021	Lowes - Repair Supplies		22-2-2-54620		206.89
	113021	Amazon - Furniture Pads		22-2-2-54620		73.00
	113021	The Webstaurant - Phelan CC Supplies		22-2-2-54620		205.72
	113021	Amazon - Christmas Lighting Event Supp...		22-2-2-54800		55.98
DFT0010708	12/17/2021	FBC-MICHAEL	First Bank Card			72.11
	113021	Tractor Supplies - Leaf Spring Parts for ...		01-1-8-54710		57.09
	113021	The Home Depot-Supplies for Tree Lighr...		22-2-2-54800		15.02

Cash Disbursements Report

Payment Dates: 12/01/2021 - 12/31/2021

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
DFT0010709	12/17/2021 113021	FBC-ERNESTO Amazon - Turn Signal Light Sockets	First Bank Card	01-1-8-54710		18.29 18.29
DFT0010710	12/17/2021	FBC-JENNIFER	First Bank Card			2,257.64
	113021	Adobe Subscription		01-0-1-53170		101.94
	113021	Amazon - Safety Award		01-0-1-54260		13.98
	113021	Amazon - Safety Award		01-0-1-54260		100.00
	113021	Amazon - Safety Award		01-0-1-54260		64.64
	113021	Amazon - Safety Award		01-0-1-54260		38.68
	113021	Stater Bros - Staff Training Supplies		01-0-1-54260		73.07
	113021	Amazon - Safety Award		01-0-1-54260		75.05
	113021	OTC - Safety Meeting Supplies		01-0-1-54260		144.69
	113021	Mexico Lindo - Staff Training		01-0-1-54260		280.15
	113021	Amazon - Safety Award		01-0-1-54260		79.32
	113021	Amazon - Safety Award		01-0-1-54260		60.30
	113021	Amazon - Photo Background		01-0-1-54530		80.59
	113021	Vista Print - Business Cards		01-0-1-54530		87.28
	113021	Amazon - Web Camera		01-0-1-54530		63.02
	113021	Amazon - Push Pins		01-0-1-54530		3.25
	113021	Smart Signs		01-0-1-54530		64.60
	113021	Walgreens - Covid Tests		01-0-1-54530	C0086 OUTSIDE SVCS	103.40
	113021	Walgreens - Covid Tests		01-0-1-54530	C0086 OUTSIDE SVCS	112.01
	113021	Adobe Subscription		01-1-1-53170		33.98
	113021	Pizza Factory - Filed Staff Lunch		01-1-1-54530		140.53
	113021	Amazon - Ipads Screen Protectors		01-1-1-54530		17.21
	113021	Carhartt - Field Uniforms		01-1-2-54680		215.48
	113021	Arleen's Trk #24 & #24 Registration		01-1-8-54710		60.00
	113021	Adobe Subscription		01-7-7-53170		33.98
	113021	Amazon - Parks Supplies		22-2-2-54800		21.48
	113021	Amazon - Christmas Lighting Supplies		22-2-2-54800		14.50
	113021	Amazon - Christmas Lighting Supplies		22-2-2-54800		16.50
	113021	OTC - 2 Bardwood Rolls		22-2-2-54800		43.08
	113021	Amazon - Christmas Background		22-2-2-54800		56.87
	113021	The Home Depot - Lights for Park's Event		22-2-2-54800		58.06
DFT0010711	12/17/2021	FBC-GEORGE	First Bank Card			1,485.59
	113021	Mexico Lindo - Staff Meeting		01-0-1-54440		39.83
	113021	Apple - iCloud Storage		01-1-1-53170		0.99
	113021	SBC County - Easement Recording Fee		01-1-1-54830		97.80
	113021	United Pacific - Fuel for Trk #15		01-1-8-54410		79.73
	113021	The Speed Wash - Trk #15		01-1-8-54710		10.00
	113021	The Speed Wash - Trk #15		01-1-8-54710		8.00
	113021	Starbucks -ESRI Conference Expense (T...		01-7-7-54470		8.90
	113021	Starbucks-ESRI Conference Expense (To...		01-7-7-54470		8.90
	113021	Courtyard - ESRI Conference Expense for...		01-7-7-54470		615.72
	113021	Courtyard - ESRI Conference Expense fo...		01-7-7-54470		615.72
DFT0010712	12/17/2021	FBC-KIM	First Bank Card			1,591.53
	113021	Zoom Subscription		01-0-1-53170	C0086 OUTSIDE SVCS	159.96
	113021	Calendar Wiz		01-0-1-53170		14.00
	113021	Panera - Staff Training Supplies		01-0-1-54260		133.95
	113021	Mexico Lindo - Staff Meeting		01-0-1-54440		38.75
	113021	Ricks Cafe - Staff Meeting		01-0-1-54440		95.51
	113021	NNA - Notary Journal		01-0-1-54530		35.86
	113021	Amazon - Office Supplies		01-0-1-54530		38.49
	113021	PC Liquidations - Printer		01-0-1-54530		223.41
	113021	Amazon - Office Supplies		01-0-1-54530		23.68
	113021	CVS - Covid Tests		01-0-1-54530	C0086 OUTSIDE SVCS	103.40
	113021	Amazon - Face Masks		01-0-1-54530	C0086 OUTSIDE SVCS	19.20
	113021	Amazon - Binders		01-0-1-54530		15.07

Cash Disbursements Report

Payment Dates: 12/01/2021 - 12/31/2021

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	113021	CVS - Covid Tests		01-0-1-54530	C0086 OUTSIDE SVCS	143.94
	113021	Pitney Bowes - Postage Supplies		01-0-1-54530		46.31
	113021	Pitney Bowes - Postage Refill		01-0-1-54860		500.00
DFT0010713	12/17/2021	FBC-SEAN	First Bank Card			918.06
	113021	Mexico Lindo- Meeting with Kim & Don		01-0-1-54440		52.82
	113021	Mexico Lindo - Staff Meeting		01-0-1-54440		91.56
	113021	Ricks Cafe - Staff Meeting		01-0-1-54440		94.43
	113021	Hole in One - Donuts for Field Staff Train..		01-1-1-54260		12.84
	113021	Babbel - for Chris (Cancelled, Will Rcv C...		01-1-1-54260		83.40
	113021	Babbel - for Chad (Cancelled, Will Rcv C...		01-1-1-54260		83.40
	113021	Amazon - Board for Keys		01-1-1-54500		157.47
	113021	Amazon - Corp Socket		01-1-2-54650		238.71
	113021	Tractor Supplies - Vactor Leaf Spring		01-1-8-54710		103.43
DFT0010714	12/17/2021	FBC-DON	First Bank Card			1,694.18
	113021	76- Fuel		01-0-1-54140		125.00
	113021	Shell - Fuel		01-0-1-54140		109.04
	113021	76 - Fuel		01-0-1-54140		125.00
	113021	Chevron - Fuel		01-0-1-54140		147.08
	113021	76 - Fuel		01-0-1-54140		125.00
	113021	OWP - Water Treatment Class for Don		01-0-1-54260		165.53
	113021	Ricks Cafe - Consolidation Meeting		01-0-1-54440		56.25
	113021	Ricks Cafe - Agenda Related Meeting		01-0-1-54440		57.40
	113021	Ricks Cafe - Staff Meeting		01-0-1-54440		37.95
	113021	Ricks Cafe - Staff Meeting		01-0-1-54440		54.90
	113021	SSP America		01-0-1-54470		26.74
	113021	Hyatt Regency		01-0-1-54470		24.58
	113021	Wahoo Fish Tacos		01-0-1-54470		18.07
	113021	Ontario Airport - Parking Fee		01-0-1-54470		42.00
	113021	Kesh Cab		01-0-1-54470		80.00
	113021	Hyatt		01-0-1-54470		499.64
DFT0010715	12/16/2021	FBC-JENNIFER	First Bank Card			1,173.21
	113021-2	Amazon - Safety Awards		01-0-1-54260		918.21
	592236	Plaque Maker - Name Plates for Staff		01-1-1-54530		255.00
DFT0010716	12/16/2021	FBC-SEAN	First Bank Card			2,990.57
	E71916	Quinn - Generator Rental for Power Out...		01-1-5-54620		2,990.57
DFT0010717	12/17/2021	VER AIR	Verizon Wireless			2,329.18
	9894124641-2	iPads for Field Staff		01-1-2-54500		1,332.33
	9894124641-2	New Phones for Field Employees		01-1-2-54500		996.85
DFT0010718	12/24/2021	CALPERS 457	California Public Employees' Deferred Compensation Plan			215.00
	INV0004809	Cal PERS 457/ Employer Plan: 450 717 - ...		01-1-0-24560		209.39
	INV0004809	Cal PERS 457/ Employer Plan: 450 717 - ...		22-2-0-24560		5.61
DFT0010719	12/24/2021	CALPERS	Calif Public Employees' Retirement System			2,648.47
	INV0004810	CalPERS/Employee Portion(EE)		01-1-0-24530		2,227.32
	INV0004810	CalPERS/Employee Portion(EE)		01-7-0-24530		205.06
	INV0004810	CalPERS/Employee Portion(EE)		22-2-0-24530		190.54
	INV0004810	CalPERS/Employee Portion(EE)		25-5-0-24530		25.55
DFT0010720	12/24/2021	CALPERS	Calif Public Employees' Retirement System			3,260.90
	INV0004811	CalPERS/Employee Portion(ER)		01-1-0-24530		2,562.84
	INV0004811	CalPERS/Employee Portion(ER)		01-7-0-24530		376.77
	INV0004811	CalPERS/Employee Portion(ER)		22-2-0-24530		321.29
DFT0010721	12/24/2021	CALPERS	Calif Public Employees' Retirement System			7,554.99
	INV0004812	CalPERS/Employee Portion		01-1-0-24530		6,072.00
	INV0004812	CalPERS/Employee Portion		01-7-0-24530		776.42

Cash Disbursements Report

Payment Dates: 12/01/2021 - 12/31/2021

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	INV0004812	CalPERS/Employer Portion		22-2-0-24530		677.84
	INV0004812	CalPERS/Employer Portion		25-5-0-24530		28.73
DFT0010722	12/24/2021	CALPERS	Calif Public Employees' Retirement System			23.25
	INV0004813	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		18.80
	INV0004813	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		1.92
	INV0004813	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.43
	INV0004813	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		0.10
DFT0010723	12/24/2021	CALPERS 457	California Public Employees' Deferred Compensation Plan			136.03
	INV0004814	457 Loan Payback		01-1-0-24560		136.03
DFT0010724	12/24/2021	EDD	Employment Development Department			863.98
	INV0004815	State Disability Ins - Payroll Taxes		01-0-0-24510		863.98
DFT0010725	12/24/2021	IRS	Internal Revenue Service			246.96
	INV0004816	Social Security - Payroll Taxes		01-0-0-24510		246.96
DFT0010726	12/24/2021	EDD	Employment Development Department			4.24
	INV0004817	State Employer Training Tax - Payroll Ta...		01-0-0-24510		4.24
DFT0010727	12/24/2021	EDD	Employment Development Department			199.40
	INV0004818	State Unemployment Ins - Payroll Taxes		01-0-0-24510		199.40
DFT0010728	12/24/2021	EDD	Employment Development Department			3,280.09
	INV0004819	CA State Income Tax - Payroll Taxes		01-0-0-24510		3,280.09
DFT0010729	12/24/2021	IRS	Internal Revenue Service			2,638.85
	INV0004820	Medicare - Payroll Taxes		01-0-0-24510		2,638.85
DFT0010730	12/24/2021	IRS	Internal Revenue Service			9,233.02
	INV0004821	Federal Income Tax - Payroll Taxes		01-0-0-24510		9,233.02
Payment Total:						436,881.51

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	420,319.99
22 - PARKS & RECREATION	12,904.11
23 - STREET LIGHTING	1,451.65
25 - SOLID WASTE	2,222.15
Grand Total:	436,897.90

Account Summary

Account Number	Account Name	Payment Amount
01-0-0-17000	CIP Enterprise Funds	80,842.39
01-0-0-24510	Payroll Tax Payable	44,380.59
01-0-1-51230	Employee Group Insurance	831.42
01-0-1-52212	Board - Auto Expense/Kuj...	11.42
01-0-1-52219	Board - Auto Expense/Phil...	80.64
01-0-1-53120	Legal Services	4,144.25
01-0-1-53150	Outside Service	661.92
01-0-1-53170	Software Support	2,712.95
01-0-1-54110	Advertising	150.00
01-0-1-54140	Auto Expense	1,183.36
01-0-1-54200	Credit Card Fee & Bank C...	348.89
01-0-1-54230	Dues & Subscriptions	300.00
01-0-1-54260	Education & Training	2,337.57
01-0-1-54300	Equipment Rental / Lease	306.59
01-0-1-54320	General Maintenance	310.00
01-0-1-54440	Meeting, Seminar & Suppl...	619.40
01-0-1-54470	Travel Expense	730.63
01-0-1-54500	Operating Supplies	169.57
01-0-1-54530	Office Supplies	1,631.75
01-0-1-54830	State & County Fees & Se...	26.00
01-0-1-54860	Postage & Mailing	500.00
01-0-1-58010	Telephone	1,267.41
01-0-1-58110	Utilities	3,884.92
01-0-2-58110	Utilities	272.22
01-0-9-54800	Programs (Wtr Conservati...	19,814.03
01-1-0-13010	Inventory - Water Field Pa...	63,489.56
01-1-0-24530	Retirement W/H Payable	21,664.82
01-1-0-24560	Retirement 457 W/H Pay...	693.45
01-1-1-53150	Outside Service	6,506.70
01-1-1-53160	Permits & Fees	688.75
01-1-1-53170	Software Support	34.97
01-1-1-54260	Education & Training	414.64
01-1-1-54300	Equipment Rental / Lease	6,499.53
01-1-1-54320	General Maintenance	225.00
01-1-1-54500	Operating Supplies	157.47
01-1-1-54530	Office Supplies	412.74
01-1-1-54680	Uniforms	553.79
01-1-1-54830	State & County Fees & Se...	1,137.80
01-1-1-54890	Printing	684.00
01-1-1-58010	Telephone	1,171.37
01-1-2-53150	Outside Service	406.35
01-1-2-54500	Operating Supplies	3,448.93
01-1-2-54620	Repair & Maintenance	5,579.23
01-1-2-54650	Small Tools	1,279.27
01-1-2-54680	Uniforms	515.48
01-1-3-54500	Operating Supplies	1,565.40
01-1-3-58110	Utilities	88,497.57
01-1-3-58115	Utilities - Solar Credits	-11,158.22
01-1-4-53140	Laboratory Analysis	1,290.00

Account Summary

Account Number	Account Name	Payment Amount
01-1-4-54500	Operating Supplies	240.63
01-1-5-54500	Operating Supplies	174.03
01-1-5-54620	Repair & Maintenance	28,866.63
01-1-5-58010	Telephone	174.96
01-1-6-53170	Software Support	265.00
01-1-6-54620	Repair & Maintenance	248.08
01-1-6-54860	Postage & Mailing	7,690.76
01-1-6-54890	Printing	914.38
01-1-8-54410	Fuel Costs	7,382.03
01-1-8-54710	Vehicle Maintenance	1,431.44
01-1-9-53150	Outside Service	3,690.00
01-1-9-54890	Printing	1,278.99
01-7-0-24530	Retirement W/H Payable	2,744.09
01-7-7-51230	Employee Group Insurance	100.89
01-7-7-53170	Software Support	208.98
01-7-7-54470	Travel Expense	1,249.24
01-7-7-54530	Office Supplies	383.34
22-0-1-51230	Employee Group Insurance	66.21
22-0-1-54320	General Maintenance	390.00
22-0-1-54500	Operating Supplies	3.38
22-0-1-54920	Public Relation	1,000.00
22-0-1-58010	Telephone	335.67
22-0-2-58110	Utilities	1,204.07
22-2-0-24530	Retirement W/H Payable	2,362.76
22-2-0-24560	Retirement 457 W/H Pay...	8.61
22-2-1-54680	Uniforms	44.60
22-2-2-53160	Permits & Fees	612.00
22-2-2-54300	Equipment Rental / Lease	488.00
22-2-2-54500	Operating Supplies	192.88
22-2-2-54620	Repair & Maintenance	1,789.15
22-2-2-54800	Programs (Park & Rec)	4,382.93
22-2-2-58110	Utilities	23.85
23-0-2-58210	Utilities - Street Lights	15.62
23-3-2-58210	Utilities - Street Lights	1,436.03
25-0-1-54920	Public Relation	2,080.78
25-5-0-24530	Retirement W/H Payable	141.37
	Grand Total:	436,897.90

Project Account Summary

Project Account Key	Payment Amount	
None	332,756.61	
C0002 IMPROVE	4,995.00	
C0002 OUTSIDE SVCS	41,400.00	
C0049 OUTSIDE SERVIC	4,968.99	
C0057 LEGAL	188.00	
C0083 OUTSIDE SVCS	5,250.00	
C0084 OUTSIDE SVCS	18,278.50	
C0086 OUTSIDE SVCS	641.91	
C0092 OUTSIDE SVCS	780.39	
C0095 OUTSIDE SVCS	10,138.50	
C0098 OUTSIDE SVCS	17,500.00	
	Grand Total:	436,897.90

Agenda Item 4

Matters Removed from
Consent Items

Agenda Item 5

Presentations/Appointments

Presentation of Draft Community
Survey



A. 4176 Warbler Road
P.O. Box 294049
Phelan, CA 92329
P. (760) 868-1212
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W. www.pphcsd.org

MEMORANDUM

DATE: January 19, 2022
TO: Board of Directors
FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary
SUBJECT: Draft Community Survey Review & Presentation

STAFF RECOMMENDATION

None

BACKGROUND

Chris Collier with Rincon Strategies, LLC, will provide a presentation on the proposed draft community survey.

Note: The estimated parcel tax amounts are based on estimated expenses at this time and data provided by the District's financial consultant. The amounts may change as this process moves forward.

FISCAL IMPACT

None

ATTACHMENT(S)

Draft Survey Questions

Phelan Pinon Hills Community Services District Draft Survey

N= 400

Proposed run date Jan 21-25

We're conducting a survey on issues important to Phelan and Pinon Hills.

1. Which of the following is the most pressing issue in your community?
 - a. Illegal Cannabis
 - b. Homelessness
 - c. Water
 - d. Parks & Recreation
 - e. Crime
 - f. Poverty
 - g. Other:
2. Which of the following is the next most pressing issue in your community?
 - a. Illegal Cannabis
 - b. Homelessness
 - c. Water
 - d. Parks & Recreation
 - e. Crime
 - f. Poverty
 - g. Other:
3. In general, when thinking about the Phelan- Pinon Hills Community Service District, how do you think things are going?
 - a. Very much right track
 - b. Somewhat right track
 - c. Somewhat wrong track
 - d. Very much wrong track
 - e. Not sure
4. On a scale of one to five (1 being not very important and 5 being very important), how important are the following services offered by the Community Services District
 - a. Water
 - b. Parks and recreation
 - c. Solid Waste collection
5. On a scale of one to five (1 being not very important and 5 being very important), how would you rate service provided by the Community Services District?
 - a. Water
 - b. Parks and recreation
 - c. Solid Waste collection
6. How often do you visit parks or community centers in Phelan or Pinon Hills?
 - a. Weekly
 - b. Monthly
 - c. A few times a year

- d. Not visited/Not sure
- 7. The CSD has explored plans to expand Phelan Community Park. Which best describes you:
 - a. I am very aware of the expansion project and have participated in public meetings
 - b. I am somewhat aware of the expansion
 - c. I am aware an expansion is being discussed but do not know much more
 - d. Not heard of/Not sure
- 8. How have you heard about the park expansion project? (Select all that apply)
 - a. Attend community meeting
 - b. Website
 - c. PPHCSD Board meeting
 - d. Local Newspaper
 - e. Other:
 - f. Not heard of/Not sure
- 9. The expanded Phelan Community Park Plan will include many elements. Each of the following elements are likely to be included in the park expansion. Please indicate how important each is to you.
 - a. Sports Fields
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
 - b. Splash Pad
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
 - c. Skate Park
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
 - d. Events Plaza
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
 - e. Bike Track
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
 - f. Expanded Kids Playground
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
 - g. Dog Park
 - i. Very important to me

- ii. Somewhat important to me
 - iii. Not important to me
 - h. Equestrian Arena
 - i. Very important to me
 - ii. Somewhat important to me
 - iii. Not important to me
- 10. Based on what you've learned about all that will be included in the Phelan Community Park expansion plan so far, which of the following statements best describe you?
 - a. Strongly support the park expansion plan
 - b. Somewhat support the park expansion plan
 - c. Somewhat oppose the park expansion plan
 - d. Strongly oppose the park expansion plan
 - e. Undecided/ not sure
- 11. To fund the park expansion, voters may be asked to approve a parcel tax. Expansion will cost voters \$95 per parcel per year, or \$7.91 per month. If you were voting on this today, how would you vote:
 - a. Vote Yes for sure
 - b. Probably Vote Yes
 - c. Probably Vote No
 - d. Vote No for sure
 - e. Undecided/ not sure
- 12. In addition to park expansion, the CSD is also exploring adding the construction of an indoor community pool. How would the addition of the pool make you consider the park expansion?
 - a. Much more likely to support expansion
 - b. Somewhat more likely to support expansion
 - c. Somewhat less likely to support expansion
 - d. Much less likely to support expansion
 - e. Undecided/ not sure
- 13. Adding the pool to the project would require an additional parcel tax of \$40 per year (\$3.33/month) more than the park expansion alone. The total for both the park expansion and the pool would then total \$135 per parcel per year, or \$11.25 per month. If you were voting on this today, how would you vote:
 - a. Vote Yes for sure
 - b. Probably Vote Yes
 - c. Probably Vote No
 - d. Vote No for sure
 - e. Undecided/ not sure
- 14. After learning more about the park expansion project, which of the following best describes you:
 - a. I am willing to pay \$135/year (\$11.25/month) per parcel to both expand the park and build the community pool
 - b. I am willing to pay \$95/year (\$7.91/month) per parcel to expand the park but am not willing to pay additional to build the pool.

- c. I am not willing to pay anything new to expand the park or build the community pool.
- d. Not sure/still undecided

Demographics

- 15. Which of the following is your age range?
 - a. 18-34
 - b. 35-54
 - c. 55-64
 - d. 65+
- 16. Gender
 - e. Male
 - f. Female
 - g. Decline to state
- 17. Do you have children of the following age range in your home?
 - h. Infant/toddler
 - i. Young school age
 - j. Older school age
 - k. Adult children still living at home
 - l. No children
- 18. Do you rent or own your home?
 - m. Rent
 - n. Own
- 19. Where do you live?
 - o. Phelan
 - p. Pinon Hills
- 20. How long have you lived in this community?
 - q. Less than 3 years
 - r. 3-5 years
 - s. 6-9 years
 - t. 10+ years
- 21. Which of the following describes your household's income range?
 - u. Up to 35,000/year
 - v. 35,000 to 55,000/year
 - w. 55,000 to 85,000/year
 - x. 85,000 to 125,000 / year
 - y. More than 125,000/year

Agenda Item 6a

Discussion & Possible Adoption of Ordinance No. 2022-01; Establishing Guidelines for the Conduct of District Public Meetings and Activities



A. 4176 Warbler Road
P.O. Box 294049
Phelan, CA 92329
P. (760) 868-1212
F. (760) 868-2323
W. www.pphcsd.org

MEMORANDUM

DATE: January 19, 2022

TO: Board of Directors

FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary

SUBJECT: Discussion & Possible Adoption of Ordinance No. 2022-01; Establishing Guidelines for the Conduct of District Public Meetings and Activities

RECOMMENDATION

For the Board to adopt Ordinance No. 2022-01; Establishing Guidelines for Conduct of District Public Meetings and Activities.

BACKGROUND

From time to time, the District's "Sunshine Ordinance" is reviewed to determine if any revisions are necessary. The last review of this Policy took place on January 5, 2022, where modifications concerning remote meetings were suggested.

Ordinance No. 2022-01 is attached for Board review which has the suggested modifications concerning remote meetings incorporated as prepared by the District's legal counsel.

FISCAL IMPACT

None

ATTACHED

Ordinance No. 2022-01

ORDINANCE NO. 2022-01
AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
ESTABLISHING GUIDELINES FOR THE
CONDUCT OF ITS PUBLIC MEETINGS AND ACTIVITIES

WHEREAS, the Board of Directors of the Phelan Piñon Hills Community Services District finds as follows:

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

B. The District is governed by an elected Board of Directors (“the Board”) whose meetings are subject to the requirements of the Ralph M. Brown Act, California Government Code Section 54950 et seq. (“the Brown Act”) pursuant to California Government Code Section 61044.

C. The Board is authorized by Government Code Section 54953.7 to impose requirements upon itself which allow greater access to its meetings than prescribed by the Brown Act.

D. The purpose of this Ordinance is to ensure that the Board’s deliberations are open to the public to the fullest extent permitted by law and its activities are performed in a manner that reflects a dedication to the highest standards of integrity and accountability so as to continue to earn the trust and confidence of the public served by the District.

THEREFORE, THE BOARD OF DIRECTORS of the Phelan Piñon Hills Community Services District does hereby adopt and ordain as follows:

Section 1. **COMPLIANCE WITH STATUTORY REQUIREMENTS.**

All meetings of the Board and all committees thereof shall be conducted in

compliance with all applicable requirements of the Brown Act.

Section 2. **ADDITIONAL REQUIREMENTS.**

2.1. **Regular Meetings.** Pursuant to Government Code Section 54954(a), all regular meetings of the Board shall be held at 6:00 p.m. on the first and third Wednesdays of each month at the Phelan Community Center located at 4128 Warbler Road in Phelan, California, and/or by teleconference in accordance with the requirements of the Brown Act, with the intent for meetings to last no more than three (3) hours, and to be adjourned by Board consensus.

2.2. **Special Meetings.** Special meetings of the Board shall be called and conducted in accordance with Government Code Section 54956 and other applicable provisions of the Brown Act. The Board shall not add any non-agendized item to the agenda of a special meeting.

2.3. **Agendas.**

2.3.1. **Descriptions.**

(a) *Open Session.* The agenda for all Board meetings and all committee meetings that are open to the public shall contain a brief, general description of each item of business to be transacted or discussed during the meeting and shall avoid the use of undefined abbreviations or acronyms not in common usage and terms whose meaning are not known to the general public. The description of an agenda item is adequate if it is sufficiently clear and specific to alert a person whose interests are affected by the item that he or she may have reason to attend the meeting or seek more information about the item.

(b) *Closed Session.* In addition to the brief general description of items to be discussed or acted upon in open and public session, the permissive provisions of Government Code Section 54954.5 pertaining to closed session item

descriptions are mandatory under this Ordinance with respect to closed sessions.

2.3.2. Public Comment. The agenda for all meetings of the Board shall include an item for Public Comment so as to provide an express opportunity for members of the public to directly address the Board in accordance with the requirements of Government Code Section 54954.3(a) prior to the Board's consideration of the merits of any item placed on the agenda. In the event that a motion is made to reorder the agenda, or add an item to the agenda, or otherwise take any Board action prior to the Public Comment portion of the agenda, the President of the Board shall ask any members of the public in attendance at the meeting whether they wish to comment on the motion that is pending before the Board. During the Board's consideration of items discussed after the Public Comment portion of the agenda, the President of the Board should exercise best efforts to recognize any member of the public who wishes to speak on that issue prior to any action thereon that is taken by the Board. While testimony and input received from the public during Board meetings is a valuable part of the Board's decision-making process, the Board President is nevertheless authorized pursuant to Government Code Section 54954.3(b) to limit the total amount of time allocated for public testimony on particular issues to a reasonable length of time, to limit public testimony to five (5) minutes or less for each individual speaker (although individual speakers will be permitted on a reasonable basis to transfer their unused allotment of time to another speaker), and to prevent a person who is unduly repetitive from continuing to speak.

2.4. Posting. The agendas of all Board meetings and all committee meetings that are open to the public shall be posted in the following locations: (1) an exterior window or bulletin board situated outside the location of the Piñon Hills Community Center which is accessible twenty-four (24) hours a day; (2) an exterior window or

bulletin board situated outside the location of the Phelan Community Center which is accessible twenty-four (24) hours a day; (3) an exterior window or bulletin board situated outside the location of the District office which is accessible twenty-four (24) hours a day; and (4) the District website. The District will also post the full agenda packet for all such meetings on the District website and will provide five (5) copies thereof at the physical location of all Board meetings in which the public has in-person access.

2.5. **Cancellation of Meetings.** Regular meetings of the Board may be cancelled by the President of the Board, after consultation with the District's General Manager, upon at least 72 hours' notice given in accordance with the applicable requirements of the Brown Act and Section 2.4 above.

Section 3. **ANNUAL REVIEW.**

Each year the Board shall review this Ordinance to determine its effectiveness and the necessity for its continued operation. The District's General Manager shall report to the Board on the operation of this Ordinance, and make any recommendations deemed appropriate, including proposals to amend the Ordinance. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Ordinance. Nothing herein shall preclude the Board from taking action on the Ordinance at times other than upon conclusion of the annual review.

Section 4. **SEVERABILITY.**

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

Section 5. **EFFECTIVE DATE.**

The provisions of this Ordinance shall supersede Ordinance No. 2019-01 adopted

by the Board on January 2, 2019, and shall take effect immediately upon adoption.

Adopted this 19th day of January, 2022.

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors

ATTEST:

Secretary, Board of Directors

Agenda Item 6b

Discussion & Possible Adoption of
First Amendment to the Exclusive
Franchise Agreement between the
Phelan Piñon Hills Community
Services District and CR&R
Incorporated for the Solid Waste
Handling and Recycling Services

MEMORANDUM

DATE: October 20, 2021

TO: Board of Directors

FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary

SUBJECT: Discussion & Possible Adoption of First Amendment to the Exclusive Franchise Agreement between the Phelan Piñon Hills Community Services District and CR&R Incorporated for the Solid Waste Handling and Recycling Services

STAFF RECOMMENDATION

For the Board to adopt the First Amendment to the Exclusive Franchise Agreement between the Phelan Piñon Hills Community Services District and CR&R Incorporated for the Solid Waste Handling and Recycling Services ("Amendment").

BACKGROUND

The District's current franchise agreement with CR&R was adopted on July 3, 2021. Since that time, final rule making for SB 1383 was completed and certain regulations went into effect on January 1, 2022. District staff has prepared a timeline for implementation as guidance for implementation of SB 1383. One of the initial steps in the process is to amend the District's franchise agreement to include service provisions related to SB 1383.

In order to begin the process to prepare for uniform collection, CR&R will incur significant capital expenses to add personnel, to purchase trucks and bins, and to help the District educate customers on upcoming requirements. Before CR&R outlays the capital, they have requested for the franchise agreement to be amended to demonstrate the intent of the District to implement uniform residential collection, proposed to begin July 1, 2023.

FISCAL IMPACT

None

ATTACHMENT(S)

Amendment
Franchise Agreement (for reference)
SB 1383 Uniform Collection Timeline

**FIRST AMENDMENT TO EXCLUSIVE FRANCHISE
AGREEMENT BETWEEN PHELAN PINON HILLS
COMMUNITY SERVICES DISTRICT AND CR&R
INCORPORATED FOR SOLID WASTE HANDLING AND
RECYCLING SERVICES**

This First Amendment to Exclusive Franchise Agreement between Phelan Piñon Hills Community Services District and CR&R Incorporated for Solid Waste Handling and Recycling Services (“First Amendment”) entered into this 19th day of January, 2022, by and between the Phelan Piñon Hills Community Services District, organized under the laws of the State of California (“District”) and CR&R Incorporated, a California corporation (“Contractor”).

RECITALS

WHEREAS, on or about July 1, 2019, the District and Contractor entered into an Exclusive Franchise Agreement for Solid Waste Handling and Recycling Services; and

WHEREAS, the State of California has found and declared that the amount of Solid Waste generated in California, coupled with diminishing disposal capacity and interest in minimizing potential environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement aggressive integrated waste management programs. The State has, through enactment of the California Integrated Waste Management Act of 1989 (AB 939) (California Public Resources Code Section 40000, et seq.) and subsequent related legislation including, but not limited to: the Jobs and Recycling Act of 2011 (AB 341), the Event and Venue Recycling Act of 2004 (AB 2176), SB 1016 (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]), the Mandatory Commercial Organics Recycling Act of 2014 (AB 1826), and the Short-Lived Climate Pollutants Bill of 2016 (SB 1383), directed the responsible State agency, and all local agencies, to promote a reduction in landfill disposal and to maximize the use of feasible waste reduction, reuse, recycling, and composting options in order to reduce the amount of material that must be disposed; and,

WHEREAS, SB 1383 establishes regulatory requirements for jurisdictions, Generators, haulers, solid waste facilities, and other entities to support achievement of State-wide organic waste disposal reduction targets; and

WHEREAS, regulations implementing SB 1383 require the District to implement collection programs, meet processing facility requirements, conduct contamination monitoring, provide education, maintain records, submit reports, monitor compliance, conduct enforcement, and fulfill other requirements; and, the District has chosen to delegate some of its responsibilities to the Contractor, acting as the District’s designee, and Contractor desires to take on these responsibilities; and

WHEREAS, District and Contractor desire to amend the Agreement as set forth herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises made and recited herein, the parties hereto do hereby enter into this First Amendment pursuant to Section 14.10 of the Agreement as follows:

1. DEFINITIONS.

1.1 Attachment "A" (Definitions) of the Agreement is amended to delete the definitions of "Bin," "Cart," "Compost," and "Organic Material."

1.2 Attachment "A" (Definitions) of the Agreement is amended to add or amend, as applicable, the following definitions:

"Back-Haul" means generating and transporting Organic Waste to a destination owned and operated by the Generator using the Generator's own employees and equipment, or as otherwise defined in 14 CCR Section 18982(a)(66)(A).

"Blue Container or Lid" has the same meaning as in 14 CCR Section 18982.2(a)(5) and shall be used for the purpose of storage and Collection of Source Separated Recyclable Materials (SSBCOW).

"California Code of Regulations" or **"CCR"** means the State of California Code of Regulations. CCR references in this Agreement are preceded with a number that refers to the relevant Title of the CCR (e.g., "14 CCR, Division 7, Chapter 12" refers to Title 14, Division 7, Chapter 12 of the California Code of Regulations).

"CalRecycle" means California's Department of Resources Recycling and Recovery, which is the Department designated with responsibility for developing, implementing, and enforcing SB 1383 Regulations on jurisdictions and other regulated entities.

"Commercial Edible Food Generators" includes Tier One Commercial Edible Food Generators and Tier Two Commercial Edible Food Generators, or as otherwise defined in 14 CCR Section 18982(a)(7). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators, or as otherwise specified by 14 CCR Section 18982(a)(7).

"Compostable Plastics" or **"Compostable Plastic"** means plastic materials that meet the ASTM D6400 standard for compostability, or as otherwise described in 14 CCR Section 18984.1(a)(1)(A) or 18984.2(a)(1)(C).

"Diversion" (or any variation thereof including "Divert") means activities which reduce or eliminate Discarded Materials from Disposal, including, but not limited to, source reduction, Reuse, salvage, Recycling, and composting.

“Edible Food” means food intended for human consumption. For the purposes of this Agreement, Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code. If the definition in 14 CCR Section 18982(a)(18) for Edible Food differs from this definition, the definition in 14 CCR Section 18982(a)(18) shall apply to this Agreement.

“Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, Medical Waste, infectious, regulated radioactive waste, and toxic substances or material that Facility operator(s) reasonably believe(s) would, as a result of or upon acceptance, Transfer, Processing, or Disposal, be a violation of local, State, or Federal law, regulation, or ordinance, including: land use restrictions or conditions, waste that cannot be Disposed of in Class III Landfills or accepted at the Facility by permit conditions, waste that in Contractor’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or District to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Single-Family or Multi-Family Solid Waste after implementation of programs for the safe Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

“Facility” or **“System Facility”** or **“Solid Waste Facility”** means a Solid Waste Facility, as defined in Public Resources Code section 40194, that for the purposes of this Agreement is designated by the District to be used by the Contractor for the processing, recovery and/or disposal of Solid Waste, including Recyclable Materials and Organic Waste.

“Food Recovery” means actions to collect and distribute food for human consumption which otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

“Food Recovery Organization” means an entity that primarily engages in the collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities, including, but not limited to:

- A. A food bank as defined in Section 113783 of the Health and Safety Code;
- B. A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,
- C. A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

If the definition in 14 CCR Section 18982(a)(25) for Food Recovery Organization differs from this definition, the definition in 14 CCR Section 18982(a)(25) shall apply to this Agreement.

“Food Recovery Service” means a Person or entity that collects and transports Edible Food from a Commercial Edible Food Generator to a Food

Recovery Organization or other entities for Food Recovery; or as otherwise defined in 14 CCR Section 18982(a)(26).

“Food Scraps” means all food such as, but not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells. [Food Scraps excludes fats, oils, and grease when such materials are Source Separated from other Food Scraps.]

“Food-Soiled Paper” means compostable paper material that has come in contact with food or liquid, such as, but not limited to, compostable paper plates, paper coffee cups, napkins, pizza boxes, and milk cartons.

“Food Waste” means Source Separated Food Scraps, Food-Soiled Paper, and Compostable Plastics. Food Waste is a subset of SSGCOW. Edible Food separated for Food Recovery shall not be considered Food Waste.

“Generator” means the owner or occupant of a premises, including residences or businesses, which initially produces Solid Waste, including Recyclable Materials and Organic Waste.

“Gray/Black Container or Lid” has the same meaning as in 14 CCR Section 18982(a)(28) and shall be used for the purpose of storage and Collection of Gray Container Waste.

“Gray/Black Container Waste” means Solid Waste that is collected in a Gray Container as specified in 14 CCR Sections 18984.1(a) and (b), or as otherwise defined in 14 CCR Section 17402(a)(6.5). [Gray Container Waste may specifically include carpet, and textiles.]

“Green Container or Lid” has the same meaning as in 14 CCR Section 18982.2(a)(29) and shall be used for the purpose of storage and collection of Source Separated Green Container Organic Waste (SSGCOW).

“Hauler Route(s)” means the designated itinerary or sequence of stops for each segment of the District’s collection service area, or as otherwise defined in 14 CCR Section 18982(a)(31.5).

“Large Event” means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event. If the definition in 14 CCR Section 18982(a)(38) differs from this definition, the definition in 14 CCR Section 18982(a)(38) shall apply to this Agreement.

“Large Venue” means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of 14 CCR, Division 7, Chapter

12 and this Agreement, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a site under common ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue. If the definition in 14 CCR Section 18982(a)(39) differs from this definition, the definition in 14 CCR Section 18982(a)(39) shall apply to this Agreement.

“Non-Compostable Paper” includes, but is not limited to, paper that is coated in a plastic material that will not breakdown in the composting process, or as otherwise defined in 14 CCR Section 18982(a)(41).

“Non-organic recyclables” or **“Recyclable Material”** means non-putrescible and non-hazardous recyclable wastes including, but not limited to, bottles, cans, metals, plastics, and glass, or as otherwise defined in 14 CCR Section 18982(a)(43). Non-Organic Recyclables are a subset of Source Separated Recyclable Materials.

“Organic Waste” means Solid Wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and carpets, lumber, wood, Paper Products, Printing and Writing Paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

“Paper Products” include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling; or as otherwise defined in 14 CCR Section 18982(a)(51).

“Performance-based Compliance Approach” means the method of complying with the SB 1383 Regulations through implementation of a collection system, programs, and policies in accordance with 14 CCR, Division 7, Chapter 12, Article 17, or as otherwise defined by 18982(a)(52.5), and all associated requirements.

“Printing and Writing Papers” include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications; or as otherwise defined in 14 CCR Section 18982(a)(54).

“Process” or **“Processing”** means the controlled separation, recovery, volume reduction, conversion, or Recycling of Solid Waste including, but not limited to, organized, manual, automated, or mechanical sorting, the use of vehicles for spreading of waste for the purpose of recovery, and/or includes the use of conveyor belts, sorting lines, or volume reduction equipment, or as otherwise defined in 14 CCR Section 17402(a)(20).

“Prohibited Container Contaminants” means the following: (i) Discarded Materials placed in the Blue Container that are not identified as acceptable Source Separated Recyclable Materials for the District’s Blue Container; (ii) Discarded Materials placed in the Green Container that are not identified as acceptable SSGCOW for the District’s Green Container; (iii) Discarded Materials placed in the Gray Container that are acceptable Source Separated Recyclable Materials and/or SSGCOW to be placed in District’s Green Container and/or Blue Container; and (iv) Excluded Waste placed in any Container.

“Recycle” or **“Recycling”** means the process of Collecting, sorting, cleansing, treating, and reconfiguring materials for the purpose of returning them to the economic mainstream in the form of raw material for new, Reused, or reconstituted products that meet the quality standards necessary to be used in the marketplace. Recycling includes processes deemed to constitute a reduction of Landfill Disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

“Reuse” or any variation thereof, means the use, in the same, or similar, form as it was produced, of a material which might otherwise be discarded, or as otherwise defined in 14 CCR Section 17402.5(b)(2).

“SB 1383” means Senate Bill 1383 of 2016 approved by the Governor on September 19, 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants as amended, supplemented, superseded, and replaced from time to time.

“SB 1383 Regulations” or **“SB 1383 Regulatory”** refers to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and adopted in 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR.

“Service Level” refers to the number and size of a Generator’s Container(s) and the frequency of Collection service, as well as ancillary services such as lock/unlock service, Container push/pull service, etc.

“Solid Waste” has the same meaning as defined in PRC Section 40191, which defines Solid Waste as all putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes, with the exception that Solid Waste does not include any of the following wastes:

- (1) Hazardous waste, as defined in PRC Section 40141.

(2) Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code).

(3) Medical waste regulated pursuant to the Medical Waste Management Act (Part 14, commencing with Section 117600, of Division 104 of the Health and Safety Code). Untreated medical waste shall not be disposed of in a solid waste Landfill, as defined in PRC Section 40195.1. Medical waste that has been treated and deemed to be Solid Waste shall be regulated pursuant to PRC, Division 30.

As used in this Agreement, Solid Waste includes Organic Waste and Recyclable Materials, unless the context clearly indicates otherwise.

“Source Separated” means materials, including commingled Recyclable materials, that have been separated or kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or Processing those materials for Recycling or Reuse in order to return them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section 17402.5(b)(4). For the purposes of the Agreement, Source Separated shall include separation of materials by the Generator, Property Owner, Property Owner’s employee, property manager, or property manager’s employee into different Containers for the purpose of Collection such that Source Separated materials are separated from Gray Container Waste and other Solid Waste for the purposes of Collection and Processing.

“Source Separated Blue Container Organic Waste” or “SSBCOW” means Source Separated Organic Wastes that can be placed in a Blue Container that is limited to the collection of those Organic Wastes and Non-Organic Recyclables as defined in Section 18982(a)(43), or as otherwise defined by Section 17402(a)(18.7).

“Source Separated Green Container Organic Waste” or “SSGCOW” means Source Separated Organic Waste that can be placed in a Green Container that is specifically intended for the separate collection of Organic Waste by the Generator, excluding Source Separated Blue Container Organic Waste, carpets, Non-Compostable Paper, and textiles.

“Source Separated Recyclable Materials” means Source Separated Non-Organic Recyclables and SSBCOW.

“Standard Compliance Approach” means the method for complying with the SB 1383 Regulations through implementation of a collection system pursuant to 14 CCR, Division 7, Chapter 12, Article 3, and all associated program and policy requirements

“Tier One Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- A. Supermarket.

- B. Grocery Store with a total facility size equal to or greater than 10,000 square feet.
- C. Food Service Provider.
- D. Food Distributor.
- E. Wholesale Food Vendor.

If the definition in 14 CCR Section 18982(a)(73) of Tier One Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(73) shall apply to this Agreement.

“Tier Two Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- A. Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
- B. Hotel with an on-site food facility and 200 or more rooms.
- C. Health facility with an on-site food facility and 100 or more beds.
- D. Large Venue.
- E. Large Event.
- F. A State agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
- G. A local education agency with an on-site food facility.

If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(74) shall apply to this Agreement.

“Yard Trimmings” means types of SSGCOW resulting from normal yard and landscaping installation, maintenance, or removal that the Generators Source Separate and set out in Green Containers for Collection for the purpose of Processing by the Contractor.

2. **EXCLUSIVE FRANCHISE AGREEMENT.** All references to “Green Waste” in Section 3.01 (Grant of Franchise) and Section 3.02 (Limitations on Exclusive Franchise) of the Agreement shall be changed to “Organic Waste.”

3. **DISTRICT ELECTION TO PROVIDE BILLING SERVICES.** A new Section 6.04 (District Election to Provide Billing Services) is added to Article 6 (Other Services) of the Agreement to read as follows:

“At any time during the Term of this Agreement, the District may elect to assume the billing function under this Agreement (the “Election”). At any time following the Election, the District may rescind the Election and billing functions will revert to the Contractor. The District will provide written notification to Contractor of the Election and/or any rescission thereof. A rate, as determined by separate resolution, will be paid by Contractor to the District for billing functions.”

4. **REQUIREMENTS FOR OPERATIONS.** All references to “Green Waste” in Section 7.01 (Collection Standards) and Section 7.03 (Containers) shall be changed to “Organic Waste.”

5. **CONTAINERS.** Section 7.03 (Containers) in Article 7 (Requirements for Operations) of the agreement is replaced as follows:

- a. General. Contractor shall provide all Containers and Compactors, as appropriate, to all Customers as part of its obligations under the terms of this Agreement.

All Containers used in the performance of this Agreement shall remain the property of the Contractor.

- b. Contractor shall use the Contractor-provided Collection containers that are currently located at Generators’ premises or provide Generators with collection containers from Contractor’s current inventory.

- c. On or before January 1, 2022, (or if using Performance-based Compliance Approach, then until color compliant containers are provided), Contractor shall place a label on the body or lid of each new container that has been provided to a Generator that includes language or graphic images, or both, that indicate the primary materials accepted and the primary materials prohibited in that container. Labels shall clearly indicate items that are Prohibited Container Contaminants for each container. Prior to ordering labels for containers, Contractor shall submit a copy of its proposed label, proposed location(s) for placement of labels on each type of container, and its labeling plan to the District for approval.

- d. No later than January 1, 2036, Contractor shall provide all Generators with collection containers that comply with the container color requirements specified in this Agreement or as otherwise specified in the SB 1383 Regulations. If an existing container breaks or is otherwise rendered non-functional on or after January 1, 2022, the Contractor shall replace the non-functional container with a container that complies with the color requirements of the SB 1383 Regulations.

Notwithstanding this paragraph, the Contractor is not required to replace functional containers, including containers purchased prior to January 1, 2022, that do not comply with the color requirements of this Agreement prior to the end of the useful life of those containers, or prior to January 1, 2036, whichever comes first.

- e. New Customer Containers. When required to do so, contractor shall provide new Customers with Containers no later than the next regular service day following notification of subscription. New Customers shall receive containers that are new, or alternatively, used Containers that have been pressure washed.

- f. Container Repair and Replacement. Customer shall be responsible to maintain all containers in a clean and functional condition. Contractor shall be responsible to repair or replace lids, handles and/or wheels as necessary.. Containers will only be provided at such time as a container is lost, unserviceable or incapable of routine repair. Contractor shall replace all lost, unserviceable or irreparable containers by the next service day following receipt of Customers request. Containers damaged by Contractor, or from normal wear and tear, shall be replaced at no charge to Customer. Contractor may charge customers to replace missing containers or containers damaged by Customer. Contractor shall notify Customer by the next service day following receipt of Customer's request if charges shall apply and shall additionally notify District of its findings. Should District determine that the need for container replacement is the result of Contractor's actions and not the actions of Customer, District shall instruct Contractor to deliver a replacement container at no charge to Customer. District's decision shall be final.
- g. Temporary Containers. Contractor shall provide metal 3 cubic yard containers for temporary use by any premises in the District for removal of Solid Waste, Construction and Demolition Debris or Organic Waste. Contractor shall cover temporary containers during transport to prevent the release of litter and debris.
- h. Roll-Off Boxes. Contractor shall provide metal Roll-Off Boxes of 20 cubic yard and 40 cubic yard sizes for regular use by select Commercial and Industrial Premises and for temporary use by any Premises in District. Contractor shall cover Roll-Off Boxes during transport to prevent the release of litter and debris.
- i. Compactors. Contractor may provide, for a fee, stationary compactors for use by Customers or may service stationary compactors owned and provided by Customers provide that any stationary compactor provided by Customer shall meet the specifications of Contractor and be compatible with Contractor's collection vehicles.

6. **PROCUREMENT.** A new Section 7.06. (Procurement) is added to Article 7 (Requirements for Operations) of the Agreement to read as follows:

“Contractor agrees to coordinate and cooperate with the District to meet its Organic Waste procurement targets, as required by SB 1383 Regulations.”

7. **IDENTIFICATION OF FACILITIES.** A new Section 7.07 (Identification of Facilities) is added to Article 7 (Requirements for Operations) of the Agreement to read as follows:

“If using a Standard Compliance Approach, Contractor shall identify the Facilities to which they will transport Organic Waste as required by the SB 1383

Regulations.”

8. **PROVIDED SERVICES.** Attachment “B” (Scope of Services) is amended to include as shown in Exhibit B-1 to this 1st Amendment.

9. **INDEMNIFICATION.** A new paragraph “e” is added to Article 11 of the Agreement to read as follows:

Contractor’s duty to defend and indemnify herein includes payment of all fines and/or penalties imposed by CalRecycle, subject to the restrictions set forth in Public Resources Code Section 40059.1, if the requirements of AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations are not met by the Contractor with respect to Solid Waste collected under this Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement, or, (ii) due to Contractor delays in providing information that prevents Contractor or District from submitting reports required by AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations in a timely manner. The foregoing indemnity is expressly conditioned upon the District’s implementation of required programs or activities, requested by the Contractor, which are within the District’s authority and ability to implement and which would be effective as a means to increase diversion and maintain compliance with State regulations. The provisions of this paragraph shall survive the termination or expiration of this Agreement.

10. **GENERAL PROVISIONS.**

10.1 Remainder Unchanged. Except as specifically modified and amended in this First Amendment, the Agreement remains in full force and effect and binding upon the parties.

10.2 Counterparts. This First Amendment may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

10.3 Effective Date. This First Amendment shall be deemed effective as of January 1, 2022.

10.4 References. All references to the Agreement include all their respective terms and provisions. All defined terms utilized in this First Amendment have the same meaning as provided in the Agreement, unless expressly stated to the contrary in this First Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the date and year first-above written.

**PHELAN PIÑON HILLS
COMMUNITY SERVICES
DISTRICT**

Don Bartz, District Manager

ATTEST:

Kimberly Ward, Clerk

APPROVED AS TO FORM

Steve Kennedy, District Counsel

CR&R INCORPORATED

By: _____

By: _____

Its: _____

Its: _____

EXHIBIT B-1

SCOPE OF SERVICES

I. Three-Container Collection Program

A. General. Upon District approval, Contractor shall provide a three-container Collection program for the separate Collection of Source Separated Recyclable Materials, Source Separated Organic Waste, and Solid Waste as specified in this Agreement, using containers that comply with the requirements of this Agreement and SB 1383 Regulations. Contractor shall not knowingly Collect Blue, Green, or Gray/Black Containers that include Prohibited Container Contaminants.

B. Source Separated Recyclable Materials Collection (Blue Container or Lid). Contractor shall provide Blue Containers to Generators for Collection of Source Separated Recyclable Materials and shall provide Source Separated Recyclable Materials Collection service, Contractor shall transport the Source Separated Recyclable Materials to a Facility that recovers the materials designated for Collection, in accordance with SB 1383 Regulations.

Source Separated Recyclable Materials that are to be accepted for Collection in the Source Separated Recyclable Materials Collection program include the following: (i) Non-Organic Recyclables such as: aluminum, glass bottles and jars, rigid plastics (marked # 1 through # 7), tin and bi-metal cans; and (ii) SSBCOW such as: Paper Products, Printing and Writing Papers.

C. SSGCOW Collection (Green Container or Lid). Contractor shall provide Green Containers to Generators for Collection of SSGCOW and shall provide SSGCOW Collection service. Contractor shall transport the SSGCOW to a Facility in accordance with SB 1383 Regulations.

SSGCOW that are to be accepted for Collection in the SSGCOW Collection program include the following: Food Scraps; Food-Soiled Paper; Yard Trimmings, and Compostable Plastics. Carpets, Non-Compostable Paper, textiles, and Prohibited Container Contaminants shall not be Collected in the Green Containers. Yard Trimmings that are to be accepted for Collection in the SSGCOW Collection program include the following: green trimmings, grass, weeds, flowers, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees weighing no more than 50lbs, and other types of SSGCOW resulting from normal yard and landscaping installation, maintenance, or removal, provided all SSGCOW fits inside the Green Container with the lid closed and does not exceed 150 pounds.

Contractor may Collect compliant Compostable Plastics in the Green Containers for Processing. At least two (2) months prior to the commencement of the Collection of Compostable Plastics in the SSGCOW program, Contractor shall provide written notification to the District whether the Processing Facility can or cannot Process and recover these Compostable Plastics in accordance with SB 1383 Regulations. If the Facility can process and recover Compostable Plastics, and Contractor elects to Collect Compostable Plastics in the Green Container, then

Contractor shall provide annual written notification to the District that the Facility has and will continue to have the capabilities to Process and recover the Compostable Plastics. If the Facility cannot process and recover Compostable Plastics, then Contractor will not Collect Compostable Plastics in the Green Container. It is also understood that Contractor proposes to process the District's organics through a designated composting or other approved processing facility.

Contractor may require Generators to place Food Waste in plastic bags or other wrappings and put the bagged or wrapped Food Waste in the Green Container. At least two (2) months prior to the commencement of the use of plastic bags for the Food Waste program, Contractor shall provide written notification to the District that allowing the use of bags does not inhibit the ability of the District to comply with SB 1383 Regulations, and that the Facility can Process and remove plastic bags when it recovers SSGCOW. Contractor shall provide annual written notification to the District that the Facility has and will continue to have the capabilities to Process and remove plastic bags when it recovers SSGCOW. It is understood that designated facilities may not accept plastic bags, or bags of any kind in the organic waste.

D. Gray Container Waste Collection. Contractor shall provide Gray/Black Containers or Lids to Generators for Collection of Gray/Black Container Waste and shall provide Gray/Black Container Waste Collection service. Contractor shall transport the Gray/Black Container Waste to a Facility in accordance with the SB 1383 Regulations. Contractor may allow carpets, and textiles to be placed in the Gray/Black Containers. Prohibited Container Contaminants shall not be Collected in the Gray/Black Containers.

E. Alternative Compliance. Nothing contained herein shall prohibit Contractor from meeting its compliance requirements by any alternative methods or procedures, provided it complies with SB 1383, the SB 1383 Regulations, and/or any other applicable law, as may be amended from time to time.

II. Contamination Monitoring

A. Route Reviews and Waste Evaluations.

Contractor shall meet its SB 1383 Regulations contamination monitoring requirements commencing April 1, 2022, using either Route Reviews or Waste Evaluations; provided however, that if Contractor complies with SB 1383 Regulations using a Performance-based Compliance Approach, it shall monitor containers using waste evaluations, as outlined herein. District and Contractor agree that the evaluations cannot commence before carts are delivered to the customers.

Contractor shall meet its SB 1383 Regulations contamination monitoring requirements commencing April 1, 2022, using route reviews as outlined herein:

1. Contractor shall conduct Hauler Route reviews for Prohibited Container Contaminants in Collection Containers in a manner that is deemed safe by the Contractor; is approved by the District; is conducted in a manner that results in all

Hauler Routes being reviewed annually, and is consistent and in accordance with SB 1383 Regulations. Containers may be randomly selected along the Hauler Route. This Section should not be construed to require that every container on a Hauler Route must be sampled annually.

2. Upon finding Prohibited Container Contaminants in the container, Contractor shall follow the contamination monitoring noticing procedures paragraph B.3 of this Section II.

3. Contractor shall maintain all applicable records required under SB 1383 Regulations, and report to the District on a quarterly basis on contamination monitoring activities, route reviews and/or waste evaluations, and actions taken.

4. Notwithstanding the foregoing, this paragraph A shall not prohibit Contractor from meeting its compliance requirements by any alternative methods or procedures, provided it complies with SB 1383, the SB 1383 Regulations, and/or any other applicable law, as may be amended from time to time.

B. Waste Evaluations

Alternatively, if Contractor elects to perform Waste Evaluations, Contractor shall, conduct waste evaluations that comply with and meet the requirements of 14 CCR Section 18984.5(c). The District maintains the right to observe, or hire a third party to observe, the waste evaluations.

1. Sampling Method, Study Protocols. The Contractor shall conduct waste evaluations for Prohibited Container Contaminants by sampling the contents of Containers on Hauler Routes in the following manner:

a. If using a Standard Compliance Approach, Contractor shall conduct waste evaluations at least twice per year and in two distinct seasons of the year in a manner that complies with the requirements of 14 CCR section 18984.5(c). If using a Performance-based Compliance Approach, Contractor shall conduct waste evaluations at least twice per year for the Blue and Green Containers and at least once per quarter for the Gray/Black Containers.

b. The Contractor's waste evaluations shall include samples of Source Separated Recyclable Materials, SSGCOW, and Gray/Black Container Waste.

c. The waste evaluations shall include samples from each Container type served by the Contractor and shall include samples taken from different areas in the District that are representative of the District's waste stream.

d. The waste evaluations shall include at least the minimum number of samples specified in SB 1383 Regulations.

e. The Contractor shall Transport all of the material Collected for sampling to a sorting area at a permitted solid waste Facility where the

presence of Prohibited Container Contaminants for each Container type shall be measured to determine the ratio of Prohibited Container Contaminants present in each material stream by weight. To determine the ratio of Prohibited Container Contaminants, the Contractor shall use the following protocol:

i. The disposal facility shall take one sample of at least a 200 pounds from the material Collected from each material stream for sampling.

ii. The 200-pound sample shall be randomly selected from different areas of the pile of Collected material for that material stream.

iii. For each 200-pound sample, the disposal facility shall remove any Prohibited Container Contaminants and determine the weight of Prohibited Container Contaminants.

iv. The Contractor shall determine the ratio of Prohibited Container Contaminants in the sample by dividing the total weight of Prohibited Container Contaminants by the total weight of the sample.

2. Contamination Response. If the sampled weight of Prohibited Container Contaminants exceeds twenty-five percent (25%) of the measured sample for any material stream, the Contractor shall:

a. If using a Performance-based Compliance Approach, notify the District within thirty (30) working days of the waste evaluation.

b. Within thirty (30) working days of the waste evaluation, notify all Generators on the sampled Hauler Route of their requirement to properly separate materials into the appropriate Containers. The Contractor may provide this information by placing a written notice on the Generators' Containers or the gate or door of the Premises; and/or by mail, email, or electronic message to the Generators. The format of the warning notice shall be approved by the District.

c. If using a Performance-based Compliance Approach, Contractor shall allow a representative of the District and/or CalRecycle to oversee its next scheduled quarterly sampling of the Gray/Black Containers, upon request.

3. Material Exceptions. Organic Waste that is textiles, carpet, hazardous wood waste, human waste, pet waste, or material subject to a quarantine on movement issued by a County agricultural commissioner is not required to be measured as Organic Waste when calculating the amount of Organic Waste present in the Gray/Black Container Waste.

B. Actions upon Identification of Prohibited Container Contaminants.

Upon finding Prohibited Container Contaminants in a Container, Contractor shall follow the protocols set forth in this Section.

1. Record Keeping. The driver or other Contractor representative shall record each event of identification of Prohibited Container Contaminants in a written log or in the on-board computer system including date, time, Generator's address, type of container (Blue, Green, or Gray/Black Container).

2. Courtesy Pick-Up Notices. Upon identification of Prohibited Container Contaminants in a Generator's container, Contractor shall provide the Generator a courtesy pick-up notice. The courtesy pick-up notification shall: (i) inform the Generator of the observed presence of Prohibited Container Contaminants; (ii) include the date and time the Prohibited Container Contaminants were observed; (iii) include information on the Generator's requirement to properly separate materials into the appropriate containers, and the accepted and prohibited materials for Collection in the Blue Container, Green Container, and/or Gray/Black Container; (iv) inform the Generator of the courtesy pick-up of the contaminated materials on this occasion with information that following three consecutive instances of Prohibited Container Contaminants within a six-month time period, Contractor may assess contamination Processing fees. Contractor shall leave the courtesy pick-up notice attached to or adhered to the Generator's contaminated containers; at the Premises' door or gate; or, subject to District's approval, may deliver the notice by mail, e-mail, text message, or other electronic message.

3. Notice of Assessment of Contamination Processing Fees. If the Contractor observes Prohibited Container Contaminants in a Generator's Container on more than three consecutive occasions within a six-month time period, and issued courtesy pick-up notices on each of those occasions, the Contractor may impose a contamination Processing fee of \$35.00 (which will be adjusted annually pursuant to the same CPI Index used for annual rate adjustments). Contractor shall notify the District in its quarterly report of Generators for which contamination Processing fees were assessed. Contractor shall leave a contamination Processing fee notice attached to or adhered to the Generators' contaminated containers; at the Premises' door or gate; or, subject to District's approval, may deliver the notice by mail, e-mail, text message, or other electronic message. The contamination Processing fee notice shall describe the specific material(s) of issue, explain how to correct future set outs, and indicate that the Generator will be charged a contamination Processing fee on its next bill. The format of the contamination Processing fee notice shall be approved by the District.

C. Disposal of Contaminated Materials. If the Contractor observes Prohibited Container Contaminants in a Generator's Container(s), Contractor may dispose of the Container's contents, provided Contractor complies with the noticing requirements in subsection A above.

III. Education and Outreach

A. Contractor shall create all applicable education materials and conduct

all education programs and activities as provided by and in accordance with the SB 1383 Regulations. Contractor shall cooperate and coordinate with the District on public education activities.

B. On or before February 1, 2022, the District, in coordination with the Contractor, shall develop a list of Food Recovery Organizations and Food Recovery Services operating within the District, maintain the list on the District-specific website, and update the list annually. The list shall include, at a minimum, the following information about each Food Recovery Organization and each Food Recovery Service:

1. Name and physical address;
2. Contact information;
3. Collection service area; and,
4. An indication of types of Edible Food the Food Recovery Service or Food Recovery Organization can accept for Food Recovery.

C. At least annually, the District shall provide Commercial Edible Food Generators with the following information:

1. Information about the District's Edible Food Recovery program;
2. Information about the Commercial Edible Food Generator requirements under 14 CCR, Division 7, Chapter 12, Article 10;
3. Information about Food Recovery Organizations and Food Recovery Services operating within the District, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and,
4. Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste.

D. The Contractor will assist the District with the information required above by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to commercial businesses.

E. Contractor and District shall comply with all applicable public education and outreach record keeping and reporting requirements as provided by SB 1383 and the SB 1383 Regulations.

IV. Inspections and Enforcement

Beginning July 1, 2022, for commercial service, and July 1, 2023, for residential service, Contractor shall assist the District with applicable inspections and enforcement, to the extent delegable, as required by SB 1383 Regulations. District shall maintain all

applicable records from inspection and enforcement in accordance with SB 1383 Regulations. If using a Performance-based Compliance Approach, the District agrees it will only grant waivers if at least ninety percent (90%) of Single-Family Generators and ninety percent (90%) of Commercial Generators (including Multi-Family Generators) participate in the three-Container Collection program.

V. Generator Waiver Program Coordination

A. General. In accordance with SB 1383 Regulations and the District Code, the District may grant waivers (de minimis, physical space or Collection frequency) to Generators that impact the scope of Contractor's provision of service for those Generators. Waivers issued shall be subject to compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section 18984.11.

B. Requests Submitted to Contractor. Generators may submit requests for de minimis waivers, physical space waivers, and Collection frequency waivers to the Contractor. Contractor shall within thirty (30) working days review the Generator's waiver application and inspect the Generator's Premises to verify the accuracy of the application. Contractor shall provide documentation of the inspection, including the Contractor's recommendation to approve or deny the waiver request, and send this information to the District within fifteen (15) working days of receipt of the Generator's waiver application for the District's review and approval. The District ultimately retains the right to approve or deny any application, regardless of the Contractor's recommendation. Contractor shall report information regarding waivers reviewed on a quarterly basis.

C. Contractor Change in Generators' Service Levels. When the District grants a waiver to a Generator, the District shall notify the Contractor within fifteen (15) working days of the waiver approval with information on the Generator and any changes to the service level or Collection service requirements for the Generator. Contractor shall have thirty (30) working days to modify the Generator's service level and billing statement, as needed.

D. Reverification of Waivers. It shall be the responsibility of the Contractor to verify that the Generators with de minimis, physical space constraint, or Collection frequency waivers continue to meet the waiver requirements set forth in this Section. Contractor shall conduct such reverifications of waivers through inspection of each Generator's premises and review of applicable records at least once every five (5) years for de minimis and physical space constraint waivers. Contractor shall maintain a record of each waiver verification and provide a quarterly report to the District documenting the waiver reverifications performed and recommendations to the District on those waivers that Contractor concludes are no longer warranted. The District shall make a final determination of the waiver eligibility of Generators.

E. Contractor Recordkeeping of Generators Granted Waivers. Upon Contractor request, no more than two (2) times per year, the District shall provide Contractor an updated listing of waivers approved by the District, including the

Generators' names, mailing address, service address, and type of waiver. Contractor shall maintain waiver-related records and report on waiver verifications, as required herein.

Exclusive Franchise Agreement

between

Phelan Piñon Hills Community Services District

and

CR&R, Incorporated

for

Solid Waste Handling & Recycling Services

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THIS EXCLUSIVE FRANCHISE AGREEMENT FOR SOLID WASTE HANDLING AND RECYCLING SERVICES ("Agreement") is entered into by and between the PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT, organized under the laws of the State of California ("District") and CR&R, INC., a California corporation ("Contractor"). District and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively referred to as the "Parties".

RECITALS

WHEREAS, California Government Code Section 61100 *et seq.*, authorizes District to determine and arrange for all aspects of solid waste handling; and

WHEREAS, California Public Resources Code section 41780 requires that local agencies divert 50% of their waste from landfill disposal; and

WHEREAS, California Public Resources Code Chapter 12.8 requires recycling of commercial solid waste; and

WHEREAS, California Public Resources Code Chapter 12.9 requires that jurisdictions implement a commercial organic waste recycling program; and

WHEREAS, California Public Resources Code Chapter 13.1 sets organic waste disposal reduction targets; and

WHEREAS, on February 9, 2012, the District adopted the existing San Bernardino County Solid Waste Program and exclusive franchise agreement with Contractor for Solid Waste Handling and Recycling Services (the "Original Agreement"); and

WHEREAS, District and Contractor entered into that certain agreement titled "Exclusive Franchise Agreement"; and

WHEREAS, the District's Board of Directors (the "Board of Directors") finds that Contractor has demonstrated through its good and workmanlike performance of the Existing Agreement and in its negotiations with the District that Contractor is qualified and competent to perform the solid waste services desired by District; and

WHEREAS, the Board of Directors finds that the District is in compliance with the waste diversion goals mandated by the State of California; and

WHEREAS, the Board of Directors finds that this Agreement will contribute to providing the best and most cost-effective Solid Waste Handling Services to its citizens.

NOW, THEREFORE, in consideration of the respective and mutual covenants and promises contained and made in this Agreement, and subject to all of the terms and conditions of this Agreement, the Parties agree as follows:

ARTICLE 1. DEFINITIONS

1.01 DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth in the definitions contained in Attachment A, Definitions.

1.02 STATUTORY DEFINITIONS

Unless a term is otherwise defined in this Agreement, capitalized terms used in this Agreement shall have the same meaning as the definitions of those terms contained in the California Integrated Waste Management Act, California Public Resources Code Section 40000 *et seq.* (the "Act"). In the event of a conflict between the definition of a term in the Act and in this Agreement, the definition in this Agreement shall prevail.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES

2.01 CONTRACTOR

Contractor represents and warrants as follows:

- a. **Status.** Contractor is a corporation duly organized, validly existing and in good standing under the laws of the State of California ("State") and is qualified to do business in the State.
- b. **Authority and Authorization.** Contractor has full legal right, power and authority to execute and deliver this Agreement and perform its obligations hereunder. This Agreement has been duly executed and delivered by Contractor and constitutes a legal, valid and binding obligation of the Contractor enforceable against the Contractor in accordance with its terms.
- c. **Accuracy of Representations.** Contractor's representations and warranties made throughout this Agreement are accurate, true and correct on and as of the Effective Date (defined in Section 4.01, below) of this Agreement.
- d. **No Conflicts.** Neither the execution or delivery by Contractor of this Agreement, the performance by Contractor of its performance obligations, nor the fulfillment by Contractor of the terms and conditions hereof: (i) conflicts with, violates or results in a breach of applicable law; (ii) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency or

other government authority, or any agreement or instrument to which Contractor is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default thereunder; or (iii) will result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of Contractor.

- e. **No Approvals Required.** No approval, authorization, license, permit, order or consent of, or declaration, registration or filing with any governmental or administrative authority, commission, board, agency or instrumentality is required for the valid execution and delivery of this Agreement by Contractor, except such as have been duly obtained from its board of directors.
- f. **No Litigation.** There is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality pending or, to the best of Contractor's knowledge, threatened, against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by Contractor of its obligations hereunder or in connection with the transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement or any other agreement or instrument entered into by Contractor in connection with the transactions contemplated hereby.
- g. **Due Diligence.** Contractor has made an independent investigation satisfactory to it of the conditions and circumstances surrounding the Agreement and services it is required to perform.
- h. **Duty.** Contractor shall be at all times during the Term (as defined in Section 4.02, below) of this Agreement, ready, willing and able to collect and transport all Solid Waste generated within District in accordance with the provision of this Agreement and all applicable laws, rules and regulations.
- i. **Insurance and Bonds.** Contractor will furnish evidence of the insurance and bonds required under this Agreement prior to the Effective Date of this Agreement.
- j. **Criminal Activity.** Contractor has represented that none of its officers or directors have a criminal conviction from a court of competent jurisdiction with respect to conviction for any crime, including racketeering, which indicates a lack of business integrity or business honesty that seriously and directly affects the present responsibility of Contractor or its officers or directors; nor has Contractor or any of its respective officers or directors made an admission of guilt or pled no contest to the conduct as described above.

2.02 DISTRICT

District represents and warrants as follows:

- a. **Status.** District is a California Community Services District pursuant to California Government Code Section 61000 *et seq.* under the Constitution and laws of the State.
- b. **Authority and Authorization.** District has full legal right, power and authority to execute, deliver, and perform its obligations hereunder. This Agreement has been duly executed and delivered by District and constitutes a legal, valid and binding obligation of District enforceable against District in accordance with its terms.
- c. **No Conflicts.** Neither the execution or delivery by District of this Agreement, the performance by District of its performance obligations, nor the fulfillment by District of the terms and conditions hereof: (i) conflicts with, violates or results in a breach of applicable law; or (ii) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency or other government authority, or any agreement or instrument to which District is a party or by which District or any of its properties or assets are bound, or constitutes a default thereunder.
- d. **No Approvals Required.** No approval, authorization, license, permit, order or consent of, or declaration, registration or filing with any governmental or administrative authority, commission, board, agency or instrumentality is required for the valid execution and delivery of this Agreement by District, except such as have been duly obtained from its Board of Directors.
- e. **No Litigation.** There is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality pending or, to the best of District's knowledge, threatened, against District wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by District of its obligations hereunder or in connection with the transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement or any other agreement or instrument entered into by District in connection with the transactions contemplated hereby.
- f. **No Warranty Regarding Waste Characterization.** District makes no warranties with respect to the characterization of Solid Waste within District. District expressly disclaims any warranties, either express or implied, as to the merchantability or fitness for any particular purpose of Solid Waste or Recyclable Materials collected by Contractor.

ARTICLE 3. EXCLUSIVE FRANCHISE AGREEMENT

3.01 GRANT OF FRANCHISE

Upon the Effective Date of this Agreement (defined in Section 4.01, below) and continuing for the Term of this Agreement or any extension or renewal thereof, District hereby grants Contractor the exclusive right and duty to collect, transfer, transport, recycle, compost, process and dispose of Solid Waste, Green Waste, Organic Materials, Construction and Demolition Waste including concrete wash-out waste and Recyclable Material generated or accumulated within District by any Residential, Commercial or Industrial Premises. This grant of franchise shall be exclusive except as provided in Section 3.02 below, and shall be subject to all of the terms and conditions of this Agreement. Should the District be required to take administrative, law enforcement, or other legal action against any Person that infringes on Contractor's exclusive rights, Contractor shall reimburse the District for its reasonable administrative, law enforcement, and other legal costs related to any such action. Nothing herein shall preclude Contractor from taking such legal action against third parties as it deems appropriate to protect the exclusive nature of its Franchise.

3.02 LIMITATIONS ON EXCLUSIVE FRANCHISE

The Franchise granted to Contractor shall be exclusive except for the categories of Solid Waste listed in this Section. The granting of this Franchise shall not preclude the categories of Solid Waste listed below from being delivered to and collected and transported by others provided that nothing in this Agreement is intended to or shall be construed to excuse any Person from obtaining authorization from the District which is otherwise required by law:

- a. The sale or donation of non-discarded Recyclable Material by the Waste Generator to any person or entity other than Contractor; provided however, that the Waste Generator is paid monetarily for the material, or the material is picked up and disposed of at no cost to the Waste Generator. Waste Generator may not contract with another hauler to pay for removal of materials which have no intrinsic value;
- b. Solid Waste, Green Waste, Organic Materials, Construction and Demolition Waste and Recyclable Materials which is removed from any premises by the Waste Generator, and which is transported personally by such generator (or his or her full-time employees) to a Recycling, Processing or Disposal Facility in a manner consistent with all applicable laws and regulations, utilizing equipment owned and or leased by the Waste Generator;

- c. Containers delivered for Recycling under the California Beverage Container Recycling Litter Reduction Act (California Public Resources Code, section 14500, *et seq.*):
- d. Green Waste removed from premises by a gardening, landscaping, or tree trimming contractor, utilizing its own equipment, as an incidental part of a total service offered by that contractor rather than as a hauling service;
- e. The collection, transfer, transport, Recycling, processing, and disposal of animal remains from slaughterhouse or butcher shops for use as tallow;
- f. The collection, transfer, transport, Recycling, processing, and disposal of by-products of sewage treatment, including sludge, sludge ash, grit and screenings;
- g. The collection, transfer, transport, Recycling, processing, and disposal of Hazardous Substances, Hazardous Waste, and radioactive waste regardless of its source;
- h. The collection, transfer, transport, Recycling, processing, and disposal of Solid Waste by the District through District officers or employees in the normal course of their employment;
- i. Solid Waste Handling Services for governmental agencies other than District, which may have facilities in District, but over which District has no jurisdiction in connection with the regulation of Solid Waste; and
- j. In addition to the foregoing, in the event that future interpretations of current law, future enactments or developing legal trends limit the ability of District to lawfully grant Contractor the Scope of Services as specifically set forth herein, Contractor agrees that the scope of this Agreement will be limited to those services and materials which may be lawfully provided, and that District shall not be responsible for any lost profits claimed by Contractor as a result thereof.

3.03 FRANCHISE AREA DEFINED

The Franchise Area granted by this Agreement shall include all Residential, Commercial, and Industrial Generators within the District limits except as limited by this Agreement. As provided for below, the Franchise Area may be changed by annexation.

3.04 ANNEXATION COVERED BY EXISTING AGREEMENT

Territory annexed into the District that is covered by an existing Solid Waste permit, license, agreement or franchise granted by another public entity to

another contractor may continue to be served by the same contractor pursuant to California Public Resources Code section 49520, et seq.

ARTICLE 4. TERM OF AGREEMENT

4.01 EFFECTIVE DATE

This Agreement shall become effective on July 1, 2019 (the "Effective Date"), and shall supersede the Existing Agreement.

4.02 TERM

The term of this Agreement shall be ten (10) years, commencing on the Effective Date. At the end of each year of the term, the Agreement shall automatically be extended for an additional one (1) year unless either party shall provide written notice to the other of its intent not to extend the term, not later than one hundred eighty (180) days prior to the end of any year of the term. The word "Term" as used hereinafter may include references to the Initial Term or any subsequent extension thereof as provided for in this Article. Contractor may request an adjustment to the Term in the event it is required to invest in new equipment required due to changes in law or at the request of the District. Any such request shall be handled in the same manner as a request for extraordinary rate adjustments under Section 9.06.

4.03 EARLY TERMINATION

Nothing contained in this Article 4 shall limit the District's rights to terminate this Agreement at any time for a failure of the Contractor to perform hereunder pursuant to Article 12 hereof.

ARTICLE 5. CONTRACTOR SERVICES

5.01. PERFORMANCE STANDARDS

- a. General. The work to be performed by Contractor pursuant to this Agreement shall include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required. All services performed and Solid Waste generated is subject to the exclusive rights to operate and collect, provided under the terms of this Agreement.
- b. The work to be performed by Contractor pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the residents and businesses within District are provided reliable, courteous, and high-quality service at all times.

- c. **Scope of Services.** The services to be performed by Contractor are generally described in Attachment B, Scope of Services, but may also be specified and described in detail in other Sections of this Agreement, including without limitation this Section 5.01.
- d. **Frequency and Location.** Contractor shall collect Solid Waste and Recyclables from Residential Premises receiving individual collection one time per week from Contractor-provided containers. Contractor shall collect Solid Waste and Recyclables from Commercial Premises, including Residential Premises utilizing Bins, and Industrial Premises a minimum of one time per week from Contractor-provided Bins or Roll-Off Boxes or from stationary Compactors provided by Contractor or Customer.
- e. **Residential Organic Material Composting.** The District and Contractor will cooperate to develop and implement a residential organic material disposal reduction program as required by law
- f. **Drop Off Site.** The District may at its own expense, staff and operate a drop-off location for collection of recycling, residential organic compostable materials, and residential landfill materials during days of operation as established by the District. Contractor will provide containers and transport collected materials from the drop off location to District-approved facilities one (1) time per week, and will not combine separated drop-off materials. District will pay associated facility tipping fees, including any direct residue disposal charges. Additional service will be charged at the rates in Exhibit C as may be amended from time to time.
- g. **Commercial Recycling and Organics Program.** Contractor will implement a comprehensive Commercial Recycling and Organics Disposal Reduction Program, including Source Separated and Select Commercial Recycling and Organics collection and composting.

The program will consist of periodic customer outreach, including waste disposal and recycling educational information included in Contractor's bills and website. All accounts receiving Commercial Solid Waste Collection Service will be presented with recycling service options including source separated and comingled recycling service. Service options will be driven by end market and processing availability.

Once a recycling or composting service option is selected or assigned, the Solid Waste Service level may be adjusted and the appropriate recycling or composting containers may be delivered. The containers will be collected on the scheduled route and the material will be processed accordingly.

Multi-family Bin service customers will be included in the Commercial Recycling Program.

It is the intent that said Commercial Recycling Program will comply with all applicable District requirements, including but not limited to, Ordinance No. 2017-03 adopted by the Board of Directors on or about November 15, 2017 (as said Ordinance may be amended from time to time in a manner not inconsistent with this Agreement). This program will comply with California state laws requiring Mandatory Commercial Recycling, Mandatory Commercial Organics Composting, and Organics Disposal Reduction.

- h. Emergencies. Contractor's equipment and staff will be available to assist with District-declared emergencies.
- i. Public Outreach. Contractor will be responsible for the following services which include, but are not limited to:
 - 1) Establish a residential route audit program, with procedures approved by the District to assure service verification of accurate customer billings and accurate tipping fee charges;
 - 2) Development and management of commercial recycling outreach program.

Within 90 days of the Effective Date of this Agreement, Contractor shall develop a plan for District approval for each of the services to be provided in paragraphs 1 and 2 above. The plan shall include verifiable performance measurement factors and quarterly program reports presenting performance results.

- j. Community Clean-Up. Supply equipment and manpower for a no charge drop off community clean-up two (2) times per year.

5.02 COLLECTION DAYS AND TIMES

- a. Residential Premises. Collections from Residential Premises shall be made Monday through Friday between the hours of 6:00 a.m. and 8:00 p.m. Collections of Solid Waste and Recyclable Materials shall be made on the same day.
- b. Non-Residential Premises. Collections from Non-Residential Premises shall be made Monday through Saturday between the hours of 4:30 a.m. and 8:00 p.m. Collections shall be scheduled at a day and time mutually agreed upon by Contractor and Customer. Collections of Solid Waste and Recyclable Materials may be made on different days.
- c. Holiday Schedule. Contractor's collection operations shall observe the same holiday schedule as the Disposal Facility and the Processing Facility that may be used during the term of this Agreement. When a holiday falls on a regular collection day, scheduled collections shall occur on the

next regularly scheduled Collection the remainder of that week. Contractor shall advise District annually of the upcoming holiday schedule, and immediately notify District of any changes to that schedule. Contractor shall advise all Customers of upcoming holidays and the holiday collection schedule in advance of the holiday.

5.03 SERVICE STANDARDS

- a. **Overfilled Carts or Bins.** All materials placed in Carts or Bins by Customers must be fully contained in the Carts or Bins with the lid closed and Contractor shall not be required to collect Carts or Bins that are overfilled. Contractor shall attach a notice on Carts or Bins not collected, citing the reason for non-Collection (“Notice of Non-Collection”). The form and content of the Notice of Non-Collection shall be approved by District.
- b. **Clean out of Enclosures.** Contractor shall clean out any overflowing Bins or enclosures within twenty-four (24) hours of notification by District, the cost of which shall be borne by the Customer. Contractor shall work with the General Manager or General Manager’s designee in identifying and resolving continual problems of overages or misuse in Customer Bins or enclosures.
- c. **Uncontained Materials.** Contractor shall only collect uncontained Solid Waste and Recyclable Materials when such Collection has been arranged in advance by Customer and for which Customer has agreed to pay the appropriate Rate.
- d. **Bins may be required for Apartment Complexes.** Multi-Family Premises or apartment complexes with more than four (4) individual dwelling units shall use Bins for Solid Waste Collection if Contractor determines barrel service is inadequate.
- e. **Bin Placement.** When delivering Bins to new Customers at Residential Premises and Commercial Premises, including Multi-Family Premises, Contractor shall advise Customer to consult District’s adopted standards and requirements for enclosures and Bin placement.

ARTICLE 6. OTHER SERVICES

6.01 CUSTOMER SERVICE

- a. Contractor shall perform all of the customer service functions which shall consist of providing Customer service representatives for telephone, electronic mail and in-person contacts by Customers regarding: (i) starting or stopping service, (ii) ordering extra Containers, (iii) ordering exchanges of damaged Containers, (iv) inquiring or expressing concerns

about service, (v) inquiring about sanitation bills, and (vi) processing payments (“Customer Service Functions”).

- b. **Role of Contractor.** Contractor shall handle Customer Service for all services hereunder.
- c. **Office Hours.** Contractor’s office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m. Monday through Friday. A representative of Contractor shall be available during office hours for communication with District at Contractor’s principal office.
- d. **Missed Collections.** All missed Collections will be made by the earlier of (i) as soon as reasonably practicable or (ii) the following Collection day.
- e. **Service Complaints.** All Customer Collection Service complaints shall be directed promptly in light of the severity of the complaint (and in any event not less frequently than once per month) to Contractor by the General Manager.
- f. **Resolution of Disputes.** Contractor shall notify Customers of this complaint resolution procedure at the time Customers apply for, or are provided, service.

Before reviewing the complaint, the General Manager shall refer it to Contractor. If Contractor fails to cure the complaint within ten (10) days, General Manager shall review Customer’s complaint and determine if further action is warranted. General Manager may request written statements from Contractor and Customer, and/or oral presentations.

General Manager shall determine if Customer’s complaint is unresolved; and if so, what remedy, if any, shall be imposed. The remedy under this Section shall be limited to rebate of Customer charges related to the period of complaint.

General Manager may delegate these duties to a designee. The decision of General Manager or Manager’s designee shall be final on any matter under One Thousand Dollars (\$1,000). In the event of a decision on a matter awarding One Thousand Dollars (\$1,000) or more, Contractor may seek review by the Board of Directors.

- g. **Bulky Item Collection.** Each Single Family Residential Premises receiving individual Collection Service shall be entitled to two (2) Collections of up to four (4) Bulky Waste items, which includes but is not limited to tires, furniture, televisions and computers, in each twelve (12) month period at no additional charge. Collections of additional Bulky Items or Bulky Items collected from Multi-Family Apartment Dwellings or Non Residential Customers shall be subject to the Rates included in the Customer Rate Schedule, Attachment D.

6.02 PAYMENT FOR TEMPORARY BINS AND ROLL-OFF BOXES.

Contractor may require payment in advance for temporary Bin or temporary Roll-Off Box services provided at Residential, Commercial or Industrial Premises.

6.03 BAD DEBT RECOVERY.

- a. Residential. Contractor shall recover debt for residential solid waste and services rendered by Contractor.
- b. Commercial. District shall recover debt annually for solid waste and services rendered by Contractor after Contractor has attempted to collect debt. Debt remaining unpaid for a period of ninety (90) days after the date upon which they were billed will be submitted to the District whereby the District, pursuant to applicable law, may place a lien and may collect thereafter as follows:
 - 1) Once a year, the Board of Directors shall cause to be prepared a report of delinquent fees. The Board shall fix a time, date and place for hearing the report and any objections or protests thereto.
 - 2) The Board shall cause notice of the hearing to be mailed to the landowners listed on the report not less than ten (10) days prior to the date of the hearing.
 - 3) At the hearing, the Board shall hear any objections or protests of landowners liable to be assessed for delinquent fees. The Board may make such revisions or corrections to the report as it deems just, after which by resolution, the report shall be confirmed.
 - 4) The delinquent fees set forth in the report as confirmed shall constitute special assessments against the respective parcels of land and are a lien on the property for the amount of such delinquent fees. A certified copy of the confirmed report shall be filed with the county auditor, on or before August 10, for the amounts of the respective assessments against the respective parcels of land as they appear on the current assessment roll. The lien created attaches upon recordation, in the office of the county recorder of the county in which the property is situated, of a certified copy of the resolution of confirmation. The assessment may be collected at the same time and in the same manner as ordinary county ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of county ad

valorem property taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bonafide purchaser for value, or if a lien of a bona fide encumbrance for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to such real property and the delinquency fees, as confirmed, relating to such property shall be transferred to the unsecured roll for collection.

ARTICLE 7. REQUIREMENTS FOR OPERATIONS

7.01 COLLECTION STANDARDS

- a. **Servicing of Containers.** Contractor shall Collect the contents and return each Container to the location where Occupant properly placed the Container for Collection. Following Collection, Contractor shall place the Containers upright. Contractor shall use due care when handling Containers.
- b. **Christmas Tree Collection.** Curbside Collections of Christmas Trees from Single Family Residential Dwellings receiving individual Collection Service shall be performed free of charge for two collection cycles following Christmas Day. Contractor shall provide adequate Roll Off containers for Christmas Trees drop-off at District's Administrative Center for one month starting December 26. Contractor shall accept and manage Christmas Trees dropped-off at CR&R's service yard in Phelan.
- c. **Missed Pick-Ups.** When notified of a missed pick-up, Contractor shall Collect the Solid Waste, Recyclable Materials, or Green Waste the earlier of (i) as soon as reasonably practicable or (ii) the following Collection day. If service is not completed by the following Collection day, Contractor shall notify District by email or fax immediately.
- d. **New Bin Service Customers.** Contractor shall deliver containers and initiate Collection services for a new Customer requiring Bin service within five (5) business days of the Customer's request for service.
- e. **Change in Bin Service.** If an existing Customer requests a change in the number or size of their Solid Waste or Recyclable Materials Containers and/or frequency of collection, Contractor shall deliver and/or remove Containers and initiate changes in the Collection services within five (5) Business Days of the Customer's request for a change in service.
- f. **Separate Collection.** Contractor shall separately Collect Solid Waste, Organic Material and Recyclable Materials from each other and shall not

commingle these materials at any time during the transportation or delivery of those materials to the Disposal Facility or Processing Facility.

- g. **Non-Collection Notices.** Contractor may choose to not Collect materials for the following reasons: (i) Recyclable Materials contain excessive contamination; (ii) materials contain Hazardous Waste; (iii) the loaded weight of a Container exceeds the maximum load limit specified by the Cart manufacturer; (iv) materials are not fully contained within Containers; and, (v) Container is not accessible due to vehicles or other obstacles. In such case, Contractor shall issue Non-Collection Notices stating the reason(s) the materials were not collected. The Notice of Non-Collection shall be affixed prominently on the Container to ensure that it is not inadvertently removed due to weather conditions. Contractor shall immediately notify District of all Non-Collection Notices. Contractor shall maintain a master record of Notices of Non-Collection issued for inspection by District.
- h. **Excess Materials.** Materials not contained within Customer's container shall be considered as excess materials and Contractor shall not be required to collect the excess amounts unless Customer has previously arranged and paid for such Collection with Contractor.
- i. **Care of Private Property.** Contractor shall not damage private property and shall ensure that its employees: (i) close all gates opened in making collections, (ii) not cross landscaped areas, and (iii) do not climb or jump over hedges and fences.

District shall refer complaints about damage to private property to Contractor who shall, after investigation and determination of responsibility, repair, to its previous condition, all damage to private or public property caused by its employees or operations.

Contractor shall use its best efforts to repair damage and/or resolve claims regarding damage to property within forty-five (45) business days of receipt of the complaint.
- j. **Spills and Cleanup.** Contractor shall instruct employees to cleanup any spills or scattered materials resulting from its Collection operation. Contractor shall not be required to cleanup spilled or scattered materials resulting from the actions of others including materials falling from overfilled containers or uncontained materials.
- k. **Warning Tags.** Contractor shall prepare Warning Tags approved by District for use to advise Customers of collection rule infractions and/or non-collection such as but not limited to: (i) uncontained materials, (ii) prohibited contents, (iii) excess weight, and (iv) blocked or inaccessible container. Warning Tags shall have an adhesive strip affixed to the back to adhere the tag to the Container. Warning Tags shall be of two-part

construction so that Contractor's employee can submit copies of all Warning Tags to Contractor's field supervisor, dispatch office or customer service representative. Contractor shall immediately notify District of all Warning Tags. Contractor shall maintain a master record of Warning Tags issued for inspection by District

7.02 VEHICLES

- a. **General.** Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. Contractor shall have available sufficient back-up vehicles to respond to mechanical breakdowns, complaints and emergencies.
- b. **Age.** Contractor shall not introduce a used vehicle into service in District as a frontline collection vehicle that is more than five (5) years of age when introduced. Contractor shall not operate a vehicle in District as a regular route collection vehicle that is more than seven (7) years of age unless said vehicle is exceptionally well-maintained and has been accepted by District. Contractor shall not operate a vehicle in District more than ten (10) years of age as a regular route collection vehicle.

Contractor shall be permitted to use vehicles older than the above limitations for periods up to thirty (30) days as back-ups for regular route vehicles when such vehicles are out of service for repair or maintenance or to supplement the regular collection vehicles for special programs such as community clean-ups or emergency situations.
- c. **Vehicle Emissions.** Contractor shall comply with all applicable air quality rules and regulations in its vehicle deployment.
- d. **Specifications.** All vehicles operated in District by Contractor shall: (i) be registered with the California Department of Motor Vehicles; (ii) have leak proof bodies designed to prevent leakage, spillage, and/or overflow; and (iii) comply with California Environmental Protection Agency noise emission and California Air Resources Board air quality regulations.
- e. **Identification.** Contractor's name, local telephone number and vehicle identification number designated by Contractor shall be prominently displayed on the sides of each Collection vehicle.
- f. **Condition and Maintenance.** Contractor shall maintain all of its vehicles and equipment used in providing service under this Agreement in a good, safe, neat, clean, and operable condition at all times.
- g. **Operation.** Vehicles shall be operated in compliance with Federal, State and local laws and regulations.

- h. Vehicle Inventory and Replacement Plan. Annually, on or before January 1st of each year, Contractor shall provide District with an inventory of all collection vehicles currently operating in District listing (i) Contractor's vehicle identification number, (ii) year manufactured, (iii) make, (iv) body style, and (v) fuel type.

7.03 CONTAINERS

- a. General. Contractor shall provide all Carts, Bins, Roll-Off Boxes, other Containers and Compactors, as appropriate, to all Customers as part of its obligations under the terms of this Agreement.

All Containers used in the performance of this Agreement shall remain the property of the Contractor.

- b. Carts. Contractor shall supply Carts for individual collection to all Residential Premises and certain small business Commercial Premises. Where residential recycling is available, each such Single Family Residential Customer shall receive one (1) cart for Solid Waste and one (1) cart for Recyclable Materials. At Contractor's reasonable discretion, one (1) additional Recycling Material cart is available at no charge for each Single Family Resident. Where residential recycling is NOT available, each such Single Family Residential Customer may receive up to two (2) carts for Solid Waste. Eligible Multi-Family Dwellings and Commercial establishments shall receive one (1) Cart for Solid Waste and once (1) cart for Recyclable Materials.

Unless otherwise specified by law, Carts provided by Contractor shall be offered uniformly in different colors for different materials: (i) 65-gallon Carts with for Solid Waste; and (ii) 65-gallon Carts for Recyclable Materials, or such other Carts as the parties may agree are appropriate from time-to-time. All Carts shall be equipped with hinged lids and wheels and shall be labeled for appropriate material types.

- c. New Customer Carts. Contractor shall provide new Customers with Carts no later than the next regular service day following notification of subscription. New Customers shall receive Carts that are new, or alternatively, used Carts that have been pressure washed.
- d. Cart Repair and Replacement. Contractor shall be responsible to maintain all containers in a clean and functional condition, including but not limited to routine, on location, repair or replacement of lids, handles and/or wheels, it being the intent of the parties that replacement containers will only be provided at such time as a container is lost, unserviceable or incapable of routine repair. Contractor shall replace all lost, unserviceable or irreparable Carts by the next service day following receipt of Customers request. Carts damaged by Contractor, or from

normal wear and tear, shall be replaced at no charge to Customer. Contractor may charge customers to replace missing Carts or Carts damaged by Customer. Contractor shall notify Customer by the next service day following receipt of Customer's request if charges shall apply and shall additionally notify District of its findings. Should District determine that the need for cart replacement is the result of Contractor's actions and not the actions of Customer, District shall instruct Contractor to deliver a replacement cart at no charge to Customer. District's decision shall be final.

- e. Bins. Contractor shall provide metal Bins in 1.5 cubic yard, 2 cubic yard, 3 cubic yard and 4 cubic yard sizes to select Residential Premises, select Multi-Family Premises complexes and select Commercial and Industrial Premises. All Bins shall meet applicable Federal, State and local regulations for Bin safety, and shall be covered with attached lids.
- f. Recycling Bins. Contractor shall distinguish Recycling Bins by color, and shall clearly label them "Recyclables Only."
- g. Multiple Bins. Contractor is to identify and propose recycling collection options for locations with multiple Bin site limitations.
- h. Temporary Bins. Contractor shall provide metal 3 cubic yard Bins for temporary use by any premises in the District for removal of Solid Waste, Construction and Demolition Debris or Green Waste. Contractor shall cover temporary Bins during transport to prevent the release of litter and debris.
- i. Roll-Off Boxes. Contractor shall provide metal Roll-Off Boxes of 10 cubic yard, 20 cubic yard and 40 cubic yard sizes for regular use by select Commercial and Industrial Premises and for temporary use by any Premises in District. Contractor shall cover Roll-Off Boxes during transport to prevent the release of litter and debris.
- j. Compactors. Contractor may provide, for a fee, stationary compactors for use by Customers or may service stationary compactors owned and provided by Customers provide that any stationary compactor provided by Customer shall meet the specifications of Contractor and be compatible with Contractor's collection vehicles.

7.04 PERSONNEL

- a. General. Contractor shall furnish such qualified drivers, mechanical, supervisory, Customer service, sales, recycling, clerical and other personnel as may be necessary to provide the services required by this Agreement in a safe and efficient manner.

- b. No Gratuities. Contractor shall not permit its employees to demand, solicit or accept any additional compensation or gratuity in exchange for Collection Service.
- c. Conduct and Courtesy. Contractor shall employ only competent and qualified personnel who serve the public in a courteous, helpful, and impartial manner. Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. If any employee is found not to be courteous or not to be performing services in the manner required by this Agreement, Contractor shall, after proper investigation and due process, take appropriate measures.
- d. Uniforms. While performing services under this Agreement, all Contractor's employees performing field service shall be dressed in clean uniforms.

7.05 HAZARDOUS WASTE

- a. To the extent practical, Contractor shall inspect containers for the presence of Hazardous Waste and take reasonable precautions to prevent the Collection of Hazardous Waste.
- b. If the presence of Hazardous Waste is detected in any container, Contractor's personnel shall not collect the contents of the container and shall leave a Notice of Non-Collection.
- c. If Hazardous Waste is later detected in a load, Contractor shall attempt to contact the offending Customer who shall be responsible for its removal and cost of removal.

ARTICLE 8. DISTRICT FEES

8.01 GENERAL

In consideration for the rights and privileges provided in this Agreement, and the costs associated in providing the Customer service functions set forth in Section 6.01, including all billing services, and subject to payments to the Contractor as provided in Article 9 below, the Contractor shall receive and/or retain all sums collected from Customers for all services contemplated in this Agreement.

8.02 REVENUE TO THE DISTRICT

- a. Franchise Fees. Contractor shall pay a Franchise Fee of ten percent (10%) to the District. The Franchise Fee shall be calculated by multiplying the Gross Receipts received under this Franchise Agreement, less Disposal Charges paid by Contractor. Contractor shall pay the Franchise Fees to

the District for each calendar month during the term of this Agreement on or before 30 days after the end of such month.

- b. **Environmental/Administration Fee.** At the request of District, Contractor shall invoice residential, commercial and roll-off customers for an additional environmental/administration fee, of a type and in an amount specified and authorized by the District. This fee may be included as a separate line item on all invoices. Contractor shall remit payment to the District of District Approved Environmental/Administrative Fee amounts collected on a monthly basis. The environmental or administration fee shall not affect the amount of Contractor's compensation and shall be a pro-rata pass through cost on all affected rates.

- c. **New or Increased Fees.** The District has the right to impose new or adjusted fees on the provision of solid waste handling services and to increase the amount or percentage of the franchise fee from that set forth above. Any adjustment to the Franchise Fee noted in Section 8.02 a. shall be a direct pass through of one hundred percent (100%) of any increase or decrease in said Franchise Fee and shall be effective as of the date the Franchise Fee increase or decrease is payable by Contractor. In such event, Contractor shall receive an adjustment to the rates to fully compensate its increased costs, including, if applicable, a one-time rate adjustment to the rates to fully compensate it where there is any delay between the effective date of the new or increased fee and the date on which it begins to receive increased compensation from billings related to the new or increased fee.

8.03 RECORDS

The Contractor shall keep and maintain accurate records of all persons, firms and corporations for whom refuse collection services are provided, the amount of money billed and the amount of money collected for each type of service. The District and the person served by the Contractor shall have the right to examine such records at all reasonable times. Such records shall be maintained in accordance with generally accepted accounting standards and shall include all necessary information as to the accuracy of revenues and billings.

ARTICLE 9. CONTRACTOR COMPENSATION AND RATES

9.01 GENERAL

Contractor's compensation provided for in this Article 9 shall be the full, entire, and complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead,

profit, and all other items necessary to perform all of the services in the manner required by the Agreement.

9.02 CART SERVICE, BIN SERVICE AND ROLL-OFF BOX SERVICE

As compensation for the performance of services for Cart service, all Bin Service and all Roll-Off Box service work in each calendar month, Contractor shall bill for and retain an amount equal to the applicable "Rate to Customer" as set forth in Attachment C. This compensation is subject to Franchise Fee payments by Contractor to District.

The current "Rate to Customer" shall be effective upon the Effective Date of this Agreement.

9.03 CUSTOMER RATES

All Customers shall pay for Collection Service in accordance with those rates specified in Attachment C.

9.04 ANNUAL FORMULA-BASED COMPENSATION ADJUSTMENT

Subject to Section 9.04 a. and Section 9.04 b., the maximum rates set forth in Attachment C, Residential Bin and Commercial Services shall be adjusted annually effective each July 1st as follows: (i) during the first three (3) years of the Term, by an amount equal to the calendar year annual twelve-month change in the Consumer Price Index ("CPI") for All Urban Consumers (CPI-U) for the Los Angeles/Anaheim/Riverside Metropolitan Area, (1982-84=100), as published by the United States Department of Labor, Bureau of Labor Statistics CUURS49ASA0LE, and (ii) during the remainder of the Term by an amount equal to the calendar year twelve-month change in the Consumer Price Index ("CPI") for All Urban Consumers (CPI-U) for the Riverside/San Bernardino/Ontario Area, (December 2017=100) CUURS49CSA0LE.

Contractor acknowledges that various legal procedures, including but not limited to those contained in Proposition 218, may be applicable to any rate increases (and District agrees to undertake such procedures in the exercise of its sole discretion). In the event such rate increases do not receive the requisite approval under such procedures, the District shall not be required to adopt such rate increases, nor shall the District be liable to Contractor for the failure to implement any such increases.

- a. Adjustment Request Procedure. Contractor shall submit its request for a CPI-based rate adjustment not later than April 1 of each year using the format specified in Attachment C, accompanied by a complete revised proposed Attachment C, Residential Bin and Commercial Services,

reflecting the CPI-based rate adjustment. The District may determine that the request be submitted earlier than April 1.

- b. **Adjustment Approval Procedure.** Contractor's request shall be subject to review and approval by the Board of Directors. Subject to all applicable requirements of law, the Board of Directors' decision shall be based solely upon verification of the change in CPI in accordance with the formula set forth in this Agreement and verification of Contractor's computations of the changes in Attachment C, Residential Bin and Commercial Services. As long as Contractor timely complies with its requirements under Subsection "a" immediately above, the Board of Directors' decision shall be rendered prior to the beginning of District's the fiscal year, and shall not be unreasonably withheld.

9.05 CHANGES IN SCOPE OF SERVICES

The rates and fees identified in Attachment C, Contractor Service Unit Rates, provided for in Section 9.02 hereof, shall be adjusted for Contractor's operating expense, overhead expense and profit to reflect any changes or additions to Attachment B, Scope of Services, which are mutually agreed-upon by the Parties in writing or ordered by District. Contractor's compensation for changes in Attachment B, Scope of Services, shall be established by the following procedure:

- a. District shall provide Contractor written notice describing the addition or change in the Scope of Services desired by District.
- b. Within thirty (30) days following receipt of District's written notice, Contractor shall submit its written proposal to provide the services requested by District. At a minimum, Contractor's proposal shall include (i) a description of how the service will be rendered; (ii) Contractor's schedule to provide the requested services; (iii) Contractor's cost to render the requested service; and (iv) a description of any options or alternatives Contractor deems appropriate.
- c. Within thirty (30) days following the submittal of Contractor's written proposal, District and Contractor shall meet and negotiate in good faith to agree on an amendment to this Agreement to provide the services described by District.
- d. Should District and Contractor be unable to reach a negotiated agreement on an amendment to this Agreement to provide the services requested by District, the Board of Directors may order that Contractor provide the services for the compensation determined by the Board of Directors which shall be reasonable compensation for Contractor's cost for providing the service.

9.06 EXTRAORDINARY RATE ADJUSTMENTS

Contractor may request an adjustment to its Rates at reasonable times other than that allowed in Sections 9.04 and 9.05 in the event of extraordinary changes in the cost of providing service under this Agreement.

- a. **Included Changes.** Changes in the cost of providing service considered extraordinary shall include but not be limited to:
 - 1) **Changes in Law.** Changes in law or regulations enacted during or after the Effective Date of this Agreement by Federal, State, or local regulatory agencies, including amendments to the District's ordinances, resolutions, rules, regulations, policies, and/or procedures.
 - 2) **Extraordinary Costs.** Changes in operating costs brought about by unforeseen circumstances beyond the control of the Contractor.
 - 3) **Change in Disposal Facility.** Temporary or permanent changes in the location of the Disposal Facility.
- b. **Request and Review.** For each request for an extraordinary Rate adjustment to Rates that Contractor may charge Customers brought pursuant to this Section 9.08, Contractor shall prepare a schedule documenting the extraordinary costs and request for Reasonable Compensation. Such request shall be prepared in a form acceptable to District with support for assumptions made by Contractor in preparing the estimate. District shall review the Contractor's request and, in District's reasonable discretion make the final determination as to whether an adjustment to the Rates will be made, and, if an adjustment is to be permitted, the appropriate amount of the adjustment. District's approval shall not be unreasonably withheld, but shall include consideration of any rate increases obtained by Contractor pursuant to Section 9.04. Any approved extraordinary adjustments will be limited to one year from approval, and be subject to verification that the circumstances warranting the adjustment did not change during that year.

9.07 ADDITIONAL CUSTOMER RATE INCREASE PROCEDURES

Contractor acknowledges that various legal procedures, including but not limited to those contained in Proposition 218, may be applicable to any rate increases proposed to be passed on to customers, including the rate increases contemplated above. If such procedures are applicable, increases to Customer rates will not become effective until the District has complied with any and all applicable legal requirements. In the event such rate increases do not receive

the requisite approval under such procedures, the District shall not be required to adopt such rate increases, nor shall the District be liable to Contractor for the failure to implement any such increases, nor shall District be required to compensate Contractor for any requested rate increases or “pass through” rates. However, with respect to Scope of Services changes requested by the District pursuant to Section 9.05, the Board of Directors may, at its sole discretion, determine whether the District shall compensate Contractor for such additional services without increasing Customer rates.

9.08 RATES FOR ORGANIC MATERIALS

Rates for Collection of Commercial and Residential Organic Materials shall be determined by agreement between the District and Contractor at such time as such programs are developed pursuant to this Agreement.

ARTICLE 10. RECORDS AND REPORTS

10.01 RECORDS

- a. General. Contractor shall maintain records required to conduct its operations, to support requests it may make to District, and to respond to requests from District.
- b. Inspection. Contractor’s records shall be available for inspection by District during regular business hours and upon reasonable notice.
- c. Records Retention. Contractor shall maintain pertinent records required in the performance of this Agreement for a period of five (5) years after its expiration or early termination.
- d. Customer Records. Contractor shall maintain Customer service information by service route including: (i) name and address of Customer; and, (ii) service level.
- e. Service Records. Contractor shall maintain records of Customer complaints and inquiries for three (3) years.
- f. Materials Records. Contractor shall maintain a monthly record by service route of the weight of Solid Waste, Recyclable Materials and Construction and Demolition Waste collected from all Premises in District.
- g. Disposal Records. Contractor shall maintain a monthly record of all Solid Waste disposed of at the Disposal Facility.
- h. Route Information. Contractor shall maintain a record of its routes and collection days by service route for review by District.

10.02 REPORTS

- a. **General.** Contractor shall submit reports according to the following schedule: (i) monthly reports on commercial service within thirty (30) days after the end of the reporting month; (ii) quarterly reports on all service types within thirty (30) days after the end of the reporting quarter; (iii) annual reports on all service types within thirty (30) days after the end of the fiscal year ending June 30; and (iv) event-specific reports shall be submitted thirty (30) days following the occurrence. Monthly and Quarterly reports shall include: (i) a summary of the information relating to gross receipts, gross receipts less disposal charges and any additional charges (ii) total number of accounts and total number of each service type; (iii) total number of Commercial Refuse, Organics and Recycling customers demonstrating compliance with California's Mandatory Commercial Recycling and Mandatory Commercial Organics Collection requirements.
- b. **Recycling and Diversion Reporting.** Contractor shall prepare and deliver to District all reports necessary to enable the District to comply with its obligations under applicable law.
- c. **Route Audit.** Upon District request, but not more frequently than one time per year, Contractor shall provide the annual route audit to District. This audit shall demonstrate verified service levels for all customers, shall list all locations where service levels did not correspond to billings, and shall demonstrate corrective actions for all service level discrepancies with respect to billing.
- d. **Reporting Violations.** The failure or neglect of the Contractor to file any of the required reports, or the inclusion of any materially false or misleading statement or representation made knowingly by Contractor in such report shall be deemed a material breach of the Agreement, and shall subject Contractor to all remedies, legal or equitable, which are available to District under the Agreement or otherwise.
- e. **Commercial Recycling Report.** Contractor will provide a quarterly report:
 - 1) Showing all Commercial Recycling, Organics, and refuse Customers (including location and service level);
 - 2) Identifying progress in reducing refuse only Customers and increasing Recycling and Organics customers.

10.03 AUDIT

Auditable Records. Contractor shall maintain in auditable form all pertinent records relating to the services provided hereunder, including but not limited to, customer lists, maps, compliance records, and Customer complaints, for the full

Term of this Agreement, and an additional period of not less than three (3) years, or any longer period required by law or by District. The District shall have the right, upon giving thirty (30) days advance written notice to Contractor, to inspect maps, compliance records, Customer complaints, and other like materials of Contractor which reasonably relate to Contractor's compliance with the provisions of this Agreement. Such records shall be made available to District at Contractor's regular place of business.

ARTICLE 11. INDEMNITY AND INSURANCE

11.01 INDEMNIFICATION

- a. Indemnification of District. Contractor shall indemnify, defend and hold harmless District, its officers, employees and agents (collectively, the "Indemnitees"), from and against (i) any and all liability, penalty, claim, demand, action, proceeding or suit, of any and every kind and description, whether judicial, quasi-judicial or administrative in nature, (ii) any and all loss including, but not limited to, injury to and death of any person and damage to property, and (iii) contribution or indemnity demanded by third parties (collectively, the "Claims"), arising out of or occasioned in any way by, directly or indirectly, Contractor's performance of, or its failure to perform, its obligations under this Agreement. Contractor shall defend (with attorneys reasonably acceptable to District) the Indemnitees. Contractor's duty to defend, indemnify and hold harmless Indemnitees shall survive the expiration or earlier termination of this Agreement. If, due to the joint, concurring, comparative or contributory fault, negligence or willful misconduct of the Parties which gives rise to the Claims for which the Indemnitees are entitled to indemnification under this section, then liability for such Claims shall be allocated between the Parties in proportion to their respective degrees of fault, negligence, or willful misconduct contributing to such Claims.
- b. Indemnification of Contractor. District shall indemnify, defend and hold harmless Contractor, its officers, directors, shareholders, employees and agents (collectively, the "Indemnified Parties"), from and against (i) any and all liability, penalty, claim, demand, action, proceeding or suit, of any and every kind and description, whether judicial, quasi-judicial or administrative in nature, (ii) any and all loss including, but not limited to, injury to and death of any person and damage to property, and (iii) contribution or indemnity demanded by third parties (collectively, the "Claims"), arising out of or occasioned in any way by, directly or indirectly, District's performance of, or its failure to perform, its obligations under this Agreement. District shall defend (with attorneys reasonably acceptable to District) the Indemnified Parties. District's duty to defend, indemnify and hold harmless the Indemnified Parties shall

survive the expiration or earlier termination of this Agreement. If, due to the joint, concurring, comparative or contributory fault, negligence or willful misconduct of the Parties which gives rise to the Claims for which the Contractor is entitled to indemnification under this section, then liability for such Claims shall be allocated between the Parties in proportion to their respective degrees of fault, negligence, or willful misconduct contributing to such Claims.

- c. **PRC 41821.2 Indemnification.** Contractor agrees to indemnify and hold harmless the Indemnitees against all fines and/or penalties imposed on the District pursuant to California Public Resources Code Section 41821.2 et seq., including but not limited to Section 41850, due to Contractor's failure to comply with laws, regulations or permits or to the extent caused or contributed to by Contractor's failure to perform its obligations under this Agreement. This indemnity obligation is subject to the limitations and conditions in California Public Resources Code section 40059.1, but is enforceable to the maximum extent allowable by that Section
- d. **Hazardous Waste Indemnification.** Except with respect to Disposal of Solid Waste collected from District residences by the County of San Bernardino during collection events hosted by the County of San Bernardino, Contractor shall indemnify, defend with counsel approved by District, protect and hold harmless Indemnitees and any successor or successors to District's interest from and against all claims, actual damages, natural resources damage, injuries, costs, response, remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against, Indemnitees arising from or attributable to any disposal, storage, handling, repair, clean up or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan, of hazardous substance or hazardous wastes at any place where Contractor stores, handles, transports or disposes of any material pursuant to this Agreement. Contractor shall also indemnify, defend with counsel approved by District, protect and hold harmless Indemnitees and any successor or successors to District's interest from and against all claims asserted by third parties for special, consequential, and/or punitive damages arising from or attributable to any disposal, storage, handling, repair clean up or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan, of hazardous substance or hazardous wastes at any place where

Contractor stores, handles, transports or disposes of any material pursuant to this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107 (e) of the Comprehensive Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. section 9607 (e), and California Health and Safety Code section 25364, to insure, protect, hold harmless, and indemnify District from liability. This provision is in addition to all other provisions of this Agreement and is intended to apply to Contractor's actions during the term of this Agreement and survive the end of the Term of this Agreement.

11.02 INSURANCE

Without limiting Contractor's indemnification of Indemnitees pursuant to Section 11.01 above, and at its sole expense, Contractor shall procure from an insurance company or companies admitted to do business in the State, and shall maintain in force at all times during the Term of this Agreement, the following types and amounts of insurance:

- a. **Workers' Compensation and Employer's Liability.** Contractor shall maintain workers' compensation insurance covering its employees in statutory amounts and otherwise in compliance with the laws of the State. Contractor shall maintain employer's liability insurance in an amount not less than one million dollars (\$1,000,000) per accident or disease. Contractor shall not be obligated to carry workers' compensation insurance if: (i) Contractor qualifies under California law and continually complies with all statutory obligations to self-insure against such risks; (ii) furnishes a certificate of Permission to Self-Insure issued by the Department of Industrial Relations; and (iii) furnishes updated certificates of Permission to Self-Insure periodically to evidence continuous self insurance.
- b. **General Liability Insurance and Commercial Vehicle Liability Insurance.** The limits of such insurance coverage, and companies, if any, shall be subject to review and approval by District's Risk Manager. Contractor shall obtain and maintain in full force and effect throughout the entire Term of this Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of Four Million Dollars (\$4,000,000.00) aggregate and One Million Dollars (\$2,000,000.00) per occurrence for bodily injury and property damage. Said insurance shall protect Contractor and District from any claim for property damage which may arise from operations performed pursuant to this Agreement, whether such operations are by Contractor itself, or by its agents, employees, and/or sub-contractors. Contractor shall also obtain and maintain a Commercial Vehicle Liability Insurance policy, covering

personal injury and property damage, of not less than Two Million Dollars (\$2,000,000) combined single limit, covering any vehicle utilized by Contractor, its officers, employees, servants, volunteers, agents and independent contractors and/or subcontractors in performing the services required by this Agreement.

- c. Endorsements. Copies of the endorsements evidencing the above required insurance coverage shall be filed with the District. All of the following endorsements are required to be made a part of the insurance policies required by this Section:

“District, its employees, agents, contractors, and officers, are hereby added as additional insured as respects liability arising out of activities performed by or on behalf of Contractor.”

“This policy shall be considered primary insurance as respects any other valid and collectible insurance the District may possess including any self-insured retention District may have, and any other insurance District does possess shall be considered excess insurance and shall not contribute with it.”

“This insurance shall act for each insured, as though a separate policy had been written for each. This, however, shall not act to increase the limit of liability of the insuring company.”

“Thirty (30) days prior written notice by certified mail, return receipt requested, shall be given to District in the event of suspension, cancellation, reduction in coverage or in limits, or non-renewal of this policy for whatever reason. In the case of cancellation for non-payment, ten (10) days advance written notice shall be given. Such notices shall be sent to the District.”

The limits of such insurance coverage, and companies, shall be subject to review and approval by District’s General Manager every year and may be increased at that time to match the coverage provided by District’s own liability insurance policy. District shall be included as an additional insured on all policies and endorsements. The requirements of this Section may be satisfied in whole or in part by Contractor’s self-insurance program.

- d. Modification. The insurance requirements provided herein may be modified or waived in writing by the Board of Directors upon request of Contractor, or in the reasonable discretion of District provided the Board of Directors determines such modification or waiver is in the best interests of District considering all relevant factors, including acceptable coverage amounts.

ARTICLE 12. CONTRACTOR PERFORMANCE

12.01 ANNUAL REVIEW

- a. **General Manager Review.** Annually within sixty (60) days of the anniversary of the Effective Date of this Agreement, General Manager may, and, if a public hearing review before Board of Directors is to be held, shall conduct a review of Contractor's performance, quality of service, Collection systems and programs, feasibility of new services and new technologies, Customer complaints, rights of privacy, amendments to Agreement, developments in law, new initiatives for meeting or exceeding diversion goals, complying with statewide recycling obligations and initiatives, regulatory constraints and other services, jointly with Contractor for the purpose of identifying problems, progress and opportunities. Within sixty (60) days of such General Manager review, General Manager shall issue a written report summarizing the findings and conclusions of the review. Within thirty (30) days following receipt of General Manager's written report, Contractor shall provide General Manager a written response.
- b. **Board Presentation.** At District's sole option, within sixty (60) days following General Manager's review, the General Manager may make a presentation to the Board of Directors (the "Board Presentations") at which Contractor shall be present and shall participate, to discuss General Manager's review regarding Contractor's performance, quality of service, Collection systems, programs and other services.
- c. **District Report.** Within sixty (60) days after the conclusion of the Board Presentation, District shall issue a report with respect to: (i) the adequacy of Contractor's performance and quality of service; and (ii) a listing of any service changes desired and considered technically and economically feasible by District. District may require Contractor to provide such services within a reasonable time, for reasonable rates and compensation. If any noncompliance with Agreement is found, District may direct Contractor to correct the inadequacies by issuing a Notice of Noncompliance in accordance with this Section 12.01.
- d. **Contractor Response to Inadequacies.** Within sixty (60) days after receiving a notice of noncompliance from District, Contractor shall submit a report to District indicating: (i) inadequacy cited by District; (ii) cause of inadequacy; (iii) corrective measures taken by Contractor including dates action was taken; and (iv) measures taken by Contractor to prevent reoccurrence of the inadequacy.

12.02 BREACH

Each of the following shall constitute a material breach of this Agreement by Contractor:

- a. Contractor fails to perform its obligations under any Section of this Agreement and its failure to perform is not cured within fifteen (15) days after written notice from District, provided that if the nature of the breach is such that it will reasonably require more than ten (10) business days to cure, Contractor shall not be in breach so long as it promptly advises District in writing of the reasonable additional time required to cure, subsequently commences the cure and diligently proceeds to completion of the cure; and provided further that neither notice nor opportunity to cure applies to events described in Subsections c through e, below;
- b. Contractor ceases to provide Collection and transportation services for a period of seven (7) days for any reason within Contractor's control;
- c. Contractor files a voluntary petition for relief under any bankruptcy, insolvency or similar law;
- d. An involuntary petition brought against Contractor under any bankruptcy, insolvency or similar law which remains undismissed or unstayed for ninety (90) days;
- e. A representation or warranty contained in Section 2.01 proves to be false or misleading in a material respect as of the date such representation or warranty was made.

12.03 ADMINISTRATIVE HEARING

- a. **Hearing Required.** An administrative hearing shall be held: (i) if either Party alleges a breach of this Agreement by the other; and (ii) preceding a default hearing before the Board of Directors. Should either Party contend a breach of this Agreement by the other Party, the offended Party shall give a written request with the other Party for an administrative hearing within fourteen (14) days of the alleged breach.
- b. **Hearing Officer Selection.** Within ten (10) days of receipt by either Party of a written notice requesting an administrative hearing, General Manager and Contractor shall meet to mutually agree on the selection of a hearing officer. If agreement is not reached within twenty (20) days after the notice requesting an administrative hearing is received, the offended Party shall select the hearing officer from a list of three potential hearing officers who are retired California Superior Court or appellate Court justices, none of whom are related to the Parties,

prepared in advance by the General Manager and approved by the Board of Directors.

- c. **Hearing Procedure and Venue.** The hearing shall be conducted according to California Code of Civil Procedure Section 1280, *et seq.* (the "California Arbitration Act"). The exclusive venue shall be in San Bernardino County, California. A hearing officer to whom a matter is referred shall have the authority to (i) order the District or Contractor to undertake remedial action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages and/or levy a penalty upon the District or the Contractor consistent with the terms of this Agreement; or (iii) find there has been no breach. If the hearing officer finds there has been no breach, such a decision precludes the District from conducting a default hearing.
- d. **Payment of Fees.** The Party losing the hearing shall be liable for the hearing officer's fees.
- e. **Failure to Comply.** Any failure of Contractor to comply with the hearing officer's order shall be deemed a material breach of the Agreement, and may be grounds for termination of the Agreement.
- f. **Hearing Commencement; Discovery.** The hearing officer shall commence the hearing within thirty (30) days of selection unless the Parties and the hearing officer otherwise agree. Any Party to the hearing may issue a request to compel reasonable document production from the other Party. Disputes concerning the scope of document production and enforcement of document requests shall be subject to agreement by the Parties, or if agreement is not reached within twenty (20) days of that document request, then by disposition by order of the hearing officer. Any such document request shall be subject to the proprietary rights and rights of privilege of the Parties, and the hearing officer shall adopt procedures to protect such rights. Except as may be otherwise specifically agreed by the Parties, no other form of pretrial discovery shall be available to the Parties; provided that if either Party notifies the hearing officer that a material violation of the Franchise or rights in connection therewith is claimed by either Party, the provisions of Code of Civil Procedure section 1283.05 shall apply.
- g. **Communications.** Neither Party may communicate separately with the hearing officer after the hearing officer has been selected. All subsequent communications between a Party and a hearing officer shall be simultaneously delivered to the other Party. This provision shall not apply to communications made to schedule a hearing or request a continuance.

- h. **Effective Date; Findings.** Until a final decision is entered by the hearing officer proceeding under the foregoing provisions and the time for appeal or other post judgment petition has expired, the imposition or enforcement of any penalties or sanctions provided in this Agreement and related to the subject matter of the hearing shall be stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon finding that the Party subject thereto acted with substantial justification or if the interest of justice so requires.
- i. **Appeal.** Any Party to an administrative hearing as set forth in this Section may petition the Superior Court in San Bernardino County, California to confirm, correct, or vacate the decision on the grounds stated in the California Arbitration Act. Any proceedings on appeal shall be in accordance with California Code of Civil Procedure sections 1294 and 1294.2.
- j. **Award/Decision Non-Binding.** To the extent that the administrative hearing procedure set forth herein is interpreted as a requirement for arbitration, any decision by a hearing officer arising out of such administrative hearing shall be **NON-BINDING**, and nothing in this Article or elsewhere in this Agreement, shall prevent the Parties from seeking judicial review or a trial de novo with respect to any decision rendered by a hearing officer as set forth herein.

12.04 LIQUIDATED DAMAGES

- a. **Material Breach.** District finds, and Contractor agrees, that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by District as a result of a material breach by Contractor of its obligations under this Agreement. The factors relating to the impracticality of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable services; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that services might be available at substantially lower costs than alternative services, and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

- b. Amount. After providing Contractor notice and an opportunity to cure set forth herein, the Board of Directors may, in its discretion, assess liquidated damages in an amount not to exceed Eight Hundred Dollars (\$800.00) per day, for each calendar day that service is not provided by Contractor in accordance with this Agreement. The amount of the liquidated damages shall be adjusted annually each September 1 by the amount of change in the Consumer Price Index according to the procedure specified in Section 10.06 above, for Contractor compensation.
- c. Payment. District finds, and Contractor acknowledges and agrees, that the above described liquidated damage provisions represent a reasonable sum in light of all the circumstances. Said liquidated damages sums shall be applicable to each business day of delay during which Contractor has been found by the Board of Directors to be in material breach pursuant to this Section. The Contractor shall pay any liquidated damages assessed by the Board of Directors within ten (10) days after they are assessed.

12.05 DISTRICT'S ADDITIONAL REMEDIES

In addition to the remedies set forth in this Section, District shall have the following rights and remedies:

- a. Performance by Others. The right to license others to perform the services otherwise to be performed by Contractor hereunder or to perform such services itself.
- b. Damages. The District's right to obtain damages and/or injunctive relief. Both Parties recognize and agree that in the event of a breach of the terms of this Agreement by Contractor, District may suffer irreparable injury and incalculable damages sufficient to support injunctive relief, to enforce the provisions of this Agreement and to enjoin the breach thereof.

12.06 FORCE MAJEURE

Contractor shall not be in breach under this Agreement in the event that the services to be provided by Contractor are temporarily interrupted or discontinued for any of the following events which are beyond the reasonable control of and not caused by the actions of Contractor: (i) riots, wars, sabotage, severe civil disturbances, insurrections, and explosions; (ii) natural disasters such as floods, earthquakes, landslides, and fires; (iii) strikes, lockouts, and other labor disturbances; or (iv) other catastrophic events. Other catastrophic events do not include the financial inability of Contractor to perform or failure of Contractor to

obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of Contractor.

12.07 PERFORMANCE BOND

Contractor shall, prior to the Effective Date of this Agreement, execute and file with the District a surety bond in the penal sum of Two Hundred Thousand Dollars (\$200,000.00) conditioned upon the faithful performance of this Agreement by Contractor, and its subcontractors, if any. Said bond may be written for a term of one (1) year, and may thereafter be renewed by certificate, proved however, that Contractor agrees to and shall maintain such bond in force for the complete Term of this Agreement (including any extensions thereof).

ARTICLE 13. OTHER AGREEMENTS OF THE PARTIES

13.01 RELATIONSHIP OF PARTIES; INDEPENDENT CONTRACTOR

The Parties intend that Contractor shall perform the services required by this Agreement as an independent contractor engaged by District, and not as an officer or employee of District, nor as a partner of or joint venture with District. No employee of Contractor shall be deemed to be an employee or agent of District. Except as expressly provided herein, Contractor shall have the exclusive control over the manner and means of conducting the services performed under this Agreement, and over all persons performing such services. Contractor shall be solely responsible for the acts and omissions of its officers, employees, subcontractors and agents. Neither Contractor, nor its officers, employees, subcontractors or agents shall obtain any rights to retirement benefit, workers' compensation benefits, or any other benefits which accrue to District employees by virtue of their employment with District.

13.02 COMPLIANCE WITH LAWS

In providing the services required under this Agreement, Contractor shall at all times comply with all applicable laws of the United States, the State and District, with all applicable regulations promulgated by Federal, State, regional or local administrative and regulatory agencies, and by District, now in force and as they may be enacted, issued or amended during the Term, and with all permits affecting the services to be provided.

13.03 ASSIGNMENT; TRANSFER; CHANGE IN CONTROL

- a. District Consent Required. It is the expressed intent of the Parties to this Agreement that the rights and privileges granted by this Agreement shall

not be transferred, sold, hypothecated, leased, assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest, or property therein, pass to or vest in any person, except Contractor, either by act of Contractor or by operation of law, nor shall any Change in Control (as defined in Subsection c, below) occur, without the prior written consent of District, expressed by resolution adopted by the Board of Directors.

It is further understood and agreed that District's consent to any of the above actions or transactions may be withheld for any reason, with or without cause, and that upon the occurrence of any of the above events, without consent of District, District shall have the absolute right to terminate the Agreement without notice.

- b. **Penalty for Unauthorized Transfer.** In addition to the rights provided District with respect to terminating this, Agreement should Contractor take any of the actions set forth in Subsection 13.03. a. above, prior to obtaining written consent of District, twenty-five percent (25%) of the gross monthly billings for Solid Waste and Recycling, from the date of the unauthorized action until the date District receives notice of the unauthorized action, shall be returned to District.
- c. **Change In Control Defined.** District consent is required for any change in control of Contractor. "Change in Control" shall mean any sale, transfer, or acquisition of Contractor. Contractor is a corporation, and any acquisition of more than twenty-five percent (25%) of Contractor's voting stock by any person, or groups of persons acting in concert, who already own less than fifty percent (50%) of the voting stock, shall be deemed a change in control. Provided, however, that the transfer of stock of Contractor to another solid waste company shall be deemed a transfer and not a change in control.
- d. **Application Fee.** Any application for a Franchise transfer, assignment of this Agreement or Change in Control, as described in this Section 13.03, shall be made in the manner prescribed by the General Manager. The application shall include the payment and reimbursement to District of: (i) up to Ten Thousand Dollars (\$10,000) to cover the cost of all direct or indirect administrative expenses including consultants and attorneys, necessary to adequately analyze the application (the ("Transfer Application Fee"); and (ii) all additional associated costs not covered by the Transfer Application Fee. Bills evidencing the costs and expenses associated with a Franchise transfer, assignment or Change of Control shall be supported with evidence of the expense or cost incurred. The applicant shall pay such bills within thirty (30) days of receipt. The

Transfer Application Fee and cost reimbursements set forth in this Subsection are in addition to any other fees specified in this Agreement.

- e. **Assignment to Family Member.** Notwithstanding the fact it would otherwise fall within the provisions of this Section 13.03, any transfer of interests to an immediate family member of any existing shareholder may occur with the written approval of the General Manager, and without any of the other provisions of this Section 13.03 applying if Contractor certifies and the General Manger verifies that the transfer is in fact to an immediate family member or members; and, the General Manager finds both of the following: (i) that the transfer of interest will have no adverse impact on Contractor's operations in District, and (ii) that the transfer of interest will not result in any interest in Contractor being vested in any person who is not an immediate family member of an existing shareholder of Contractor. In the event the General Manager is unable to make these findings, or has any concern regarding his/her ability to do so, he/she may refer the matter in whole or part to the Board of Directors for its consideration, approval, or other action, and the Board of Directors shall have the discretion to consider the matter as if it were a transfer as described in this Section 13.03. Any assignment to a family member shall not incur a Transfer Application Fee.

13.04 SUBCONTRACTING

Contractor shall not engage any subcontractors to perform any of the services required of it by this Agreement without the prior written consent of District. Contractor shall notify District no later than thirty (30) days prior to the date on which it proposes to enter into a subcontract. District's approval shall not be unreasonably withheld. Contractor retains the right to enter into an arrangement with an affiliated entity to perform any of the services, activities or administration of services or activities which Contractor is required or allowed to perform under this Agreement. Any arrangement by Contractor with an affiliated entity shall neither be considered as a subcontracting nor as an assignment.

13.05 CONTRACTOR'S INVESTIGATION

Contractor has made an independent investigation, satisfactory to it, of the conditions and circumstances surrounding the Agreement and the work to be performed by it. Contractor has taken those matters into consideration in agreeing to provide the service required under this Agreement for the compensation to be provided herein.

13.06 NOTICE

All notices, demands, requests, proposals, approvals, consents and other communications which this Agreement requires, authorizes or contemplates shall be in writing and shall either be personally delivered to a representative of the Parties at the addresses below, or be deposited in the United States mail, first class postage prepaid, addressed as follows:

a. If to District:

General Manager
PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
4176 Warbler Road
PO BOX 294049
Phelan, CA 92329

b. If to Contractor:

CFO
CR&R, Incorporated
11292 Western Ave
Stanton, CA. 90680

With Copy to:

General Manager
CR&R Incorporated
9828 Buckwheat Road
Phelan, CA 92371

c. The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section.

d. All notices shall be deemed delivered upon receipt by personal service or as of the second (2nd) day after deposit in the United States mail.

13.07 REPRESENTATIVES

a. Representatives of District. References in this Agreement to actions to be taken by the District shall mean action taken by the Board of Directors, except as provided below or elsewhere in this Agreement. The General Manager shall be deemed to be the administrator of this Agreement and may in turn delegate authority to other District officials in writing. Contractor may rely upon actions taken by the delegates of the General Manager if such actions are within the scope of the authority delegated to them.

- b. Representative of Contractor. Contractor shall designate a responsible representative to serve as its “government liaison” and act in its behalf in all matters related to the Agreement and shall inform District in writing of such designation and of any limitations upon his or her authority to bind Contractor. District may rely upon action taken by such designated representative as actions of Contractor unless they are outside the scope of the authority delegated to him/her by Contractor as communicated to District. Contractor shall provide District prior written notification of a change in its government liaison. District reserves the right to require a change of Contractor’s government liaison.

13.08 DUTY OF CONTRACTOR NOT TO DISCRIMINATE

In the performance of this Agreement Contractor shall not discriminate, nor permit any subcontractor to discriminate, against any employee, applicant, for employment, or Customer on account of race, color, national origin, ancestry, religion, sex, age, physical disability, medical condition, sexual orientation, marital status, or other characteristic, in violation of any applicable law.

13.09 TRANSITION TO NEXT SERVICE PROVIDER

At the expiration of the Term or the earlier termination of this Agreement, or upon District’s approval of a proposed assignment, Contractor shall cooperate fully with District to ensure an orderly transition to any and all new service providers. Contractor shall further cooperate with District by providing route and account data for the development of a request for proposals should District decide to seek proposals for the services provided under this Agreement.

13.10 OWNERSHIP OF SOLID WASTE

- a. Once Solid Waste, Recyclable Materials, Green Waste, Organic Materials, and Construction and Demolition Waste is placed in Commercial containers for Collection, or Residential containers for curbside collection, ownership shall transfer to Contractor. Contractor is hereby granted the right to retain, Recycle, Compost, dispose of, and otherwise use such Solid Waste, Recyclable Materials, Green Waste, Organic Materials, and Construction and Demolition Waste, or any part thereof, in any lawful fashion or for any lawful purpose as agreed to by District and Contractor in order to meet AB 939 requirements.
- b. Transfer of Ownership. When disposed of at a Disposal Site or Processing Facility (whether landfill, transformation facility, transfer station, or material recovery facility) Solid Waste, Recyclable Materials, Green Waste, Organic Materials and Construction and Demolition Waste shall become the property of the owner or operator of the Disposal Facility or

Processing Facility once deposited there by Contractor. At no time does District obtain any right of ownership or possession of Solid Waste placed for Collection as described herein, and nothing in this Agreement shall be construed as giving rise to any inference that District has such rights.

ARTICLE 14. MISCELLANEOUS PROVISIONS

14.01 GOVERNING LAW

This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of California.

14.02 JURISDICTION

Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of the State of California, which shall have jurisdiction over such lawsuits. With respect to venue, the Parties agree that this Agreement is made and will be performed in San Bernardino County.

14.03 BINDING ON SUCCESSORS

The provisions of this Agreement shall inure to the benefit of and be binding on the successors and permitted assigns of the Parties.

14.04 PARTIES IN INTEREST

Nothing in this Agreement is intended to confer any rights on any Persons other than the Parties to it and their permitted successors and assigns.

14.05 WAIVER

The waiver of either Party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision.

14.06 ATTACHMENTS

Each of the Attachments to this Agreement, identified as Attachments "A" through "C", are attached hereto and incorporated herein and made a part of this Agreement by this reference.

14.07 ENTIRE AGREEMENT

This Agreement, including the Attachments, represents the full and entire agreement between the Parties with respect to the matters covered herein and supersedes all prior negotiations and agreements, either written or oral.

14.08 SECTION HEADINGS

The Section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

14.09 INTERPRETATION

This Agreement shall be interpreted and construed reasonably and neither for nor against either Party, regardless of the degree to which either Party participated in its drafting.

14.10 AMENDMENT

This Agreement may not be modified or amended in any respect except by a writing signed by the authorized representatives of the Parties.

14.11 SEVERABILITY

If a court of competent jurisdiction holds any provision of this Agreement to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein.

14.12 COSTS AND ATTORNEYS' FEES

The prevailing Party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with such an action from the other Party.

14.13 NO DAMAGES FOR INVALIDATION OF AGREEMENT

Except as otherwise set forth in Section 14.15 below, if a final judgment of a court of competent jurisdiction determines that this Agreement is illegal or was unlawfully entered into by District, neither Party shall have any claim against the

other for damages of any kind (including but not limited to loss of profits) on any theory.

14.14 REFERENCE TO LAWS

All references in this Agreement to laws and regulations shall be understood to include such laws and regulations as they may be subsequently amended or recodified, unless otherwise specifically provided. In addition, references to specific government agencies shall be understood to include agencies that succeed to or assume the functions they are currently performing.

14.15 INDEMNITY AGAINST CHALLENGES TO AGREEMENT

For the Term of this Agreement, Contractor shall indemnify, defend and hold harmless Indemnitees from and against any and all liability, claim, demand, action, proceeding or suit of any and every kind and description brought by a third person challenging the process by which this Agreement was negotiated or awarded.

(Signature page follows)

LAST PAGE OF AGREEMENT

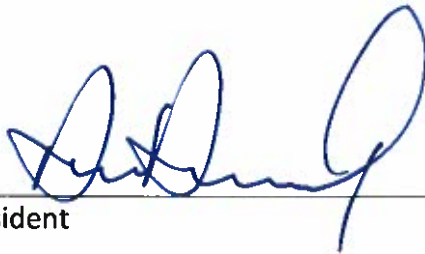
In WITNESS WHEREOF, District and Contractor have executed this Agreement as of the day and year first written above.

PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT:

CR&R, INC.

By: 

President of the Board

By: 

President

APPROVED:



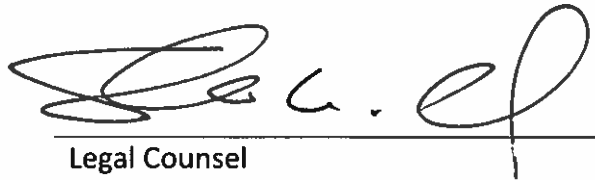
General Manager

ATTEST:



Secretary

APPROVED AS TO FORM:



Legal Counsel

ATTACHMENT A

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below.

- a. Agreement – The term “Agreement” shall mean this contract, entered into between District and Contractor.
- b. Bin – The term “Bin” means a metal container with hinged lids and wheels serviced by a front-end loading truck. Some “Bins” may not have wheels due to their placement or customer request.
- c. Bulky Waste – The term “Bulky Waste” shall mean large items of Solid Waste such as appliances, furniture, large auto parts, trees, branches greater than 4 inches in diameter and 36 inches in length, stumps and other oversize wastes whose large size precludes or complicates their handling by normal collection, processing or disposal methods.
- d. District – The term “District” shall mean the Phelan Piñon Hills Community Services District.
- e. Board of Directors – The term “Board of Directors” shall mean the Board of Directors of the Phelan Piñon Hills Community Services District.
- f. General Manager – The term “General Manager” shall mean the General Manager of the Phelan Piñon Hills Community Services District.
- g. Cart – The term “Cart” means a plastic container with a hinged lid and wheels provide for automated refuse and recycling service.
- h. Code – The term “Code” shall mean the ordinances, resolution, rules, regulations, policies, and/or procedures of the Phelan Piñon Hills Community Services District.
- i. Collection Service – The term “Collection Service” shall mean all or any part of the activities involved in collecting and transporting solid waste, recyclable materials or green waste to an appropriate disposal or recycling facility.
- j. Commercial/Industrial Premises – The term “Commercial/Industrial Premises” shall mean stores, offices, including manufacturing and industrial offices and facilities, restaurants, warehouses, schools, colleges, universities, hospitals, and other non-manufacturing entities.
- k. Commercial Recycling Program – The term “Commercial Recycling Program” shall mean Source Separated Commercial Recycling or Select Commercial Recycling

- l. Commercial Organics Program – The term “Commercial Organics Program” shall mean collection and processing of organic material from Commercial/Industrial Premises as required by application law.
- m. Compost – The term “Compost” shall mean controlled biological decomposition of organic material, producing a stable soil amendment.
- n. Construction and Demolition Waste – The term “Construction and Demolition Waste” shall mean used or discarded construction materials removed from a premise during construction, demolition or renovation of a structure where a District permit has been issued.
- o. Customer – The term “Customer” shall mean those generators of solid waste, recyclable materials or green waste to whom a franchisee provides collection service.
- p. Disposal Facility – The term “Disposal Facility” shall mean any dump site, transfer station or other place specifically designed for the receipt and disposition of refuse collected by Contractor pursuant to this agreement.
- q. Disposal and Processing Fees – The term “Disposal and Processing Fees” shall mean the basic processing fee charged to process commingled recycling materials, including residue disposal and Recycled materials revenues.
- r. Exclusive Solid Waste Handling Services – The term “Exclusive Solid Waste Handling Services” means any action by District, whether by franchise, contract, license, permit, or otherwise, whereby the District itself or one or more other local agencies or solid waste enterprises has the exclusive right to provide solid waste handling services of any class or type within all or any part of the territory of the local agency.
- s. Franchise – The term “Franchise” shall mean a certificate, contract, or license issued by the District authorizing a person to provide solid waste and recycling collection service and to use District streets.
- t. Franchisee – The term “Franchisee” shall mean the person granted the exclusive franchise by this Agreement.
- u. Gate Fee – The term “Gate Fee” shall mean the fee charged for the disposal of solid waste at any public or private landfill, transfer station and/or resource recovery or recycling facilities.
- v. General Manager – The term “General Manager” shall mean the Phelan Pinon Hills Community Service’s District’s Chief Executive or his/her designee.
- w. Green Waste – The term “Green Waste” shall mean compostable materials including grass clippings, leaves, pruning and similar vegetative materials; but does not include sod, stumps, or similar bulky materials, rocks or dirt.
- x. Gross Receipts – All monies received by Contractor for providing the solid waste handling services specified in this Franchise Agreement.

- y. Multi-Family Premises – The term “Multi-Family Premises” shall mean any building or group of buildings that contain 5 or more dwellings.
- z. Organic Material – The term “Organic Material” shall mean Solid Waste materials that are biologically synthesized by plants or animals from simpler substances, are no longer suited for their intended purpose, and may be readily broken down by biological processes into soil constituents. Examples include, but are not limited to, food waste, green waste and putrescible material which are generally a source of food for bacteria.
- aa. Non-Residential Premises – The term “Non-Residential Premises” shall mean Commercial/Industrial and Multi-Family Premises.
- bb. Processing Facility – The term “Processing Facility” shall mean a facility designated by the District to accept Recycling Material, Organic Material and/or Compost for the purpose of reduction, separation, recovery and conversion.
- cc. Recyclable Materials – The term “Recyclable Materials” shall mean Solid Waste that is source separated, has some potential economic value, and is set aside, handled, packaged, or offered for collection in a manner different from Refuse in order to allow it to be processed for recycling. Recycling Materials must be acceptable to the Processing Facility, and include paper, cardboard, glass, metal, and rigid plastic containers.
- dd. Refuse – The term “Refuse” shall mean Solid Waste, as defined herein. However, the term “Refuse”, for purposes of this Agreement, shall not be deemed to refer to or include dead animals, manure, sewage waste or waste water, explosive substances, radioactive materials, materials which have been exposed to highly infectious or contagious diseases, or other hazardous materials.
- ee. Residential Premises – The term “Residential Premises” shall mean a single family dwelling or a multi-family dwelling with up to and including 4 dwelling units on a single tax lot.
- ff. Roll-Off Box – The term “Roll-Off Box” means an open-top metal container serviced by a roll-off truck with a capacity of 10 to 40 cubic yards.
- gg. Select Commercial Recycling – The term “Select Commercial Recycling” shall mean the collection of non-residential Bins that include high concentrations of Recyclable Materials, as evidenced by the Customers’ typical generation, but that are not otherwise collected as Commercial Recycling.
- hh. Service Unit – The term “Service Unit” shall mean each of the following which receives standard service: each single-family dwelling, each dwelling unit within a duplex, triplex or multi-family residential building, each apartment or condominium unit within an apartment or condominium building, and each business, professional, industrial or other non-residential use unit.

- ii. **Service Component** – The term Service Component shall mean that portion of all of the fees collected hereunder for Solid Waste Handling Services except Disposal and Processing Fees and Administrative Fees.
- jj. **Solid Waste** – The term “Solid Waste” shall mean all putrescible and nonputrescible solid and semisolid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes. “Solid Waste” does not include hazardous waste as defined by the State of California, or low-level radioactive waste. “Solid Waste” does not include medical waste which has not been treated for disposal at a solid waste facility.
- kk. **Solid Waste Handling Services** – The term “Solid Waste Handling Services” shall mean the collection, transportation, storage, and transfer of solid wastes for residential, commercial, institutional, or industrial users or customers.
- ll. **Source Separated Commercial Recycling** – The term “Source Separated Commercial Recycling” shall mean the collection of Bins that have high concentrations of source separated Recyclable Materials.
- mm. **Standard Service** – The term “Standard Service” shall mean curbside collection service required for all service units not arranging with the Contractor for Bin service nor required by the District to obtain Bin service from the Contractor.
- nn. **Waste Generator** – The term “Waste Generator” shall mean any Person, including any contractors or subcontractors acting on such Person’s behalf, whose act or process produced Solid Waste, or whose act first causes Solid Waste to become subject to District’s regulatory authority. A contractor or subcontractor engaged for the purpose of collecting, hauling, and transporting waste is not a waste generator.

ATTACHMENT B

SCOPE OF SERVICES

The services to be performed by Contractor are as follows and are subject to change as described in Section 9.07 of this Agreement.

- a. Provide Carts for semi-automated collection of residential Solid Waste and Recyclable Materials in accordance with Section 7.03.
- b. Provide fully automated, once a week collection of residential Solid Waste and Recyclable Materials.
- c. Provide annual residential curbside Christmas Tree Collection.
- d. Provide containers for collection of commercial Solid Waste, Organic and Recyclable Materials in accordance with Section 7.03.
- e. Provide for collection of commercial Solid Waste, Organic and Recyclable Materials up to five days per week.
- f. Provide Records and Reports in accordance with Article 10.
- g. Upon District request, work with District to develop a residential Organic material collection and composting program.
- h. Provide an annual event for document destruction ("Shred-Fest"), at Contractor's sole cost.
- i. Development and management of commercial recycling outreach program.
- j. Establish a periodic route audit and service verification program in compliance with Section 10.02 c.
- k. Provide a marketing program based program to reduce recycling contamination and increased recyclable material recovery for residential and non-residential customers, including periodic customer outreach, including waste disposal and recycling educational information included in Contractor's bills, and website, and a comprehensive container inspection and compliance element.
- l. Provide for the development and management of school outreach recycling programs including annual site visits to all schools and classrooms within the District limits which receive Collection Services provided by Contractor under this Agreement, provided such schools and classrooms continue to receive such Collection Services.

m. Supply equipment and manpower for a no charge drop off community clean-up two (2) times per year.

ATTACHMENT C

RATE SCHEDULE

Effective July 1, 2019 (District Resolution No. 2019-10)

FEE DESCRIPTION	RATE
Residential Barrel Service	
Carts – (64 Gallons) 2 Trash	\$28.65 per month
Carts – (64 Gallons) 1 Trash 1 Recycle	\$28.65 per month
Additional Carts (64 Gallons)	\$6.48 per month
Pull Out Service	\$38.36 per month
Residential Bin Service	
Refuse – 1.5 CY	\$68.28 per month
Refuse – 2 CY	\$89.20 per month
Refuse – 2 CY 2 times per week	\$165.70 per month
Refuse – 3 CY	\$133.82 per month
Refuse – 3 CY 2 times per week	\$248.61 per month
Refuse – 4 CY	\$178.37 per month
Refuse – 4 CY 2 times per week	\$331.33 per month
Recycling – 2 CY	\$81.35 per month
Recycling – 3 CY	\$121.99 per month
Recycling – 4 CY	\$160.27 per month
Multi-Family Bin Service	
Refuse – 1.5 CY	\$68.28 per month
Refuse – 2 CY	\$89.20 per month
Refuse – 2 CY 2x/wk	\$165.70 per month
Refuse – 3 CY	\$133.82 per month
Refuse – 3 CY 2x/wk	\$248.61 per month
Refuse – 4 CY	\$178.37 per month
Refuse – 4 CY 2x/wk	\$331.33 per month
Recycling – 2 CY	\$81.35 per month
Recycling – 3 CY	\$121.99 per month
Recycling – 4 CY	\$160.27 per month
Commercial Barrel Service	
Carts – (64 Gallons) Trash	\$41.71 per month
Carts – (64 Gallons) Recycle - 1 cart	\$20.14 per month
Commercial Bin Service	
Refuse – 2 CY 1x/wk	\$116.15 per month
Refuse – 2 CY 2x/wk	\$220.04 per month
Refuse – 2 CY 3x/wk	\$323.97 per month
Refuse – 2 CY 4x/wk	\$427.88 per month
Refuse – 2 CY 5x/wk	\$531.80 per month
Refuse – 2 CY 6x/wk	\$635.72 per month

Refuse – 3 CY 1x/wk	\$180.21 per month
Refuse – 3 CY 2x/wk	\$323.14 per month
Refuse – 3 CY 3x/wk	\$472.02 per month
Refuse – 3 CY 4x/wk	\$620.89 per month
Refuse – 3 CY 5x/wk	\$769.81 per month
Refuse – 3 CY 6x/wk	\$918.62 per month
Refuse – 4 CY 1x/wk	\$231.00 per month
Refuse – 4 CY 2x/wk	\$428.29 per month
Refuse – 4 CY 3x/wk	\$625.55 per month
Refuse – 4 CY 4x/wk	\$822.81 per month
Refuse – 4 CY 5x/wk	\$1020.05 per month
Refuse – 4 CY 6x/wk	\$1217.37 per month
Recycling – 2 CY 1x/wk	\$78.14 per month
Recycling – 3 CY 1x/wk	\$153.96 per month
Recycling – 4 CY 1x/wk	\$205.28 per month
3 CY Clean-up Bin	\$133.62 per occurrence
6 CY Clean-up Bin	\$267.22 per occurrence

Roll Off Service

Refuse – 10 CY Box (up to 6 tons)	\$666.66 per occurrence
Refuse – 20 CY Box (up to 4 tons)	\$546.79 per occurrence
Refuse – 40 CY Box (up to 6 tons)	\$666.66 per occurrence

ADDITIONAL COMMERCIAL FEES

Account Set Up Fee - New Customer	\$25.00 per occurrence
Delivery Fee - Cart	\$25.00 per occurrence
Removal Fee - Cart	\$25.00 per occurrence
Delivery Fee - 2YD, 3YD, 4YD Bin	\$25.00 per occurrence
Overage Fee	\$50.00 per occurrence
Delinquent Account Removal Fee	\$55.00 per occurrence
Delinquent Account Re-Instatement fee	\$55.00 per occurrence
Extra Pick-up 2yd Refuse	\$26.45 per occurrence
Extra Pick-up 3yd Refuse	\$41.04 per occurrence
Extra Pick-up 4yd Refuse	\$52.60 per occurrence
Extra Pick-up Off Route Service Fee	\$50.00 per occurrence
Contamination of Recycle Bin	\$70.00 per occurrence
Additional P/U on Existing Recycling Bin	\$65.00 per occurrence
Bin Relocation Fee	\$50.00 per occurrence
Bin Rollout Fee	\$0 per occurrence
Bin Exchange - Once per year	\$0 per occurrence
Bin Exchange - More than once per year	\$75.00 per occurrence
Convert bin to locking lid	\$45.00 per occurrence
Replacement Bin Lock or Key	\$15.00 per occurrence
Enclosure Clean Out Fee	TBD

Replacement of Stolen or Burned Bin	\$550.00 per occurrence
Bulky Item Pickup, per item	\$25.00 per occurrence
Scout Service	\$45.00 per occurrence
Courtesy Pickup	\$0 per occurrence
Stinger - Pull Out Service, per bin	\$45.00 per occurrence
Roll Off Service Extra Charge per ton	\$59.94 per occurrence
Roll Off Service Steam Cleaning	\$37.18 per occurrence
Roll Off Service After 10 Days	\$11.51 per day
Roll Off Service - Pull Empty Bin	\$85.00 per occurrence
Roll-Off - New Account Set Up Fee	\$55.00 per occurrence
Roll Off - Compactor Haul Fee + Processing/Disposal	\$350.00 per occurrence
Roll Off - Container Delivery Fee	\$75.00 per occurrence
Roll Off - Container Removal Fee	\$75.00 per occurrence
Roll Off - False Run Fee	\$85.00 per occurrence
Roll Off - Relocation Box Fee	\$65.00 per occurrence
Roll Off - Delinquent Account Removal Fee	\$75.00 per occurrence
Roll Off - Del. Account Re-Instatement Fee	\$75.00 per occurrence
Permanent Roll Off – 10 CY Box	\$307.02 monthly rental
Permanent Roll Off – 20 CY Box	\$307.02 monthly rental
Permanent Roll Off – 40 CY Box	\$307.02 monthly rental
Clean-up Bin Trip Charge - 3YD/6YD	\$59.19 per occurrence
ADDITIONAL RESIDENTIAL FEES	
Senior Discount 60gal Set	\$26.65 per month
Senior Discount 1.5CY Bin	\$62.18 per month
Senior Discount 2CY Bin	\$82.95 per month
Additional Pick-up 1.5CY Bin	\$15.05 per occurrence
Additional Pick-up 2CY Bin	\$19.77 per occurrence
Additional Pick-up 3CY Bin	\$30.09 per occurrence
Additional Pick-up 4CY Bin	\$40.12 per occurrence
Additional Pick-up Cart	\$6.20 per occurrence
Extra Pick-up Off Route Service Fee	\$50.00 per occurrence
Bin Exchange - Change in Service	\$25.00 per occurrence
New Account Set Up Fee	\$25.00 per occurrence
New Account Delivery Fee	\$25.00 per occurrence
Delivery Fee 1.5 yard/2 yard/3 yard/4 yard	\$25.00 per occurrence
Walk-In Service	\$9.29 per month
Special Event Box Delivery	\$0 per occurrence
Special Event Trash Box w/ Lid and Liner	\$3.00 each
Special Event Recycle Box w/ Lid and Liner	\$3.00 each
Cart Re-delivery New Customer	\$25.00 per occurrence
Cart Delivery - Lost Cart	\$50.00 per occurrence
Cart Re-Instatement - Delinquent Account	\$35.00 per occurrence

Contamination of Recycle Cart	\$25.00 per occurrence
CFC Removal	\$45.00 per occurrence
Mail-In Sharps Kit	\$103.00 per occurrence
Additional Cart Delivery	\$15.00 per occurrence
Burned /Damaged Cart Replacement Fee	\$50.00 per occurrence
Cart Replacement (more than 1 per year)	\$15.00 per occurrence
Cart Removal - Delinquent Account	\$35.00 per occurrence
Unable to pull Cart for Non Payment	\$25.00 per occurrence
Pull Carts - Stop Service	\$25.00 per occurrence
Pull Additional Cart	\$15.00 per occurrence
Pull Recycling Cart	\$15.00 per occurrence
Convert to locking bin	\$45.00 per occurrence
Bin Re-delivery Fee - due to nonpayment	\$25.00 per occurrence
Steam Cleaning	\$35.00 per occurrence
Bulky Item Pickup - 2x per year, 4 items	\$0 per occurrence
Additional Bulky Item Pickup, per item	\$20.00 per item
Additional Trash Bags - per 32gal bag	\$1.25 per bag
Non-Customer Special - 3 carts or 6 bags	\$35.00 per occurrence
Christmas Tree Collection - Dec 26- Jan 15	\$0.00

SB 1381 - Uniform Collection Timeline

Updated 11-30-2021

2021		
October	November	December
Develop Franchise Agreement, Legal Review, Committee Review, Board Review		
Increase Voluntary Participation		
Continue Business Outreach		
Draft Ordinance, Legal Review, Board Review		

2022											
January	February	March	April	May	June	July	August	September	October	November	December
Develop Cost of Service Rates - Commercial			Board Reviews Rates	Prop 218 Noticing & Public Hearing		7/1/2022 Uniform Comm. Collect. Begins					
Adopt New Franchise Agreement, Ordinance, Res. Intent to Comply w/ CalRecycle		Notice of Intent to Comply - Due 3/1/22									
Continue Business Outreach						Begin Customer Outreach/Education					
Develop Procurement Policy				Adopt Procurement Policy		Begin Procurement Policy					
Develop & Implement Edible Food Recovery Program											

2023						
January	February	March	April	May	June	July
Develop Cost of Service Rates - Residential			Board Reviews Rates	Prop 218 Noticing & Public Hearing		7/1/2023 Uniform Res. Collect. Begins
Customer Outreach/Education						

Agenda Item 6c

Discussion & Possible Action
Regarding the District's Purchasing
Policy

MEMORANDUM

DATE: January 19, 2022

TO: Board of Directors

FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary

SUBJECT: Discussion & Possible Action Regarding the District's Purchasing Policy

RECOMMENDATION

Staff recommends for the Board to review the District's purchasing policy and determine if any modifications are desired.

BACKGROUND

This Resolution is periodically reviewed by the Board to make changes as necessary. The last review took place on June 17, 2020, where the section regarding the purchase of vehicles was modified. At the January 5, 2022, Board meeting, this policy was requested to be brought back for review.

FISCAL IMPACT

None

ATTACHMENT(S)

Resolution No. 2020-07; Purchasing Policy

RESOLUTION NO. 2020-07
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
ESTABLISHING A PURCHASING POLICY

WHEREAS, the Phelan Piñon Hills Community Services District (“District”) is a public agency organized and operating as a Community Services District pursuant to California Government Code Section 61000 et seq.; and

WHEREAS, the District desires to assure the fiscal resources of the District are utilized in the most effective and efficient manner and all purchases shall adhere to established procedures and shall conform to the State of California laws and regulations pertaining to local agency purchasing policies, practices, procedures, and practices; and

WHEREAS, the District is governed by a five-member Board of Directors (“Board”) expressly authorized by Government Code Section 61040(a) to establish policies for the operation the District’s functions and services; and

WHEREAS, a Purchasing Policy has been presented to the Board of Directors of the Phelan Piñon Hills Community Services District in the form attached to this Resolution and marked “Policy No. 4200.”

NOW, THEREFORE, BE IT RESOLVED by the District’s Board of Directors of the Phelan Pinon Hills Community Services District as follows:

Section 1.

Policy No. 4200, “Purchasing Policy,” attached hereto and incorporated herein by this reference, is hereby adopted.

Section 2.

Policy No. 4200 adopted by this Resolution supersedes Resolution No. 2014-08 adopted by the District’s Board of Directors on May 19, 2014, and shall take effect immediately upon its adoption.

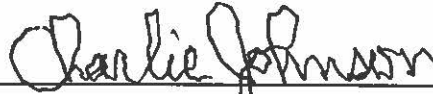
APPROVED, SIGNED, AND ADOPTED by the Board of Directors of the Phelan Piñon Hills Community Services District at a regular meeting held on the 17th day of June 2020, by the following vote:

AYES: Hoffman, Johnson, Kujawa, Philips, Roberts

NOES:

ABSTENTIONS:

ABSENT:



President, Board of Directors

Phelan Piñon Hills Community Services District

ATTEST



Secretary,

Phelan Piñon Hills Community Services

District and of the Board of Directors

POLICY NO. 4200

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SECTION 4202 **PURPOSE**

The purposes of this policy are to standardize the purchasing procedures of the Phelan Pinon Hills 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 4203 **DEFINITIONS**

4203.01 **Approved Vendors** – means those vendors approved by the General Manager for bidding purposes after satisfactory compliance with the Pre-Qualification Program contained in section 4211 below. The detailed list of Approved Vendors shall be on file at the District office at all times.

4203.02 **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.

4203.03 **Board** – means the Board of Directors of the District.

4203.04 **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.

4203.05 **Competitive Bidding** – means the process of obtaining the Bid Most Advantageous to the District for any Purchase conducted through a Formal Bid or Informal Bid.

4203.06 **District** – means the Phelan Pinon Hills Community Services District.

4203.07 **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. It is required to have the bid opened publicly at a specified day, place and time.

4203.08 **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.

4203.09 **Lowest** – means the smallest bid in monetary terms received by the District for the cost of a project subject to Competitive Bidding.

4203.10 **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.

4203.11 **Purchase** – means buying, renting, leasing or otherwise acquiring Supplies or Services for a price.

4203.12 **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.

4203.13 **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.

4203.14 **Services** – means all labor furnished to the District by persons, firms, individuals or corporations not part of or connected with the District.

4203.15 **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.

4203.16 **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 may be set forth in the District's Requests for Proposals package. Specifications will become part of the awarded contract. All bidders will be afforded an opportunity to examine the specifications.

4203.17 **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.

4203.18 **Supplies** – means all materials and equipment.

4204 **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.

4205 **PURCHASE OF CONSTRUCTION SUPPLIES**

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:

4205.01 **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.

4205.02 **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.

4205.03 **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 the 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.

4205.04 **Rejection of Bids** – At its discretion, the Board may reject any bids presented and readvertise. 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.

4205.05 **Emergencies** – In the case of an emergency, the District may proceed in accordance with section 4212 below.

4206 CONSTRUCTION CONTRACTS

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:

4206.01 **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 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.

4206.02 **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.

4206.03 **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 the 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.

4206.04 **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.

4206.05 **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.

4206.06 **Rejection of Bids** – At its discretion, the Board may reject any bids presented and readvertise. 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.

4206.07 **Emergencies** – In the case of an emergency, the District may proceed in accordance with section 4212 below.

4206.08 **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.

4206.09 **Record** – The District shall keep cost records of the work in the manner provided in Government Code Section 4000 et seq.

4207 PURCHASE OF VEHICLES & EQUIPMENT

4207.01 **Approval** – Purchases of vehicles or equipment not subject to Section 4205, or other Sections within this Policy, that have been approved by the Board as part of the District’s current budget, shall not require separate Board approval prior to purchase within the current budget year in order to allow for staff to negotiate and purchase available inventory.

4207.02 **Informal Bids** – Informal bid request with District specifications will be sent to as many vehicle or equipment dealers as is practical.

4207.03 **Record** – A record of informal bids shall be maintained as part of the supporting documentation for the Purchase.

4208 **PURCHASING LIMITS FOR OTHER CONTRACTS**

The District must comply with the following requirements with respect to Purchases that are not subject to the provisions of Sections 4205, 4206, & 4207 above:

4208.01 **Formal Bids** – Purchases shall be made by Formal Bid whenever such method is feasible and practical under existing conditions and circumstances.

4208.02 **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.

4208.03 **Approval**

4208.03.1 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. All purchases shall be processed through the requisition/PO process and approved accordingly.

4208.03.2 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.

4209 **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:

4209.01 When the total dollar value of the Purchase does not exceed \$15,000.

4209.02 When an emergency exists, the District may proceed in accordance with Section 4212 below.

4209.03 When a Sole Source Contractor has been designated.

4209.04 When Competitive Bidding would fail to produce an advantage and/or when the advertisement for Competitive Bidding would be undesirable, impractical, or impossible.

4209.05 When the Purchase is for professional Services.

4209.06 When the Purchase is for vehicles or equipment pursuant to Section 4207 of this Policy.

4210 PURCHASE OF OTHER SERVICES & SUPPLIES

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:

4210.01 **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.

4210.02 **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 the General Manager as appropriate to the circumstances. General Manager approval shall be written and become part of the supporting documentation for the Purchase.

4210.03 **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. The General Manager's approval shall be written and become part of the supporting documentation for the Purchase.

4210.04 **Purchases Exceeding \$25,000** – Purchases exceeding \$25,000 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 \$25,000 will be advertised at least once in a newspaper of general circulation within the District and at least one week before the time specified to receive bids. The District may advertise at least once in any appropriate industry publications or periodicals. Specifications, Plans, and bid procedures shall be provided to vendors responding to the advertisement. Bid responses to these advertised bids must be made in a written format. The Specifications and Plans shall become part of the awarded contract.

4210.05 **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.

4210.06 **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. 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.

4210.07 **Open Purchase Orders - 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.

4210.08 **Open Purchase Orders - 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.

4211 PRE-QUALIFICATION PROGRAM FOR PUBLIC WORKS PROJECTS

4211.01 **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.

4211.02 **Applications** – Pre-qualification applications may be submitted anytime. Contractors who submit a complete pre-qualification package will be notified by first class mail if not approved, such notice to be mailed no later than fifteen business days after submission of the information.

4211.03 **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.

4211.04 **Approval** – Pre-qualification approval will remain valid through June 30th of each year, 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.

4211.05 **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.

4211.06 **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 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.

4211.07 **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 which 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.

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 section.

4212.05.3 When the Board reviews the emergency action pursuant to section 4212.05.1 or 4212.05.2 above, it shall terminate the action at the earliest possible date completed by giving notice for bids to let contracts.

4213 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's General Manager shall employ for the efficient internal management and operation of the District.

4213.01 **Exceptions Prohibited** – The authority of the General Manager to make all purchases for the District shall not be abridged unless, by order of the Board, such exception is granted for a specific purpose.

4213.02 **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.

4213.03 **Tax Exemptions** – The General Manager shall act to procure for the District all Federal and State tax exemptions to which the District is entitled.

4213.04 **Cooperative Purchasing** – The General Manager shall have the authority to join other units of government including Federal, State, County, Municipal and Municipal subdivisions, 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.

4213.05 **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.

4214 _____ **MISCELLANEOUS**

4214.01 **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.

4214.02 **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.

4214.03 **Supersedes Other Policies** – This purchasing policy and procedures supersedes any inconsistent prior policies adopted by the Board.

Agenda Item 6d

Discussion & Possible Action
Regarding District Boundaries



A. 4176 Warbler Road
P.O. Box 294049
Phelan, CA 92329
P. (760) 868-1212
F. (760) 868-2323
W. www.pphcsd.org

MEMORANDUM

DATE: January 19, 2022
TO: Board of Directors
FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary
SUBJECT: Discussion & Possible Action Regarding District Boundaries

STAFF RECOMMENDATION

None

BACKGROUND

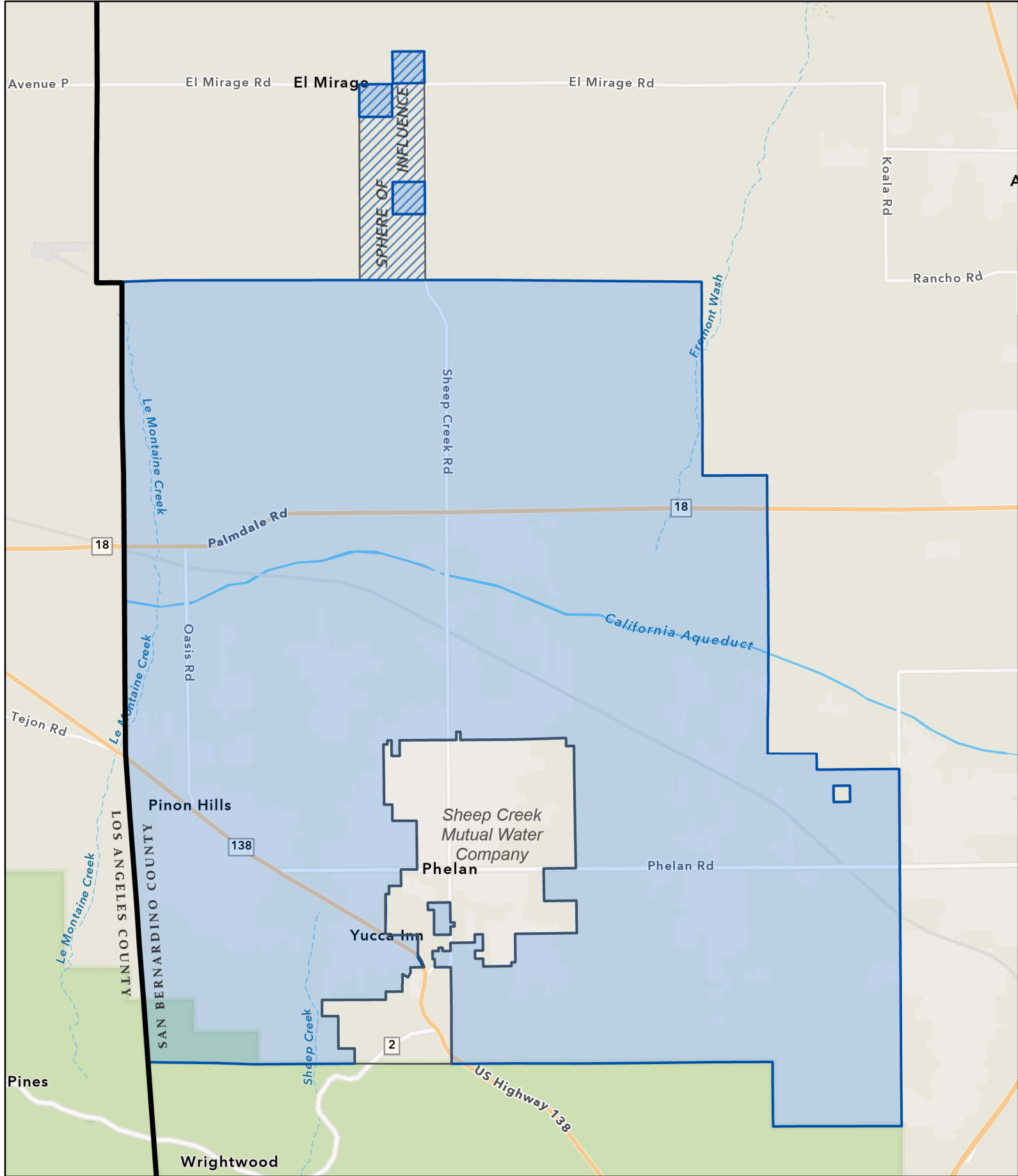
Staff is investigating modifying the District's boundaries and sphere of influence in El Mirage. At this time, staff is still collecting data from the county and from LAFCO, including a cost for boundary changes. Staff will update the Board on any additional information received on this matter.




FISCAL IMPACT

None

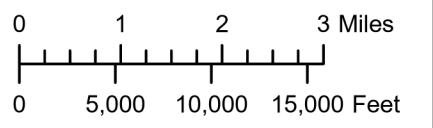
ATTACHMENT(S)

Map of Current Boundaries



- Legend**
-  District Water Service Area
 -  Sphere of Influence
 -  County Line

Phelan Piñon Hills Community Services District Boundary Map



Agenda Item 6e

Update on the Proposed Civic Center
& Phelan Park Expansion Projects



A. 4176 Warbler Road
P.O. Box 294049
Phelan, CA 92329
P. (760) 868-1212
F. (760) 868-2323
W. www.pphcsd.org

MEMORANDUM

DATE: January 19, 2022

TO: Board of Directors

FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary

SUBJECT: Update on the Proposed Civic Center & Phelan Park Expansion Project

STAFF RECOMMENDATION

None

BACKGROUND

Staff will update the Board on the Proposed Civic Center and Phelan Park Expansion Project.

FISCAL IMPACT

None

ATTACHMENT(S)

None

Agenda Item 6f

Update on the Status of Negotiations
for the Consolidation of Sheep Creek
Mutual Water Company into the
District



A. 4176 Warbler Road
P.O. Box 294049
Phelan, CA 92329
P. (760) 868-1212
F. (760) 868-2323
W. www.pphcsd.org

MEMORANDUM

DATE: January 19, 2022

TO: Board of Directors

FROM: Don Bartz, General Manager
By: Kim Ward, HR Manager/Executive Secretary

SUBJECT: Update on the Status of Negotiations for the Consolidation of Sheep Creek Mutual Water Company into the District

STAFF RECOMMENDATION

None

BACKGROUND

Staff will update the Board on the status of negotiations for the consolidation of Sheep Creek Mutual Water Company.

FISCAL IMPACT

None

ATTACHMENT(S)

None

Agenda Item 7

Committee Reports/Comments

SPECIAL PARKS COMMITTEE MEETING MINUTES

January 11, 2022
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371
& Remotely Via Zoom or Conference Call

Board Members Present: Rebecca Kujawa, President (Chair)
Charlie Johnson, Director (Zoom)

Board Members Absent: None

Staff Present: Steve Lowrance, Parks Supervisor
Kim Ward, HR Manager/Executive Secretary (Zoom).
Aimee Williams, Administrative Technician II

Guests/Public: None

Call to Order

President Kujawa called the meeting to order at 4:00 p.m.

Roll Call

All Committee Members were present at Roll Call.

1) **Approval of Agenda**

Director Johnson moved to approve the Agenda. President Kujawa seconded the motion. Motion passed unanimously.

2) **Public Comment** – None

3) **Approval of Minutes**

Director Johnson moved to approve the Minutes. President Kujawa seconded the motion. Motion passed unanimously.

4) **Review of Committee Roles & Responsibilities**

The Roles & Responsibilities were reviewed. Updates were requested in the Responsibility section and the Specific Tasks/Goals section.

5) **Review of Parks & Recreation Capital Improvement & Maintenance Plan**

The Committee reviewed the CIP and Maintenance Plan; no recommended changes.

6) **Review & Discussion Regarding Parks & Recreation Events**

Discussion regarding hosting a town hall meeting again this year. There are plans to schedule a town hall meeting in the fall when the weather is cooler.

Discussion regarding concert series and whether or not it is valuable to the community and cost-effective to the District to continue to hold concerts throughout the summer months. Attendance last summer was between 30 and 50 people at the concerts. Will be discussed more at a future meeting.

Discussion regarding movie nights. Events were held through December and attendance dropped off substantially when the weather got too cold. Movie events are planned this year from June through September.

7) **Update Regarding Phelan Park Expansion**

Waiting to hear from the state regarding the District's strengths/weaknesses and possible reasons why grant funding wasn't awarded.

8) **Update on Phelan Farmers Market**

Mr. Lowrance reported that this week's market was the first one back after the holidays and it appeared busy.

Director Johnson asked if there is a report that shows how well the market is doing. He recommended an annual report or presentation from Rowena on how successful the market has been.

9) **Update on Community Garden**

Classes are scheduled for 2022. Attendance is around 12 people per class.

10) **Staff Report**

Nothing further.

11) **Committee Comments**

Nothing further.

12) **Review of Action Items**

a) **Prior Meeting** – None

b) **Current Meeting** –

- Update Roles & Responsibilities
- Annual Farmer's Market Report from Rowena

13) **Set Agenda for Next Meeting** – April 2022

- MOU with Snowline

14) **Adjournment**

With no further business before the Committee, the meeting adjourned at 4:42 p.m.

Agenda materials can be viewed online at <https://www.pphcsd.org>

Agenda Item 8

Staff & General Manager's Report



Phelan Piñon Hills Community Services District

4176 Warbler Road - PO Box 2940449 - Phelan, CA 92329-4049 - (760) 868-1212 - Fax (760) 868-2323

Assistant General Manager / CFO's Report

December 2021

FINANCIAL DATA:

Enterprise Fund (Water Operations)				
	December	YTD	Total Budget	% of Total Budget
Operational Revenue	\$481,691.51	\$4,091,262.45	\$6,860,395.16	60%
Operational Expenses	\$600,773.26	\$3,591,608.02	\$7,373,585.19	49%
Net Income (Loss)	-\$119,081.75	\$499,654.43	-\$513,190.03	-97%
Non-Operational Revenue	\$154,432.18	\$922,974.98	\$2,274,392.05	41%
Non-Operational Expenses	\$0.00	\$42,895.40	\$1,150,755.95	4%
Net Income (Loss)	\$154,432.18	\$880,079.58	\$1,123,636.10	78%
Total Revenue	\$636,123.69	\$5,014,237.43	\$9,134,787.21	55%
Total Expense	\$600,773.26	\$3,634,503.42	\$8,524,341.14	43%
Total Net Income (Loss)	\$35,350.43	\$1,379,734.01	\$610,446.07	226%
Capital Outlay/Principal Pmts/C6		\$1,365,788.00	\$2,883,400.00	

Government Funds (Parks, Street Lighting, Solid Waste & Recycling)				
	December	YTD	Total Budget	% of Total Budget
Operational Revenue	\$39,372.22	\$257,784.88	\$448,426.55	57%
Operational Expenses	\$46,912.38	\$286,167.89	\$723,642.29	40%
Net Income (Loss)	-\$7,540.16	-\$28,383.01	-\$275,215.74	10%
Non-Operational Revenue	\$522,222.68	\$786,810.45	\$1,192,617.93	66%
Non-Operational Expenses	\$1,306.55	\$1,946.40	\$3,277.60	59%
Net Income (Loss)	\$520,916.13	\$784,864.05	\$1,189,340.33	66%
Total Revenue	\$561,594.90	\$1,044,595.33	\$1,641,044.48	64%
Total Expense	\$48,218.93	\$288,114.29	\$726,919.89	40%
Total Net Income (Loss)	\$513,375.97	\$756,481.04	\$914,124.59	83%

GOVERNMENT FUNDS:	General	Parks and Rec	Street Lighting	Property Tax	Solid Waste	Total
Revenue YTD	104,554.94	7,348.49	-9.79	787,196.69	145,505.00	1,044,595.33
Expense TYD	2,975.46	267,860.68	1,554.99	1,946.40	13,776.76	288,114.29
Total Net Income (Loss)	101,579.48	-260,512.19	-1,564.78	785,250.29	131,728.24	756,481.04

	Enterprise	Government	Total
Cash Available	\$1,388,954.22	\$7,454,222.00	\$8,843,176.22
Cash Reserves	\$10,901,977.70	\$639,597.00	\$11,541,574.70
Total Cash	\$12,290,931.92	\$8,093,819.00	\$20,384,750.92

ADMINISTRATIVE DATA: December 2021

Water Consumption (HCF):	September	October	November	December
2021/2022	126,601	92,468	71,157	72,636
2020/2021	119,872	105,801	72,249	70,506
2019/2020	103,876	90,410	69,686	46,047

Meters In Ground:	September	October	November	December
2021/2022	7123	7132	7135	7141

Meter Permits Issued:	September	October	November	December
2021/2022	7	11	5	7

Lock-offs:	September	October	November	December
2021/2022	0	0	0	0

Note: SB998 rules adopted by the District were effective February 1, 2020. First disconnections under the new rules were scheduled for March 2020.

Due to COVID-19 disconnections were deferred beginning March 16, 2020.

Customer Service A/R Activities	December Quantity		December \$ Received	
Payments				
Cash	326	5.95%	\$46,808.87	6.31%
Check	697	12.73%	\$301,836.66	40.70%
Credit Card (counter)	117	2.14%	\$16,653.96	2.25%
Mail	1,269	23.17%	\$101,308.65	13.66%
Online	3,068	56.02%	\$274,926.87	37.08%
TOTAL	5,477	100.00%	\$741,535.01	100.00%

Payments Received and Processed	December Quantity	Enterprise	Government
Water	5,457	5,457	
Gvmt (Rentals, Classes, Franchise fee, et	20		20
	<u>5,477</u>	<u>5,457</u>	<u>20</u>
		99.6%	0.4%

Customer Service Other Activities	December Quantity	Enterprise	Government
Service Orders Processed	548	548	
Assisted Customers at Counter	1,140	1,120	20
	<u>1,688</u>	<u>1,668</u>	<u>20</u>
		98.2%	1.8%

Parks, Recreation & Street Lighting Report December 2021

Introduction

The District Parks and Recreation Department operates and maintains community centers, senior centers, parks and street lights. The District currently has two community centers, one located in Phelan and another in Pinon Hills. Adjacent to each of the centers are two parks that have playgrounds, basketball courts and shaded picnic tables. Parks and recreation are a vital component to any community. It not only adds beauty, but provides safe areas for activities of individuals, families, and groups. The parks are available for use from morning until dusk. The community centers are utilized for a wide range of activities and are available to the community for a small fee. The District currently offers several events and activities, and continues to work on various recreation ideas and continues to partner with local civic groups creating programs that are beneficial to the community at large.

The Parks and Recreation Department realizes the importance of long-range planning to preserve and protect our valuable assets and to allow for efficient use of resources for future growth. The efficient use of resources will allow the District to acquire, develop, operate, and maintain a park and recreation system which enriches the quality of life for residents and visitors alike, and preserves it for future generations. The District continues to develop a sustainable park system that will be supported by decisions that provide services at a sustainable rate, such as providing infrastructure that can be reasonably maintained while setting realistic targets on programs and services.

The District currently owns four vacant parcels for future parks and recreation facilities, a 55 acre parcel on Johnson Road, a 80 acre parcel on Sheep Creek Road, a 25 acre parcel on Chateau Road and a 4 acre parcel on Warbler Road that includes an adjacent 10 acre parcel off of Sahara Road.

The street lights primarily service the business district of Phelan. There are also lights at strategic intersections to help in providing safety to the community. Expansion of the street lighting to other intersections is considered based upon a safety need, but the District does respect the San Bernardino County “Dark Sky” ordinance and encourages residents to do the same.

Monthly Activity Report

The following report details the number of community center rentals and activities for the month:

Location	Paid Rental	District Use	Donated Use
Phelan Community Center	0	5	5
Phelan Senior Center	0	5	15
Piñon Hills Community Center	4	0	5
Miscellaneous	0	0	0
Phelan Park	0	2	0

Events and Classes

The following is a brief summary of current parks and recreation events:

- Parks Committee Meeting – Scheduled for Jan. 11, 2022, 4:00 pm, Phelan C.C.
 - Farmers Market – Mondays, 2:00 pm – 6:00 pm (inside and outside Phelan C.C. for winter)
 - Line Dancing – Every Friday, 9:00 am – 10:30 am, Phelan C.C.
 - Movies in the Park – December 10, 2021, at dusk, Phelan Park
 - Senior Lunches – Monthly (TBD)
 - 1st Wednesday at Phelan C.C.
 - 3rd Thursday at Pinon Hills C.C.
 - Tree Lighting Ceremony – Dec. 3, 2021, 6:00 pm, Phelan Park
 - Painting Classes (Holiday) – December 11, 2021, 9:00 am and 11:00 am, Phelan C.C.
 - Free Tire Day – December 12, 2021, 8:00 am – noon, CR&R Service Yard
 - Kids Baking Class – Dec. 18, 2021, 10:30 am – noon, Phelan Senior Center
 - Gardening Class – “Planting Trees” – Dec. 11, 2021, Teaching Garden
 - Gardening Class – “Garden Design/Layout” – Jan. 8th, Teaching Garden
- (Learn to Garden classes are held at the Teaching Garden, just north of PPHCSD Office)

Projects/Activities in Progress

- Parks Master Plan – Action plan needs are being implemented and are ongoing
- Phelan Park Expansion (TBD when funding sources become available) – District-owned parks properties east of Phelan Park – 4.22-acre parcel, APN 3066-261-08, and adjoining 10-acre parcel, APN 3066-251-14
- Prop. 68 Parks and Rec. Grant– Round 4 opened July 1, 2020
 - A grant application for the Phelan Park expansion was submitted March 2021
- Prop. 68 Parks and Rec. Grant – Round 4 grant awards were announced Dec. 9, 2021
 - Unfortunately, our District parks project was not awarded a grant
- Parks Budget for 2022/2023, Preparation In Process

Agenda Item 9

Director Reports

Agenda Item 10

Correspondence/Information



PRESS RELEASE - 01/06/2022

PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT 2022/2023 BUDGET PROCESS & SCHEDULE

Each year, staff is tasked with preparing a budget for consideration at an annual Public Hearing in June. The process leading up to the hearing includes several public meetings to provide the Board and the public with information for consideration and opportunities for input into the budget process. These public meetings include workshops, committee, and Board meetings. Beginning in January, committees review and update their respective Long Range Plans including the 10-year Capital Improvement Plan (CIP) and Maintenance plans. In February, staff gathers information in preparation for the budget. February through March, the Board reviews and approves the Long Range Capital Plans and also provides staff with budget assumptions to be used based on the consumer price index and other economic factors. Considering these guidelines, staff begins the process of preparing a draft budget. Staff works with department managers and supervisors to obtain budget information and incorporates the data with the assumptions as directed by the Board. The draft budget is reviewed by management and presented to the Finance Committee for consideration prior to being presented to the full Board. The Final Draft Budget is made available for review and a public hearing is held in June. The Final Draft Budget is presented to the Board during the public meeting for final review, consideration, and adoption. All of these are public meetings and the District encourages public attendance and participation.

The events listed below have been scheduled to promote public participation and ensure the public has the opportunity to become familiar with the budget process. **The Public is invited to ALL of these sessions and is encouraged to attend.**



SCHEDULE OF EVENTS PUBLIC MEETINGS AND HEARING 2022/2023 BUDGET PROCESS

January and February

Committees meet, review and update long range capital, maintenance plans, programs, and District goals. Committee meeting agendas are posted on the District Calendar, in the office, online, and at the community centers. The public is invited and encouraged to attend and participate in this process.

February 23, 2022, 4:00 pm
Wednesday
Phelan Community Center

Special Board Workshop - Review and approval of committee proposed long range capital, maintenance plans, programs and goals.

March 22, 2022, 4:00 pm
Tuesday
Phelan Community Center

Special Finance Committee - Review draft budget.

March 30, 2022, 4:00 pm
Wednesday
Phelan Community Center

Special Board Workshop - Review draft budget.

April 19, 2022, 4:00 pm
Tuesday
Phelan Community Center

Finance Committee - Review final draft budget.

May 4, 2022, 5:00 pm
Wednesday
Phelan Community Center

Special Board Workshop - Review final draft budget. Note: This meeting is tentative. The meeting of March 30 will determine whether or not this meeting will be necessary.

June 1, 2022, 6:00 pm
Wednesday
Phelan Community Center

Regular Board Meeting
- **BUDGET HEARING**
- Budget approval (with any modifications identified as a result of the hearing).

NOTE: Due to COVID-19 restrictions, any or all of the above meetings may be held via Zoom. All meetings have an agenda posted in advance which will tell how the meeting will be conducted.

FOR IMMEDIATE RELEASE

January 05, 2022

For more information, contact:

Technical Services Center

Phone: (312) 977-9700

Fax: (312) 977-4806

E-mail: budgetawards@gfoa.org

(Chicago, Illinois)--Government Finance Officers Association is pleased to announce that **Phelan Pinon Hills Community Services District, California**, has received GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for having achieved the award. This has been presented to **Finance Department**.

There are over 1,700 participants in the Budget Awards Program. The most recent Budget Award recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources and practical research for more than 21,000 members and the communities they serve.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

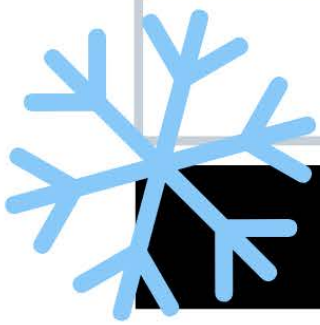
**Phelan Pinon Hills Community Services District
California**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill

Executive Director



BILLING SCHEDULE

JANUARY 2022

<p>January 1 - Bills mailed for December 2021 charges</p>	<p>January 18 - Payment must be received by 5:00 p.m. to avoid disconnection for November 2021 bill</p>	<p>January 19 -Disconnection date for November 2021 bill</p>	<p>January 24 -Payment must be received by 5:00 p.m. to avoid penalty for January 2022 bill</p>
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FEBRUARY 2022

<p>February 1 - Bills mailed for January 2022 charges</p>	<p>February 14 - Payment must be received by 5:00 p.m. to avoid disconnection for December 2021 bill</p>	<p>February 15 -Disconnection date for December 2021 bill</p>	<p>February 22 - Payment must be received by 5:00 p.m. to avoid penalty for February 2022 bill</p>
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MARCH 2022

<p>March 1 - Bills mailed for February 2022 charges</p>	<p>March 15 - Payment must be received by 5:00 p.m. to avoid disconnection for January 2022 bill</p>	<p>March 16 Disconnection date for January 2022 bill</p>	<p>March 22 - Payment must be received by 5:00 p.m. to avoid penalty for March 2022 bill</p>
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Holiday Closures

New Year's Day- Friday December 31, 2021

Martin Luther King Jr. Day- Monday January 17, 2022

President's Day- Monday February 21, 2022

Notice of Water Rate Change

The District provides water service to approximately 7,100 customers, and monthly water service fees are the primary source of revenue to operate the water system. Revenues received from water service fees are used solely to fund the water enterprise. The objective of the proposed five-year rate schedule is to fully fund operations, address capital replacement, and adequately build-up reserves to meet reserve policies through Fiscal Year 2025-2026. In addition, the District needs to ensure adequate funding to address additional capital and operating expenses. The new rates for the District's water service fees were adopted by the Board on December 1, 2021, after a noticed public hearing and several public meetings. The new rates are based on a comprehensive rate study prepared by an independent consultant.

Water rates for all District customers are scheduled to change. The new rates will begin January 1, 2022, and will be reflected on your billing statement received in February.

Fixed Charges (Meter Charge) \$/Month						
Meter Size	Current	Effective 1/1/2022	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
3/4"	\$23.62	\$22.80	\$24.17	\$25.63	\$27.17	\$28.81
1"	\$33.99	\$34.50	\$36.57	\$38.77	\$41.10	\$43.57
1 1/2"	\$59.91	\$63.75	\$67.58	\$71.64	\$75.94	\$80.50
2"	\$91.01	\$98.85	\$104.79	\$111.08	\$117.75	\$124.82
3"	\$189.49	\$210.00	\$222.60	\$235.96	\$250.12	\$265.13
4"	\$334.63	\$373.80	\$396.23	\$420.01	\$445.22	\$471.94
Chromium-6 Surcharge (all meters)	\$9.71	\$9.71	\$9.71	\$9.71	\$9.71	\$9.71

Variable Rates - \$/unit (1 unit = 748 gallons)						
Customer Class	Current	Effective 1/1/2022	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
<i>Residential</i>						
Tier 1: ≤ 9 hcf	\$2.80	\$2.73	\$2.90	\$3.08	\$3.27	\$3.47
Tier 2: 9 hcf- 29 hcf	\$4.26	\$3.12	\$3.31	\$3.51	\$3.73	\$3.96
Tier 3: > 29 hcf	N/A	\$7.53	\$7.99	\$8.47	\$8.98	\$9.52
<i>Commercial</i>						
	\$3.25	\$3.65	\$3.87	\$4.11	\$4.36	\$4.63
<i>Institutional</i>						
	\$3.75	\$3.96	\$4.20	\$4.46	\$4.73	\$5.02

If you have any questions, please contact the District at (760) 868-1212.

For additional information, please visit our website at www.pphcsd.org



PROTECT YOUR PIPES

This Winter



PREVENT FROZEN PIPES

- **Wrap Your Pipes** - Check around your home for areas where water supply lines are located and are in unheated areas. Look in crawl spaces, attics, garages, and under kitchen and bathroom cabinets. Both hot and cold water pipes in these areas should be insulated.
- **Let Water Drip** - When the weather is very cold outside (such as at night), let the cold water drip from the faucet served by exposed pipes. Make sure to capture this water in a bucket for use elsewhere! Running water through the pipe - even at a trickle - helps prevent pipes from freezing.
- **Leave the Heat On** - If you will be going away during cold weather, leave the heat on in your home, set to a temperature no lower than 55 degrees fahrenheit.

TO THAW FROZEN

- **When in Doubt** - If you turn on a faucet and only a trickle comes out, suspect a frozen pipe. Locate the suspected frozen area of the water pipe. Likely places include pipes running against exterior walls or where your water service enters your home through the foundation.
- **Let Water Run** - Keep the faucet open. As you treat the frozen pipe and the frozen area begins to melt, water will begin to flow through the frozen area.
- **Warm it Up** - Apply heat to the section of pipe using an electric heating pad wrapped around the pipe, an electric hair dryer, a portable space heater (kept away from flammable materials), or wrapping pipes with towels soaked in hot water. Apply heat until full water pressure is restored.
- **Do NOT** use a blowtorch, kerosene or propane heater, charcoal stove, or other open flame device.
- **Check it Out** - Check all other faucets in your home to find out if you have additional frozen pipes. If one pipe freezes, other may freeze too.
- **Call for Help** - If you are unable to locate the frozen area or have other problems, call a licensed plumber.

FOR MORE INFORMATION AND OTHER USEFUL TIPS, CHECK OUT OUR WEBSITE WWW.PPHCS.D.ORG. OR FOLLOW US ON FACEBOOK AND INSTAGRAM!



CONSERVATION 170
IT'S OUR WAY OF LIFE

Account Past Due?

Beginning January 2022, accounts that are past due will be subject to disconnection. To avoid interruption of service, please contact us ASAP to make a payment or to set up a payment arrangement.



**Make a payment
by phone, website,
or mail.**



**Need more time?
Contact us today
to make a payment
arrangement. 171**

**WE ARE HERE TO
HELP
CONTACT US
TODAY**

For more information, to make a payment,
or to set up a payment agreement:

**760-868-1212
www.pphcsd.org**

Agenda Item 11

Review of Action Items

Agenda Item 12

Set Agenda for Next Meeting