



# BOARD PACKAGE

November 16, 2022

Regular Board Meeting – 6:00 p.m.

## REGULAR BOARD MEETING AGENDA

November 16, 2022  
Phelan Community Center  
4128 Warbler Road, Phelan, CA 92371  
& Via Conference Call (see below)

### THIS MEETING WILL BE CONDUCTED IN ACCORDANCE WITH THE PROVISIONS OF ASSEMBLY BILL 361, 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.

Pursuant to AB361, and as a precaution to our Board of Directors, District staff, and general public as a result of the ongoing COVID-19 pandemic, the Phelan Pinon Hills Community Services District will hold this meeting of its Board of Directors both in-person at the above location and via teleconference or video conference. Members of the public may watch and participate in the meeting by physical attendance or by Zoom or telephone conference via the remote instructions below.

#### REMOTE PARTICIPATION INFORMATION:

##### Dial-in

1-669-444-9171  
Meeting ID: 856 7057 7091  
Passcode: 415340

##### Zoom

<https://us06web.zoom.us/j/85670577091?pwd=THc2TWVlSnNwUTFiOVJPTFNhTXBJZz09>  
Meeting ID: 856 7057 7091  
Passcode: 415340

##### One-Tap Mobile

+16694449171,,85670577091#

#### 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 [ksevy@pphcsd.org](mailto:ksevy@pphcsd.org) by 6:00 p.m. on November 16, 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 [ksevy@pphcsd.org](mailto:ksevy@pphcsd.org) or by visiting our website and completing the signup form at [www.pphcsd.org](http://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 Call**1) **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) Acceptance of Board Stipends/Reimbursements
- c) Acceptance of 3<sup>rd</sup> Quarter Franchise Hauler's Report
- d) Approval of Expansion of Use Request per License Agreement for 17900 Sheep Creek Road, El Mirage, CA

4) **Matters Removed from Consent Items**5) **Presentations/Appointments**6) **Continued/New Agenda Items**

- a) Discussion & Possible Adoption of Resolution No. 2022-30; Authorizing the Opening of a Brokerage Account with Charles Schwab
- b) Discussion & Possible Action Regarding Resolution No. 2022-31; Authorizing the Execution of a Lease Agreement and Site Lease, and Authorizing and Directing Certain Actions in Connection Therewith for the Financing of the Civic Center Building
- c) Introduction of Ordinance No. 2022-03; Establishing Regulations for Custody & Use of the District Seal, District Logo, and District Insignia
- d) Update on Uniform Solid Waste Collection & Possible Authorization to Amend Uniform Collection Ordinance
- e) Update on the Proposed Civic Center & Phelan Park Expansion Projects

7) **Committee Reports/Comments**

- a) Engineering Committee (Standing)
- b) Finance Committee (Standing)
- c) Legislative Committee (Standing)
- d) Parks, Recreation & Street Lighting Committee (Standing)
- e) 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**

- Regular Board Meeting – December 7, 2022

13) **Recess to Closed Session**

**Closed Session:** Conference with Legal Counsel – Anticipated Litigation  
Initiation of Litigation Pursuant to Government Code  
Section 54956.9(d)(4)  
One Potential Case

14) **Return to Open Session** – Announcement of Reportable Action

15) **Adjournment**

*Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above-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 [www.pphcsd.org](http://www.pphcsd.org)*

# Agenda Item 3a

Approval of Board Minutes

**REGULAR BOARD MEETING MINUTES**

November 2, 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  
Kathy Hoffman, Director  
Mark Roberts, Director

**Board Members Absent:** None

**Staff Present:** Don Bartz, General Manager  
Lori Lowrance, Assistant General Manager/CFO  
Kim Sevy, HR & Solid Waste Manager/District Clerk  
Sean Wright, Water Operations Manager  
Chris Cummings, Assistant Water Operations Manager  
David Noland, Accountant

**District Counsel:** Steve Kennedy, General Counsel (Zoom)

**REGULAR BOARD MEETING – 6:00 P.M.**

**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**

Vice President Philips moved to approve the Agenda. Director Hoffman seconded the motion. Motion carried 4-0.

2) **Public Comment**

a) **General Public**

None

b) **Community Reports**

- **Sheriff** – Sergeant Rios provided the call statistics for the month of October.
- **School District** – Dr. Holman, Superintendent of Snowline JUSD, provided an update on enrollment, programs, and events. The Veterans dinner is being held in person

this year November 9, 2022, at Serrano High School. Reminded everyone to vote. Thanked the Sheriff's Department for their assistance with recent events.

- **County Supervisor** – Sam Shoup, Field Representative for Supervisor Cook, provided an update on upcoming county events. A resource fair will be held in the High Desert. Fire Station No. 10 is holding an open house from 9:00 a.m. to 3:00 p.m. Thanked the Sheriff's Department for their work with Operation Hammer Strike. Encouraged everyone to vote.

3) **Consent Items**

Director Roberts moved to approve the Consent Items. Vice President Philips seconded the motion. Motion carried 4-0.

4) **Matters Removed from Consent Items**

None

5) **Presentations/Appointments**

Presentation of the District's Audit Report for Fiscal Year Ended June 30, 2022  
By: Chris Brown, Fedak & Brown, LLP

6) **Continued/New Agenda Items**

a) **Discussion & Possible Acceptance of the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022**

Staff Recommendation: For the Board to Board accept the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2022, as presented by Fedak & Brown, LLP.

Mr. Bartz presented this item.

Vice President Philips moved to approve the staff recommendation. Director Hoffman seconded the motion. Motion carried 4-0.

b) **Discussion & Possible Action Regarding Entering into a Professional Services Agreement for the District's Water Rates Study with IB Consulting, Inc.**

Staff Recommendation: For the Board to approve entering into a PSA with IB Consulting, Inc. to prepare the District's Water Rate Study.

Mr. Bartz presented this item.

Director Hoffman moved to approve the staff recommendation. Vice President Philips seconded the motion. Motion carried 3-1 with Director Roberts opposed.

c) **Discussion & Possible Action Regarding Potential Financing Options for the Civic Center**

Staff Recommendation: For the Board to review and discuss possible financing options for the Civic Center Building (Phase I of the Civic Center Project) and give staff direction to pursue the financing process.

Mr. Bartz and Ms. Lowrance presented this item.

Consensus of the Board was for staff to move forward with the Muni finance option for the District's Civic Center Project.

d) **Discussion Regarding AB 2449 (Rubio) and AB 361 (Rivas) Related to District Meetings**

Staff Recommendation: None

Mr. Kennedy provided a presentation.

No action taken; not an action item.

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

Staff Recommendation: None

Mr. Bartz had nothing to report.

No action taken; not an action item.

7) **Committee Reports/Comments**

- a) **Engineering Committee (Standing)** – The minutes are in the packet. They meet again next Wednesday.
- b) **Finance Committee (Standing)** – Met and reviewed the audit.
- c) **Legislative Committee (Standing)** – Meets next week.
- d) **Parks, Recreation & Street Lighting Committee (Standing)** – The minutes are in the packet.
- e) **Waste & Recycling Committee (Standing)** – Meets next week. The last meeting minutes are in the packet.

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

Engineering staff and Mr. Bartz attended the ESRI conference. Engineering staff presented at the conference showing what the District is doing with GIS technology. A presentation will be given to the Board.

Mr. Wright provided an update on the county's Phelan Road widening project. Currently, four turn lanes are being installed. In 2025, the road will be widened.

9) **Reports**

a) **Director's Report**

**Philips** – Nothing further to report.

**Hoffman** – Noted the commendation of District staff in the packet.

**Roberts** – Nothing further to report.

b) **President's Report** – Nothing further to report.

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** – None



12) **Set Agenda for Next Meeting**

- Regular Board Meeting – November 16, 2022

13) **Adjournment**

With no further business before the Board, the meeting was adjourned at 7:22 p.m.

Agenda materials can be viewed online at [www.pphcsd.org](http://www.pphcsd.org)

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Rebecca Kujawa, President of the Board

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Date

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Kim Sevy, HR Manager/Executive Secretary

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Date

# Agenda Item 3b

Acceptance of Board  
Stipends/Reimbursements

# Phelan Piñon Hills Community Services District

## BOARD STIPEND & EXPENSE VOUCHER/REPORT

2022				AB1234 Compliant				Report of items paid for with District Credit Card***			
*MAXIMUM PAID @ \$120 PER MEETING DAY AND LIMITED TO 10 MEETINGS PER MONTH											
Name: <b>Deborah Philips</b>				Date: <b>November 7, 2022</b>							
Reimbursed @ 0.625					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
10/05/22		Board Meeting	120.00	10.00	6.25						
10/06/22		Mojave Water Agency TAC	120.00	0.00	-						
10/13/22		Solid Waste Committee Meeting	120.00	10.00	6.25						
10/17/22		Association of San Bernardino County Special Districts	120.00	84.00	52.50						
10/19/22		Board Meeting	120.00	10.00	6.25						
10/27/22		Women in Water Inland Empire	120.00	118.00	73.75						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
					-						
<b>Totals</b>			<b>720.00</b>	<b>232.00</b>	<b>145.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**A: Board Approved? (section 2.4)**

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**

*Deborah Philips*

\_\_\_\_\_  
Signature

Acct #		Totals:						
		Meetings	720.00	Payroll		Date		
		Mileage	145.00	Board Mtg				
		Meals	-					Meals
		Lodging	-					Lodging
		Other	-					Other
		<b>Grand Total</b>	<b>865.00</b>					<b>-</b>

\*\*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.

# Phelan Piñon Hills Community Services District

## BOARD STIPEND & EXPENSE VOUCHER/REPORT

AB1234 Compliant

2022		*MAXIMUM PAID @ \$120 PER MEETING DAY AND LIMITED TO 10 MEETINGS PER MONTH							Report of items paid for with District Credit Card***		
Name: <u>Kathy Hoffman</u>		Reimbursed @ 0.585		Date: <u>9-22</u>				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
9-7-22		Board meeting	120.00	N/C	-	-	-	-	-	-	-
9-14-22		Engineering meeting	120.00	N/C	-	-	-	-	-	-	-
9-19-22		ASBUCSD meeting/Dinner	N/C	N/C	-	-	-	-	-	-	-
9-21-22		Board meeting	120.00	N/C	-	-	-	-	-	-	-
Totals			-	-	-	-	-	-	-	-	-

**A: Board Approved? (section 2.4)**

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 #	<u>360.00</u>	Totals:	Meetings	-	Payroll	Date
	<u>    </u>		Mileage	-	Board Mtg	
	<u>    </u>		Meals	-		
	<u>    </u>		Lodging	-		
	<u>360.00</u>		Other	-		
	<b>Grand Total</b>			-		

Meals	-
Lodging	-
Other	-
	-

\*\*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.

## Phelan Piñon Hills Community Services District BOARD STIPEND & EXPENSE VOUCHER/REPORT

AB1234 Compliant

2022		*MAXIMUM PAID @ \$120 PER MEETING DAY AND LIMITED TO 10 MEETINGS PER MONTH							Report of items paid for with District Credit Card***		
Name: <u>Patricia Hoffmann</u>		Reimbursed @ 0.585		Date: <u>October 2022</u>							
Date of mtg. or event	A	Expense Description / Business Purpose	*Meeting (\$120 or N/C)	Miles	REIMBURSEMENT REQUESTED			CREDIT CARD EXPENSES			
					Mileage**	Meals	Lodging	Other	Meals	Lodging	Other
10-5-22		Board Meeting	120.00	N/C	-						
10-6-22		TAC meeting	N/C	N/C	-						
10-11-22		Parks meeting	120.00	N/C	-						
10-12-22		Engineering committee	120.00	N/C	-						
10-19-22		Board meeting	120.00	N/C	-						
Totals			-	-	-	-	-	-	-	-	-

**A: Board Approved? (section 2.4)**

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]

Signature

Acct #	480.00	Totals:	Meetings	-	Date	
			Mileage	-	Payroll	
			Meals	-	Board Mtg	
			Lodging	-		
	480.00		Other	-		
			<b>Grand Total</b>	-		

Meals	-	Meals	-
Lodging	-	Lodging	-
Other	-	Other	-
	-		-

\*\*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

Acceptance of 3<sup>rd</sup> Quarter  
Franchise Hauler's Report

**San Bernardino County  
Unincorporated Area Franchise Hauler  
Quarterly Report**

Reporting Period: 7/1/22 to 9/30/22

CFA PPHCSD

Hauler:	CR&R
Contact Name & Phone No.	Brandon McGill 760-524-1409
e-mail address	<a href="mailto:brandonm@crrmail.com">brandonm@crrmail.com</a>
Billing Accts	1030 & 1052

**Section 12.2**

All DRS/Data Exchange Corrections Submitted On-time (y/n)	YES	YES
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**Section 12.3(a)**

**Collection Information Report**

Account Types	Residential			Commercial		
	Month 1	Month 2	Month 3	Month 1	Month 2	Month 3
Total # of accounts serviced	4,936	5,054	5,081	122	122	122
# of barrel accounts serviced	3,526	3,627	3,647	6	6	6
# of bin accounts serviced	1,410	1,427	1,434	116	116	116
# of Clean Mountain/Drop Off accounts	0	0	0			
# of Fee Waiver Accounts-if applicable	0	0	0			
# of Cleanup Service (Temporary) placements				12	11	23

**Commercial Accounts**

Total # of Commercial Business accounts serviced		122	122	122
# of comm bus accounts w/ recycling services		122	121	120
Total # of multi-family accounts		1	1	1
# of multi-family accounts w/ recycling services		1	1	1
Total # of commercial business accounts that fall under AB 341 ( ≥ 4 CY/wk)		46	46	46
# of commercial business accounts that fall under AB 341 w/ recycling service		46	46	46
Total # of multi-family accounts that fall under AB 341 regulation ( ≥ 5 units)		1	1	1
# of multi-family accounts that fall under AB 341 regulation w/ recycling service		1	1	1
Total # of comm business accounts that fall under AB 1826 (min. 4CY organics/wk)		27	27	27
# of comm business accounts that fall under AB 1826 w/ organics recycling service		0	0	0
Total # of multi-family accounts that fall under AB 1826 ( ≥ 5 units & min. 4CY organics/wk)		0	0	0
# of multi-family accounts that fall under AB 1826 w/ organics recycling service		0	0	0

**Actual Disposal (tons)**

Route tons per month solid waste	901.71	1,014.82	1,085.54	118.63	144.75	153.05
Clean Mountain/Drop Off (CFA 16 & 17)	0.00	0.00	0.00			
Tons per month roll-off solid waste				64.37	84.50	52.33
Tons from Cleanup Service (Temporary) placements				4.03	3.62	8.46
Tons processing residual/residue solid waste disposed In-County	0.00	0.00	0.00	0.00	0.00	0.00
Tons processing residual/residue solid waste disposed Out-of-County	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total monthly solid waste disposal tons</b>	901.71	1014.82	1085.54	187.03	232.87	213.84

**San Bernardino County  
Unincorporated Area Franchised Hauler  
Quarterly Report**

**Section 12.3(a) Continued...**

<b>Diversion (see Diversion Worksheet)</b>						
Total net Regular Diversion per month	1.30	1.60	1.40	11.74	27.06	24.77
Total net Green Waste Diversion per month	0.00	0.00	0.00	0.00	0.00	0.00
<b>Combined Net Diversion per month</b>	1.30	1.60	1.40	11.74	27.06	24.77
<b>Monthly Waste Generation</b>	903.01	1,016.42	1,086.94	198.77	259.93	238.61
<b>Total Monthly Diversion Rate (%)</b>	0.14%	0.16%	0.13%	5.91%	10.41%	10.38%

**Section 12.3(b)**

**Service Information Report**

# of commendations	8	7	15
# of litter complaints	0	0	0
# of property damage complaints	0	0	0
# of misplaced container complaints	0	0	0
# of personnel complaints	0	0	0
# of missed pick-ups	0	0	0
# of replacement containers	12	19	8
# of stolen containers	0	0	1
# of other complaints	0	0	0
# of semi-annual no charge bulky item pickups	75	86	97
# of charged bulky item pickups	0	0	0

**Section 12.3(c)**

**Program Implementation and Evaluation**

Attach a separate narrative describing outreach efforts made to increase the number of commercial and multi-family recycling accounts.

**Section 12.3(d)**

**Financial Information**

Total Gross Receipts(including Lien Revenue, this should match the figure on your Franchise Fee Worksheet which appears in Column E, Row 5)	386,041.89	262,242.98	227,850.42
Franchise Fee Rate	10.00%	10.00%	10.00%
Franchise Fee	38,604.19	26,224.30	22,785.04

**Exhibit "A" Section D(3)**

**Special Collections**

Number of no-charge roll-offs this quarter

0



# Agenda Item 3d

Approval of Expansion of Use  
Request per License Agreement  
for 17900 Sheep Creek Road, El  
Mirage, CA

## MEMORANDUM

**DATE:** November 16, 2022

**TO:** Board of Directors

**FROM:** Don Bartz, General Manager  
By: Kim Sevy, HR & Solid Waste Manager/District Clerk

**SUBJECT:** Approval of Expansion of Use Request per License Agreement for 17900 Sheep Creek Road, El Mirage, CA

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### STAFF RECOMMENDATION

For the Board to approve the expansion of use request per the license agreement approved by the Board on October 19, 2022.

### BACKGROUND

On October 19, 2022, the Board approved the License Agreement between Circle Green and High Desert Yards. The License Agreement authorized usage of certain 10-acre portion of the property with the right to expand to a total of 20-acres. High Desert Yard is requesting to exercise the expansion option at this time.

### FISCAL IMPACT

None

### ATTACHMENT(S)

Expansion Request  
License Agreement

November 8, 2022

Circle Green, Inc.  
8271 Chino Avenue  
Ontario, CA 91761  
Attention: Kevin Sutton  
Email: [ksutton@circlegreeninc.com](mailto:ksutton@circlegreeninc.com)

**RE: Expansion of Use Request - 17900 Sheep Creek Road, El Mirage, CA**

Gentlemen:

In accordance with the License Agreement (“Agreement”) between Circle Green, Inc., a California corporation (“Licensor”) and High Desert Yards, LLC, a California limited liability company (“Licensee”) please accept this written request to expand our operations as stated below:

B 2. Expansion Premises. Licensee’s right to expand into the Expansion Premises shall be contingent upon the following: (i) Licensee shall first deliver to Licensor and the District at least fourteen (14) days’ advance written notice of Licensee’s election to expand into the Expansion Premises; (ii) Licensee shall obtain Licensor’s prior written consent, not to be unreasonably withheld. Licensor and Licensee acknowledge and agree that Licensor’s consent shall be contingent upon Licensor’s good faith negotiations with the District which shall recognize reasonable timelines and other factors related to the District’s status as a local public agency, and agreement between Licensor and the District, as to the additional monthly fee 3 Licensor shall pay District, and any other matter deemed necessary by the District, in connection with Licensee’s election to expand into the Expansion Premises.

Please let us know when approval can be received as we are completing activities and obligations for the use of this area of the site contemplated under our prior ‘LOI’ and conversations.

Thank you in advance for your timely action.

Very truly yours,



Trace Haggard, Manager  
High Desert Yards, LLC

CC:

Andrew Byrne, Esq. 1  
140 Highland Avenue, Ste. 250  
Manhattan Beach, CA 90266  
Email: [Andy@ByrneLaw-LA.com](mailto:Andy@ByrneLaw-LA.com)

## LICENSE AGREEMENT

**THIS LICENSE AGREEMENT (“Agreement”)** is made as of this 21 day of October, 2022, between **Circle Green, Inc.**, a California corporation (“**Licensor**”) and High Desert Yards, LLC, a California limited liability company (“**Licensee**”).

**A. BASIC TERMS.** The following terms shall have the following meaning throughout this Agreement:

1. Property: 17900 Sheep Creek Road, El Mirage, CA
2. Address of Licensor: Circle Green, Inc.  
8271 Chino Avenue  
Ontario, CA 91761  
Attention: Kevin Sutton  
Email: [ksutton@circlegreeninc.com](mailto:ksutton@circlegreeninc.com)

With a copy to:

- Andrew Byrne, Esq.  
1140 Highland Avenue, Ste. 250  
Manhattan Beach, CA 90266  
Email: [Andy@ByrneLaw-LA.com](mailto:Andy@ByrneLaw-LA.com)
3. Address of Licensee: High Desert Yard, LLC  
1040 S. Mount Vernon Avenue, Ste. G-285  
Colton, CA 92324  
Attn: Patrick O’Brien  
Email: [Pobrien1@me.com](mailto:Pobrien1@me.com)

4. Premises: That certain 10-acre portion of the Property (“**Initial Premises**”), with the right to expand up to a total of 20 acres (“**Expansion Premises**”), as shown on the attached **Exhibit A** and made a part hereof. The Initial Premises and, upon Licensee’s election to expand into the Expansion Premises, shall be referred to herein as the “**Premises**”.

5. Term: A period from the date the Phelan Pinon Hills Community Services District (“**District**”) gives its consent to this Agreement by signing below (the “**Commencement Date**”) and continuing until September 30, 2023 (“**Expiration Date**”), unless terminated earlier by Licensor after a default by Licensee or in the event the parties agree to replace this Agreement with a sublease agreement signed by the parties and consented to by the District upon the approval of the Revised Approved Action (“**RAA**”).
6. License Fee: Per separate agreement between Licensor and Licensee.
7. Security Deposit: \$5,000.00
8. Activity and Purpose: The storage of chassis as well as empty shipping containers and wheeled storage containers (“**Permitted Use**”) in accordance, and in compliance, with the Conditions of Approval Temporary Use Permit PTUP-2022-00027 attached hereto as **Exhibit B** and incorporated herein by this reference (“**Conditions of Approval**”). The Permitted Use shall be subject to the Conditions of Approval as well as any laws, rules or regulations required by any governing agency for such use, including, but not limited to, the San Bernardino County Fire Department.

**B. LICENSE.**

1. Initial Premises. Licensor hereby licenses to Licensee the use of the Premises for the term set forth above, unless terminated sooner in accordance herewith, subject to the terms and condition hereof.

2. Expansion Premises. Licensee’s right to expand into the Expansion Premises shall be contingent upon the following: (i) Licensee shall first deliver to Licensor and the District at least fourteen (14) days’ advance written notice of Licensee’s election to expand into the Expansion Premises; (ii) Licensee shall obtain Licensor’s prior written consent, not to be unreasonably withheld. Licensor and Licensee acknowledge and agree that Licensor’s consent shall be contingent upon Licensor’s good faith negotiations with the District which shall recognize reasonable timelines and other factors related to the District’s status as a local public agency, and agreement between Licensor and the District, as to the additional monthly fee

Licensor shall pay District, and any other matter deemed necessary by the District, in connection with Licensee's election to expand into the Expansion Premises.

C. **TERMS AND CONDITIONS.** In consideration of the license granted to Licensee herein, Licensee agrees to the following:

1. **Commencement Date.** The Commencement Date shall be the date set forth in Section A.5 above.

2. **Purpose.** Licensee shall use the Premises only for the purpose set forth in Section A.8 above, and for no other purpose.

3. **License Fee and Benefit to the District.**

(a) **License Fee.** As additional consideration for this Agreement, Licensee shall pay to Licensor the fee(s) set forth in Section A.6 above. Licensee shall pay the License Fee prior to any use of the Premises and on the first (1st) day of each month during the Term of this Agreement. Unless otherwise agreed to by the parties, all other fees and expenses incurred by Licensor in connection with this Agreement will be invoiced by Licensor and are due and payable by Licensee within ten (10) days of the date of the invoice.

(b) **Benefit to District.** Licensor and Licensee acknowledge that during the term of this Agreement, Licensor shall pay the District a portion of the License Fee paid by Licensee to Licensor for the Initial Premises in the amount of \$4,000 per month. In the event Licensee elects to expand into the Expansion Premises, Licensor and Licensee shall negotiate in good faith with respect to an additional amount to be paid by Licensor to District.

4. **Insurance.** At all times during the Term, Licensee shall maintain general liability, and automobile insurance in amounts acceptable to Licensor and the District, but in no event shall such limits be less than \$2,000,000 per occurrence. In addition, Licensee shall maintain workers compensation insurance at limits mandated by law, maintain property damage coverage for the full replacement costs of its improvements, and loss of income and extra expense insurance in amounts as will reimburse Licensor for direct or indirect loss of the license fee attributable to all perils commonly insured against by prudent lessees in the business of Licensee or attributable to prevention of access to the Premises as a result of such perils. In addition, Licensee shall carry site specific Pollution Liability insurance with limits of no less than Five Million Dollars (\$5,000,000) covering Licensee's use of the Premises. Licensor, the District, and Licensor's lender, if any, and any property management company of Licensor for the Premises, if any, shall be named as additional insureds on a form approved by Licensor under all of the policies required by this Section. Said policies shall be primary and noncontributory. The policies required under this Section shall provide for severability of interest and a waiver of rights of subrogation. The insurance policies provided by the Licensee shall (1) contain a waiver of subrogation against the Licensor and the District, and each of their respective directors, officers, employees and agents for any claims arising out of this Agreement, or (2) allow the Licensee to waive subrogation, in writing, before any loss, in which case this

provision shall be deemed to be the Licensee's written waiver of subrogation against the Licensor and the District for any and all losses covered by any and all insurance policies required hereunder.

5. Indemnity. Licensee shall indemnify, protect, defend (by counsel acceptable to Licensor and the District) and hold harmless Licensor and the District, and each of their respective affiliated entities, and each of their respective members, managers, partners, directors, officers, employees, shareholders, lenders, agents, contractors, successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the Term as a result (directly or indirectly) of or in connection with (i) any default in the performance of any obligation on Licensee's part to be performed under the terms of this Agreement, (ii) Licensee's use of the Premises, the conduct of Licensee's business or any activity, work or things done, permitted or suffered by Licensee or any Licensee Party in or about the Premises, the improvements thereon, the Common Areas or other portions of the Property, except for claims caused solely by Licensor's gross negligence or willful misconduct, or (iii) the noncompliance with any of the Conditions of Approval, including, but not limited to any fees, expenses, or other obligations resulting from said noncompliance. Notwithstanding anything in this Paragraph 5 to the contrary, it is the intention of the Parties that Licensee be solely responsible for satisfying, and being in compliance with, the Conditions of Approval, even those conditions of approval that place obligations on the District as the owner of the Premises. The obligations of Licensee under this Section shall survive the termination of this Agreement with respect to any claims or liability arising and/or accruing prior to such termination. Licensee agrees to make clear to the public and its customers that there is no relationship between Licensee and Licensor other than that of Licensor and Licensee.

6. Costs of Litigation. If Licensor or the District, or each of its respective members, partners, officers, director, employees or agents shall without fault on their part be made a party to any litigation arising out of any act or omission of Licensee, Licensee shall pay all costs and expenses, including reasonable attorneys' fees, incurred by said parties on account of said litigation. Licensee shall also reimburse Licensor and the District for all cost and expenses incurred by said parties, including reasonable attorneys' fees, in enforcing the provisions of this Agreement.

7. Early Termination. Licensor may terminate the license granted Licensee herein effective immediately upon delivery of written notice from Licensor to Licensee upon (i) the occurrence of a violation by Licensee of any Condition of Approval; (ii) a breach of this Agreement by Licensee or any provision hereof. In both (i) and (ii) Licensee shall remain liable for all License Fees due until the Expiration Date. Notwithstanding the foregoing, this Agreement shall also be subject to early termination, effective immediately upon notice delivered by Licensor to Licensee, in the event that either Licensor or the District withdraws its respective consent, which Licensor and/or the District may exercise at any time in their respective sole and absolute discretion.

8. Removal of Property: Holding Over. By the end of the Term of this Agreement, or earlier termination pursuant to the terms herein, and unless Licensor and Licensee

enter into a sublease agreement that is approved by the District, Licensee shall have removed all containers, chassis, and other property (whether owned by Licensee or a third party) from the Premises and shall leave the Premises in a clean condition and in as good or better condition as when Licensee took possession of the Premises. Any and all damage to the Premises and/or the Property, including damage to landscaping, lighting, parking stops or curbs, shall be the responsibility of Licensee at Licensee's sole cost and expense. For each day or part of a day after the end of the Term that Licensee shall have failed to do the foregoing, Licensee shall pay Licensor any expenses incurred by Licensor as a result thereof.

9. Assignment and Subleasing. Licensee shall not assign or in any other manner transfer or encumber this Agreement.

10. Impossibility of Performance. Neither Licensor nor Licensee shall be bound to the terms and conditions of this contract if failure to perform pursuant to this Agreement is due to fire, flood, strike, storms, disasters, or the acts of God, or any other cause beyond the control of the parties.

11. Non-Waiver. Licensor's decision not to enforce any provision of this Agreement, including any exhibit, shall not mean that Licensor has waived its rights to do so at any time.

12. Notices. Except as otherwise in this Agreement provided, notice or communication which Licensor may desire or be required to give to Licensee shall be deemed sufficiently given or rendered if, in writing, delivered to Licensee personally, sent by registered or certified mail, or by a national overnight delivery carrier (such as FedEx or UPS), addressed to Licensee at the address set forth in Sections A.2 and A.3 or at the last known address or business address of Licensee at the time of the giving of such notice or communication and shall be deemed to be at the time when the same is delivered to Licensee, mailed, or left at the Premises as herein provided. Notice by email shall be sufficient provided the recipient acknowledges receipt of the email. Any notice by Licensee to Licensor must be served by registered or certified mail addressed to Licensor at the address set forth below or at such other address as Licensor shall designate by written notice.

13. Binding Agreement. Each party hereto represents and warrants to the other that this Agreement is duly executed by such party and is a valid, binding obligation of each such party.

14. No Amendments. This Agreement, including all attachments and exhibits hereto sets forth the entire understanding between the parties and may not be altered or amended except by another writing executed by both parties and consented to by the District.

15. No Representations. Licensee acknowledges and agrees that the Premises is being delivered to Licensee and Licensee will accept the Premises in its "As-Is" condition as of the commencement of the Term of this Agreement. Licensor has not made, nor does Licensor make, any representations or promises with respect to the Premises and Licensee agrees that Licensor does not have any obligation to perform any work or otherwise prepare the Premises for Licensee's use.



16. Alterations. Following the Commencement Date, Licensee will not make or cause to be made any alterations, installations, improvements, additions or other physical changes in or about the Premises without obtaining the prior written consent of Licensor and the District thereto.

17. Requirements of Law. Licensee, at its sole cost and expense, will comply with all present and future laws, rules, orders, ordinances, regulations, statutes, requirements, codes and executive orders, extraordinary as well as ordinary, of all governmental authorities now existing or hereafter created, and of any and all of their departments and bureaus, affecting the Premises, or any street, avenue or sidewalk comprising a part of or in front thereof, or affecting the maintenance, use or occupation of the Premises, which is applicable to the Premises and/or the use thereof. Without limiting the generality of the foregoing, Licensee shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any hazardous material (as defined by any applicable law) upon or about the Premises, nor permit Licensee's employees, invitees or licensees or other occupants of the Premises to engage in such activities upon or about the Premises. If any hazardous material is released, discharged or disposed of by Licensee, Licensee's employees, invitees or licensees or any other occupant of the Premises, on or about the Premises, Licensee shall immediately, properly and in compliance with applicable laws clean up and remove the hazardous material from the Premises and any other affected property and clean or replace any affected personal property (whether or not owned by Licensor), at Licensee's expense. Such clean up and removal work shall be subject to Licensor's prior written approval (except in emergencies), and shall include, without limitation, any testing, investigation, and the preparation and implementation of any remedial action plan required by any governmental body having jurisdiction or reasonably required by Licensor. If Licensee shall fail to comply with the provisions of this Section within five (5) days after written notice by Licensor, or such shorter time as may be required by applicable law or in order to minimize any hazard to persons or property, Licensor may (but shall not be obligated to) arrange for such compliance directly or as Licensee's agent through contractors or other parties selected by Licensor, at Licensee's expense (without limiting Licensor's other remedies under this Agreement or applicable law).

18. License and Not a Lease. This Agreement is not to be construed as in any way granting to Licensee any leasehold or other real property interest in the Premises, it being intended that this Agreement merely grants to Licensee this Agreement to enter upon and use the Premises during the Term in accordance with the terms and conditions hereof and shall not be deemed to grant to Licensee a leasehold or other real property interest in the Premises.

19. Partial Invalidity. If any term, provision or condition contained in this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Agreement shall be valid and enforceable to the fullest extent possible permitted by law.

20. No Warranty. In executing and delivering this Agreement, Licensee has not relied on any representation or any warranty or any statement of Licensor which is not set forth herein or in one or more of the exhibits attached hereto.

21. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

22. Brokers. Licensor and Licensee hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Agreement, and that they know of no real estate broker or agent who is entitled to a commission in connection with this Agreement. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent.

23. No Liens. Licensee has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Licensee, operation of law or otherwise, to attach to or be placed upon the Property or Premises, and any and all liens and encumbrances created by Licensee shall attach to Licensee's interest only. Licensor shall have the right at all times to post and keep posted on the Premises any notice which it deems necessary for protection from such liens. Licensee covenants and agrees not to suffer or permit any lien of mechanics or materialmen or others to be placed against the Property or the Premises with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Licensee or the Premises, and, in case of any such lien attaching or notice of any lien, Licensee covenants and agrees to cause it to be immediately released and removed of record. Notwithstanding anything to the contrary set forth in this Agreement, in the event that such lien is not released and removed on or before the date notice of such lien is delivered by Licensor to Licensee, Licensor, at its sole option, may immediately take all action necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including reasonable attorneys' fees and costs, incurred by Licensor in connection with such lien shall be deemed immediately due and payable by Licensee.

24. Entire Agreement. Except for that certain Agreement between Licensor and Licensee dated August 28, 2022, as amended by that certain First Amendment to Agreement dated October 10, 2022, it is understood and acknowledged that there are no oral agreements between Licensor and Licensee hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between Licensor and Licensee or displayed by Licensor to Licensee with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Agreement. This Agreement and the above referenced separate agreement contain all of the terms, covenants, conditions, warranties and agreements as between Licensor and Licensee relating in any manner to the rental, use and occupancy of the Premises, shall be considered to be the only agreement between Licensor and Licensee and their representatives and agents. Nothing contained in this Paragraph 24 shall in any way abrogate Licensor's obligations to the District pursuant to that certain lease agreement between Licensor and the District.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

**LICENSEE:**

High Desert Yards, LLC,  
a California limited liability company

By: ~~Patrick O'Brien~~  
Its: Manager

Date: October 21, 2022

**LICENSOR:**

Circle Green, Inc., a California corporation

*Kevin Sutton*  
By: Kevin Sutton  
Its: President

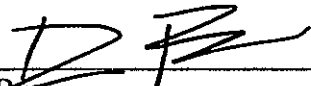
Date: October 21, 2022

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CONSENT BY DISTRICT

The District's consent herein shall not be deemed a waiver and/or estoppel to assert any other rights or remedies available to the District as the fee owner of the Premises, including but not limited to the imposition of such other conditions deemed necessary by the District in the exercise of its sole and absolute discretion to protect its property interests and/or the public health, safety, or welfare.

Phelan Pinon Hills Community Services District

  
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By:

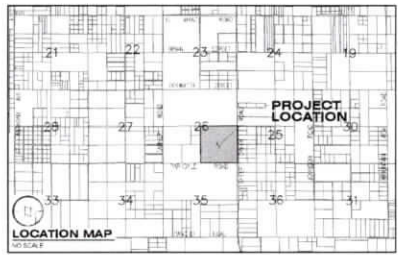
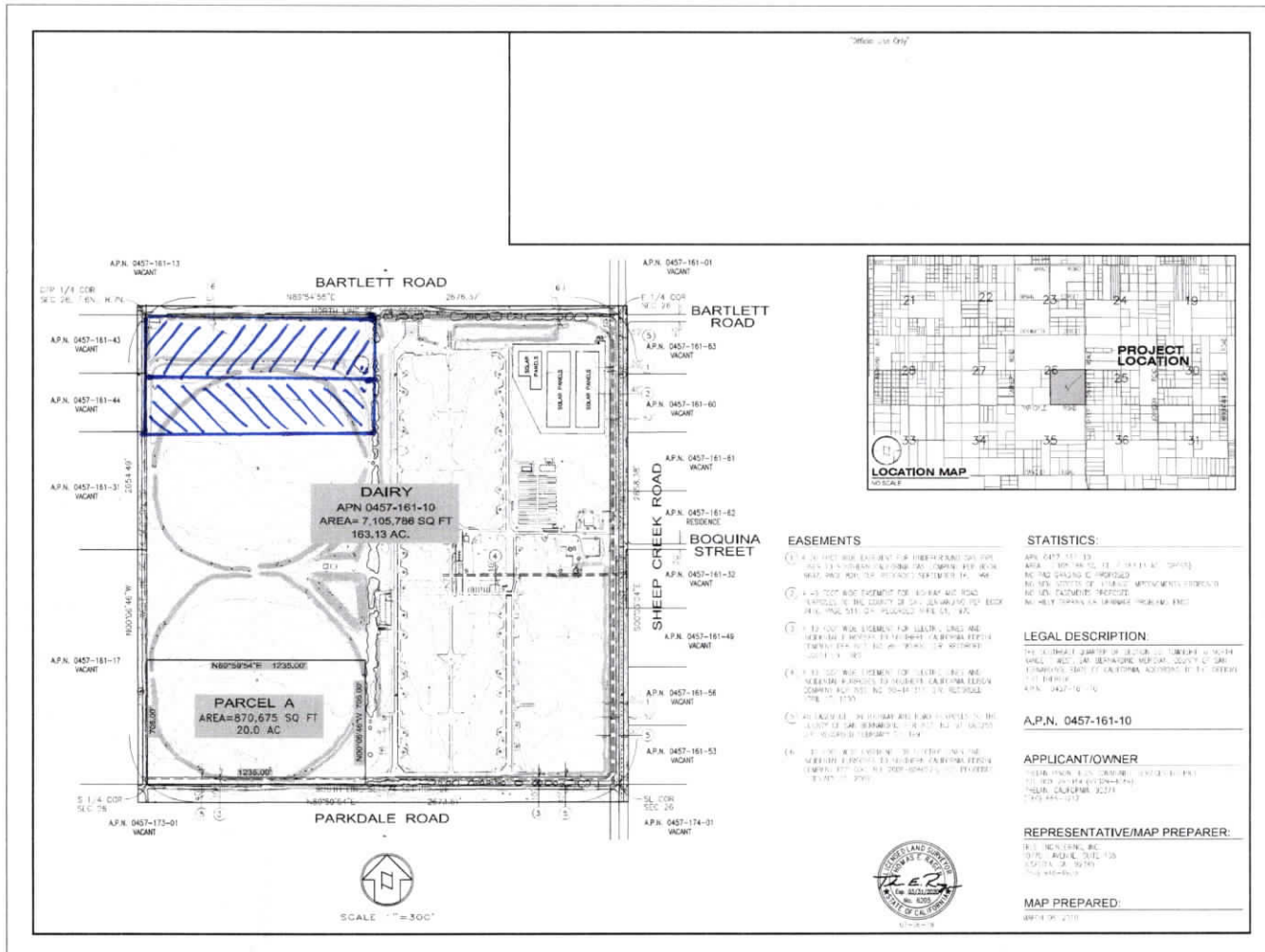
Its:

Date: October 21, 2022

# EXHIBIT A

## (PREMISES)

(UP TO A TOTAL OF 20 ACRES)



EASEMENTS	STATISTICS
<ol style="list-style-type: none"> <li>1. A 10' EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF UTILITY LINES AND STRUCTURES TO BE PROVIDED BY THE COUNTY OF SAN DIEGO TO THE PROPERTY.</li> <li>2. A 10' EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF UTILITY LINES AND STRUCTURES TO BE PROVIDED BY THE COUNTY OF SAN DIEGO TO THE PROPERTY.</li> <li>3. A 10' EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF UTILITY LINES AND STRUCTURES TO BE PROVIDED BY THE COUNTY OF SAN DIEGO TO THE PROPERTY.</li> <li>4. A 10' EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF UTILITY LINES AND STRUCTURES TO BE PROVIDED BY THE COUNTY OF SAN DIEGO TO THE PROPERTY.</li> <li>5. A 10' EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF UTILITY LINES AND STRUCTURES TO BE PROVIDED BY THE COUNTY OF SAN DIEGO TO THE PROPERTY.</li> <li>6. A 10' EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF UTILITY LINES AND STRUCTURES TO BE PROVIDED BY THE COUNTY OF SAN DIEGO TO THE PROPERTY.</li> </ol>	<p>APN: 0457-161-10            AREA: 7,105,786 SQ FT (163.13 AC)            NO. OF LOTS: 1            NO. OF UNITS: 1            NO. OF UNITS PER LOT: 1            NO. OF UNITS PER AC: 1            NO. OF UNITS PER ACRE: 1</p>
LEGAL DESCRIPTION	APPLICANT/OWNER
<p>APN: 0457-161-10            AREA: 7,105,786 SQ FT (163.13 AC)            NO. OF LOTS: 1            NO. OF UNITS: 1            NO. OF UNITS PER LOT: 1            NO. OF UNITS PER ACRE: 1</p>	<p>APPLICANT/OWNER            NAME: [Redacted]            ADDRESS: [Redacted]            CITY: [Redacted]            STATE: [Redacted]            ZIP: [Redacted]</p>
REPRESENTATIVE/MAP PREPARER	MAP PREPARED
<p>REPRESENTATIVE/MAP PREPARER            NAME: [Redacted]            ADDRESS: [Redacted]            CITY: [Redacted]            STATE: [Redacted]            ZIP: [Redacted]</p>	<p>MAP PREPARED            DATE: 08/19/2010</p>



**- INITIAL 10 AC. PORTION OF PREMISES (APPROX. 352' x 1235')**



**- EXPANSION 10 AC. PORTION OF PREMISES (APPROX. 352' x 1235')**

# EXHIBIT B

APN: 0457-161-84  
Transtech  
PTUP-2022-00027 Temporary Use Permit  
September 19, 2022

PAGE 1 OF 9  
Effective: September 30, 2022  
Expiration: September 30, 2023

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## CONDITIONS OF APPROVAL

### Temporary Use Permit PTUP-2022-00027

### GENERAL REQUIREMENTS Conditions of Operation and Procedure

#### LAND USE SERVICES DEPARTMENT– Planning Division (909) 387-8311

1. Project Description Approval. This Temporary Use Permit (TUP) is approved for twelve (12) months, subject to full compliance with all Conditions of Approval stated herein. The approved request is a Temporary Use Permit to provide for the temporary utilization of a 20-acre expansion area for container and chassis storage at the approved Green Waste Composting Facility, Circle Green.
2. This Project is approved to be constructed and operated in compliance with the San Bernardino County Code (SBCC) and the Service Commercial (CS) land use designation, the California Building Codes (CBC), the California Fire Code (CFC), the Conditions of Approval, contained herein, and the approved site plan dated October 7, 2019.
3. Project Location. The proposed activities for this Temporary Use Activity are located at 17900 Sheep Creek Road, El Mirage.
4. Effective Date and Expiration. The procedures and requirements in Chapter 86.06 (Time Limitations), and those related to appeals and revocation in Division 6 (Development Code Administration), shall apply following the TUP approval. **This project permit approval is effective on September 30, 2022 and shall expire and become void on September 30, 2023.** The permit may be extended by the director if a written request for extension is submitted in accordance with SBCC §83.15.080.
5. Indemnification. In compliance with SBCC §81.01.070, the developer shall agree to defend, indemnify and hold harmless the County or its “indemnitees” (herein collectively the County’s elected officials, appointed officials [including Planning Commissioners], Zoning Administrator, agents, officers, employees, volunteers, advisory agencies or committees, appeal boards or legislative body) from any claim, action or proceeding against the County or its indemnitees to attack, set aside, void or annul an approval of the County by an indemnitee concerning the map or permit or any other action relating to or arising out of County approval, including the acts, errors or omissions of any person and for any costs or expenses incurred by the indemnitees on account of any claim, except where such indemnification is prohibited by law. In the alternative, the developer may agree to relinquish such approval.

Any condition of approval imposed in compliance with the County Development Code or County General Plan shall include a requirement that the County acts reasonably to promptly notify the developer of any claim, action, or proceeding and that the County cooperates fully in the defense. The developer shall reimburse the County and its indemnitees for all expenses resulting from such actions, including any court costs and attorney fees, which the County or its indemnitees may be required by a court to pay because of such action.

At its sole discretion, the County may participate at its own expense in the defense of any such action, but such participation shall not relieve the developer of their obligations under this condition to reimburse the County or its indemnitees for all such expenses.

This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The developer’s indemnification obligation applies to the indemnitee’s “passive” negligence but does not apply to

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- the indemnitee's "sole" or "active" negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.
6. Continuing Conditions. All conditions of this TUP are continuing conditions. Failure of the applicant and/or operator to comply with any or all of said conditions at any time shall result in the revocation of the permit granted to use the property.
  7. Additional Permits. The applicant shall ascertain and comply with requirements of all Federal, State, County, and Local Agencies as are applicable to the proposed use and the project area. They may include, but are not limited to: State: Fire Marshall, Mojave Desert Air Quality Management District; County: Public Health Department - Environmental Health Services Division, Local Enforcement Agency (LEA); Land Use Services Department - Building & Safety Division, Code Enforcement Division; Public Works Department; Fire Department.
  8. Continuous Maintenance. The Project property owner shall continually maintain the property so that it is visually attractive and not dangerous to the health, safety and general welfare of both on-site users (e.g. employees) and surrounding properties. The property owner shall ensure that all facets of the development are regularly inspected, maintained and that any defects are timely repaired. Among the elements to be maintained, include but are not limited to.
    - Maintenance and Repair. The developer shall conduct inspections for any structures, fencing/walls, driveways, and signs to assure proper structural, electrical, and mechanical safety.
    - Graffiti and Debris. The developer shall remove graffiti and debris immediately through weekly maintenance.
    - Erosion Control. The developer shall maintain erosion control measures to reduce water runoff, siltation, and promote slope stability.
  9. Enforcement. If any County enforcement activities are required to enforce compliance with the TUP conditions of approval, the County shall charge the applicant and/or property owner for such enforcement activities in accordance with the San Bernardino County Code Schedule of Fees.
  10. Unobstructed Access. The access road to the facility shall remain unobstructed at all times, except an access gate at the front driveway that the applicant may close after normal working hours.
  11. Circulation. The applicant shall maintain parking and on-site circulation requirements in good condition at all times.
  12. Signs. The applicant must apply for any sign. It must comply with the SBCC Sign Regulations found in Chapter 83.13, §83.13.030.
  13. Lighting. All lighting on-site shall reflect away from public thoroughfares and any adjacent residences and shall comply with the SBCC, Chapter 83.07 (Glare and Outdoor Lighting).
  14. Noise Levels. The applicant must maintain noise levels at or below County Standards, SBCC §83.01.080. For specific information, call DEHS at (800) 442-2283.
  15. Site Remediation. At the time of termination of the operation for any reason, the applicant shall remove all equipment and refuse associated with the operation from the site, and mitigate all hazards.
  16. Construction Yards (On-Site). On-site contractor's construction yards, for an approved construction project. The construction yard shall be removed immediately upon completion of the construction project, or the expiration of the Building Permit authorizing the construction project, whichever first occurs.
  17. Additional Permits. The applicant shall ascertain and comply with requirements of all Federal, State, County, and Local Agencies as are applicable to the proposed use and the project area. They may include, but are not limited to: County: Land Use Services Department-Planning, Building & Safety and Code Enforcement, Department of Public Works, San Bernardino County Fire Department, San Bernardino County.

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**DEPARTMENT OF PUBLIC WORKS – Traffic Division 909 387-8186**

18. Back out. Project vehicles shall not back up into the project site nor shall they back out into the public roadway.
19. Access. The access point to the facility shall remain unobstructed at all times, except a driveway access gate which may be closed after normal working hours.

**PUBLIC HEALTH - Environmental Health Services (800) 442-2283**

20. Refuse Storage and Disposal: All refuse generated at the premises shall at all times be stored in approved containers and shall be placed in a manner so that environmental public health nuisances are minimized. All refuse not containing garbage shall be removed from the premises at least 1 time per week, or as often as necessary to minimize public health nuisances. Refuse containing garbage shall be removed from the premises at least 2 times per week, or as often if necessary to minimize public health nuisances, by a permitted hauler to an approved solid waste facility in conformance with San Bernardino County Code Chapter 8, Section 33.0830 et. seq.
21. Noise Levels: Noise level shall be maintained at or below County Standards, Development Code Section 83.01.080.
22. OWTS Maintenance: The onsite wastewater treatment system shall be maintained so as not to create a public nuisance and shall be serviced by an EHS permitted pumper

**COUNTY FIRE DEPARTMENT–Community Safety Division (760)995-8190/(909)386-8465/LOCAL FIRE JURISDICTION**

23. Standard G-1 ORGANIC PRODUCT STORAGE: This standard applies to the indoor or outdoor bulk storage of miscellaneous organic products, such as yard or tree trimmings, manure, organic compost, wood chips, peat moss, sawdust, or any other piled finely divided materials that can accumulate heat and present a spontaneous combustion hazard.  
  
Standard B-1 PREMISE AND BUILDING IDENTIFICATION AND ADDRESSING: This standard applies to the marking of all buildings with address numbers for identification.  
  
Standard W-2 ONSITE FIRE PROTECTION WATER SYSTEMS: This standard establishes minimum requirements for installation and maintenance of all private fire hydrants and appliances related to an onsite fire protection system.
24. Fire Jurisdiction. The referenced project is protected by the County Fire Department. Prior to construction occurring on any parcel, the applicant shall contact the fire department for verification of current fire protection development requirements. All new construction shall comply with the existing California Fire Code and all applicable statues, codes, ordinances, or standards regarding fire safety as adopted by the County of San Bernardino or State of California.
25. Fuel Modification Zone : A Fuel Modification Zone (FMZ) plan designed specifically for the subject project is required and shall be designed by a consultant approved by the Fire Department. The FMZ plan shall be submitted to the Fire Department for review and approval in compliance with County standards.



26. Additional Requirements: In addition to the Fire requirements stated herein, other onsite and offsite improvements may be required which cannot be determined from tentative plans at this time and would have to be reviewed after more complete improvement plans and profiles have been submitted to this office.
27. Access – 150+ feet : Roadways exceeding one hundred fifty (150) feet in length shall be approved by the Fire Department. These shall be extended to within one hundred fifty (150) feet of and shall give reasonable access to all portions of the exterior walls of the first story of any building.

**Land Use Services Department – Land Development Division – Drainage Section (909) 387-8311**

28. Tributary Drainage. Adequate provisions should be made to intercept and conduct the tributary off-site and on-site 100-year drainage flows around and through the site in a manner that will not adversely affect adjacent or downstream properties at the time the site is developed.
29. Natural Drainage. The natural drainage courses traversing the site shall not be occupied or obstructed.
30. Drainage Setback. In order to maintain flow paths and patterns for the area, a minimum setback of 100 feet from the southerly property line for any fill placed on the site to allow for the tributary offsite flows to be accepted onto the site and not deflected onto the adjacent property. The windrows trucks/trailers/chassis are to be situated parallel to the flow path (north to south direction) to prevent blockage of flows and a minimum of 50 percent flow through area shall be maintained throughout the project
31. Site is within 100-year DWR floodplain. The site is located within a special flood hazard area for the 100-year floodplain shown on the Awareness Maps prepared by the Department of Water Resources (DWR) as a tributary to El Mirage Lake, which is a natural occurring depression. Awareness floodplains identify the 100-year flood hazard areas using approximate assessment procedures. These floodplains will be shown simply as flood prone areas without specific depths and other flood hazard data.
32. Floodproofing Measures. The site could be subjected to flooding even during minor storm events, which could damage existing structures. All future structures on the proposed lots shall be floodproofed by constructing the finished floor a minimum of 12 inches above the water surface elevation for the 100-year floodplain or a minimum of 24 inches above the surrounding ground, whichever is higher.

**PRIOR TO RECORDATION  
The Following Shall Be Completed**

**COUNTY FIRE DEPARTMENT–Community Safety Division (760)995-8190/(909)386-8465/LOCAL FIRE JURISDICTION**

33. Access: The development shall have a minimum of two points of vehicular access. These are for fire/emergency equipment access and for evacuation routes. a. Single Story Road Access Width. All buildings shall have access provided by approved roads, alleys and private drives with a minimum twenty-six (26) foot unobstructed width and vertically to fourteen (14) feet six (6) inches in height. Other recognized standards may be more restrictive by requiring wider access provisions. b. Multi-Story Road

Access Width. Buildings three (3) stories in height or more shall have a minimum access of thirty (30) feet unobstructed width and vertically to fourteen (14) feet six (6) inches in height.

**PRIOR TO ISSUANCE OF GRADING PERMITS  
OR LAND DISTURBING ACTIVITIES**

The Following Shall Be Completed

**PUBLIC HEALTH - Environmental Health Services (800) 442-2283**

34. Vector Control Requirement: The project area has a high probability of containing vectors. A vector survey shall be conducted to determine the need for any required control programs. A vector clearance application shall be submitted to the appropriate Mosquito & Vector Control Program. For information, contact EHS Mosquito & Vector Control Program at (800) 442-2283 or West Valley Mosquito & Vector at (909) 635-0307.

**Land Use Services Department – Land Development Division – Drainage Section (909) 387-8311**

35. FEMA Flood Zone. The project is located within Flood Zone D according to FEMA Panel Number 06071C5775H dated 8/28/2008. Flood Hazards are undetermined in this area but possible. The requirements may change based on the recommendations of a drainage study accepted by the Land Development Division and the most current Flood Map prior to issuance of grading permit. However, the site is located within a special flood hazard area for the 100-year floodplain shown on the Awareness Maps prepared by the Department of Water Resources (DWR) as a tributary to El Mirage Lake, which is a natural occurring depression. Awareness floodplains identify the 100-year flood hazard areas using approximate assessment procedures. These floodplains will be shown simply as flood prone areas without specific depths and other flood hazard data.
36. Grading Plans. Grading and erosion control plans shall be submitted for review and approval obtained prior to construction. Fees for grading plans will be collected upon submittal to the Land Development Division and are determined based on the amounts of cubic yards of cut and fill. Fee amounts are subject to change in accordance with the latest approved fee schedule.
37. NPDES Permit: An NPDES permit - Notice of Intent (NOI) - is required on all grading of one (1) acre or more prior to issuance of a grading/construction permit. Contact your Regional Water Quality Control Board for specifics. [www.swrcb.ca.gov](http://www.swrcb.ca.gov).
38. Regional Board Permit: Construction projects involving one or more acres must be accompanied by Regional Board permit WDID #. Construction activity includes clearing, grading, or excavation that results in the disturbance of at least one (1) acre of land total.
39. On-site Flows. On-site flows need to be directed to the nearest County maintained road or drainage facilities unless a drainage acceptance letter is secured from the adjacent property owners and provided to Land Development.
40. Compact Fill Requires a Grading Permit. a grading permit will be required to be obtained with movement of 100 cubic yards or more of material. A grading plan along with any associated calculations shall be submitted and approved prior to the issuance of the grading permit. The site is impacted by sheet flow type runoff from the south. The placement of any permanent/compacted fill will require an analysis by a registered civil engineer could prove the fill will not block stormwater runoff and adversely impact surrounding properties in the 100-year event.

41. Additional Drainage Requirements. In addition to drainage requirements stated herein, other "onsite" and/or "off-site" improvements may be required which cannot be determined from tentative plans at this time and would have to be reviewed after more complete improvement plans and profiles have been submitted to this office.
42. Erosion Control Installation. Erosion control devices must be installed and maintained at all perimeter openings and slopes throughout the construction of the project. No sediment is to leave the job site.
43. Drainage Improvements. All required drainage improvements shall be completed by the applicant. The private Registered Civil Engineer (RCE) shall inspect improvements outside the County right-of-way and certify that these improvements have been completed according to the approved plans. Certification letter shall be submitted to Land Development.

**PRIOR TO ISSUANCE OF BUILDING PERMITS  
The Following Shall Be Completed:**

**Land Use Services Department – Land Development Division – Road Section (909) 387-8311**

44. Road Dedication/Improvements. The developer shall submit for review and obtain approval from the Land Use Services Department the following dedications and plans for the listed required improvements, designed by a Registered Civil Engineer (RCE) licensed in the State of California:

**Sheep Creek Road (Major Highway – 104')**

- Driveway Approach. Design driveway approach per San Bernardino County Standard 129B and located per San Bernardino County Standard 130.
45. Construction Permits. Prior to installation of road and drainage improvements, a construction permit is required from the County Department of Public Works, Permits/Operations Support Division, Transportation Permits Section (909) 387-1863 as well as other agencies prior to work within their jurisdiction. Submittal shall include a materials report and pavement section design in support of the section shown on the plans. Applicant shall conduct classification counts and compute a Traffic Index (TI) Value in support of the pavement section design.
  46. Encroachment Permits. Prior to installation of driveways, sidewalks, etc., an encroachment permit is required from the County Department of Public Works, Permits/Operations Support Division, Transportation Permits Section (909) 387-1863 as well as other agencies prior to work within their jurisdiction.
  47. Soils Testing. Any grading within the road right-of-way prior to the signing of the improvement plans shall be accomplished under the direction of a soils testing engineer. Compaction tests of embankment construction, trench back fill, and all sub-grades shall be performed at no cost to the County and a written report shall be submitted to the Permits/Operations Support Division, Transportation Permits Section of the County Department of Public Works prior to any placement of base materials and/or paving.

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**COUNTY FIRE DEPARTMENT–Community Safety Division (760)995-8190/(909)386-8465/LOCAL FIRE JURISDICTION**

48. Combustible Protection: Prior to combustibles being placed on the project site an approved all-weather fire apparatus access surface and operable fire hydrants with acceptable fire flow shall be installed. The topcoat of asphalt does not have to be installed until final inspection and occupancy.
49. Building Plans: Building plans shall be submitted to the Fire Department for review and approval.
50. Fire Flow Test : Your submittal did not include a flow test report to establish whether the public water supply is capable of meeting your project fire flow demand. You will be required to produce a current flow test report from your water purveyor demonstrating that the fire flow demand is satisfied. This requirement shall be completed prior to combination inspection by Building and Safety.
51. Primary Access Paved: Prior to building permits being issued to any new structure, the primary access road shall be paved or an all-weather surface and shall be installed as specified in the General Requirement conditions, including width, vertical clearance and turnouts.
52. Surface: Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced so as to provide all-weather driving capabilities. Road surface shall meet the approval of the Fire Chief prior to installation. All roads shall be designed to 85% compaction and/or paving and hold the weight of Fire Apparatus at a minimum of 80 thousand pounds.
53. Turnaround: Turnaround. An approved turnaround shall be provided at the end of each roadway one hundred and fifty (150) feet or more in length. Cul-de-sac length shall not exceed six hundred (600) feet; all roadways shall not exceed a 12 % grade and have a minimum of forty-five (45) foot radius for all turns. In the Fire Safety Overlay District areas, there are additional requirements.
54. Water System: Prior to any land disturbance, the water systems shall be designed to meet the required fire flow for this development and shall be approved by the Fire Department. The required fire flow shall be determined by using California Fire Code. The Fire Flow for this project shall be:  1500  GPM for a  2  hour duration at 20 psi residual operating pressure.
55. Water System Certification: The applicant shall provide the Fire Department with a letter from the serving water company, certifying that the required water improvements have been made or that the existing fire hydrants and water system will meet distance and fire flow requirements. Fire flow water supply shall be in place prior to placing combustible materials on the job site.

**LAND USE SERVICES DEPARTMENT – Building and Safety Division (909) 387-8311**

56. Construction Plans: Any building, sign, or structure to be added to, altered (including change of occupancy/use), constructed, or located on site, will require professionally prepared plans based on the most current adopted County and California Building Codes, submitted for review and approval by the Building and Safety Division.

**PUBLIC HEALTH - Environmental Health Services (800) 442-2283**

57. Preliminary Acoustical Information: Submit preliminary acoustical information demonstrating that the proposed project maintains noise levels at or below San Bernardino County Noise Standard(s), San Bernardino Development Code Section 83.01.080. The purpose is to evaluate potential future on-site 36

and/or adjacent off-site noise sources. If the preliminary information cannot demonstrate compliance to noise standards, a project specific acoustical analysis shall be required. Submit information/analysis to the EHS for review and approval. For information and acoustical checklist, contact EHS at (800) 442-2283.

58. Existing OWTS: Existing onsite wastewater treatment system can be used if applicant provides an EHS approved certification that indicates the system functions properly, meets code, has the capacity required for the proposed project, and meets LAMP requirements.
59. Sewage Disposal: Method of sewage disposal shall be an EHS approved onsite wastewater treatment system(OWTS) that conforms to the Local Agency Management Program (LAMP).
60. Existing Wells: If wells are found on-site, evidence shall be provided that all wells are: (1) properly destroyed, by an approved C57 contractor and under permit from the County OR (2) constructed to EHS standards, properly sealed and certified as inactive OR (3) constructed to EHS standards and meet the quality standards for the proposed use of the water (industrial and/or domestic). Evidence, such as a well certification, shall be submitted to EHS for approval.
61. Water Service Verification Letter: Applicant shall procure a verification letter from the water service provider. This letter shall state whether or not water connection and service shall be made available the project by the water provider. This letter shall reference the File Index Number and Assessor's Parcel Number(s). For projects with current active water connections, a copy of water bill with project address may suffice.
62. Water Purveyor: Water purveyor shall be Phelan Pinon Hills CSD or EHS approved.

**PRIOR TO OCCUPANCY  
The Following shall Be Completed**

**SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT/HAZ MAT 909 386-8401**

63. Hazardous Waste Prior to Occupancy a business or facility that handles hazardous materials in quantities at or exceeding 55 gallons, 500 pounds, or 200 cubic feet (compressed gas) at any one time or generates any amount of hazardous waste shall obtain hazardous material permits from this department. Prior to occupancy the business operator shall apply for permits (Hazardous Material Permit, Hazardous Waste Permit, Aboveground Storage Tank Permit, Underground Storage Tank Permit) or apply for exemption from permitting requirements.
64. Business Plan. Prior to Occupancy an application for one or more of these permits shall occur by submitting a hazardous materials business plan using the California Environmental Reporting System (CERS) <http://cers.calepa.ca.gov/>
65. Prior to Occupancy a businesses or facilities handling greater than 1320 gallons of petroleum products in aboveground storage tanks (shell capacity) shall prepare and implement a Spill Prevention, Control, and Countermeasures Plan (SPCC) in accordance with 40 CFR 1 112.3 and CHSC 25270.4.5(a). The SPCC plan shall be maintained on site.
66. "Hazardous Material" means any material that because of its quantity, concentration, physical characteristics or chemical characteristics poses a significant present or potential hazard to human health and safety or to the environment if released into the workplace. Hazardous Materials include but are not limited to, hazardous substances, hazardous waste, or any material which the administering agency has a reasonable basis for

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believing would be injurious to human health or the environment. Additional information can be found at <http://www.sbctfire.org/ofm/Hazmat/PoliciesProcedures.aspx> or you may contact The Office of the Fire Marshal, Hazardous Materials Division at (909) 386-8401.

**Land Use Services Department – Land Development Division – Drainage Section (909) 387-8311**

67. Drainage Improvements: All required drainage improvements shall be completed by the applicant. The private Registered Civil Engineer (RCE) shall inspect improvements outside the County right-of-way and certify that these improvements have been completed according to the approved plans.

**Land Use Services Department – Land Development Division – Road Section (909) 387-8311**

68. LDD Requirements. All LDD requirements shall be completed by the applicant prior to occupancy.
69. Road Improvements. All required on-site and off-site improvements shall be completed by the and inspected/approved by the County Department of Public Works.

**COUNTY FIRE DEPARTMENT–Community Safety Division (760)995-8190/(909)386-8465/LOCAL FIRE JURISDICTION**

70. Vegetation: Combustible vegetation shall be removed as follows: a. Where the average slope of the site is less than 15% - Combustible vegetation shall be removed a minimum distance of thirty (30) feet from all structures or to the property line, whichever is less. b. Where the average slope of the site is 15% or greater - Combustible vegetation shall be removed a minimum one hundred (100) feet from all structures or to the property line, whichever is less.
71. Hydrant Marking : Blue reflective pavement markers indicating fire hydrant locations shall be installed as specified by the Fire Department. In areas where snow removal occurs or non-paved roads exist, the blue reflective hydrant marker shall be posted on an approved post along the side of the road, no more than three (3) feet from the hydrant and at least six (6) feet high above the adjacent road.

**END OF CONDITIONS**

# Agenda Item 4

Matters Removed from  
Consent Items

# Agenda Item 5

Presentations/Appointments



# Agenda Item 6a

Discussion & Possible Adoption  
of Resolution No. 2022-30;  
Authorizing the Opening of a  
Brokerage Account with Charles  
Schwab



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:** November 16, 2022

**TO:** Board of Directors

**FROM:** Don Bartz, General Manager  
By: David Noland, Accountant

**SUBJECT:** Discussion and Possible Adoption of Resolution No. 2022-30; Authorizing the Opening of a Brokerage Account with Charles Schwab

### STAFF RECOMMENDATION

Staff recommends for the Board to adopt Resolution No. 2022-30; Authorizing the opening of a brokerage account with Charles Schwab.

### BACKGROUND

At the October Finance Committee meeting and the November 2, 2022 Board meeting, investment opportunities were discussed as a potential financing avenue. The current interest rates offered are the highest they have been since the formation of the District. In researching available investment options, the investments available through Charles Schwab meet the District's Investment Policy and offer the highest rates available at this time.

Staff recommends utilizing Charles Schwab for some of the District's investments. All investments are in accordance with the District's Investment Policy 1130.

Attached is Resolution NO. 2022-30, which must be adopted by the Board to open an account.

### FISCAL IMPACT

N/A

### ATTACHMENT(S)

Resolution 2022-30  
Investment Policy 1130

**10. Required Certificate of Authority and Resolution**

The Organization adopts the following Certificate of Authority and Resolution.

Each of the undersigned hereby certifies, warrants, and represents to Charles Schwab & Co., Inc. ("Schwab") that the Organization is authorized as follows.

1. The Organization is (select **only** one):

- A Member-Managed Limited Liability Company (LLC), and the undersigned represent all Members of the LLC
- A Manager-Managed LLC, and the undersigned represent all Managers of the LLC
- A Limited Partnership, and the undersigned represent all General Partners of the Limited Partnership
- A General Partnership, and the undersigned represent all Partners of the General Partnership
- A Limited Liability Partnership (LLP), and the undersigned represent all Partners of the LLP
- An Unincorporated Association, and the undersigned holds the office of General Manager / Treasurer
- A Sole Proprietorship, and I am engaged in business under the name of the Organization, and all property in that name belongs to me and is my sole property. I further warrant, represent, and certify that I am the sole owner of the business so conducted and that no other person, firm, corporation, or other entity has any interest in the business.

2. Each individual whose signature appears in Section 9 (each an Authorized Individual) is authorized to (1) provide tax certifications; (2) establish, maintain, and operate the account(s) with Schwab on behalf of the Organization and to bind the Organization to the Application Agreement and all incorporated agreements and disclosures, including, but not limited to, the Schwab One Account Agreement and the *Charles Schwab Pricing Guide*, each as amended from time to time (the "Agreement and Disclosures"); and (3) designate persons to operate such account(s).
3. Each Authorized Individual is authorized to act individually, independently, and without the consent of the owner, member, manager, or partner of the Organization. Notice sent to any Authorized Individual will constitute notice to the Organization. Nothing in the organizational documents, agreements, and laws governing the Organization imposes any obligation upon Schwab for determining the purpose or propriety (i) of any instructions received from any Authorized Individual or (ii) of payments or deliveries to or among Authorized Individuals.
4. In the exercise of such authority, each Authorized Individual is empowered, on behalf of the Organization, to use or acquire any service offered by Schwab and its affiliates and to execute and deliver any and all documents, in the name of and on behalf of the Organization as may be requested or required by Schwab. This authority includes the power to open, now or in the future, one or more accounts, and with respect to each account, to execute, on behalf of the Organization, any and all forms and agreements, including, but not limited to, agreements to arbitrate controversies, and to deal and transact with Schwab in connection with the accounts, including the authority to (i) obtain and terminate all such services as Schwab (or its affiliates or third-party service providers) may offer in connection with the accounts (including without limitation any margin lending or Internet-based online services) and to execute on behalf of the Organization such documents and agreements as required by Schwab in connection with such services; (ii) appoint one or more individuals to act on behalf of the Organization as an Authorized Individual with regard to the Organization's accounts with authority as described herein or in such forms and to deliver to Schwab any change form for an Authorized Individual, Power of Attorney, or other document to effect or evidence such appointment; and (iii) terminate any Authorized Individual's authority to act on the account. This authority also includes the power to instruct the transfer of funds, securities, and other assets, including, but not limited to, the entire account, by wire, check, or otherwise from the account to or for the account of any other person, including the Authorized Individual giving the instruction, without limit as to amount and without inquiry. This authority also includes the power to (i) give written, oral, or electronic instructions to Schwab to buy or sell stocks, bonds, options and/or other securities, commodities and commodity futures, and other property, whether for immediate or future delivery; and (ii) secure payment with property of the Organization, including, but not limited to, stocks, bonds, options, and/or other securities.
5. The authority thereby conferred is not inconsistent or in conflict with any organizational documents, resolutions, agreements, other applicable constituent documents, or laws governing the Organization and is within the Organization's power and authority and agreements and laws governing the Organization.
6. In case of the death or withdrawal of any one of the partners or members, or in case of the termination or dissolution of the Organization, each of the undersigned agrees to notify Schwab promptly in writing and to execute any supplementary authorization that Schwab may require in such an event. If Schwab is not notified in writing, Schwab is authorized to continue to receive orders for the account(s) that may be given to Schwab by any one of the Authorized Individuals then surviving.
7. All actions previously taken with respect to matters described in this Certificate are ratified, confirmed, and approved. This Certificate will remain in full force and effect until written notice of its revocation is delivered to and receipt is acknowledged by Schwab. Until such revocation and acknowledgement, Schwab may rely on this authorization without question.
8. The signatures that appear in Section 9 are true and genuine original signatures.



**10. Required Certificate of Authority and Resolution** (Continued)

**Required Signatures for Section 10**

**Sole Proprietorship:** Owner must sign.

**Limited Partnership:** All General Partners must sign.

**General Partnership:** All Partners must sign.

**Limited Liability Partnership:** All General Partners must sign.

**Member-Managed Limited Liability Company:** All Members must sign.

**Manager-Managed Limited Liability Company:** All Managers must sign.

**Unincorporated Association:** A minimum of two officers must sign. One signature must be from the Chairman of the Board, the President, or any Vice President; the second signature must be from the Secretary, any Assistant Secretary, the Chief Financial Officer, the Treasurer, or any Assistant Treasurer.

Please complete all four signature fields: (1) sign name, (2) print name, (3) enter date, and (4) select title. Schwab cannot complete these fields on your behalf—failure to complete all four fields will delay the processing of your application.

Signature \_\_\_\_\_ Rebecca Kujawa \_\_\_\_\_  
 Print Name \_\_\_\_\_ Date (mm/dd/yyyy) \_\_\_\_\_

**Title** (Select **only** one from the table below.)

For Sole Proprietorships	<input type="checkbox"/> Owner
For Limited Partnerships	<input type="checkbox"/> General Partner <input type="checkbox"/> Authorized Representative of General Partner
For General Partnerships	<input type="checkbox"/> Partner <input type="checkbox"/> Authorized Representative of Partner
For Limited Liability Partnerships	<input type="checkbox"/> General Partner <input type="checkbox"/> Authorized Representative of General Partner
For Member-Managed Limited Liability Companies	<input type="checkbox"/> Member <input type="checkbox"/> Authorized Representative of Member
For Manager-Managed Limited Liability Companies	<input type="checkbox"/> Manager <input type="checkbox"/> Authorized Representative of Manager
For Unincorporated Associations	<input checked="" type="checkbox"/> Chairman of the Board <input type="checkbox"/> President <input type="checkbox"/> Vice President <input type="checkbox"/> Secretary <input type="checkbox"/> Assistant Secretary <input type="checkbox"/> Chief Financial Officer <input type="checkbox"/> Treasurer <input type="checkbox"/> Assistant Treasurer

Signature \_\_\_\_\_ Don Bartz \_\_\_\_\_  
 Print Name \_\_\_\_\_ Date (mm/dd/yyyy) \_\_\_\_\_

**Title** (Select **only** one from the table below.)

For Sole Proprietorships	<input type="checkbox"/> Owner
For Limited Partnerships	<input type="checkbox"/> General Partner <input type="checkbox"/> Authorized Representative of General Partner
For General Partnerships	<input type="checkbox"/> Partner <input type="checkbox"/> Authorized Representative of Partner
For Limited Liability Partnerships	<input type="checkbox"/> General Partner <input type="checkbox"/> Authorized Representative of General Partner
For Member-Managed Limited Liability Companies	<input type="checkbox"/> Member <input type="checkbox"/> Authorized Representative of Member
For Manager-Managed Limited Liability Companies	<input type="checkbox"/> Manager <input type="checkbox"/> Authorized Representative of Manager
For Unincorporated Associations	<input type="checkbox"/> Chairman of the Board <input type="checkbox"/> President <input type="checkbox"/> Vice President <input type="checkbox"/> Secretary <input type="checkbox"/> Assistant Secretary <input type="checkbox"/> Chief Financial Officer <input checked="" type="checkbox"/> Treasurer <input type="checkbox"/> Assistant Treasurer



**RESOLUTION NO. 2020-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT  
ESTABLISHING POLICY NO. 1130  
"STATEMENT OF INVESTMENT POLICY"**

WHEREAS, 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., and a local government agency subject to the requirements of the Political Reform Act of 1974, California Government Code Section 81000 et seq.; and

WHEREAS, the Phelan Pinon Hills Community Services District, under Government Code Section 53646(a)(2), must provide to its governing Board a Statement of Investment Policy; and

WHEREAS, the Statement of Investment Policy has been modeled after similar agency policies and in conformity with California Government Code Sections 53600 and 53635, et seq.; and

WHEREAS, the Statement of Investment Policy provides District Staff with a management tool to implement future investment decisions by the District.

NOW, THEREFORE, BE IT RESOLVED by the District's Board of Directors that Policy No. 1130, "Statement of Investment Policy," attached hereto and incorporated herein by this reference, is hereby adopted as the Investment Policy for public funds held by and entrusted to the Phelan Pinon Hills Community Services District through its elected Board of Directors and employees.

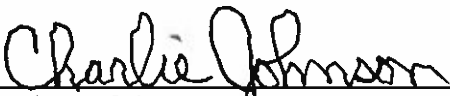
APPROVED AND ADOPTED this 15th day of January 2020.

AYES: Hoffman, Johnson, Kujawa, Philips, Roberts

NOES:

ABSTAIN:

ABSENT:

  
\_\_\_\_\_  
President of the Board

  
\_\_\_\_\_  
Secretary

**POLICY NO. 1130**

**SECTION 1131. TABLE OF CONTENTS**

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**SECTION 1132. INTRODUCTION**

1132.01 **Responsibility** - The General Manager, or authorized designee, is responsible for investing the cash balances in all District funds in accordance with the California Government Code, Sections 53600 et seq. and 53635 et seq. This policy does not include Long Term Debt Reserve Funds and Deferred Compensation Funds, which are exceptions covered by other more specific Government Code sections and the legal documents unique to each debt transaction.

1132.02 **Prudent Investor Standard** - The standard of prudence to be used by the General Manager and other individuals assigned to manage the investment portfolio shall be the "prudent investor" standard which states, in essence, that "in investing... property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs..." (Civil Code Sect. 2261, et seq.) This standard shall be applied in the context of managing an overall portfolio. These individuals acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

1132.03 **Investment Intent** - It is the District's full intent, at the time of purchase, to hold all investments until maturity in order to ensure the return of all invested principal. However, it is realistically anticipated that market prices of securities purchased as investments will vary depending on economic conditions, interest rate fluctuations, or individual security credit factors. In a well-diversified investment portfolio, such temporary variations in market value will inevitably result in measurable losses at any specific point in time. From time to time, changes in economic or market conditions may dictate that it is in the District's best interest to sell a security prior to maturity.

## **SECTION 1133. INVESTMENT FACTORS**

1133.01 **Principal Investment Factors** - The three principle investment factors of **Safety, Liquidity and Yield** are to be taken into consideration, in the specific order listed, when making any and all investment decisions.

1133.01.1 **Safety** of principal is the foremost factor to be considered during each investment transaction. Safety in investing refers to minimizing the potential for loss of principal, interest or a combination of the two due to the two types of risk, Credit Risk and Market Risk.

1133.01.1.1 Credit Risk, defined as the risk of loss due to failure of the issuer of security, shall be mitigated by only investing in very safe, or "investment grade" securities and diversifying where feasible.

1133.01.1.2 Market Risk, defined as market value fluctuations due to overall changes in interest rates shall be mitigated by limiting the average maturity of the investment portfolio to less than 3 years, with a maximum maturity of any one security of 5 years without prior Board approval. Also, the portfolio will be structured based on liquidity needs so as to avoid the need to sell securities prior to maturity.

1133.01.2 **Liquidity** refers to the ability to convert an investment to cash promptly with minimum risk of losing some portion of principal or interest. The investment portfolio will be structured based on historic cash flow analysis in order to provide the necessary liquidity as investments routinely mature. A portion of the portfolio will be maintained in liquid short term securities which can be converted to cash if necessary to meet unforeseen disbursement requirements.

1133.01.3 **Yield** is the average annual return on an investment based on the interest rate, price, and length of time to maturity. The District attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.



## **SECTION 1134. AUTHORIZED AND PROHIBITED INVESTMENTS**

**1134.01 Authorized Investment Instruments** - The District is subject to California Government Code, Section 53601 et seq. Within the context of the governing language, the General Manager or designee is authorized to invest in the following types of securities. (The percentage noted in this section is the maximum percentage the investment is allowed in regards to the portfolio.)

**1134.01.1 Local Agency Bonds – Maximum of 100%.** Maximum term of investment 5 years. There is no limitation as to the percentage of the portfolio which can be invested.

**1134.01.2 United States Treasury Bills, Notes, and Bonds – Maximum of 100%.** Maximum term of investment 5 years. There is no limitation as to the percentage of the portfolio, which can be invested.

**1134.01.3 Obligations issued by the Federal Government – Maximum of 100%.** Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank (FHLB), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA), and the Student Loan Marketing Association (SLMA). Although there is no percentage limitation on “governmental agency” issues, the prudent person rule shall apply for a single agency name.

**1134.01.4 Banker’s Acceptances – Maximum of 25%.** Banker’s Acceptances are time drafts drawn on and accepted by a commercial bank. Purchased Banker’s Acceptances shall not exceed 180 days to maturity, or 25% of the market value of the portfolio. No more than 5% of the market value of the portfolio may be invested in Banker Acceptances issued by any one commercial bank.

**1134.01.5 Commercial Paper – Maximum of 10%.** Commercial Paper rated “P1” by Moody’s Investor Services and A1 by Standard and Poor’s and issued by a United States corporation having assets exceeding \$500,000 and having an “A” or better rating on its long-term debentures as rated by Moody’s and Standard and Poor. Commercial Paper purchases cannot exceed 10% of the market value of the portfolio (30% if the dollar weighted average maturity of all commercial paper does not exceed 270 days). Purchase of commercial paper may not exceed 10% of outstanding paper of an issuing corporation.

**1134.01.6 Negotiable Certificates of Deposit - Maximum of 25%.** Negotiable Certificates of Deposit (NCD) issued by a nationally or state chartered bank or state or federal savings and loan association. To be eligible for purchase by the District the NCD must be issued by:

**1134.01.6.1** A California bank rated “BB” or better by Standard and Poor’s; or

1134.01.6.2 A major national regional bank outside California rated “BBB” or better by Standard and Poor’s; or

1134.01.6.3 A savings and loan association operating in California rated “BBB” or better by Standard and Poor’s.

Purchases of negotiable certificates of deposits may not exceed 25% of the market value of the portfolio. A maturity limitation of five (5) years is applicable on NCDs.

**1134.01.7 Repurchase Agreements – Maximum of 20%.** The District may invest in Repurchase Agreements with banks and dealers with which the District has entered into a Master Repurchase Agreement which specifies terms and conditions of Repurchase Agreements. A signed copy of the Master Repurchase Agreement shall be required from the authorized financial dealer prior to the execution of any applicable transaction. The maturity of Repurchase Agreements shall not exceed one year. The market value of securities used as collateral for Repurchase Agreements shall be monitored daily and will not be allowed to fall below 102% of the value of the Repurchase agreement as set forth in California Government Code Section 53601 (i) (2).

**1134.01.8 Local Agency Investment Fund – Maximum of \$40 million per account.** The District may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

**1134.01.9 Medium-Term Notes – Maximum 30%.** Medium-Term Notes with a maximum of five years maturity issued by corporations organized and operating within the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of “A” or its equivalent or better by nationally recognized rating service. No more than 30% of the market value of the portfolio may be invested in Medium-Term Notes.

**1134.01.10 Money Market Mutual Funds – Maximum of 20%.** Shares of beneficial interest issued by diversified management companies that are money market mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as defined in Section 53601(k)(2) of the California Government Code. To invest in securities and obligations, which comply, with the investment restrictions pursuant to Section 53601(k)(2), companies shall either:

1134.01.10.1 Attain the highest ranking or the highest letter and numerical ranking provided by not less than two out of the three rating services: Moody’s Investor Service, standard and Poor’s, or Fitch Investor’s Service, Inc.

1134.01.10.2 Retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience managing money market mutual funds with assets under management

in excess of five hundred million dollars (\$500,000,000). The purchase price of shares of beneficial interest purchased pursuant to this section shall not include any commission that these companies may charge and shall not exceed 20% of the District's surplus money that may be invested in money market mutual funds. Further, the District may invest only in money market mutual funds, which have an average maturity of 90 days or less per Securities and Exchange Commission regulations.

All positions in government-sponsored investment pools and permitted money market mutual funds (per Sections G and I, above) shall be subject to periodic review by the General Manager or designee, in order to ensure that the monies in question are managed in a manner consistent with the standards and objectives set forth elsewhere in this policy.

**1134.01.11 Collateralized Bank Deposits – Maximum of 100%.** The Agency may invest in notes, bonds or other obligations, which are at all times secured by a valid first priority security interest. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or Federal regulations applicable to the types of securities in which the security interest is placed. For the purposes of Time Deposits issued by financial institutions, there is no limitation as to the percent of the portfolio, which can be invested/deposited.

**1134.01.12 Investment Pools – Maximum of 30%.** Pools and other investment structures rated AA or higher, incorporating investments permitted in California Government Code Sections 53601, 53635, and 5922(d).

**1134.01.13 Joint Powers Investment Pools – Maximum of 100%.** There is no limitation as to the percentage of the portfolio which can be invested. The pool must incorporate investments permitted in California Government Code Sections 53601, 53635, and 5922(d).

**1134.01.14 Summary of Max % Limitations of Investments by Investment Type:** The following summary of maximum percentage limits by investment type established for the District's total pooled investment portfolio:

	<u>Investment Type</u>	<u>Limit</u>	<u>Period</u>
1134.01.14.1	US Treasury Bills Notes & Bonds	0 to 100%	No Limit
1134.01.14.2	Obligations Issued by the US Gov.	0 to 100%	No Limit
1134.01.14.3	Banker's Acceptances	0 to 25%	180 Days
1134.01.14.4	Commercial Paper	0 to 10%	270 Days
1134.01.14.5	Negotiable Certificates of Deposit	0 to 25%	5 Years
1134.01.14.6	Repurchase Agreements	0 to 20%	1 Year

1134.01.14.7	Local Agency Investment Fund	\$40 mil/Acct	No Limit
1134.01.14.8	Medium-Term Notes	0 to 30%	5 Years
1134.01.14.9	Money Market Mutual Funds	0 to 20%	90 Days
1134.01.14.10	Collateralized Bank Deposits	0 to 100%	No Limit
1134.01.14.11	Investment Pools	0 to 30%	No Limit
1134.01.14.12	Joint Powers Investment Pools	0 to 100%	No Limit

1134.02 **Prohibited Investments** - In accordance with California Government Code Section 53601.6, the District will not invest any funds in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages. The District may hold previously permitted but currently prohibited investments until their maturity dates.

## **SECTION 1135. INVESTMENT SPECIFICS**

1135.01 **Safekeeping** - All investments of the District shall have the Phelan Piñon Hills Community Services District as registered owner and shall be held in safekeeping by a third party bank trust department, acting as agent for the District under the terms of a custody agreement.

1135.02 **Maximum Maturities** - The District will match its investments with anticipated cash flow requirements. Per California Government Code Sections 53601 et seq., maximum maturities shall not exceed five (5) years. The average maturity of funds should not exceed 1,275 days (3.5 years), and the cash flow requirements shall prevail at all times.

1135.03 **Diversification** - Investments shall be diversified among institutions, types of securities and maturities to maximize safety and yield with changing market conditions. Local financial institutions will be given preferential consideration for investment of District funds consistent with the District's objective of attaining market rates of return, and consistent with constraints imposed by its safety objectives, cash flow considerations and State laws.

1135.04 **Legislative Changes**. Any State of California legislative actions that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the Phelan Piñon Hills Community Services District Investment Policy and supersede any and all previous applicable language.

## **SECTION 1136. RESPONSIBILITY AND REVIEW**

1136.01 **Delegation and Grants of Authority** - Management responsibility for the investment program is delegated to the General Manager, who shall establish written procedures and policies for the operation of the investment program with this Investment Policy. The General Manager may delegate the responsibility for investment to other management employees as necessary and approved by the Board of Directors.

1136.02 **Ethics & Conflict Of Interest** - The General Manager and all personnel authorized to invest District monies shall refrain from personal business activity which would create a conflict with the proper execution of the investment program, or the execution of impartial investment decisions. A State of California Form 721, Statement of Economic Interests Disclosure shall be completed by the General Manager and other management personnel that invest District monies.

1136.03 **Investment Reports** - The General Manager shall submit a quarterly investment report to the District Board in accordance with Government Code Section 16481.2 containing the following information for each individual investment:

- 1136.03.1 Financial institution
- 1136.03.2 Type of investment
- 1136.03.3 Purchase Price of investment
- 1136.03.4 Rate of interest
- 1136.03.5 Purchase date
- 1136.03.6 Maturity date
- 1136.03.7 Current market value for securities
- 1136.03.8 Other data as required by the District

In addition, the report shall include a statement of compliance of the portfolio with the Board approved Investment Policy and a statement indicating the ability of the District to meet its expenditure requirements for the next six months.

1136.04 **Investment Policy Review** - This investment policy and guidelines shall be adopted by resolution of the District Board on an annual basis after being reviewed to ensure its consistency with the overall objectives of preservation of principal, liquidity, and yield, and its relevance to current law and financial and economic trends.

# Agenda Item 6b

Discussion & Possible Action  
Regarding Resolution No. 2022-  
31; Authorizing the Execution of a  
Lease Agreement and Site Lease,  
and Authorizing and Directing  
Certain Actions in Connection  
Therewith for the Financing of  
the Civic Center Building

## M E M O R A N D U M

**DATE:** November 16, 2022

**TO:** Board of Directors

**FROM:** Don Bartz, General Manager  
By: Lori Lowrance, Assistant General Manager/CFO

**SUBJECT:** Discussion & Possible Action Regarding Resolution No. 2022-31; Authorizing the Execution of a Lease Agreement and Site Lease, and Authorizing and Directing Certain Actions in Connection Therewith for the Financing of the Civic Center Building

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### STAFF RECOMMENDATION

For the Board to approve Resolution No. 2022-31; Authorizing the Execution of a Lease Agreement and Site Lease and Authorizing and Directing Certain Actions in Connection Therewith for the Financing of the Civic Center Building (Phase I of the Civic Plaza Project).

### BACKGROUND

The Board has tasked staff with seeking potential funding for the Civic Center Building (Phase I of the Civic Plaza Project). The project is a 14,034 sf Civic Center Building, parking, landscaping, and offsite improvements, to be built at 9535 Sheep Creek Road, on the property north of the District office. Staff has been seeking possible funding from various sources and presented the Board with financing options at the November 2, 2022, Board Meeting. The Board directed staff to pursue the Lease Purchase financing option with Municipal Financing Corporation.

The attached Resolution will secure the District’s interest rates and fees associated with the impending lease. Once approved the lease documents will be executed and funding will be secured. The Civic Center Building project, in the final phases of permitting, will be brought back to the Board for authorization to go out to bid and the final proposals will be brought back to the Board for consideration. Upon selection of a proposal, construction will begin on the project.

Sources of Financing	Lease (repaid by Enterprise Fund)	Enterprise Fund	Government Funds	Federal Grant	Total
Total Est. Construction Costs	6,000,000.00	500,000.00	2,772,992.69	2,000,000.00	11,272,992.69
Loan Origination Fees	40,000.00				40,000.00
					0.00
					0.00
<b>Total by Financing Source</b>	<b>6,040,000.00</b>	<b>500,000.00</b>	<b>2,772,992.69</b>	<b>2,000,000.00</b>	<b>11,312,992.69</b>
<b>Total by District Funds</b>		<b>6,540,000.00</b>	<b>2,772,992.69</b>	<b>2,000,000.00</b>	
% of Total		58%	25%	18%	



**FISCAL IMPACT**

\$6,504,000 Lease

**ATTACHMENT(S)**

Resolution No. 2022-31

**RESOLUTION NO. 2022-31**

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY  
OF A LEASE AGREEMENT AND SITE LEASE AND AUTHORIZING  
AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the Phelan Pinon Hills Community Services District (the "District") is a community services district duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

**WHEREAS**, the District desires to provide for financing in an amount not to exceed \$6,500,000.00 for the acquisition and construction of an administrative facility (the "Project"); and

**WHEREAS**, Municipal Finance Corporation (the "Corporation"), as consultant to the CSDA Lease Finance Program, has proposed a cost-effective twenty year lease financing arrangement at a 4.75% interest rate; and

**WHEREAS**, in accordance with Government Code Section 5852.1, the Board of Directors has obtained and disclosed the information set forth in Appendix A hereto;

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

**SECTION 1. Lease Agreement and Site Lease.** The President of the Board, the General Manager or a designee (each, an "Authorized Officer") is hereby authorized to enter into a Lease Agreement and Site Lease with the Corporation or its nominee to finance the Project, subject to approval as to form by the District's legal counsel.

**SECTION 2. Project Fund Agreement.** An Authorized Officer is hereby authorized to enter into a Project Fund Agreement with the Corporation and US Bank National Association, as project fund custodian, subject to approval as to form by the District's legal counsel.

**SECTION 3. Attestations.** The Secretary of the Board or other appropriate District officer is hereby authorized and directed to attest the signature of an Authorized Officer or of such other person or persons as may have been designated by an Authorized Officer, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Lease Agreement, the Site Lease and the Project Fund Agreement.

**SECTION 4. Other Actions.** An Authorized Officer and other officers of the District are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all agreements, documents and certificates which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution, the Lease Agreement, the Site Lease and the Project Fund Agreement. Such actions are hereby ratified, confirmed and approved.

**SECTION 5. Qualified Tax-Exempt Obligations.** The Lease Agreement is hereby designated as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The District, together with all subordinate entities of the District, do not reasonably expect to issue during the calendar year

in which the Lease Agreement is issued more than \$10,000,000 of obligations which it could designate as “qualified tax-exempt obligations” under Section 265(b) of the Code.

**SECTION 6. Reimbursement of Prior Expenditures.** The District declares its official intent to be reimbursed from the proceeds of the Lease approved hereby for a maximum principal amount of \$6,000,000.00 of expenditures occurring no earlier than sixty days prior to the adoption of this Resolution. All reimbursed expenditures will be capital expenditures as defined in Section 1.150-1(b) of the Federal Income Tax Regulations.

**SECTION 7. Effect.** This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 16th day of November 2022, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

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President of the Board

I hereby certify that the foregoing resolution was duly introduced, passed and adopted by the vote as noted above.

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Secretary of the Board

## **APPENDIX A**

### **GOVERNMENT CODE SECTION 5852.1 DISCLOSURE**

The following information consists of estimates that have been provided by the Corporation, which have been provided to the District in good faith:

- (A) True interest cost of the Lease: 4.75%
- (B) Finance charge of the Lease (sum of all costs of issuance and fees/charges paid to third parties): \$40,000.00
- (C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any): \$6,000,000.00
- (D) Total payment amount through maturity: \$9,846,198.37

# Agenda Item 6c

Introduction of Ordinance No. 2022-03; Establishing Regulations for Custody & Use of the District Seal, District Logo, and District Insignia

## MEMORANDUM

**DATE:** November 16, 2022

**TO:** Board of Directors

**FROM:** Don Bartz, General Manager  
By: Kim Sevy, HR & Solid Waste Manager/District Clerk

**SUBJECT:** Introduction Ordinance No. 2022-03; Establishing Regulations for Custody & Use of the District Seal, District Logo, and District Insignia

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### STAFF RECOMMENDATION

For the Board to review Ordinance No. 2022-03; Establishing Regulations for Custody & Use of the District Seal, District Logo, and District Insignia.

### BACKGROUND

The District seal, District logo, and District insignia are personal property of the District and the District can control their use as well as prevent other parties from unauthorized use. Misuse or unauthorized use of the District's official seal, District logo, and other District insignia can cause confusion or misrepresentation that a statement, event, or organization is supported or endorsed by the District. Although a person may be criminally prosecuted for the improper use of the District's official seal if it is used in the context of campaign literature or mass mailings, there are no other statutory prohibitions on the use of the District's official seal or District logo. Therefore, staff is recommending adoption of regulations governing the use of the official District seal, District logo, and other insignia as a preventative measure to address potential fraud, deception, and misuse.

The District does not currently have regulations governing the use of the District's official seal, District logo, or other insignia. California law makes it a misdemeanor to use District seals with the intention of creating an impression that a document is authorized by a public official (Gov't Code §34501.5). The use of the District seal with the intent to deceive voters into thinking a communication is from the District can be a violation of California election law (Elect. Code § 18304).

Although state laws discussed above provide some limits upon the use of the District's official seal to prevent misrepresentations, there is no regulation on whether the District's official seal, logo, or insignia may be used, by whom, in what context, or in what capacity. Modern technology makes it easy for anyone to capture the District's official seal, logo, or insignia and use it to mislead or give the impression that a publication, event, or item is authorized or sponsored by the District.

Staff is recommending adoption of the attached ordinance to provide the District with a tool to help ensure that the District Seal, District logo, and other insignia are used only for purposes directly related to the official business of the District or as expressly authorized. The proposed

ordinance establishes and authorizes uses for the District seal, District logo, and other insignia and will empower the District's General Manager to enforce the Ordinance regarding the use of the District seal, District logo, and other insignia by District staff. Lastly, the proposed ordinance will establish civil fines of up to \$500 and a misdemeanor offense for malicious or commercial uses which are inconsistent with the public good.

**FISCAL IMPACT**

Publishing Costs

**ATTACHMENT(S)**

Ordinance No. 2022-03 & Exhibits

**ORDINANCE NO. 2022-03**  
**AN ORDINANCE OF THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT,**  
**COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA,**  
**ESTABLISHING REGULATIONS FOR CUSTODY AND USE OF**  
**THE DISTRICT SEAL, DISTRICT LOGO, AND DISTRICT INSIGNIA**

**WHEREAS,** the Phelan Piñon Hills Community Services District (“District”) is a Community Services District located within the County of San Bernardino and is organized and operates pursuant to the California Government Code Section 61000, *et seq.*;

**WHEREAS,** the District has a District seal that is not protected from unauthorized use by ordinance or copyright law;

**WHEREAS,** California Government Code § 34501.5 and Elections Code § 18304 solely protect agency seals by prohibiting the use of an agency seal in campaign literature or mass mailing with the intent to deceive voters;

**WHEREAS,** the unauthorized use, reproduction or facsimile of a District seal for any purpose may create a misleading, erroneous or false impression that the document, item, statement, event, and/or organization is authorized, supported, and/or sponsored by the District or a public official;

**WHEREAS,** the District desires to protect its official seal from all unauthorized uses to prevent fraud, deception, misrepresentation, and/or abuse; and

**WHEREAS,** the District’s Board of Directors seeks to ensure that the District seal, District logo, and other District insignia are used only for purposes directly related to the official business of the Phelan Piñon Hills Community Services District, or as expressly authorized.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Directors of the Phelan Piñon Hills Community Services District as follows:

**SECTION 1: RECITALS**

The District hereby finds and determines that the above Recitals are true and correct and are incorporated herein.

**SECTION 2: DEFINITIONS**

A. “District Seal” means the official seal of the Phelan Piñon Hills Community Services District as adopted by the Board of Directors by minute action on February 25, 2009. The District seal is described as a form of a die two inches in diameter; the form of the die is once circle. Within the circle is a view of a green hills, a light brown desert



floor, a blue sky, and a Joshua tree centered in the foreground; imprinted inside the perimeter of the circle at the top are the words "PHELAN PINON HILLS" and at the bottom are the words "COMMUNITY SERVICES DISTRICT." Imprinted above the hills and Joshua tree are the letters "PPHCSD" which are an acronym for the Phelan Pinon Hills Community Services District; imprinted to the left of the Joshua tree are the letters "EST." which is an abbreviation of established; imprinted to the right of the Joshua tree is the number "2008" which represents the year the District was formed. (SEE EXHIBIT A)

B. "District Logo" means the District's primary logo used on letterhead and other documents, and is an illustrative logo with a blue mountains/hills, a setting sun between the peaks, and a gold/yellow, wavy line below the mountains. (SEE EXHIBITS B-1 AND B-2)

C. "District Insignia" means in addition to the District logo and District seal as designated by the District's Board of Directors, any other logos, website banners, letterhead, business cards, or emblems depicting or including the District, as approved by the General Manager.

### **SECTION 3: USE OF THE DISTRICT SEAL, DISTRICT LOGO, AND DISTRICT INSIGNIA**

A. The General Manager or designee, acting as the custodian of the District Seal, District Logo and any District Insignia, is authorized to use or affix the District Seal, District Logo and any District Insignia to all certificates and documents as may be required by law, by this Ordinance to authenticate official District documents or to indicate institutional sanction for official, legal and ceremonial purposes.

B. The District Seal, District Logo and any District Insignia shall only be used for purposes directly connected with the official business of the District except upon written authorization of the General Manager or designee.

C. District officers, employees, members of the District Board of Directors may use stationery, printed materials and other articles with the District Seal, District Logo or District Insignia while acting within the scope of their office or employment.

D. The General Manager shall designate the particular motor vehicle or other vehicles or items of property belonging to the District, or in connection with which replicas or near representations of the District Seal, District Logo or District Insignia shall be used. The District officers or employees having immediate charge or control of the motor vehicles or property shall obtain replicas of the District Seal, District Logo or District Insignia from the General Manger or designee and affix the same thereto and maintain the same thereon.

E. The District Board of Directors retains the right to create variations of the District Seal and District Logo, and to adopt and establish other official District Seals and

District Logos. Such variations may include, but are not limited to, centennial or other seals or logos which mark anniversaries, events, and/or any other District occasion the District Board of Directors wishes to commemorate. The District Seal and District Logo may only be altered pursuant to direction by the District Board of Directors.

F. The District Manager or designee is authorized to determine the appropriate use of District Insignia. The District Manager shall not approve any use of the District Insignia in such a manner as to suggest District endorsement of events, political issues, products, and other uses that are prohibited by law, or in a discriminatory manner or manner inconsistent with this Ordinance.

#### **SECTION 4: PROHIBIT USES OF DISTRICT SEAL, DISTRICT LOGO, AND DISTRICT INSIGNIA**

A. It is unlawful for any person or entity to make use of the District Seal, District Logo, and/or District Insignia or any portion, facsimile, mock-up, or reproduction thereof, or make or use of any design, symbol, emblem, insignia or similar device that is an imitation of said District Seal, District Logo, or District Insignia, or that may be mistaken therefor, that is designed, intended or likely to confuse, deceive or mislead the public, for private or commercial purposes or for any purpose other than the official business of the District without the express written consent of the General Manger or their designees under the authority granted by the Board of Directors.

B. No person, firm, association, or corporation shall use the District Seal, District Logo, and/or District Insignia, or any facsimile thereof for purposes of supporting or opposing the nomination or election to any District or other public office of him or herself or any other person, or for purposes of supporting or opposing any ballot measure, nor include such District Seal, District Logo, and/or District Insignia on any writing distributed for purposes of influencing the action of the electorate, or any part thereof, in any election. This Section shall not be applicable to writings issued by the District or the District Board of Directors as a whole pursuant to law.

C. Unauthorized use of the District Seal, District Logo, and/or District Insignia for commercial, malicious, deceptive, fraudulent, or other unauthorized purposes without the express written authorization of the District is declared to be a public nuisance and the District can abate or enjoin such use pursuant to this Ordinance.

#### **SECTION 5: PENALTIES**

Violation of this Ordinance shall be an infraction or misdemeanor, as determined by District Counsel, and punishable by a fine not exceeding five hundred dollars (\$500.00), or imprisonment for a term not exceeding six (6) months, or by both such fine and imprisonment. Nothing herein prevents the District from using any other available civil and/or criminal remedies allowed by law to protect the District Seal, District Logo, and District Insignia from improper or illegal use.

**SECTION 7: ENFORCEMENT OFFICER**

The District’s General Manager is hereby declared and appointed as the enforcement officer of this Ordinance, and shall be empowered to take such other actions as authorized herein, or as may otherwise be authorized by the District’s Board of Directors or be reasonably necessary, for enforcement of the Ordinance.

**SECTION 11: CONFLICTING PROVISIONS**

If any provision of this Ordinance is in conflict with any applicable federal or state law or regulation, the federal or state law or regulation shall govern. If provisions of this Ordinance are in conflict with each other, other provisions of the District’s regulations or policies, or any other resolution of ordinance of the District, the more restrictive provisions shall control.

**SECTION 12: SEVERABILITY**

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decisions shall not affect the validity of the remaining portions of this Ordinance.

**SECTION 13: PUBLICATION AND POSTING**

The Secretary of the Board is hereby directed to cause a summary of this Ordinance to be published at least five (5) days prior to the date of adoption hereof in a newspaper of general circulation printed and a copy of the full text must be posted at the District office at least five (5) days prior to the meeting. The full text of this Ordinance must be published within ten (10) days after adoption with the names of the directors voting for and against the adoption, and must likewise be posted at the District office.

**SECTION 14: EFFECTIVE DATE**

This Ordinance shall take effect and be in force thirty (30) days after its passage and the District Clerk of the Phelan Piñon Hills Community Services District is hereby authorized to use summary publication procedures pursuant to Government Code Section 36933 utilizing a newspaper of general circulation published in the District.

**APPROVED AND ADOPTED** this \_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
President of the Phelan Piñon Hills  
Community Services District and  
of the Board of Directors thereof.

STATE OF CALIFORNIA                 )  
  )  
COUNTY OF SAN BERNARDINO         )

I, Kimberly Sevy, Secretary of the Board of Directors of the Phelan Piñon Hills Community Services District, do hereby certify that the foregoing Ordinance, being Ordinance No. 2022-03, was duly adopted by the Board of Directors of said District at a regular meeting of said Board held on \_\_\_\_\_ day of \_\_\_\_\_, 2022, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Secretary of the Phelan Piñon Hills  
Community Services District and  
of the Board of Directors thereof.

SEAL

EXHIBIT A



EXHIBIT B-1



EXHIBIT B-2



# Agenda Item 6d

Update on Uniform Solid Waste  
Collection & Possible  
Authorization to Amend Uniform  
Collection Ordinance

## MEMORANDUM

**DATE:** November 16, 2022

**TO:** Board of Directors

**FROM:** Don Bartz, General Manager  
By: Kim Sevy, HR & Solid Waste Manager/District Clerk

**SUBJECT:** Update on Uniform Solid Waste Collection & Possible Authorization to Begin the Process to Amend Ordinance No. 2022-01

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### **STAFF RECOMMENDATION**

None

### **BACKGROUND**

Staff will provide an update on Uniform Solid Waste Collection and request authorization to amend District Ordinance No. 2022-01 as necessary.

### **FISCAL IMPACT**

None

### **ATTACHMENT(S)**

None

# Agenda Item 6e

Update on the Proposed Civic  
Center & Phelan Park Expansion  
Projects



## MEMORANDUM

**DATE:** November 16, 2022

**TO:** Board of Directors

**FROM:** Don Bartz, General Manager  
By: Kim Sevy, HR & Solid Waste Manager/District Clerk

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

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### 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 7

Committee Reports/Comments

# Agenda Item 8

Staff & General Manager's Report

## Parks, Recreation & Street Lighting Report October 2022

### **Introduction**

The District Parks and Recreation Department operates and maintains community centers, senior centers, parks and streetlights. 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, an 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 streetlights 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:

<b>Location</b>	<b>Paid Rental</b>	<b>District Use</b>	<b>Donated Use</b>
<b>Phelan Community Center</b>	5	10	5
<b>Phelan Senior Center</b>	5	0	9
<b>Piñon Hills Community Center</b>	9	0	6
<b>Miscellaneous</b>	0	0	0
<b>Phelan Park</b>	0	0	0

## **Events and Classes**

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

- Parks Committee Meeting – was October 11, 2022 4:30 pm Phelan C.C.
  - Next Parks Committee Meeting – January 10, 2023 4:30 pm Phelan C.C.
  - Farmers Market – Mondays, 2:00 pm – 6:00 pm (Phelan C. C. parking lot starting Aug. 8, 2022)
  - Line Dancing – Every Friday, 9:00 am – 10:30 am, Phelan C.C.
  - Senior Lunches – Monthly  
(TBD, discussions are in process with the senior groups regarding the senior lunches)
    - 1st Wednesday at Phelan C.C.
    - 3rd Thursday at Pinon Hills C.C.
  - Kids Baking Class – Saturday 11/12/2022 10am – 12 noon, at Phelan C.C
  - Kids Baking Class – Saturday 12/10/2022 10am – 12 noon, at Phelan C.C.
  - Community Cleanup – Saturday 11/5/2022 8am – 12 noon, at CR&R Service Yard
  - Painting Class – Saturday 11/5/2022 Age 5-12, 9am – 10:30am & Age 13+, 11am – 12:30pm at Phelan C.C.
  - Painting Class – Saturday 12/17/2022 Age 5-12, 9am – 10:30am & Age 13+, 11am – 12:30pm at Phelan C.C.
  - Tree Lighting Ceremony - Friday 12/2/2022 6 pm, at Phelan Park
  - Gardening Class – Harvest/Storing Fruits and Vegetables, Saturday 10/8/2022, 10am, Teaching Garden
  - Gardening Class – Using a Greenhouse, Saturday 11/12/2022, 10am, Teaching Garden
  - Gardening Class – Planting Trees and Pruning, Saturday 12/12/2022, teaching Garden
- (Learn to Garden classes are held at the Teaching Garden, just north of PPHCSD Office)

## **Projects/Activities in Process**

- Parks Budget for 2022/2023 – CIP projects are in process and ongoing. Phelan C.C Unit A interior painting done in August. Pinon Hills C.C. restroom plastic wall panels, replaced in September. Pinon Hills Park swing set retaining wall, done in September. Lighting additions for Phelan and Pinon Hills Park scheduled for November.
- Phelan Park Expansion Project – Design with phase planning is in process for the 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.
- Efforts on funding source possibilities for the Phelan Park expansion project are ongoing.
- Parks Master Plan – Action plan needs are being implemented and are ongoing.



## MANAGEMENT REPORT

**DATE:** November 1, 2022  
**PREPARED BY:** Kim Sevy, HR & Solid Waste Manager  
**SUBJECT:** September 2022 Manager's Report

### SOLID WASTE & RECYCLING

#### Customer Data:

<u>COMMERCIAL ACCOUNTS</u>	<u>NO.</u>	<u>CITATIONS ISSUED</u>	<u>NO.</u>
Trash	122	Commercial	0
Recycling	121	Residential	0
Organics	N/A		
		<u>PERMITS ACTIVE</u>	<u>NO.</u>
		Self-Haul - Commercial Recycling	1
		Self-Haul - Commercial Organics	0
		Self-Haul - Residential Recycling	N/A
		Self-Haul - Residential Organics	N/A

#### Notable Activity:

- Met with Director of Public Works regarding transfer station ability to assist with self-haul program and required data gathering and how the county intends to implement their curbside/self-haul program and implication on dump cards.
- Met with CR&R corporate staff regarding CR&R yard ability to assist with self-haul program and required data gathering.
- Continuing to promote CR&R residential service to increase voluntary participation.
  - Monthly mailers in customer bills
  - Information in new customer packets
  - Social media ads
  - Information in District office

#### Upcoming/Current Events:

- Community Clean-up & Tire Day
  - November 5, 2022 – 8am-noon
  - CR&R Service Yard
- Community Information Meeting
  - January 26, 2022 – 10:00am
  - Phelan Community Center & Zoom
  - Facilitated by MSW Consulting

#### Recent Events:

- None

### HUMAN RESOURCES

#### Statistical Data:

- Full Time Employees: 27

- Engineering: 3
- Water (Field): 10.5
- Parks & Rec: 2.5
- Administration: 10
- Part Time Employees: 0
- Temporary Employees: 0
- Open Positions: 1

**MISCELLANEOUS**

Upcoming District Events:

*(for Park & Rec events, see Park Operations Supervisor’s Report)*

Upcoming Board Election

- 3 seats are up for election
- Election day is November 8, 2022

Website Data (for September 2022)

My Account	4,390
Main Page	4,061
Water Department	602
Services	394
Employment	390
Admin Tech I Job Info	300
Meetings	268
Apply for Service	230
Board Members	225
Contact Us	223
Events	174
Solid Waste & Recycling	151
Rates & Fees	148
Board of Directors Meeting	138
Parks & Recreation	131
Calendar	119
Sign Up for Classes	102
Other Payment Options	94
New Connections	85

Grants

- **SB 1383 Local Compliance Grant**
  - Submitted in January 2022. The District was awarded \$20,000.
- **Small Scale Water Efficiency Grant**
  - \$75,000 to be disbursed when meters for Phase 3a are purchased. Verified meter purchase is in compliance with federal requirements.



- **Community Project Funding Request**

- Staff submitted a Community Project Funding Request (“Request”) in the amount of \$2,000,000 to help fund a portion of the Civic Center Project which will house the Community/Board Room that also will service as the area’s Community Emergency Operations Center to Congressman Jay Obernolte.
- The \$2,000,000 was included in the House draft of the Homeland Security Appropriations bill, but is waiting for Congress to address spending for FY23 which is not expected until the December continuing resolution expires.
- The consolidated funding bill is then signed into law by the President (March 15, 2022, this year for last year’s requests) and funding is then distributed. After funding is distributed, the District will have approximately 12-24 months to complete the project and is subject to an audit by the Government Accountability Office. During this time, it is possible that funding for such Requests may disappear, however all indications show that funding is likely to continue for now.

- **County American Rescue Program Act (ARPA) Funds**

- Staff is working with KTUA on a submittal to request ARPA funds for portions of the Phelan Park Expansion Project. Submittal is anticipated for October.





## Water Operations Manager's Report October 2022

### Introduction

The Phelan Piñon Hills Community Services District (District) maintains a large water distribution system that includes over three hundred & forty miles of water lines. The following are District statistics and information related to the operations of this distribution system and the quality of the water supplied to District customers.

### Summary

The District's water distribution system is in compliance with the State Water Resources Control Board- Division of Drinking Water, The Environmental Protection Agency, Safe Drinking Water Act, Cal OSHA, and all other governing agencies.

Current chlorine demand has remained low and steady due to routine maintenance and flushing. Chlorine demand is found by subtracting the chlorine residual from the total chlorine added to the water system. A low chlorine demand indicates water-free or nearly free of pathogenic microorganisms.

### Water Quality Samples

The following is a summary of all water quality samples collected this month and any pertinent information related to said samples.

TEST TYPE	NO. OF COLLECTIONS THIS MONTH	TESTING SCHEDULE	NOTES
Raw water and Bac-t samples	49 samples	Monthly	All in compliance, Sampled Weekly
General physical samples	6 samples	Monthly	All in compliance, Sampled Weekly
TTHM/HAA5	4 samples sets	Quarterly	All in compliance.
UCMR 4	0 sample sets	TBD	All in Compliance.
Inorganics	0 samples	Yearly	All in compliance.
Radiological (Gross Alpha)	0 samples	Every 3 Years	All in compliance.
Trichloropropane 1,2,3-TCP	0 samples	Quarterly	All in compliance.
Regulated VOC	0 samples	As needed	All in compliance.
Nitrate as N	0 samples	As needed	All in Compliance.
Chromium 6	14 samples	Quarterly	All in Compliance.
Secondary GP'S	0 samples	As needed	All in Compliance.
Uranium	0 samples	As needed	All in Compliance

## Production and Service Order Report

The following is a summary of the District's water production and service orders for the current month.

<b>Total Monthly Production</b>	243.59 A. F. 2 % more than 2021
<b>2021 Monthly Production</b>	238.58 A. F.
<b>USA's Marked</b>	403
<b>Service Orders Completed</b>	429 service orders completed
<b>Main/Service Line Leaks</b>	51 service line leaks repaired. 1 Main line leak/ breaks repaired
<b>Hydrant Repairs/Replacements</b>	1 hydrant repaired/0 replaced
<b>Residential Meters Sold</b>	6
<b>Commercial Meters Sold</b>	0
<b>YTD Total Meters Sold (Calendar)</b>	76 (95 in 2021)
<b>Construction Meters Out</b>	7
<b>Service Lines Replaced</b>	7

### Job Code Summary

<b>Job Code</b>	<b>Total Completed</b>
C-Lock - Lock	71
C-Read & Unlock-Open - Read & Unlock - Opening	13
C-Read & Unloc-OC-DM - Read & Unlock - Opening-OC-DM	54
D-Closing Read & Lck - Closing Read & Lock DO NOT USE	5
D-Closing Read-OC-DM - Closing Read & Lock-OC-DM DO NOT USE	5
M- Investigate Lock - Verify Meter Still Locked	18
M- Verify Acct Class - Verify Account Class	0
M- Water Audit - Audit Water Usage	4
M-Backflow - Backflow Information	0
M-Cost Estimate Req - Cost Estimate Request	2
M-Data - Data Log	5
M-Bees- Bees	0
M-Investigate Leak - Investigate Leak	2
M-Investigate No Wtr - Investigate No Water	2
M-Lock No N/O Info - Meter Locked No New Owner Info	0
M-Low/No Consumption - Investigate Low/No Consumption	6
M-Meter Leaking - Meter Leaking	4
M-Meter UTL - Buried - Meter UTL - Buried	0
M-Pressure Ck Hi-Low - Pressure Check Hi-Low	1
M-R/R Angle Stop - Repair/ Replace Angle Stop	1
M-R/R Gate Valve - Repair/ Replace Gate Valve	1
M-Read - Read (do not update Read)	4
M-Repair Svc Line - Repair Service Line	51
M-Repair/Install Box - Meter Box	2
M-Replace Serv Line - Replace Service Line	7

M-Stake Meter Loc - Stake Meter Location	1
M-Status - Status	3
M-Turn off-Cust Req - Turn off - Customer Request	5
M-UNLOCK – UNLOCK	30
M-Verify Leak Repair - Verify Leak Repaired	1
M-Water Loss Leak - Door Hanger Water Loss Leak	0
M-Water Quality Taste - Water Quality - Taste	0
S- Replace Register - Register Not Sending Signal	0
S- Meter Downsize - Meter Downsizing	0
Service Change - Service Status Change	0
S-Replace Mtr & Reg - Replace Entire Meter Max Life Usage	0
S-Replace Reg Hotrod - Replace Register Hotrod Died	66
S-Replace Register - Replace Register Mueller	0
S-Replace Mtr- Replace Entire Meter Bottom Seal Leaking	12
Grand Totals	429

### **Summary of Current Projects**

The following is a brief summary of all current and completed projects for the reported period

- Well Soundings at all wells are being done monthly
- Well 14 Production for September 0.22 AF, YTD 5.23 AF @ \$1055 per AF replacement C/Y 2022
- Valves and Hydrants Maintenance: 7 hydrants flushed and painted YTD Total-49
- Service line replacement program on target to meet current established goals. 156 Replaced Calendar Year To Date, 28 Replaced Fiscal Year To Date
- Air-Vac maintenance & flushing program-0 Flushed & Maintenance YTD-72 of 336 Total Project 21% Complete
- Cla-Val automatic controls valves being systematically rebuilt as a water conservation measure- 17 Complete YTD Water savings from this project is 17 GPM and counting in conjunction with operational efficiency @ 7MG
- Water Meter Replacement Project- 3211 of 7201 Replaced – 45 % Complete
- Equipping Community Fill Station with 200 Amp Electric service- 95% Complete

### **Projects Completed**

- Well 11 rehabilitation is complete, pump to waste line installed -100% Complete.
- 12" Ductile pipe received for well 15 on-site for installation once viability is determined - 100% Complete
- Tank 1A-3 Interior coating sand, blast, re-coat- 100% Complete
- Replacement of Booster motor B at site Well 10- 100% Complete
- Re-wiring of site 5A Boosters A, B, C and control wiring-100% Complete
- Well Meter and inter-tie Meter annual accuracy program FY 21/22- 100 % Complete
- Electrical Efficiency test performed @ every booster and well within the District- 100% Complete with summaries of notable replacements attached
- Oil Changes and greasing at all district wells 100% Complete Boosters 100 % Complete
- 0 Valves Turned this month as part of the district Valve Exercising Program, 152 Year To Date Turned of 4291
- 317 Dead ends flushed of 317 = every year no matter what < No goal, this is mandatory
- 1936 hydrants = 3 flushed this Year To Date 162 Painted Goal is 968 annually, this is done Bi-Annual
- Tank washouts of 1B-2,1B-1,3B,3C,1C-1,5A,1A-3, Well 2-1, 4A, Well 2-2, Zone G Complete
- "Z" meters locates & installs- 18 total 100% Complete
- 4,750,278 Gallons Dispensed from Community Fill Station YTD

# Agenda Item 9

Director Reports

Philips Oct 2022

6<sup>th</sup>

Mojave Water Agency Technical Advisory Committee (TAC) meeting

Election of Technical Advisory Officers for 2023

17<sup>th</sup>

Association of San Bernardino County Special Districts meeting

“The Brown Act in 2023: What Will Change and What Won’t”

27<sup>th</sup>

Women in Water Inland Empire

Interactive learning lab on Expanding Effectiveness through the Myers-Briggs Type Indicator

# Agenda Item 10

Correspondence/Information



# BILLING SCHEDULE

## NOVEMBER 2022

**November 1**

- Bills mailed for **October 2022** charges

**November 14**

- Payment must be received by 5:00 p. to avoid disconnection for **September 2022** bill

**November 15**

-Disconnection date for **September 2022** bill

**November 21**

-Payment must be received by 5:00 p.m. to avoid penalty for **November 2022** bill



## DECEMBER 2022

**December 1**

- Bills mailed for **November 2022** charges

**December 13**

- Payment must be received by 5:00 p.m. to avoid disconnection for **October 2022** bill

**December 14**

-Disconnection date for **October 2022** bill

**December 21**

- Payment must be received by 5:00 p.m. to avoid penalty for **December 2022** bill



## JANUARY 2023

**January 1**

- Bills mailed for **December 2022** charges

**January 17**

- Payment must be received by 5:00 p.m. to avoid disconnection for **November 2022** bill

**January 18**

-Disconnection date for **November 2022** bill

**January 23**

- Payment must be received by 5:00 p.m. to avoid penalty for **January 2023** bill

### Holiday Closure

Veterans Day- Friday, November 11, 2022

Thanksgiving - Thursday & Friday, November 24 & 25, 2022

Christmas Eve & Christmas Day Observance- Friday & Monday December 23 & 26, 2022

New Year's Day Observance- Monday January 2, 2023



HAPPY  
**FALL  
PAINTING CLASS**



**Saturday, November 5**  
**9 AM - Ages 5 - 12**  
**11 AM - Ages 13 and up**

RSVP Required : [www.pphcsd.org/events](http://www.pphcsd.org/events)

Phelan Senior Center  
4128 Warbler Road  
Phelan, CA  
760-868-1212







2ND ANNUAL

# *Christmas Tree* **LIGHTING**

*And Visit from Santa Claus*

2ND OF DECEMBER | 6 O'CLOCK PM

PHELAN COMMUNITY PARK | 4176 WARBLER RD, PHELAN, CA

PRESENTED BY PHELAN PINON HILLS CSD

PARKS AND RECREATION DEPARTMENT

*Hot Chocolate and Candy Canes to Be Served*



Kids

# Christmas Baking Class

Saturday, December 10

10AM - 12 PM

Phelan Community Center

4128 Warbler Road

Phelan

RSVP Required: [www.pphcsd.org/events](http://www.pphcsd.org/events)



Join us in making  
Christmas sugar  
cookies and hot  
chocolate!

4176 Warbler Rd.  
Phelan, CA  
[www.pphcsd.org](http://www.pphcsd.org)  
760-868-1212





# Bobsleds *and* brushes

## CHRISTMAS PAINTING CLASS



DECEMBER 17, 2022

9 AM AGES 5 - 12 | 11 AM AGES 13+



MAKE A BEAUTIFUL CHRISTMAS PAINTING WITH US!

RSVP REQUIRED : [WWW.PPHCSD.ORG/EVENTS](http://WWW.PPHCSD.ORG/EVENTS)

PHELAN SENIOR CENTER

4128 WARBLER RD, PHELAN



[WWW.PPHCSD.ORG](http://WWW.PPHCSD.ORG)  
760-868-1212



Go Play  
at the Park

Phelan Piñon Hills CSD Parks and Recreation

# Agenda Item 11

Review of Action Items

# Agenda Item 12

Set Agenda for Next Meeting