

**HESPERIA CITY COUNCIL
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
HOUSING AUTHORITY
COMMUNITY DEVELOPMENT COMMISSION
WATER DISTRICT
HESPERIA FIRE PROTECTION DISTRICT - SPECIAL MEETING**



Meeting Agenda

Tuesday, June 3, 2025

Closed Session - 5:30 PM

Regular Meeting - 6:30 PM

**City Council Chambers
9700 Seventh Ave., Hesperia CA, 92345
City Clerk's Office: (760) 947-1007**

City Council Members

**Allison Lee, Mayor
Cameron Gregg, Mayor Pro Tem
Brigit Bennington, Council Member
Chris Ochoa, Council Member
Josh Pullen, Council Member**

**Rachel Molina, City Manager
Pam K. Lee, City Attorney**



NOTE: In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (760) 947-1007 or (760) 947-1026. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

To leave a Public Comment by phone, call and leave a recorded message at (760) 947-1026 up to 5:30 pm on the day of the scheduled meeting. City Council meetings may be viewed live or after the event on the City's website at www.cityofhesperia.us.

**NOTICE AND CALL OF SPECIAL MEETING
HESPERIA FIRE PROTECTION DISTRICT**

NOTICE IS HEREBY GIVEN that a special meeting of Hesperia Fire Protection District will be held on Tuesday, June 3, 2025, at 6:30 p.m. in the City Council Chambers, at 9700 Seventh Avenue, Hesperia, CA 92345.



Allison Lee, Mayor

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**REGULAR MEETING AGENDA
HESPERIA CITY COUNCIL
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
HESPERIA HOUSING AUTHORITY
HESPERIA COMMUNITY DEVELOPMENT COMMISSION
HESPERIA WATER DISTRICT
HESPERIA FIRE PROTECTION DISTRICT - SPECIAL MEETING**

9700 7th Avenue, Council Chambers, Hesperia, CA 92345

As a courtesy, please silence your cell phones and other electronic devices while the meeting is in session. Thank you.

Prior to action of the Council, any member of the audience will have the opportunity to address the legislative body on any item listed on the agenda, including those on the Consent Calendar.

Individuals wishing to speak during General Public Comments or on a particular numbered item must submit a speaker slip to the City Clerk with the agenda item noted. Speaker slips should be turned in prior to the public comment portion of the agenda or before an agenda item is discussed. Comments will be limited to three minutes for General Public Comments, Consent Calendar items and New Business items. Comments are limited to five minutes for Public Hearing items.

In compliance with the Brown Act, the City Council may not discuss or take action on non-agenda items or engage in question and answer sessions with the public. The City Council may ask brief questions for clarification; provide a reference to staff or other resources for factual information and direct staff to add an item to a subsequent meeting.

CLOSED SESSION - 5:30 PM

Roll Call

*Mayor Allison Lee
Mayor Pro Tem Cameron Gregg
Council Member Brigit Bennington
Council Member Chris Ochoa
Council Member Josh Pullen*

Conference with Legal Counsel - Potential Litigation:
Government Code Section 54956.9(d)2

1. One (1) case

Personnel Matters - Performance Evaluations
Government Code Section 54957

1. Performance Evaluation - City Attorney
2. Performance Evaluation - City Manager

CALL TO ORDER - 6:30 PM

A. Invocation

B. Pledge of Allegiance to the Flag

C. Roll Call

Mayor Allison Lee
Mayor Pro Tem Cameron Gregg
Council Member Brigit Bennington
Council Member Chris Ochoa
Council Member Josh Pullen

D. Agenda Revisions and Announcements by City Clerk**E. Closed Session Reports by City Attorney****ANNOUNCEMENTS/PRESENTATIONS**

1. Presentation to Hesperia Unified School District Superintendent Dave Olney commemorating his years of dedicated service to the Hesperia unified School District.

GENERAL PUBLIC COMMENTS (For items and matters not listed on the agenda)

Individuals wishing to speak during General Public Comments or on a particular numbered item are requested to submit a speaker slip to the City Clerk with the agenda item noted. Speaker slips should be turned in prior to the public comment portion of the joint agenda or before an agenda item is discussed. Comments will be limited to three minutes for General Public Comments, Consent Calendar items and New Business items. Comments are limited to five minutes for Public Hearing items.

In compliance with the Brown Act, the City Council may not discuss or take action on non-agenda items or engage in question and answer sessions with the public. The City Council may ask brief questions for clarification; provide a reference to staff or other resources for factual information and direct staff to add an item to a subsequent meeting.

JOINT CONSENT CALENDAR

1. Page 7 Consideration of the Draft Minutes from the Special Meeting held Tuesday, May 20, 2025.

Recommended Action:

It is recommended that the City Council approve the Draft Minutes from the Special Meeting held Tuesday, May 20, 2025.

Staff Person: Deputy City Manager/City Clerk Melinda Sayre

Attachments: [Draft CC Min 2025-05-20](#)

2. Page 15 Warrant Run Report (City- Successor Agency- Housing Authority- Community Development Commission- Water)

Recommended Action:

It is recommended that the Council/Board ratify the warrant run and payroll report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development

Commission, and Water District.

Staff Person: Assistant City Manager Casey Brooksher

Attachments: [SR Warrant Run 6-3-2025](#)

[Attachment 1 - Warrant Run](#)

3. Page 17

Audit Services for Fiscal Year 2024-25

Recommended Action:

It is recommended that the City of Hesperia, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Hesperia Fire Protection District, and Hesperia Water District Council/Boards/Commissions enter into a Professional Services Agreement with the independent certified public accounting firm CliftonLarsonAllen (CLA) LLP, in the not to exceed amount of \$143,060, to perform the audit of the City and its component units, for the fiscal year end June 30, 2025, as well as additional required State reporting for the year end June 30, 2025.

Staff Person: Assistant City Manager Casey Brooksher

Attachments: [SR Audit Services for Fiscal Year 2024-25 6-3-2025](#)

4. Page 19

TLC Animal Removal Services

Recommended Action:

It is recommended that the City Council authorize the City Manager to approve an amendment to the existing contract with TLC Animal Removal Services in the amount of \$36,000, for a total not-to-exceed revised amount of \$177,000 over the total 5 years, and to approve a one-year contract extension for animal disposal services.

Staff Person: Deputy City Manager/City Clerk Melinda Sayre

Attachments: [SR TLC Animal Removal Services 6-3-2025](#)

5. Page 21

Consideration of Ji Vel Relief Services Veterinary Contract

Recommended Action:

It is recommended the City Council authorize the City Manager to approve an amendment to the existing contract with Ji Vel Relief Services in the amount of \$170,600 per year, for a revised not to exceed the amount of \$325,600 and approve a one-year contract extension for Spay and Neuter, telemedicine, vaccination clinics, and premise permit services.

Staff Person: Deputy City Manager/City Clerk Melinda Sayre

Attachments: [SR Ji Vel Relief Services Veterinary Contract 6-3-2025](#)

6. Page 23

Award Professional Service Agreements for Sewer System Planning and Design Support

Recommended Action:

It is recommended that the City Council and Board of Directors of the Hesperia

Water District approve the award of a Professional Services Agreement (PSA) to Carollo Engineers, Inc. for \$197,505 to provide sewer system planning and design support services for the City of Hesperia.

Staff Person: Director of Public Works/City Engineer Cassandra Sanchez

Attachments: [SR Sewer System Planning and Design Support 6-3-2025](#)

[Attachment 1 - Carollo Engineers Scope and Fees](#)

7. Page 31

G & M Automotive Center, Inc. Contract Amendment

Recommended Action:

It is recommended that the City Council and Board of Directors of the Hesperia Water District authorize the City Manager to increase the contract with G & M Automotive Center, Inc. for \$50,000 for a new not-to-exceed amount of \$925,000 for vehicle maintenance and repairs through the remainder of Fiscal Year (FY) 2024-25, ending June 30, 2025.

Staff Person: Director of Public Works/City Engineer Cassandra Sanchez

Attachments: [SR G & M Automotive Center, Inc Contract 6-3-2025](#)

8. Page 33

Amend Project Funding Agreement with San Bernardino County Transportation Authority for the Ranchero Road Widening Project

Recommended Action:

It is recommended that the City Council approve Amendment No. 3 to the Project Funding Agreement (PFA) No. 17-1001692 between San Bernardino County Transportation Authority (SBCTA) and the City, extending the contract for construction of the Ranchero Road Widening Project, and authorize the Mayor to execute the Amendment.

Staff Person: Director of Public Works/City Engineer Cassandra Sanchez

Attachments: [SR Amend Ranchero Project Funding Agreement with SBCTA 6-3-2025](#)

[Attachment 1- Amendment No. 3 Project Funding Agreement](#)

PUBLIC HEARING

Individuals wishing to comment on public hearing items must submit a speaker slip to the City Clerk with the numbered agenda item noted. Speaker slips should be turned in prior to an agenda item being taken up. Comments will be limited to five minutes for Public Hearing items.

WAIVE READING OF ORDINANCES

Approve the reading by title of all ordinances and declare that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

9. Page 39

Amendments to Title 14, Chapter 14 of the Hesperia Municipal Code related to Cross Connections and Backflow Devices

Recommended Action:

It is recommended that the City Council and Board Members of the Hesperia Water District (District) introduce and place on first reading Ordinance No. 2025-02 regarding cross connections and backflow devices; amending Title 14,

Chapter 14.04 of the Hesperia Municipal Code.

Staff Person: Water Operations Manager Jeremy McDonald

Attachments: [SR Cross Connections and Backflow Devices 6-3-2025](#)
[Ordinance 2025-02](#)
[Attachment 2 - Exhibit A](#)

NEW BUSINESS

10. Page 45

Fiscal Year (FY) 2025-26 Operating Budget Adoption

Recommended Action:

It is recommended that the City Council/Board's adopt the following Resolutions approving the FY 2025-26 Operating Budget for the City of Hesperia, Hesperia Housing Authority, Hesperia Fire Protection District, and Hesperia Water District:

- 1) City of Hesperia Resolution No. 2025-18 adopting the Fiscal Year 2025-26 Budget
- 2) City of Hesperia Resolution No. 2025-19 adopting the GANN Appropriations Limit
- 3) Hesperia Housing Authority Resolution HHA 2025-03 adopting the Fiscal Year 2025-26 Budget
- 4) Hesperia Fire Protection District Resolution HFPD 2025-02 adopting the Fiscal Year 2025-26 Budget
- 5) Hesperia Fire Protection District Resolution HFPD 2025-03 adopting the GANN Appropriations Limit
- 6) Hesperia Water District Resolution HWD 2025-04 adopting the Fiscal Year 2025-26 Budget
- 7) Joint Resolution No. 2025-15, HHA 2025-02, HFPD 2025-01, and HWD 2025-03 re-adopting the Financial Policies

Staff Person: Assistant City Manager Casey Brooksher

Attachments: [SR FY 2025-26 Operating Budget Adoption 6-3-2025](#)
[Attachment 1-6 Budget Resolutions Combined](#)
[Attachment 7 - Joint Resolution 2025-15](#)
[Attachment 8 - Exhibit A Financial Policies clean and track changes](#)

11. Page 69

2025-2026 Community Assistance Program - Grant Awards

Recommended Action:

It is recommended that the City Council, after reviewing the Hesperia City Council Advisory Committee (CCAC) Community Assistance Program (CAP)

applicant rankings (Exhibit A), adopt Resolution No. 2025-017 to approve Program Year (FY 2025-26) CAP funding for each applicant.

Staff Person: Director of Development Services Nathan Freeman and Economic Development Supervisor Eydee Jimenez

Attachments: [SR Community Assistance Program Grant Awards 6-3-2025](#)
[Resolution 2025-17](#)
[Attachment 2 - Exhibit A CCAC Ranking Recommendations](#)
[Attachment 3 - Application Notebooks](#)

COUNCIL COMMITTEE REPORTS AND COMMENTS

The Council may report on their activities as appointed representatives of the City on various Boards and Committees and/or may make comments of general interest or report on their activities as a representative of the City.

CITY MANAGER/CITY ATTORNEY/STAFF REPORTS

The City Manager, City Attorney or staff may make announcements or reports concerning items of interest to the Council and the public.

ADJOURNMENT

I, Jessica Giber, Assistant City Clerk of the City of Hesperia, California do hereby certify that I caused to be posted the foregoing agenda on Thursday, May 29, 2025 at 5:30 p.m. pursuant to California Government Code §54954.2.

Jessica Giber,
Assistant City Clerk

Documents produced by the City and distributed less than 72 hours prior to the meeting regarding items on the agenda will be made available in the City Clerk's Office during normal business hours.



City of Hesperia Meeting Minutes – Draft City Council

City Council Chambers
9700 Seventh Ave.
Hesperia CA, 92345

Tuesday, May 20, 2025

6:30 PM

REGULAR MEETING AGENDA
HESPERIA CITY COUNCIL
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
HESPERIA HOUSING AUTHORITY
HESPERIA COMMUNITY DEVELOPMENT COMMISSION
HESPERIA WATER DISTRICT
HESPERIA FIRE PROTECTION DISTRICT - SPECIAL MEETING

CLOSED SESSION - 5:00 PM

Roll Call

Present: 4 - Mayor Pro Tem Gregg, Council Member Bennington, Council Member Ochoa and Council Member Pullen
Absent: 1 - Mayor Lee

Conference with Legal Counsel – Existing Litigation Government Code Section 54956.9(d)1

1. *Sully-Miller Contracting, et al. v. City of Hesperia et al., SBSC Case No. CIVSB2410614*
2. *NAS69 Ventures LLC, et al. v. City of Hesperia, et al., SBSC Case No. CIVSV2438493*

Personnel Matters - Performance Evaluations Government Code Section 54958

1. Performance Evaluation - City Attorney
2. Performance Evaluation - City Manager

The Council voted 4-0 to approve the addition of the following item onto the agenda:

Conference with Property Negotiators Gov. Code § 54956.8

Water rights

Agency Negotiator(s): Rachel Molina, City Manager; Cassandra Sanchez, Public Works Director

Negotiating Parties: Rovert Hallway, Patricia Gage

Under Negotiation: Price and terms of water rights

CALL TO ORDER - 6:32 PM

A. Invocation

B. Pledge of Allegiance to the Flag

C. Roll Call

Present: 4 - Mayor Pro Tem Gregg, Council Member Bennington, Council Member Ochoa and Council Member Pullen

Absent: 1 - Mayor Lee

D. Agenda Revisions and Announcements by City Clerk – None

E. Closed Session Reports by City Attorney- The Council voted 4 – 0 to purchase 8 acre-feet per year of permanent water rights from the owners at a rate of \$7.025/acre-foot for a total of \$56,200.

ANNOUNCEMENTS/PRESENTATIONS

1. Presentation to the Oak Hills High School Bull Dogs Team for placing first at the High Desert Hispanic Chamber of Commerce Legislative Power Lunch Event.

GENERAL PUBLIC COMMENTS (For items and matters not listed on the agenda)

The following people commented:

Resident via voicemail

Bob Nelson

Robert Davie

JOINT CONSENT CALENDAR

A motion was made by Gregg, seconded by Pullen that the Joint Consent Calendar minus items 4, 6, 7, 8, 10-12 be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa, and Pullen

Nay: 0

Absent: 1 - Lee

1. Consideration of the Draft Minutes from the Special Meeting held Tuesday, May 6, 2025.

Recommended Action:

It is recommended that the City Council approve the Draft Minutes from the Regular Meeting held Tuesday, May 6, 2025.

Sponsors: Deputy City Manager/City Clerk Melinda Sayre

2. Warrant Run Report (City - Successor Agency - Housing Authority - Community Development Commission - Water)

Recommended Action:

It is recommended that the Council/Board ratify the warrant run and payroll report for the City, Successor

Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, and Water District.

Sponsors: Assistant City Manager Casey Brooksher

3. Treasurer's Cash Report for the unaudited period ended March 31, 2025

Recommended Action:

It is recommended that the Council/Board accept the Treasurer's Cash Report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, and Water District.

Sponsors: Assistant City Manager Casey Brooksher

4. Agreement for the Acquisition of Wastewater Infrastructure Assets from Silverwood Development Phase 1, LLC

Recommended Action:

It is recommended that the City Council and the Board of Directors of the Hesperia Water District authorize the City Manager to execute an Agreement for the Purchase and Sale Agreement with Silverwood Development Phase 1, LLC (the Developer) in the amount of \$6,332,931 for the acquisition of wastewater infrastructure assets constructed to support the Silverwood master-planned community.

Sponsors: Assistant City Manager Casey Brooksher

Robert Davie commented on this item.

John Ohanian commented on this item.

A motion was made by Bennington, seconded by Ochoa, that this item be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0

Absent: 1 - Lee

5. Contract with Printing Services- Wirz and Company Printing, Inc.

Recommended Action:

It is recommended that the City Council and Board of Directors of the Hesperia District Water District authorize the City Manager to enter into a one-year contract with Wirz and Company Printing, Inc., in a not-to-exceed amount of \$80,000 for printing services.

Sponsors: Assistant City Manager Casey Brooksher

6. Acceptance of American Rescue Plan Act (ARPA) Grant- Citywide Sidewalk Repairs Phase I

Recommended Action:

It is recommended that the City Council accept the completed Citywide Sidewalk Repairs Phase I project and authorize staff to record a "Notice of Completion" and release all withheld retention amounts after a minimum of thirty (30) calendar days from the date of recordation.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

A motion was made by Ochoa, seconded by Pullen, that items 6, 7, 8 and 10 be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0
Absent: 1 - Lee

7. Acceptance of American Rescue Plan Act (ARPA) Grant- Citywide Sidewalk Repairs Phase II

Recommended Action:

It is recommended that the City Council accept the completed Citywide Sidewalk Repairs Phase II project and authorize staff to record a "Notice of Completion" and release all withheld retention amounts after a minimum of thirty (30) calendar days from the date of recordation.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

8. Acceptance of American Rescue Plan Act (ARPA) Grant- Tamarisk Storm Water Basin Rehabilitation

Recommended Action:

It is recommended that the City Council accept the completed Tamarisk Storm Water Basin Rehabilitation project and authorize staff to record a "Notice of Completion" and release all withheld retention amounts after a minimum of thirty (30) calendar days from the date of recordation.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

9. Iconix Waterworks- New Contract

Recommended Action:

It is recommended that the Board of Directors of the Hesperia Water District authorize the City Manager to enter into a one (1) year agreement with Iconix Waterworks in a not-to-exceed amount of \$150,000, for the purchase of A.Y. McDonald manufactured water products.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

10. Acceptance of American Rescue Plan Act (ARPA) Grant- Roofing Replacement and Repairs - Plant 5, 18, 24, & 26, C.O. No. 8093

Recommended Action:

It is recommended that the City Council and Board of Directors of the Hesperia Water District accept the completed Roofing Replacement and Repairs - Plant 5, 18, 24, & 26, C.O. No. 8093 project and authorize staff to record a "Notice of Completion" and release all withheld retention amounts after a minimum of thirty (30) calendar days from the date of recordation.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

11. Approve the FY 2025-26 SB-1 Funding Project List

Recommended Action:

It is recommended that the City Council approve Resolution No. 2025-14 approving the Fiscal Year 2025-26 Project List to be funded by SB-1: The Road Repair and Accountability Act.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

Robert Davie commented on this item.

A motion was made by Ochoa, seconded by Bennington, that this item be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0

Absent: 1 - Lee

12. City Council Designation for a Representative at the Southern California Association of Governments (SCAG)

Recommended Action:

It is recommended that the City Council designate Council Member Chris Ochoa as the City's representative for the Southern California Association of Governments (SCAG).

Sponsors: Assistant to the City Manager Tammy Pelayes

A motion was made by Bennington, seconded by Gregg, that this item be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0

Absent: 1 - Lee

13. One-Year Contract with Nobel Systems, Inc. for Citywide GIS Integrations

Recommended Action:

It is recommended that the City Council and Board of Directors of the Hesperia Water District authorize the City Manager to enter into a one-year contract with Nobel Systems, Inc. (Nobel), for a total not-to-exceed contract amount of \$93,502, for the City's Geographical Information Systems (GIS) software and associated services.

Sponsors: Deputy Human Resources/Risk Management Director Rita Perez

14. Three-Year Service Agreement with Assured Data Protection, Inc.

Recommended Action:

It is recommended that the City Council authorize the City Manager to execute a three-year professional services agreement with Assured Data Protection, Inc. for a total not-to-exceed contract amount of \$259,320 for the cloud-based Disaster Recovery as a Service (DRaaS) solution that provides comprehensive protection for the City's critical applications and data.

Sponsors: Deputy Human Resources/Risk Management Director Rita Perez

CONSENT ORDINANCE

15. Development Code Amendment DCA25-00001; Applicant: City of Hesperia; Area affected: City-wide

Recommended Action:

Place on second reading and adopt by title waiving the text of Ordinance No. 2025-01, approving Development Code Amendment DCA25-00001, which modifies development standards related to Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (Junior ADUs).

Sponsors: Principal Planner Ryan Leonard

A motion was made by Ochoa, seconded by Pullen, that this item be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0

Absent: 1 - Lee

PUBLIC HEARING

16. FY 2025-26 Budget Workshop #2 - Vacancies, Recruitment Efforts, and Retention Strategies as Required by California Assembly Bill 2561

Recommended Action:

It is recommended that the City Council/Board receive this report on the City of Hesperia proposed staffing for Fiscal Year (FY) 2025-26 and hold a public hearing of a comprehensive overview of current job vacancies, recruitment efforts, and retention strategies as required by California Assembly Bill 2561.

Sponsors: Deputy Human Resources/Risk Management Director Rita Perez

A motion was made by Ochoa, seconded by Pullen, that this item be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0

Absent: 1 - Lee

NEW BUSINESS

17. Construction Contract for Maple Avenue Sewer Line Replacement, C.O. No. 9018

Recommended Action:

It is recommended that the City Council and Board of Directors of the Hesperia Water District:

- 1) Award a construction contract for the Maple Avenue Sewer Line Replacement project, C.O. No. 9018, to the responsive and responsible bidder, CEM Construction, for the bid amount of \$1,341,200, add Alternate A for the amount of \$20,000, plus a 10% contingency of \$136,120 for a not-to-exceed total of \$1,497,320.
- 2) Approve the project as represented by the plans and specifications; and
- 3) Authorize the City Manager or designee to execute the contract and any other necessary documents related to the project.

Sponsors: Director of Public Works/City Engineer Cassandra Sanchez

Robert Davie commented on this item.

A motion was made by Bennington, seconded by Pullen, that this item be approved. The motion carried by the following vote:

Aye: 4 - Gregg, Bennington, Ochoa and Pullen

Nay: 0

Absent: 1 - Lee

18. Overview of the City of Hesperia's Response to Fireworks

Recommended action

It is recommended that the City Council receive, and file information related to City, County Fire and Police response efforts related to illegal fireworks.

Sponsors: Assistant Chief Kelly Anderson and Lieutenant Robert Arrieta Brady

Receive and file item.

COUNCIL COMMITTEE REPORTS AND COMMENTS

The Mayor, Mayor Pro Tem and Council Members reported on various events and Committees.

Council Member Bennington requested to post the scan code for the fireworks report app on the City website.

CITY MANAGER/CITY ATTORNEY/STAFF REPORTS

No comments

ADJOURNMENT

The meeting was adjourned at 8:16 p.m. in honor of Class of 2025, Council Member Pullen's daughter graduating from Cal State Fullerton, the 65th wedding anniversary of Council Member Bennington's parents and grandson's 9th birthday.

*Jessica Giber,
Assistant City Clerk*

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City of Hesperia STAFF REPORT



DATE: June 3, 2025

TO: Mayor and Council Members
City Council, as Successor Agency to the Hesperia Community Redevelopment Agency
Chair and Commissioners, Hesperia Housing Authority
Chair and Commissioners, Community Development Commission
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Casey Brooksher, Assistant City Manager
Anne Duke, Deputy Finance Director
Verenise Fierros, Accountant

SUBJECT: Warrant Run Report (City – Successor Agency – Housing Authority – Community Development Commission – Water)

RECOMMENDED ACTION

It is recommended that the Council/Board ratify the warrant run and payroll report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, and Water District.

BACKGROUND

The Warrant Run totals represented below are for the period April 19, 2025 through May 2, 2025.

<u>Agency/District</u>	<u>Accounts Payable</u>	<u>Payroll</u>	<u>Wires</u>	<u>Totals</u>
City of Hesperia	\$1,232,652.00	\$298,073.76	\$0.00	\$1,530,725.76
Successor Agency	0.00	0.00	0.00	0.00
Housing Authority	81.00	158.21	0.00	239.21
Community Development Commission	0.00	0.00	0.00	0.00
Water	1,820,570.24	151,037.30	0.00	1,971,607.54
Totals	\$3,053,303.24	\$449,269.27	\$0.00	\$3,502,572.51

CITY GOAL SUPPORTED BY THIS ITEM

Financial Health – Maintain a balanced budget and adequate reserves.

ATTACHMENT(S)

1. Warrant Runs

City of Hesperia
WARRANT RUNS
4/19/2025-5/2/2025

Attachment 1

		W/E		W/E		WARRANT		YEAR-TO		PRIOR FY YTD	
FUND #	FUND NAME	4/25/2025	5/2/2025	TOTALS	Wires	DATE	TOTALS *	DATE	TOTALS		
Accounts Payable											
100	GENERAL	\$ 87,132.71	\$ 152,038.00	\$ 239,170.71	\$ -	\$ 31,128,845.45	\$ 29,277,599.60				
105	PENSION OBLIGATION TRUST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
106	OPEB TRUST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
110	SILVERWOOD	\$ 500.00	\$ -	\$ 500.00	\$ -	\$ 124,207.24	\$ -				
200	HESPERIA FIRE DISTRICT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
204	MEASURE I - RENEWAL	\$ -	\$ 22,565.32	\$ 22,565.32	\$ -	\$ 75,242.01	\$ 509,371.09				
207	LOCAL TRANSPORT-SB 325	\$ -	\$ -	\$ -	\$ -	\$ 1.64	\$ 967,882.81				
209	GAS TAX-RMRA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
210	HFPD (PERS)	\$ -	\$ -	\$ -	\$ -	\$ 1,755,819.00	\$ 907,316.00				
241	CFD 2021-1 Resid Maint. & Serv	\$ -	\$ -	\$ -	\$ -	\$ 1,920.00	\$ -				
242	CFD 2022-1 Non-Resd Maint & Serv	\$ -	\$ -	\$ -	\$ -	\$ 1,920.00	\$ -				
243	CFD 2023-1 Silverwood Maint	\$ -	\$ -	\$ -	\$ -	\$ 1,920.00	\$ -				
251	CDBG	\$ -	\$ 202,356.97	\$ 202,356.97	\$ -	\$ 3,307,297.60	\$ 353,046.03				
254	AB2766 - TRANSIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
255	AB3229 SUPPLEMENTAL LAW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
256	ENVIRONMENTAL PROGRAMS GRANT	\$ -	\$ 268.00	\$ 268.00	\$ -	\$ 40,508.62	\$ 22,633.25				
262	SB 1383 LOCAL ASSISTANCE GRANT	\$ -	\$ -	\$ -	\$ -	\$ 104,497.49	\$ 28,389.96				
263	STREETS MAINTENANCE	\$ 42,006.81	\$ 161,373.71	\$ 203,380.52	\$ -	\$ 2,414,844.46	\$ 1,812,686.98				
300	DEV. IMPACT FEES - STREET	\$ -	\$ -	\$ -	\$ -	\$ 182,329.26	\$ 90,534.50				
301	DEV. IMPACT FEES - STORM DRAIN	\$ -	\$ -	\$ -	\$ -	\$ 149,218.71	\$ -				
306	DEV. IMPACT FEES - 2018-STREETS	\$ 2,825.00	\$ 213,230.56	\$ 216,055.56	\$ -	\$ 1,523,796.33	\$ 1,695,353.66				
307	DIF 2018-DRAINAGE FACILITIES	\$ -	\$ -	\$ -	\$ -	\$ 175,199.30	\$ -				
309	DIF 2018-CITY HALL FACILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
312	DIF 2018-POLICE FACILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
313	DIF A-04 DRAINAGE	\$ -	\$ -	\$ -	\$ -	\$ 1,154,638.51	\$ 330,448.35				
402	WATER RIGHTS ACQUISITION	\$ -	\$ -	\$ -	\$ -	\$ 1,912,552.24	\$ 1,493,015.59				
403	2013 REFUNDING LEASE REV BONDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 571,151.39				
404	2023 REFUNDING LEASE REV BONDS	\$ -	\$ -	\$ -	\$ -	\$ 176,534.97	\$ 170,118.51				
504	CITY WIDE STREETS - CIP	\$ -	\$ 1,128.43	\$ 1,128.43	\$ -	\$ 2,792,590.47	\$ 10,546,698.48				
509	CITY FACILITIES CIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
800	EMPLOYEE BENEFITS	\$ 139,847.75	\$ 199,366.25	\$ 339,214.00	\$ -	\$ 8,260,467.62	\$ 7,386,904.80				
801	TRUST/AGENCY	\$ 33.50	\$ 7,827.49	\$ 7,860.99	\$ -	\$ 1,438,436.67	\$ 1,688,271.87				
802	AD 91-1 AGENCY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
804	TRUST-INTEREST BEARING	\$ -	\$ 151.50	\$ 151.50	\$ -	\$ 42,820.71	\$ 268,407.60				
807	CFD 2005-1	\$ -	\$ -	\$ -	\$ -	\$ 1,189,973.06	\$ 1,270,184.16				
808	HFPD (TRANSITION)	\$ -	\$ -	\$ -	\$ -	\$ 317,435.02	\$ 347,796.19				
815	PLAN REVIEW TRUST - FRONTIER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	CITY	\$ 272,345.77	\$ 960,306.23	\$ 1,232,652.00	\$ -	\$ 58,273,016.38	\$ 59,737,810.82				
163	REDEVELOP OBLIG RETIREMENT-2018	\$ -	\$ -	\$ -	\$ -	\$ 9,690,950.62	\$ 9,949,902.79				
	SUCCESSOR AGENCY	\$ -	\$ -	\$ -	\$ -	\$ 9,690,950.62	\$ 9,949,902.79				
370	HOUSING AUTHORITY	\$ 81.00	\$ -	\$ 81.00	\$ -	\$ 45,068.76	\$ 41,458.15				
	HOUSING AUTHORITY	\$ 81.00	\$ -	\$ 81.00	\$ -	\$ 45,068.76	\$ 41,458.15				
170	COMMUNITY DEVELOPMENT COMMISSION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	COMMUNITY DEVELOPMENT COMMISSION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
700	WATER OPERATING	\$ 584,790.67	\$ 746,792.56	\$ 1,331,583.23	\$ -	\$ 13,025,582.60	\$ 9,055,567.19				
705	WATER PENSION OBLIGATION TRUST	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000.00	\$ -				
706	WATER OPEB TRUST	\$ -	\$ -	\$ -	\$ -	\$ 250,000.00	\$ -				
701	WATER CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ 16,473.00	\$ 320,389.00				
710	SEWER OPERATING	\$ 4,419.57	\$ 424,922.14	\$ 429,341.71	\$ -	\$ 6,261,085.66	\$ 5,651,365.58				
711	SEWER CAPITAL	\$ 4,902.50	\$ 53,095.42	\$ 57,997.92	\$ -	\$ 2,059,600.23	\$ 1,272,756.35				
720	RECLAIMED WATER OPERATIONS	\$ -	\$ 1,647.38	\$ 1,647.38	\$ -	\$ 281,186.85	\$ 276,197.97				
	WATER	\$ 594,112.74	\$ 1,226,457.50	\$ 1,820,570.24	\$ -	\$ 23,143,928.34	\$ 16,576,276.09				
	ACCOUNTS PAYABLE TOTAL	\$ 866,539.51	\$ 2,186,763.73	\$ 3,053,303.24	\$ -	\$ 91,152,964.10	\$ 86,305,447.85				
REG. PAYROLL											
	City	\$ 298,073.76	\$ -	\$ 298,073.76	\$ -	\$ 7,037,959.05	\$ 6,629,894.26				
	Housing Authority	\$ 158.21	\$ -	\$ 158.21	\$ -	\$ 5,295.71	\$ 4,253.83				
	Water	\$ 151,037.30	\$ -	\$ 151,037.30	\$ -	\$ 3,278,690.36	\$ 2,859,189.83				
	PAYROLL TOTAL	\$ 449,269.27	\$ -	\$ 449,269.27	\$ -	\$ 10,321,945.12	\$ 9,493,337.92				

City of Hesperia

STAFF REPORT

DATE: June 3, 2025

TO: Mayor and Council Members
City Council, as Successor Agency to the Hesperia Community Redevelopment Agency
Chair and Commission, Hesperia Housing Authority
Chair and Commission, Community Development Commission
Chair and Board Members, Hesperia Fire Protection District
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Casey Brooksher, Assistant City Manager

SUBJECT: Audit Services for Fiscal Year 2024-25

RECOMMENDED ACTION

It is recommended that the City of Hesperia, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Hesperia Fire Protection District, and Hesperia Water District Council/Boards/Commissions enter into a Professional Services Agreement with the independent certified public accounting firm CliftonLarsonAllen (CLA) LLP, in the not to exceed amount of \$143,060, to perform the audit of the City and its component units, for the fiscal year end June 30, 2025, as well as additional required State reporting for the year end June 30, 2025.

BACKGROUND

CLA is the City's current auditor, and the firm has extensive experience in governmental auditing and a deep familiarity of the City's accounting structure. The firm has a depth of knowledge that is supported by the nearly 3,600 Certified Public Accountants (CPA's) employed by CLA, in 130 locations across the country, and has provided accounting and auditing services for over 60 years.

ISSUES/ANALYSIS

The firm of CliftonLarsonAllen (CLA) has expertise in governmental accounting and ensures the City's financial statements comply with the latest Government Accounting Standards Board (GASB) statements. One of the GASB statements that is scheduled to take effect for the June 30, 2025, financial statements is Statement 102, Certain Risk Disclosures, which will provide users with better information regarding certain concentrations or constraints in order to better understand and anticipate potential risks to a government's financial condition.

The City is in compliance with Government Code 12410.6(b), which established an auditor rotation requirement for local agencies, and the lead auditor responsible for performing the City's audit is Kassie Radermacher, CPA, CFE. An agreement with CLA is recommended for the City's fiscal year-end June 30, 2025, audit and required State reporting.

CITY GOAL SUPPORTED BY THIS ITEM

Financial Health - Maintain a balanced budget and adequate reserves

FISCAL IMPACT

The proposed cost of performing the Fiscal Year (FY) 2024-25 audit and required State reporting is \$143,060 as detailed below:

\$86,930	Audit (includes the City of Hesperia and its component units, the Hesperia Fire Protection District, the Hesperia Water District, the Community Development Commission, and the Hesperia Housing Authority; also includes the Successor Agency to the Former Hesperia Community Redevelopment Agency)
15,760	Report Preparation
19,260	State Controller's Office Reporting
<u>21,110</u>	Single Audit 1 st through 5 th major programs
\$143,060	Total Audit/Reporting Costs

The cost of the audit and State reports will be allocated among the City and its component units based upon the size and complexity of each component unit. An adequate budget will be included within the FY 2025-26 Proposed Budget.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

None

City of Hesperia STAFF REPORT



DATE: June 3, 2025
TO: Mayor and Council Members
FROM: Rachel Molina, City Manager
BY: Melinda Sayre, Deputy City Manager/City Clerk
SUBJECT: TLC Animal Removal Services

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to approve an amendment to the existing contract with TLC Animal Removal Services in the amount of \$36,000, for a total not-to-exceed revised amount of \$177,000 over the total 5 years and to approve a one-year contract extension for animal disposal services.

BACKGROUND

In June 2021, the City issued a formal solicitation for Animal Removal Services. Following a competitive bidding process, the contract was awarded on June 16, 2021, to TLC Animal Removal Services as the lowest responsive bidder. On September 8, 2021, the City entered into an agreement with TLC Animal Removal Services to provide weekly collection and transportation of deceased animals from designated locations. The service ensures timely, safe, and respectful removal in accordance with health and safety standards.

ISSUES/ANALYSIS

The current contract with TLC Animal Removal Services expires June 30, 2025. TLC has continuously provided a dependable source for animal disposal with the City for a reasonable cost. Additionally, TLC has agreed to hold the current contract pricing for one more year.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure public safety resources adequately protect our community.

FISCAL IMPACT

This increase includes \$36,000 for the Fiscal Year 2025-2026.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

None

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DATE: June 3, 2025
TO: Mayor and Council Members
FROM: Rachel Molina, City Manager
BY: Melinda Sayre, Deputy City Manager/City Clerk
SUBJECT: Consideration of Ji Vel Relief Services Veterinary Contract

RECOMMENDED ACTION

It is recommended the City Council authorize the City Manager to approve an amendment to the existing contract with Ji Vel Relief Services in the amount of \$170,600 per year, for a revised not to exceed the amount of \$325,600 and approve a one-year contract extension for Spay and Neuter, telemedicine, vaccination clinics, and premise permit services.

BACKGROUND

The City released the Request for Formal Bid for Spay and Neuter Services, Premise Permit and Telemedicine on May 16, 2024. This Request for Formal Bid was advertised in the Victorville Daily Press and 20 local vets were emailed. Public Purchase was used to attract a broad range of interested parties. The bid closed on June 3, 2024, with Dr. Jaime Velasco being the only responsive bidder. Dr. Jaime Velasco has since changed the business name to JI Vel Relief Services Veterinary Corporation.

ISSUES/ANALYSIS

The City requires the services of a licensed veterinarian to conduct spay and neuter services for shelter animals and those that have been adopted out on deposit, however requiring sterility. The Premise Permit is needed to store and use controlled substances onsite. Telemedicine is utilized to evaluate animals and provide the quickest, efficient, diagnosis and treatment to shelter animals instead of having an on-site veterinarian. Vaccination clinics protect the health of individual animals and prevent the spread of diseases within the animal population.

The City has utilized Ji Vel Relief Servies since FY 2024-25 and has been happy with the services provided.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure public safety resources adequately protect our community

FISCAL IMPACT

Funding for this program is included in the proposed FY 2025-26 budget.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

None

City of Hesperia

STAFF REPORT



DATE: June 3, 2025

TO: Mayor and Council Members
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Kevin Sin, Deputy City Engineer
Enrique Villalobos, Associate Engineer

SUBJECT: Award Professional Service Agreements for Sewer System Planning and Design Support

RECOMMENDED ACTION

It is recommended that the City Council and Board of Directors of the Hesperia Water District approve the award of a Professional Services Agreement (PSA) to Carollo Engineers, Inc. for \$197,505 to provide sewer system planning and design support services for the City of Hesperia.

BACKGROUND

Currently, approximately 15% of the City is serviced by sewers that ultimately flow to a regional wastewater treatment plant that is owned and operated by the Victor Valley Wastewater Reclamation Authority. The current sewer collection within the City is owned and operated by the City. The remaining area not serviced by existing sewers is undeveloped or served by on-site septic tanks.

The City is experiencing steady growth throughout the city service area, particularly the Silverwood development along the south portion of the city. This development is planned to add over 15,000 homes to the area in the next fifteen to twenty years. Initially, 500 homes will be constructed and connected to existing City sewers near I Avenue and Ranchero Road, and the development plans to construct a new wastewater treatment facility that will be owned and operated privately by the Silverwood community. After the construction of the wastewater treatment plant, those homes will be treated by Silverwood, allowing additional capacity for homes in the surrounding area to connect. Therefore, staff wanted to explore other options and analyze the right long-term sewer solution for the City.

ISSUES/ANALYSIS

Carollo Engineers, Inc. is a local firm that has previous experience working with the City of Hesperia and the City's sewer system. They are also familiar with the other outside agencies that have been involved in the ongoing sewer planning and design decision-making process, making them an ideal consultant for assistance moving forward.

In order to assist staff in this long-term sewer solution and planning effort, staff have asked Carollo Engineers, Inc., to provide a scope of work and fee proposal for the requested services. The

attached Exhibit details the scope of work and fee for the requested sewer system planning and design support services.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure public safety resources adequately protect our community.

Future Development - Facilitate balanced growth to ensure cohesive community development and pursue economic development.

Capital Improvement - Continually evaluate capital improvement priorities.

FISCAL IMPACT

Costs associated with the recommended contracts, which shall not exceed \$197,505 for sewer system planning and design support services which will be funded through available revenue sources, operating budgets, and/or capital budgets. Adequate appropriation for the costs of the services is included in the City's Adopted Budget, and will be included in future recommended budgets through the end of the contract term.

ALTERNATIVE(S)

1. Provide alternate direction to staff.

ATTACHMENT(S)

1. Carollo Engineers, Inc., scope of work and fees



November 15, 2024

Cassandra Sanchez, PE
City of Hesperia
9700 Seventh Avenue
Hesperia, CA 92345

Subject: Sewer System Planning and Design Support

Dear Ms. Sanchez:

Carollo is pleased to submit this scope and budget to provide sewer system planning and design support services for the City of Hesperia. We understand that with the planned Silverwood development, and the large addition of new homes to the city, there is work to be done to update and upgrade the collection system to accommodate new residents. This scope of work will provide general sewer system planning and design support, with the intent of helping the city develop a long-term plan for the collection system.

The main deliverable for this scope will be a technical memo, summarizing the status of the exiting collection system operations, and identifying the costs and impacts to the City of two alternatives:

1. Silverwood constructs and operates a private wastewater treatment facility (WWTF)
2. The City purchases a portion of the existing Silverwood private wastewater system and integrates the new portion into the existing sewer system. This would allow for potential septic to sewer conversions to the south of Ranchero Road and I Avenue.

In addition to the technical memo, Carollo will provide review of technical documents and plans submitted by the development team, and overall planning and program support as a part of this scope.

Please find attached the following for your review and approval:

Exhibit A – Sewer System Planning and Design Support Scope of Work

Exhibit B – Sewer System Planning and Design Support Labor Hours and Fee Estimate

Please let me know if you have any questions or require any further information.

Thank you.

Sincerely,
CAROLLO ENGINEERS, INC.

A handwritten signature in blue ink, appearing to read "Andrew Frost".

Andrew Frost, PE
Associate Vice President

Enclosures: Exhibit A – Sewer System Planning and Design Support Scope of Work

Exhibit B - Sewer System Planning and Design Support Labor Hours and Fee Estimate

Exhibit A

Sewer System Planning and Design Support Scope of Work

Background

The City of Hesperia (City) lies within an area that is commonly referred to as the high desert in Southern California. Located in the northern portion of San Bernardino County (County) approximately 30 miles north of the City of San Bernardino, the City encompasses an area of approximately 74 square miles.

Currently, approximately 15% of the City is serviced by sewers that ultimately flow to a regional wastewater treatment plant (WWTP) that is owned and operated by the Victor Valley Wastewater Reclamation Authority (VWVRA). The current sewer collection within the City is owned and operated by the City. The remaining area not serviced by existing sewers is undeveloped or served by on-site wastewater treatment systems (septic tanks).

The City's wastewater collection system includes approximately 60 miles of gravity sewer pipe, 882 manholes, 51 cleanouts, 1 operational lift station, and 1 force main. The City's sewer system connects to VWVRA's 3-mile interceptor that runs along the northeast boundary of the City.

Planned Development

The Silverwood development located along the south portion of the City, is planned to add over 15,000 homes to the area as part of a multiyear project. Initially, 500 homes will be constructed and connected to existing City sewers near I Street and Ranchero Road. Over the long term, as more homes are developed, Silverwood plans to construct a new wastewater treatment facility (WWTF). Currently, this facility is planned to be privately owned and operated by the Silverwood community. However, the City wishes to explore other options and analyze the right long term sewer solution for the City.

In order to assist the City in this long-term sewer solution and planning effort, Carollo has developed this initial scope of work. In the coming months, it is recommended the City should undertake an update to their current sewer master plan, and potentially a rate study to fund their sewer system goals. These two items are not a part of this current scope of work.

Task 1 – Project Management and Meetings

Carollo will administer the project and provide up to 12 months of project management services to maintain project schedule and budget. The project progress and budget status will be included in a monthly progress report that will be included with our monthly invoice. Additionally, the monthly progress report will include a list of work completed for the billing period, as well as an invoice summary report outlining the dollar budgeted, spent, and remaining per task. The scope of comprehensive project management includes, but is not limited to the following:

- Efficiently managing the project schedule.
- Setting up and facilitating client meetings, interagency meetings, field reviews, and other project related meetings. The following meetings will be included within this scope of work:

Page 3

- » Kick-off Meeting (in person or virtual)
- » Monthly status update calls (phone calls)
- » Additional Meetings as needed (up to 64 total meeting hours)
- Managing the Carollo team involved in the project ("project team"). Managing the project team includes, but is not limited to, preparing contract paperwork, memos, letters and e-mail, making phone calls, and maintaining project files.
- On a monthly basis, Carollo will provide a brief written summary of work (typically 1-page long) that has been accomplished in the previous month, anticipated work for the next month and key decisions that need to be made to keep the project on schedule. Invoices shall show the original budget, reallocated budget, amount spent to-date, amount spent this period, and percentage spent to-date for each task. Invoices shall be structured to separate out the costs relative to each of the two projects, which will be invoiced and tracked separately if requested by The City.
- Preparation of meeting minutes for all meetings held and run by Carollo. Meeting minutes shall be submitted to the City within 5 business days of the meeting date for review, with the goal of finalizing meeting minutes seven working days after the meeting.

In addition to the planned kickoff meeting and status update calls, this task includes additional hours for meeting attendance. The exact number and scope of these meetings is unknown, but it is anticipated that meetings may include coordination with Silverwood Development, coordination with VVWRA, and coordination with regulating agencies of funding providers. All meeting attendance will be approved in writing by the City, and Carollo led meetings will include the development of minutes as mentioned above.

Task 2 – Review of Technical Materials and Planning Support

Carollo will provide technical review of project plans, reports, technical memos, or other relevant materials submitted by the developer or its agents for the City. This task covers a broad range of documents or submittal items, and is expected to cover items such as:

- Design plans
- Basis of design reports
- Flow projections or capacity analysis
- Treatment plant related documents including processes, layouts, or calculations
- Cost estimates

This task assumes a total of 204 hours of review for a maximum fee of \$49,180. If additional review or support hours are needed, they will require transfer of hours from other tasks, or additional scope and fee.

Task 3 – Technical Memo

Carollo will draft a technical memo, identifying the steps and research used to develop a recommendation on the best long-term solution for the City's sewer system. The memo will include findings on the existing system, compatibility and scalability of the planned Silverwood WWTF, and outline recommended next steps for the City to implement the solution. The overall goal of the memo is to outline potential options for the City and highlight

Page 4

the pros and cons of each alternative. Detailed cost estimates for each option, technical requirements for implementation, and/or design plans will come in later stages and will not be a part of this memo.

Draft and final versions of the technical memo will be submitted in PDF format via email to the City. Comments received from the City on the draft document will be incorporated into the final version of the technical memo.

[Task 4 – Plan and Specification Review Services for Silverwood WWTP Facility](#)

Carollo will provide a technical review of project plans and specifications (plan checking services) related to the new WWTP scheduled to be constructed by the Silverwood Development. Based on information from the City, we understand this is planned to ultimately be a 4 MGD treatment facility. To gauge the initial plan check service estimate, Carollo has made assumptions on the number of drawings, and size of the initial facility listed below, and plans to bill all time for this task on a time and materials basis:

- The initial facility will be approx. 1 MGD with an ultimate size of 4 MGD
- Up to 85 design drawings will be reviewed
- Up to 30 specifications will be reviewed
- Plans reviewed will be in PDF format.
- Specifications reviewed will be in Word (.docx) format
- Up to 4 hours per sheet has been allocated (this time includes review of associated specifications)

This task assumes a total of 340 hours of review for a maximum fee of \$90,780. If additional review or support hours are needed, they will require transfer of hours from other tasks, or additional scope and fee.



Sewer System Planning and Design Support
City of Hesperia
Fee Estimate

Sewer System Planning and Design Support City of Hesperia Fee Estimate			Category	Labor							Subtotal		Subconsultant & Expenses				Total Fee \$				
				Principal In Charge	Project Manager	Principal Engineer	Sr. Engineer	Staff Engineer	Modeling Support	CAD Technician	GIS Technician	Document Processing	Total Labor Hours	Total Labor Fee	Subconsultants	ODCs		Travel			
Task	Sub Task	Description	Name	Hourly Bill Rate																	
1	0	Project Management and Meetings			8	50	20	20	0	0	0	0	0	0	98	27,410	-	-	-	750	28,160
	1	Project Management			4	30									34	9,730	-	-	-	-	9,730
	2	Meetings			4	20	20	20							64	17,680	-	-	-	750	18,430
2	0	Review of Technical Materials and Planning Support			4	40	20	60	80	0	0	0	0	0	204	49,180	-	-	-	-	49,180
	1	Document Review			2	20	10	30	40						102	24,590	-	-	-	-	24,590
	2	Planning Support			2	20	10	30	40						102	24,590	-	-	-	-	24,590
3	0	Technical Memo			3	20	8	32	36	0	0	24	10	0	133	29,385	-	-	-	-	29,385
	1	Draft Technical Memo			2	10	4	16	20			12	6	0	70	15,380	-	-	-	-	15,380
	2	Final Technical Memo			1	10	4	16	16			12	4	0	63	14,005	-	-	-	-	14,005
4	0	Plan & Spec Review Services for Silverwood WWTP			0	0	136	204	0	0	0	0	0	0	340	90,780	-	-	-	-	90,780
	1	Planchecking Design Drawings / Specs (85 drawings)					136	204							340	90,780	-	-	-	-	90,780
Total Hours					15	110	184	316	116	0	0	24	10	0	775						
Total Price					4,425	31,350	52,440	80,580	22,620	0	0	3,840	1,500	0	196,755	0	0	0	750	197,505	

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City of Hesperia

STAFF REPORT



DATE: June 3, 2025

TO: Mayor and City Council Members
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works / City Engineer
Brian Blackwell, Streets Operations Manager

SUBJECT: G & M Automotive Center, Inc. Contract Amendment

RECOMMENDED ACTION

It is recommended that the City Council and Board of Directors of the Hesperia Water District authorize the City Manager to increase the contract with G & M Automotive Center, Inc. for \$50,000 for a new not-to-exceed amount of \$925,000 for vehicle maintenance and repairs through the remainder of Fiscal Year (FY) 2024-25, ending June 30, 2025.

BACKGROUND

Preventative and corrective maintenance is required for the City's eighty-three (83) light-duty vehicles and thirty-four (34) super-duty and heavier on-road vehicles and equipment. Preventive maintenance supports fleet reliability, extends vehicle life, and reduces long-term repair costs.

While a concerted effort has been made to modernize the fleet, thirty-five vehicles—approximately 30%—were manufactured before 2010. For example, vehicles assigned to Building Maintenance average 20 years old, while those in Streets and Traffic average 13 and 12 years old, respectively. Vehicles used by Code Enforcement and Animal Control have a median age of 11 years, with several animal carrier service bodies exceeding 20 years. The City added 17 new or replacement vehicles during the previous fiscal year to address this issue, marking a key step toward fleet modernization.

ISSUES/ANALYSIS

Public Works issued requests for bids (RFBs) for FY 2022-23 to local High Desert vendors capable of providing vehicle maintenance services. The fleet was divided into three categories to encourage broad participation and bid separately. G & M Automotive Center, Inc., a Hesperia-based business, was the lowest responsive and responsible bidder in each category and has continued to provide contracted maintenance services.

While G & M has held its labor rate steady at \$75/hour throughout the contract term, the cost of parts has increased approximately 10% due to inflation. Additionally, older vehicles demand more frequent and costly repairs. Maintenance costs typically comprise roughly 65% parts and 35% labor.

A review of FY 2014-15 maintenance expenditures shows a ten-year average of approximately \$350,000 annually. The three highest expenditure years—FY 2016-17 (\$390,544), FY 2017-18

(\$545,804), and FY 2018-19 (\$448,952)—reflect the operational and financial burden of maintaining an aging fleet. Since that period, the City has implemented strategic fleet replacement efforts, including the addition of 17 new or replacement vehicles in the prior fiscal year, which has contributed to a downward trend in maintenance costs. For FY 2024-25, expenditures are projected at approximately \$240,000, significantly below the historical average. This trend highlights the importance of ongoing fleet modernization, although continued reliance on older vehicles is expected to lead to increased maintenance needs over time.

Vehicle maintenance and repairs will be rebid for services during FY 2025-26, beginning July 1, 2025, to ensure competitive pricing and broad vendor participation in the future.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure that public safety resources adequately protect our community.

Financial Health - Maintain a balanced budget and adequate reserves.

FISCAL IMPACT

Sufficient funding has been included in the Fiscal Year 2024-25 Budget.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENTS

None.

City of Hesperia

STAFF REPORT



DATE: June 3, 2025

TO: Mayor and Council Members

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Kevin Sin, Deputy City Engineer
Tina Souza, Senior Project Manager

SUBJECT: Amend Project Funding Agreement with San Bernardino County Transportation Authority for the Rancho Road Widening Project

RECOMMENDED ACTION

It is recommended that the City Council approve Amendment No. 3 to the Project Funding Agreement (PFA) No. 17-1001692 between San Bernardino County Transportation Authority (SBCTA) and the City, extending the contract for construction of the Rancho Road Widening Project, and authorize the Mayor to execute the Amendment.

BACKGROUND

The Rancho Corridor Project consists of several improvements in three phases, I) the undercrossing at the BNSF Railway Company (BNSF) railroad tracks (at the eastern terminus of the corridor project boundary) which was completed in June 2013, II) the interchange at Interstate 15 (I-15) (at the western terminus of the corridor project boundary) which was completed in March 2015, and III) improvements to widen the five-mile roadway segment of Rancho Road from two lanes to five lanes between these two structures. The Rancho Road Corridor project is identified in the City's Capital Improvement Program (CIP) under C.O. Nos. 7094, 7131, 7139, 7146, and 7154. Construction of improvements for a portion of the project are complete.

On June 20, 2017, the City Council approved PFA No. 17-1001692 between SBCTA and the City for contribution of the public's (SBCTA's) share of the project utilizing Measure I, and/or other Major Local Highway Projects (MLHP) Program funds available for use by SBCTA for right-of-way acquisition and utility relocations. The PFA required amending to include the construction element of the Project.

On June 4, 2020, the City Council approved Amendment No. 1 to the subject agreement, incorporating Senate Bill 1 Local Partnership Program formulaic funds for SBCTA's share, allocating additional MLHP funds to the project, and extending the termination date to June 30, 2023.

City Council approved Amendment No. 2 extending the subject agreement to June 30, 2025, on May 2, 2023.

ISSUES/ANALYSIS

The City partnered with San Bernardino County (County) on this Project with the City being the lead agency. The understanding between the City and the County is under a separate agreement.

The Project is on the SBCTA's Measure I 2010-2040 Victor Valley Subarea Major Local Highway Program (MLHP) list and associated Capital Project Needs Assessment making the Project eligible for partial funding from SBCTA. In order to receive expenditure reimbursement of SBCTA's share, a PFA must be in place until project close-out. The PFA is SBCTA's standard contract for funding shares. The PFA and subsequently approved Amendments No. 1 and 2 previously approved by the City Council expires on June 30, 2025.

Once construction is complete in its entirety, the project must go through a reconciliation and close-out process with SBCTA and Caltrans. Amendment No. 3 provides a contract extension to June 30, 2028, to allow for construction and the close-out process.

Some of the key elements for consideration related to executing the PFA amendment are as follows:

- The PFA and subsequent amendments are entered into in accordance with SBCTA's rules and regulations.
- SBCTA has allocated \$12,678,000 is Local Partnership Program (LPP) Formulaic funds and \$11,507,821 in MLHP funds for a total of \$24,185,821.
- If cost overruns are anticipated to occur, the PFA may be amended prior to reaching the cost limit. Although, amendments to an PFA are generally not denied by SBCTA, there is no guarantee an amendment will be approved due to funding source limitations and obligations to other projects. If said circumstance arises, the City and County will be responsible for cost overruns within their own jurisdiction.
- An active PFA is required to obtain reimbursements of LPP competitive and formulaic grant funds from Caltrans, as well as reimbursements from SBCTA. These are current funding sources for the project.

CITY GOAL SUPPORTED BY THIS ITEM

Capital Improvement – Continually evaluate capital improvement priorities.

FISCAL IMPACT

There are no additional fiscal impacts associated with this action. Funding for the Project is budgeted in the FY 2024-2025 Capital Improvement Program (CIP) budget. The Project will be budgeted in subsequent fiscal years until project completion.

ALTERNATIVE(S)

1. Do not approve the amendment to the agreement and attempt to secure other funding sources for existing and future expenditures.
2. Provide alternative direction to staff.

ATTACHMENT(S)

1. Attachment 1 - Amendment No. 3 for Project Funding Agreement No. 17-1001692

AMENDMENT NO. 3 TO PROJECT FUNDING AGREEMENT 17-1001692

FOR

RANCHERO ROAD WIDENING PROJECT

(CITY OF HESPERIA)

THIS Amendment No. 3 to Project Funding Agreement 17-1001692 is made and entered into by and between the City of Hesperia ("CITY") and the San Bernardino County Transportation Authority ("SBCTA"). SBCTA and CITY are each a "Party" and collectively "Parties".

RECITALS

- A. The Parties entered into Project Funding Agreement 17-1001692 ("Agreement") effective July 12, 2017, to fund the Right of Way Phase of the Ranchero Road Widening Project in the City of Hesperia ("Project") with an approved allocation of \$1,513,964; and
- B. On July 10, 2019, the SBCTA Board of Directors approved an allocation of \$12,678,000 in Senate Bill 1 Local Partnership Program formulaic funds for the Construction Phase of the Project; and
- C. Amendment No. 1 to the Agreement, dated June 4, 2020, increased the allocation of Measure I Victor Valley Subarea Major Local Highway Program ("MLHP") funds to \$11,507,821 to fund through the Construction Phase, and extended the termination date to June 30, 2023; and
- D. Amendment No. 2 to the Agreement, dated June 27, 2023, extended the termination date to June 30, 2025; and
- E. CITY has requested an extension of the termination date to June 30, 2028.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

- 1. Section III, Paragraph 7 is deleted in its entirety and replaced with the following:
 - "7. This Agreement will be considered terminated upon reimbursement of eligible costs by SBCTA or **June 30, 2028**, whichever is sooner, provided that the provisions of Paragraphs 5, 6, 7, 8, and 9 of Section II, and Paragraphs 5, 6 and 6.A of Section III, shall survive the termination of this Agreement."
- 2. Attachment A to the Agreement is replaced with the Revised Description of Project and Milestones attached as Attachment A to this Amendment No. 3 and incorporated herein.
- 3. Except as amended by this Amendment No. 3, all other terms and conditions of the Agreement, and amendments thereto, shall remain in full force and effect and are incorporated herein by this reference.

4. The Recitals set forth above are incorporated herein by this reference.
5. This Amendment No. 3 may be signed in counterparts, each of which shall constitute an original.
6. This Amendment No. 3 shall be effective on the date executed by SBCTA.

IN WITNESS WHEREOF, SBCTA and CITY have executed this Amendment No. 3 below.

SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY

CITY OF HESPERIA

By: _____
Raymond W. Wolfe, Ph.D.
Executive Director

By: _____
Allison Lee
Mayor

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Julianna K. Tillquist
SBCTA General Counsel

By: _____
Pam Lee
City Attorney

Date: _____

Date: _____

Attachment A

RANCHERO ROAD WIDENING PROJECT Revised Description of Project and Milestones

Project Title	
Ranchero Road Widening Project	
Location, Project Limits, Description, Scope of Work, Legislative Description	
Widen Ranchero Road from .15 miles east of Mariposa Road to east of the completed Ranchero Road Undercrossing at 7 th Avenue.	
Project Milestone	Proposed
Project Study Report Approved	N/A
Begin Environmental (PA&ED) Phase	12/1/2007
Circulate Draft Environmental Document	6/1/2013
Draft Project Report	N/A
End Environmental Phase (PA&ED Milestone)	7/1/2013
Begin Design (PS&E) Phase	3/1/2009
End Design Phase (Ready to List for Advertisement Milestone)	6/30/2021
Begin Right of Way Phase	11/1/2017
End Right of Way Phase (Right of Way Certification Milestone)	11/30/2020
Begin Construction Phase (Contract Award Milestone)	10/5/2021
End Construction Phase (Construction Contract Acceptance Milestone)	6/30/2027
Begin Closeout Phase	7/1/2027
End Closeout Phase (Closeout Report)	6/30/2028

City of Hesperia

STAFF REPORT



DATE: June 3, 2025

TO: Mayor and Council Members
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works / City Engineer
Jeremy McDonald, Water Operations Manager

SUBJECT: Amendments to Title 14, Chapter 14 of the Hesperia Municipal Code related to Cross Connections and Backflow Devices

RECOMMENDED ACTION

It is recommended that the City Council and Board Members of the Hesperia Water District (District) introduce and place on first reading Ordinance No. 2025-02 regarding cross connections and backflow devices; amending Title 14, Chapter 14.04 of the Hesperia Municipal Code.

BACKGROUND

The Hesperia Water District is responsible for safeguarding the City's potable water supply from contamination and pollution resulting from the backflow of water into the distribution system. Backflow is the undesired or unintended reversal of flow of water and/or other liquids, gases, or other substances into a water distribution system.

Additionally, the City is responsible for identifying and mitigating cross connections, a condition where there is an interconnection between a potable water supply and a non-potable source via any actual or potential connection or structural arrangement between a water distribution system and any source or distribution system containing liquid, gas, or other substances not from an approved water supply. When a cross connection is identified, the user is required to install a backflow prevention device, a mechanical device consisting of two spring loaded check valves which prevents the reversal of flow into the distribution system.

There are currently 1,579 backflow prevention devices in service throughout the City. Each backflow device is annually inspected and tested by a certified tester who has been certified by the American Water Works Association. Public Works staff is responsible for managing the cross-connection control and backflow program which includes performing cross connection control surveys and record keeping of backflow prevention devices.

ISSUES/ANALYSIS

On October 6, 2017, Assembly Bill 1671 (AB 1671) was approved and filed with the Secretary of State. AB 1671 amended California's Safe Drinking Water Act through the establishment of California Health Safety Code (CHSC) sections 116407 and 116555.5. On October 2, 2019, Assembly Bill 1180 (AB 1180) was approved and filed with the Secretary of State. AB 1180 amended Section 116407 of the CHSC and added section 13521.2 to the Water Code. The

adoption of each assembly bill required the State to establish standards for backflow protection and cross-connection control through the adoption of the Cross Connection Control Policy Handbook (CCCPH). Prior to AB 1671 and the adoption of the CCCPH, California's regulations pertaining to cross-connection control were set forth in regulations in California Code Regulations Title 17, which were adopted in 1987 with minor revisions in 2000.

Included within the CCCPH is the requirement for public water systems to perform an initial hazard assessment of each user's premises within their service area. The recommended changes to the municipal code include this requirement and specify the requirements for a backflow prevention assembly to be considered acceptable.

In addition, this update to the Ordinance and amendment to the Hesperia Municipal Code is the first step to the City Council's strategic goal to coordinate compliance with the State Water Resources Control Board's CCCPH through educational training for public and developers.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure public safety resources adequately protect our community.

FISCAL IMPACT

There are no fiscal impacts identified with this action.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

1. Ordinance 2025-02
2. Attachment 2 – Exhibit "A" Municipal Code Title 14, Chapter 14.04. Section 14.04.09 redlines and alternative language

ORDINANCE NO. 2025-02

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
HESPERIA AND THE BOARD OF DIRECTORS OF THE HESPERIA
WATER DISTRICT, CALIFORNIA, AMENDING TITLE 14,
CHAPTER 14.04 OF THE HESPERIA MUNICIPAL CODE,
RELATED TO CROSS CONNECTIONS AND BACKFLOW
DEVICES**

WHEREAS, Title 14 of the Hesperia Municipal Code contains regulations related to cross connections and backflow devices; and

WHEREAS, Title 17 of the California Code of Regulations has been replaced with the passing of Assembly Bills 1671 and 1180, creating the Cross-Connection Control Policy Handbook; and

WHEREAS, The Cross-Connection Control Policy Handbook and its standards apply to all California public water systems, as defined in California's Health and Safety Code, Section 116275 (h); and

WHEREAS, performing cross connection control surveys will help safeguard the potable water system.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HESPERIA DOES ORDAIN AS FOLLOWS:

Section 1. All of the facts set forth in this Ordinance are true, correct and are adopted as findings.

Section 2. Title 14, Chapter 14.04 of the Hesperia Municipal Code is hereby amended by replacing 14.04.090 as set forth in Exhibit "A", attached hereto.

Section 3. This Ordinance shall take effect thirty (30) days from the date of adoption.

Section 4. The City Clerk shall certify to the adoption of the Ordinance and shall cause the same to be posted in three (3) public places within the City of Hesperia pursuant to the provisions of Resolution No. 2007-101.

ADOPTED AND APPROVED this 17 day of June, 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

Attachment 2

14.04.090 Cross connections and backflow devices.

- A. The owner shall comply with state and federal laws enforcing the installation of backflow prevention assemblies to protect the public potable water supply from the danger of cross connections. Backflow prevention assemblies must be installed directly downstream from the service and shall be open to test and inspection by the district at all times. Plans for installation of backflow prevention assemblies must be approved by the district prior to installation. Whenever backflow protection has been found necessary on a water supply line entering an owner's premises, then any and all water supply lines from the district's mains entering such premises, building, or structures shall be protected by an approved backflow prevention assembly, regardless of the use of the additional water supply lines.

- B. Backflow Prevention. ~~District will establish and maintain a list of approved backflow prevention assemblies.~~ Only those backflow prevention assemblies that meet the requirements below will be accepted by the District.

(1) Standards found in Chapter 10 of the Manual of Cross-Connection Control, Tenth Edition, published by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research; or

(2) certification requirements for backflow prevention assemblies in the Standards of American Society of Sanitary Engineering (ASSE) International current as of 2022 that include ASSE 1015-2021 for the DC, ASSE 1048-2021 for the DCDA & DCDA-II, ASSE 1013-2021 for the RP, and ASSE 1047-2021 for the RPDA & RPDA-II and must have the 1YT mark.

~~Only backflow prevention assemblies which have been approved by the district shall be acceptable for installation by a water user.~~ The type of backflow prevention assembly that may be required (listed in decreasing level of protection) includes: Air Gap Separation (A.G.), Reduced Pressure Principle Backflow Prevention Assembly (R.P.), Double Check Valve Assembly (D.C.), for fire services, Reduced Pressure Detector Assembly (R.P.D.A.), and Double Check Detector Assemblies (D.C.D.A.). The water user may choose a higher level of protection then required by the district. The minimum types of backflow protection required to protect the public potable water system at the user's water connection to premises with varying degrees of hazard are listed in ~~Table 1 of Section 7604, Title 17 of the California Code of Regulations.~~ APPENDIX D of the State Water Resources Control Board Cross-Connection Control Policy Handbook.

Situations which are not covered in ~~Table 1~~ APPENDIX D of the State Water Resources Control Board Cross-Connection Control Policy Handbook shall be evaluated on a case by case basis and the appropriate backflow protection shall be determined by the district. In special circumstances when the owner is engaged in the handling of especially dangerous corrosive liquids, industrial or processed water the owner shall be required to install an air gap separation as an additional precaution as a protection to the district's water supply.

A list of approved backflow prevention assemblies will be provided at request to any affected customer. Backflow prevention assemblies shall be installed in a manner prescribed in the district's policy and procedures document. Location of the assemblies shall be as close as practical to the user's connection. The district shall have the final authority in determining the required location of a backflow prevention assembly.

- C. Testing Backflow Prevention Assemblies. The district may inspect and test backflow prevention assemblies at random. Testing of backflow prevention assemblies shall be conducted only by certified testers. A list of certified testers will be provided to any affected customer. Testing of the assemblies shall be the responsibility of the water user. Backflow prevention assemblies will be tested at least annually and immediately after installation, relocation, or repair. More frequent testing may be required if deemed necessary by the district. Assemblies shall be serviced, overhauled, or replaced whenever they are found to be defective and all costs of repair, maintenance, and testing

shall be borne by the water user. Approval must be obtained from the Hesperia Water District prior to removing, relocating, or replacing a backflow prevention assembly.

- D. Termination of Service. Unprotected cross connections are prohibited. An appropriate backflow prevention assembly shall be installed, tested and maintained by and at the expense of the water user, at each user connection where required to prevent backflow from the water users premises to the public potable water system. It shall be the water user's responsibility to comply with the district's requirements. Failure to comply with the district requirements shall be cause for water service termination to the premises until corrective actions have been taken. The service of water to any premises may be immediately disconnected by the district if any defect is found in the backflow prevention assembly or if it is found that dangerous unprotected cross connections exist. Service will not be restored until such defects are corrected.
- E. Hazard Assessment. To evaluate the potential for backflow into the public potable water supply, the District must conduct an initial hazard assessment of all user's premises within its service area. Each hazard assessment must identify the degree of hazard to the distribution system as either a high hazard cross-connection, a low hazard cross-connection, or having no hazard. Subsequent to the initial hazard assessment, the District must perform a hazard assessment under the following criteria:
- (1) if a user premises changes account holder, excluding single-family residences;
 - (2) if a user premises is newly or re-connected to the public water system;
 - (3) if evidence exists of changes in the activities or materials on a user's premises;
 - (4) if backflow from a user's premises occurs;
 - (5) periodically, as identified in the District's Cross-Connection Control Plan.

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City of Hesperia STAFF REPORT



DATE: June 3, 2025

TO: Mayor and Council Members
Chair and Board Members, Hesperia Housing Authority
Chair and Board Members, Hesperia Fire Protection District
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Casey Brooksher, Assistant City Manager

SUBJECT: Fiscal Year (FY) 2025-26 Operating Budget Adoption

RECOMMENDED ACTION

It is recommended that the City Council/Board's adopt the following Resolutions approving the FY 2025-26 Operating Budget for the City of Hesperia, Hesperia Housing Authority, Hesperia Fire Protection District, and Hesperia Water District:

- 1) City of Hesperia Resolution No. 2025-18 adopting the Fiscal Year 2025-26 Budget
- 2) City of Hesperia Resolution No. 2025-19 adopting the GANN Appropriations Limit
- 3) Hesperia Housing Authority Resolution HHA 2025-03 adopting the Fiscal Year 2025-26 Budget
- 4) Hesperia Fire Protection District Resolution HFPD 2025-02 adopting the Fiscal Year 2025-26 Budget
- 5) Hesperia Fire Protection District Resolution HFPD 2025-03 adopting the GANN Appropriations Limit
- 6) Hesperia Water District Resolution HWD 2025-04 adopting the Fiscal Year 2025-26 Budget
- 7) Joint Resolution No. 2025-15, HHA 2025-02, HFPD 2025-01, and HWD 2025-03 re-adopting the Financial Policies

BACKGROUND

In compliance with the City Council's policy direction, staff has prepared the FY 2025-26 Operating Budget for the City of Hesperia, the Hesperia Housing Authority, Hesperia Fire Protection District, and the Hesperia Water District Board's consideration and action. The information contained in this staff report follows two workshops regarding the City's FY 2025-26 Operating Budget which began in May 2025.

ISSUES/ANALYSIS

The City Council/Board's expenditure plan and related resources to fund the Fiscal Year (FY) 2025-26 Operating Budget have been presented and staff is available to answer questions that the legislative bodies may have. Included with this staff report and attached resolutions is the FY 2025-26 combined operating budget of \$104,243,551, made up of: operating expenditures of \$92,637,368, expenditures from non-operating funds of \$5,736,450, capital outlay in operating funds of \$3,243,433, and debt service of \$2,626,300. The Capital Improvement Program (CIP) budget of \$34,390,147 will be presented for City Council consideration on June 17, 2025. With both items combined, the FY 2025-26 Budget is proposed to be \$138,633,698.

Staff requests authority to make technical corrections, minor edits, etc. to the FY 2025-26 Proposed Budget document to be incorporated into the final FY 2025-26 Budget as approved by the City Council.

Financial Policies

Resolutions are included to re-adopt the annual Financial Policies for the City. These policies, which follow current practices, will serve as guidelines for the financial management of the City; particularly in the area of budgeting, accounting for capital improvements, revenue, reserves, transfers of available budget within a fund, fiscal management, capital assets, long-term debt management, and Section 115 Trusts to address unfunded liabilities.

Gann Limit

Proposition 4, approved by the California voters in 1979, requires cities and special districts to calculate and establish an appropriation limit each year. The limit is based on the actual appropriation in the fiscal year 1978-79 or year of incorporation, and increases with population growth and inflation. The FY 2025-26 Gann Limit for the City is \$131,320,831 while the Fire District is \$30,621,746.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure public safety resources adequately protect our community;

Future Development - Facilitate balanced growth to ensure cohesive community development and pursue economic development;

Organizational Health - Foster a high performing organization that provides opportunities for professional growth;

Financial Health - Maintain a balanced budget and adequate reserves; and

Capital Improvement - Continually evaluate capital improvement priorities.

FISCAL IMPACT

See Fiscal Year 2025-26 Proposed Budget.

ALTERNATIVE

Provide alternate direction to staff.

ATTACHMENTS

1. Resolution No. 2025-18
2. Resolution No. 2025-19
3. Resolution HHA 2025-03
4. Resolution HFPD 2025-02
5. Resolution HFPD 2025-03
6. Resolution HWD 2025-04
7. Joint Resolution No. 2025-15, HHA 2025-02, HFPD 2025-01, and HWD 2025-03 (Financial Policies)
8. Exhibit A Financial Policies clean and track changes

RESOLUTION NO. 2025-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2025-26 OPERATING BUDGET

WHEREAS, the City Manager has prepared the proposed operating and capital budget for Fiscal Year 2025-26 for the City of Hesperia; and

WHEREAS, the City Council has received the Fiscal Year 2025-26 proposed operating budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the City's official Program of Services for the City of Hesperia for Fiscal Year 2025-26.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this Resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2025-26 Operating Budget (including transfers) as proposed and presented by staff and as adjusted by Council direction, as the official budget document and Program of Services for the City of Hesperia for Fiscal Year 2025-26, which includes:

Section 2a. City General Fund operating expenditures of \$51,200,188.

Section 2b. Other City funds expenditures of \$10,471,537 are from the following funds, exclusive of transfers:

<u>Fund No.</u>	<u>Fund Name</u>	<u>Expenditure</u>
110	Silverwood	\$ 495,400
207	Local Transport-Sb 325	575,000
241	CFD 2021-1	5,200
242	CFD 2022-1	5,200
243	CFD 2023-1	6,500
251	CDBG Administration	144,883
256	Beverage Recycling Grant	95,710
261	American Rescue Plan Grant	2,256,728
262	SB 1383	112,734
263	Street Maintenance Fund	4,382,518
309	DIF 2018-City Hall Facilities	198,233
402	Water Rights Acquisition	1,446,531
404	2023 Refunding Lease Revenue Bonds	746,900
	Total	<u>\$10,471,537</u>

Section 2c. Transfers Out of City and Other funds in the amount of \$8,706,397 are from the following funds:

<u>Fund No.</u>	<u>Fund Name</u>	<u>Amount</u>
100	General Fund	\$3,414,844
204	Measure I Renewal	1,750,000
205	Gas Tax	1,400,000
206	Gas Tax Swap	669,000
207	Local Transport-Sb 325	620,883
255	AB 3229 Supplemental Law	200,000
309	DIF 2018-City Hall Facilities	651,670
	Total	<u>\$8,706,397</u>

Section 3. That the City Council approves the following position classification changes included in the 2025-26 Budget as follows:

Section 3a. That the City Council approves the new position classification title of Deputy Human Resources/Information Technology Director, which is a non-represented At-Will in the senior management classification with a contract, no auto allowance and a salary range of 47.

Section 3b. That the City Council approves the new position classification title of Human Resources Program Manager, which is a non-represented position, in the management classification, and a salary range of 40.

Section 3c. That the City Council approves the new position classification title of Community Program Manager, which is a non-represented position, in the management classification, and a salary range of 40.

Section 3d. That the City Council approves the new position classification title of Land Development Supervisor, which is a non-represented position, in the professional/supervisory classification, and a salary range of 39.

Section 3e. That the City Council approves the new position classification title of GIS Specialist, which is a non-represented position, in the professional/supervisory classification, and a salary range of 38.

Section 3f. That the City Council approves the new position classification title of City Clerk Specialist, which is a non-represented position, general classification, and a salary range of 32.

Section 3g. That the City Council approves the new position classification title of Animal Licensing/Canvassing Officer Part-Time, which is a non-represented position, with a salary range of 11.

Section 4. That the City Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2025-26 Budget and consistent with the policy adopted by the City Council.

Section 5. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

ATTEST:

Allison Lee, Mayor

Jessica Giber, Assistant City Clerk

RESOLUTION NO. 2025-19

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA,
CALIFORNIA, APPROVING THE FISCAL YEAR 2025-26 ARTICLE XIII B LIMIT
(GANN APPROPRIATIONS LIMITATION)**

WHEREAS, Article XIII B of the California Constitution (Proposition 4) was passed by voters in 1979; and

WHEREAS, Article XIII B sets a limit on the annual spending or appropriations levels of the state, local governments, and schools according to changes in inflation and population, the base year levels being set in Fiscal Year 1978-79; and

WHEREAS, said limit is known as the Gann Appropriations Limitation and must be adopted annually by the governing body of each jurisdiction; and

WHEREAS, said annual limitation is established by multiplying either the increase of the jurisdictional change in per capita income or assessed valuation, whichever is greater, by the change in population; and multiplying the resulting figure by the previous fiscal year's limitation; and

WHEREAS, upon incorporation, the Local Agency Formation Commission (LAFCO) set the base Gann Appropriations Limitation for the City of Hesperia at \$12,000,000; and

WHEREAS, said limitation has been properly adjusted for the City of Hesperia each fiscal year, including Fiscal Year 2025-26, by the Finance Division according to the State's formula as shown below; and

WHEREAS, it is required that each jurisdiction's governing body adopt their adjusted Gann Appropriations Limitation on an annual fiscal year basis.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. Approves the annual Fiscal Year 2025-26 Article XIII B Limit (Gann Appropriations Limitation) of \$131,320,831 for the City of Hesperia.

Appropriations limit for fiscal year ended June 30, 2025			\$122,712,775
Adjustment factors for the fiscal year ended June 30, 2025			
Inflation	Population	Combined	
<u>Factor</u>	<u>Factor</u>	<u>Factor</u>	
1.0644	1.0054	1.070148	<u>x 0.070148</u>
Adjustment for inflation and population			8,608,056
Appropriations limit for fiscal year ended June 30, 2026			<u>\$131,320,831</u>

Section 3. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

RESOLUTION HHA 2025-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING AUTHORITY, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2025-26 OPERATING BUDGET

WHEREAS, the Executive Director of the Hesperia Housing Authority has prepared the proposed operating budget for Fiscal Year 2025-26; and

WHEREAS, the Hesperia Housing Authority Board has received the Fiscal Year 2025-26 proposed operating budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the Board's official Program of Services for the Housing Authority for Fiscal Year 2025-26.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING AUTHORITY OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2025-26 Budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Housing Authority for Fiscal Year 2025-26, which includes budgeted expenditures totaling \$74,304.

Section 3. That the Board and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2025-26 Budget and consistent with the policy adopted by the Authority's Board.

Section 4. That the Secretary of the Housing Authority shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

RESOLUTION HFPD 2025-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2025-26 OPERATING BUDGET

WHEREAS, the Executive Director has prepared the proposed operating budget for Fiscal Year 2025-26 for the Hesperia Fire Protection District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2025-26 proposed operating budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the District's official Program of Services for the Hesperia Fire Protection District for Fiscal Year 2025-26.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve and adopt the Fiscal Year 2025-26 Budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Hesperia Fire Protection District for Fiscal Year 2025-26 which includes budgeted expenditures totaling \$1,959,733.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2025-26 Budget and consistent with the policy adopted by the District's Board of Directors.

Section 4. That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

RESOLUTION HFPD 2025-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2025-26 ARTICLE XIII B LIMIT (GANN APPROPRIATIONS LIMITATION)

WHEREAS, Article XIII B of the California Constitution (Proposition 4) was passed by voters in 1979; and

WHEREAS, Article XIII B sets a limit on the annual spending or appropriations levels of the state, local governments, and schools according to changes in inflation and population, the base year levels being set in Fiscal Year 1978-79; and

WHEREAS, said limit is known as the Gann Appropriations Limitation and must be adopted annually by the governing body of each jurisdiction; and

WHEREAS, said annual limitation is established by multiplying either the increase of the jurisdictional change in per capita income or assessed valuation, whichever is greater, by the change in population; and multiplying the resulting figure by the previous fiscal year's limitation; and

WHEREAS, said limitation has been properly adjusted for the Hesperia Fire Protection District fiscal year, including Fiscal Year 2025-26, by the Finance Division according to the State's formula as shown below; and

WHEREAS, it is required that each jurisdiction's governing body adopt their adjusted Gann Appropriations Limitation on an annual fiscal year basis.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HESPERIA FIRE PROTECTION DISTRICT AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. Approves the annual Fiscal Year 2025-26 Article XIII B Limit (Gann Appropriations Limitation) of \$30,621,746 for the Hesperia Fire Protection District.

Appropriations limit for fiscal year ended June 30, 2025			\$28,614,496
Adjustment factors for the fiscal year ended June 30, 2026			
Inflation	Population	Combined	
<u>Factor</u>	<u>Factor</u>	<u>Factor</u>	
1.0644	1.0054	1.070148	<u>x 0.070148</u>
Adjustment for inflation and population			2,007,250
Appropriations limit for fiscal year ended June 30, 2026			<u>\$30,621,746</u>

Section 3. That the Board Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

RESOLUTION HWD 2025-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2025-26 OPERATING BUDGET

WHEREAS, the General Manager has prepared the proposed operating and capital budget for Fiscal Year 2025-26 for the Hesperia Water District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2025-26 proposed operating budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the District's official Program of Services for the Hesperia Water District for Fiscal Year 2025-26.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2025-26 Operating Budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Hesperia Water District for Fiscal Year 2025-26 which includes water operating expenditures of \$30,325,624, sewer operating expenditures of \$8,918,230, Reclaimed Water Operations of \$293,935, and Water Capital expenditures of \$1,000,000, for a Water District operating total of \$40,537,789.

Section 2b. Transfers Out of Water District funds in the amount of \$610,000 from Fund 710, for a District total of \$610,000.

Section 3. That the Board of Directors approves the following position classification changes included in the 2025-26 Budget as follows:

Section 3a. That the Board of Directors approves the new position classification title of Land Development Supervisor, which is a non-represented position, in the professional/supervisory classification, and a salary range of 39.

Section 4. That the Board of Directors and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2025-26 Budget and consistent with the policy adopted by the District's Board of Directors.

Section 5. That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

**JOINT RESOLUTION NO. 2025-15
RESOLUTION HHA NO. 2025-02
RESOLUTION HFPD NO. 2025-01
RESOLUTION HWD NO. 2025-03**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA,
CALIFORNIA, THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING
AUTHORITY, THE BOARD OF DIRECTORS OF THE HESPERIA FIRE
PROTECTION DISTRICT, AND THE BOARD OF DIRECTORS OF THE
HESPERIA WATER DISTRICT ADOPTING FINANCIAL POLICIES**

WHEREAS, the City of Hesperia wishes to establish a comprehensive set of financial policies that will serve as a guideline for operational and strategic decision-making related to financial matters; and

WHEREAS, financial policies are intended to establish guidelines for the City's overall planning and management; and

WHEREAS, such policies will allow the City to maintain and enhance a sound fiscal condition; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING AUTHORITY, THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, AND THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICTS AS FOLLOWS:

Section 1. The recitals are true and correct and adopted as findings.

Section 2. That the City Council and Board of Directors approves the Financial Policies (Exhibit A).

Section 3. If any section, sub-section, sentence, clause, or word in the Resolution is held to be invalid by decision of any court of competent jurisdiction or action of State legislation, such decision or legislation shall not affect the validity of the remaining portions of this Resolution.

Section 4. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor/Chair

ATTEST:

Jessica Giber, Assistant City Clerk/Secretary

FINANCIAL POLICIES

- *Financial Policies*
- *Financial Policies Resolutions – The following four resolutions are scheduled for the City Council to adopt the Financial Policies for the City and its subsidiary districts:*
 - *Joint Resolution No. 2025-15*
 - *Resolution HHA 2025-02*
 - *Resolution HFPD 2025-01*
 - *Resolution HWD 2025-03*

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FINANCIAL POLICIES

I. BUDGETING POLICY

- The City will adopt an annual budget for the fiscal year beginning July 1st no later than June 30th of the same calendar year.
- The adopted budget will be balanced with current year operating expenditures fully funded by current year revenues.
- Fund balance reserves for the General Fund and Water District will be used only for non-recurring expenditures such as capital projects, studies, etc. and not for on-going operations. In the event that fund balance reserves are used for recurring (operational) expenditures, the City Council will be notified prior to adoption of the annual budget.
- The City Manager is authorized to implement programs as approved in the adopted budget.
- A First Quarter and Mid-Year budget review will be conducted for the City Council to determine the status of projected revenues, expenditures, and other financial situations, along with consideration of needed budget amendments. A Fourth Quarter appropriation review is conducted and budget amendments are presented to the City Council as needed.
- To ensure adequate funding for law enforcement services, the annual Police Department budget shall equal or not exceed 53% of a three-year average of the General Fund audited operating expenditures. The General Fund operating budget is comprised of all expenditures less transfers out, debt service, and capital outlay. Furthermore, the actual expenditures will be comprised of an average of the three most recently audited fiscal years. Should the Police Department budget exceed 53% of the General Fund operating budget and the City is unable to balance the budget without the use of reserves, the City Manager is authorized by the City Council to negotiate with the County of San Bernardino Sheriff's Department to identify cost savings to maintain the City Council approved percentage. In addition, should the annual Police Department budget be less than 53% of the General Fund operating budget, the City Manager will be authorized to add additional level of services, be that personnel, programs, or equipment.

II. CAPITAL IMPROVEMENT POLICY

- The City will identify the estimated costs and potential funding sources for each capital project prior to its submittal to the City Council for approval.
- Capital projects involve the purchase or construction of major capital assets such as land; equipment; infrastructure; building or permanent improvements including additions, replacements, and major alterations; having a long life expectancy; and costing \$5,000 or more.
- Capital projects are funded by a variety of funding sources, which are often restricted for a specific purpose. Prior to a capital project being included in the annual budget, a determination must be made that the project is an appropriate use of the funds and that there is sufficient funding available.

III. REVENUE POLICY

Recurring expenditures will be funded by recurring revenue. Recurring expenditure increases that exceed recurring revenue growth should not be approved. Any new or expanded programs should be required to identify new funding sources and/or offsetting reductions in expenditures. In addition:

- The City shall use a conservative approach in projecting revenues.
- One-time revenues may be used for one-time expenditures or enhancement of reserves.
- The City shall update its user fees and charges periodically to recover costs of providing that service for which a fee is charged.
- All potential grants shall be carefully reviewed for matching requirements, maintenance of effort requirements, and on-going future expenditures requirements.
- Intergovernmental grants will be evaluated to determine the long term operating and maintenance costs associated with the grant.
- The City will maintain water and sewer rate structures which are adequate to ensure that these enterprise funds remain firmly and separately self-supporting, including the costs of operation, capital replacement, cost allocation plan, and debt service.

FINANCIAL POLICIES

IV. RESERVE POLICY

The cash reserve policies for the General Fund requires that a minimum of two (2) months of the annual expenditures be held in cash. It is the goal for the Hesperia Water District (Enterprise Fund), which is in the process of building reserves, to have two (2) months of the annual expenditures held in cash. Cash reserves is a calculation of the ratio of cash and cash equivalents to the total individual annual expenditures. The specific purpose of the reserves is to provide funding to meet operational appropriation requirements in the event that either, the City or Water District experience shortfalls in the level of anticipated revenues or unanticipated expenses.

Adequate reserve levels are a necessary component of the City's overall financial management strategy. It is the responsibility of the City Council to maintain a sufficient level of reserve funds to provide for the orderly provision of services to the citizens of the City of Hesperia. The City Council has the authority to decide the circumstances under which the reserves can be used. The City Manager may, from time to time, make recommendations as to the level of reserve funds necessary for prudent fiscal management. Reserve levels shall be reviewed at least annually during the budget process to ensure that they are consistent with the conditions faced by the City. All uses of reserves require a resolution of the City Council or will be incorporated in the annual adopted budget.

If the rare situation arises where a portion of the City's Reserves are to be utilized to fund operations, the equivalent amount will be returned as Reserves in the next available Budget. Use of Reserves in this instance may impact the City's ability to meet the Reserve Policy of holding (2) months of the annual expenditures in cash and requires City Council approval, as incorporated into the adopted budget.

V. TRANSFER AUTHORITY

The following criteria establish the transfer authority for appropriations as set forth in the fiscal year budget.

- Division Managers can make transfers between line items in the same program.
- Department Directors can make transfers between divisions within the same fund.
- Transfers between departments, within the same fund, will require the City Manager approval.
- Transfers between the capital expenditure classification and the operating expenditure classifications will require the City Manager approval.
- Transfers between different funds can only be made with an approved City Council resolution.
- The Finance Division will review all budget transfers and make recommendations to the City Manager.

VI. FISCAL MANAGEMENT

- An independent firm of certified public accountants will perform an annual financial and compliance audit according to General Accepted Auditing Standards (GAAS) that will be incorporated into the Annual Comprehensive Financial Report.
- Annually, the City will seek the Governmental Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Achievement for Distinguished Budget Presentation Awards.

VII. INVESTMENTS

- The City will continue to have a written investment policy approved by City Council resolution annually. The policy for investments in priority order is safety, liquidity, and yield.
- The City Council will receive reports on the cash position and performance of City investments on a monthly basis.

VIII. CAPITAL ASSETS

- Assets exceeding the value of \$5,000 are considered capital assets.
- All assets will be maintained at a level that protects capital investment and minimizes future maintenance costs.

FINANCIAL POLICIES

IX. DEBT MANAGEMENT

- The City will not issue long-term debt to finance current operations. Debt financing should only be used for long-term capital improvement projects or purchases of capital assets, such as water rights, that have a useful life exceeding the term of the financing. In addition, identified revenue sources shall be identified to allow for the principal, interest, and other related payments (debt service) of the long-term debt.
- The City will seek to maintain a high credit rating through sound financial practices as a basis for minimizing borrowing costs.
- The City will monitor all forms of debt. Annually, the status of all long-term debt will be reported to the City Council in the annual budget.
- The City will diligently monitor its compliance with bond covenants and continuing disclosures.

X. UNFUNDED LIABILITY

The City maintains three Section 115 Trusts to address the unfunded liability for the CalPERS – Miscellaneous Plan or the City of Hesperia, CalPERS – Safety Plan for the Hesperia Fire Protection District (HFPD), and the other postemployment benefits (OPEB) of the City. The Section 115 Trust plans allow the City to safely and securely set aside funds, separate and apart from the state retirement system, in a tax-exempt irrevocable trust to reduce pension and other postemployment liabilities and stabilize these costs. In addition to potential investment earnings, annual funding of the plans allows the City to maximize the benefits of the trust plans. The following policies indicate the annual funding provisions:

- The City will annually contribute a minimum of five percent (5%) of the annual CalPERS required employer unfunded liability payment into the 115 Trust for the City miscellaneous and safety plan. The City will review the annual CalPERS actuarial valuation report and include into the budget the 5% calculation as transfer to the 115 pension plans.
- The City will annually review the OPEB billing from CalPERS and contribute a minimum 15% to the 115 Trust of OPEB. The City will use the current year OPEB billing to be included in the next year budget. For example, the FY 2024-25 billing will be used for the FY 2025-26 Budget.

FINANCIAL POLICIES

JOINT RESOLUTION NO. 2025-15
RESOLUTION HHA NO. 2025-02
RESOLUTION HFPD NO. 2025-01
RESOLUTION HWD NO. 2025-03

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA,
CALIFORNIA, THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING
AUTHORITY, THE BOARD OF DIRECTORS OF THE HESPERIA FIRE
PROTECTION DISTRICT, AND THE BOARD OF DIRECTORS OF THE HESPERIA
WATER DISTRICT ADOPTING FINANCIAL POLICIES**

WHEREAS, the City of Hesperia wishes to establish a comprehensive set of financial policies that will serve as a guideline for operational and strategic decision making related to financial matters; and

WHEREAS, financial policies are intended to establish guidelines for the City's overall planning and management; and

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NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING AUTHORITY, THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, AND THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICTS AS FOLLOWS:

Section 1. The recitals are true and correct and adopted as findings.

Section 2. That the City Council approves the Financial Policies (Exhibit A).

Section 3. If any section, sub-section, sentence, clause, or word in the Resolution is held to be invalid by decision of any court of competent jurisdiction or action of State legislation, such decision or legislation shall not affect the validity of the remaining portions of this Resolution.

Section 4. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor/Chair

ATTEST:

Jessica Giber, Assistant City Clerk/Secretary

FINANCIAL POLICIES

- *Financial Policies*
- *Financial Policies Resolutions – The following four resolutions are scheduled for the City Council to adopt the Financial Policies for the City and its subsidiary districts:*
 - ▶ *Joint Resolution No. ~~2024-21~~2025-15*
 - ▶ *Resolution HHA ~~2024-03~~2025-02*
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FINANCIAL POLICIES

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- The City will annually review the OPEB billing from CalPERS and contribute a minimum 15% to the 115 Trust of OPEB. The City will use the current year OPEB billing to be included in the next year budget. For example, the FY ~~2023-24~~2024-25 billing will be used for the FY ~~2024-25~~2025-26 Budget.

City of Hesperia

STAFF REPORT



DATE: June 3, 2025

TO: Mayor and Council Members

FROM: Rachel Molina, City Manager

BY: Nathan R. Freeman, Director of Development Services
Eydee Jimenez, Economic Development Supervisor

SUBJECT: 2025-2026 Community Assistance Program – Grant Awards

RECOMMENDED ACTION

It is recommended that the City Council, after reviewing the Hesperia City Council Advisory Committee (CCAC) Community Assistance Program (CAP) applicant rankings (Exhibit A), adopt Resolution No. 2025-017 to approve Program Year (FY 2025–26) CAP funding for each applicant.

BACKGROUND

To be eligible for CAP, applicants must be tax-exempt nonprofit organizations serving Hesperia residents, with at least 75 percent of their unduplicated service goal delivered between July 1, 2025, and June 30, 2026. Applicants must also demonstrate the capacity to collect and submit client intake forms. Required documentation includes:

- Articles of Incorporation and bylaws.
- IRS nonprofit determination letter.
- Organizational chart for FY 2025–26.
- Current list of board of directors for FY 2025–26.

On January 14, 2025, staff published the Notice of Funding Availability (NOFA) for CAP, promoting it via the City's website, official social media channels, the Hesperia Branch Library, and City Hall. The City received 16 applications by the February 13, 2025, deadline.

On March 6, 2025, staff presented these applications to the CCAC for review and scoring. The CCAC noted that the original application lacked clarity and detail, which hindered effective evaluation, and requested a larger applicant pool.

In response, staff revised the application to improve response quality and clarify requirements:

- Section B – Program/Project Description: Increased minimum word count from 25 to 100 to elicit more detailed responses.
- Section D – Other Funding Sources: Applicants must specify intended uses of "Other" funding and list all current external funding sources.
- Section F – Required Documents: Clarified that submission of both Articles of Incorporation and bylaws is mandatory.

The revised NOFA reopened on March 31, 2025, with a deadline of April 28, 2025. To support applicants, Economic Development division staff hosted a CAP Application Workshop (offered in-person and virtually) on April 9, 2025.

The City received 20 applications during the second round, meeting the CCAC's request for a larger pool. Resolution No. 2024-037 originally established CAP guidelines to fund ten applicants, each to receive \$5,000, for a total of \$50,000. However, the CCAC's May 13, 2025, ranking (Exhibit A) recommends funding twelve applicants. In cases of tied scores, organizations were ranked alphabetically by name. This recommendation exceeds the adopted guidelines by two grantees.

Scoring Methodology:

The CCAC evaluated a total of eighteen (18) eligible applications during its May 13, 2025, special hearing. Each committee member independently ranked the applications in order of preference, assigning a score from one (1) to eighteen (18), with one (1) indicating the highest preference. The individual rankings from each committee member were then compiled and summed to calculate a cumulative score for each applicant. Applications with lower cumulative scores reflect higher overall preference by the committee. In the event of a tie score, organizations were ranked alphabetically by name.

The final rankings are shown in Exhibit A and form the basis of the CCAC's recommendation to fund the top twelve applicants.

ISSUES/ANALYSIS

The CCAC took the following under consideration when making their recommendations:

1. Eligibility.
2. Community need.
3. Financial need of the program/project.
4. Financial capacity to administer the program.
5. Funding the applicants receive from other sources.

City Council must reconcile the discrepancy between the CCAC's recommendation for twelve grantees and the adopted guideline of ten grantees. Options include:

- Amend Resolution No. 2024-037 to allocate \$50,000 among twelve grantees.
- Limit awards to the top ten ranked applicants, at \$5,000 per grantee.

The City Council retains the discretion to modify or disregard CCAC recommendations in making final award determinations.

CITY GOAL SUPPORTED BY THIS ITEM

Future Development - Facilitate balanced growth to ensure cohesive community development and pursue economic development.

FISCAL IMPACT

Funding for this program in the amount of \$50,000 will be included in the FY 2025–26 Budget within account 100.01.100.0000.8000.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2025-017
2. Exhibit A: CCAC Ranking Recommendations
3. Application Notebooks (Binders provided under separate cover)

RESOLUTION NO. 2025-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE FUNDING ALLOCATIONS FOR THE COMMUNITY ASSISTANCE PROGRAM 2025-26 FOR THE PROGRAM YEAR

WHEREAS, the City of Hesperia is a municipal corporation duly organized under the laws and Constitution of the State of California; and

WHEREAS, the City Council directed staff to allocate \$50,000 in funding to the Community Assistance Program (CAP) for the 2025–26 Program Year (PY); and

WHEREAS, on January 14, 2025, staff published a Notice of Funding Availability (NOFA) for CAP via the City’s website, official social media channels, the Hesperia Branch Library, and City Hall; and

WHEREAS, CAP applications were made available on January 14, 2025, and were due by February 13, 2025; and

WHEREAS, on March 6, 2025, staff presented the 16 received applications to the City Council Advisory Committee (CCAC) for review and scoring; and

WHEREAS, the CCAC noted that the original application lacked clarity and detail, which hindered effective evaluation, and requested a larger applicant pool; and

WHEREAS, staff revised the application to improve response quality and clarify requirements; and

WHEREAS, the revised NOFA reopened on March 31, 2025, with a deadline of April 28, 2025; and

WHEREAS, to support applicants, Economic Development Division staff hosted a CAP Application Workshop (offered in-person and virtually) on April 9, 2025; and

WHEREAS, the City received 20 applications during the second round, meeting the CCAC’s request for a larger pool; and

WHEREAS, the CCAC reconvened on May 13, 2025, to review, score, and rank eligible CAP applications; and

WHEREAS, the CCAC forwarded its ranking recommendations to the City Council; and

WHEREAS, on June 3, 2025, the City Council evaluated the CCAC’s recommendations for the FY 2025–26 CAP Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. The recitals above are true and correct and are adopted as findings.

Section 2. The City Council approves the recipients and funding levels for the 2025-26 PY.

Section 3. The City Manager, or designee, is hereby authorized to execute all necessary documents and any certifications to implement the PY 2025-26 CAP Program.

Section 4. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 3rd day of June 2025.

Allison Lee, Mayor

ATTEST:

Jessica Giber, Assistant City Clerk

Exhibit A

The following table reflects the cumulative ranking scores for the FY 2025–26 Community Assistance Program (CAP) applicants, as evaluated by the Hesperia City Council Advisory Committee (CCAC). Lower total scores indicate higher overall preference. Rankings were determined by summing individual committee member scores, with tied scores resolved alphabetically.

Rank	Organization	Points / Notes	
1	Genesis Reentry Services	12	
2	New Life Chapel Food Ministry	13	
3	Orenda Veterans Project	20	
4	Restore Unity	24	
5	Hesperia Leisure League	29	Tie
6	No Drugs America	29	Tie
7	Victor Valley Community Services Council	31	
8	God's Hand Extended	33	
9	Moses House Ministries	36	
10	Feed My Sheep in the High Desert	40	
11	High Desert Animal Coalition	42	
12	HD Stallions	43	
13	US Elite Non-profit Math Tutoring	47	
14	I am Love Movement	53	Tie
15	Rock'n Our Disabilities	53	Tie
16	Community Health Action Network	57	Tie
17	Rolling Start, Inc.	57	Tie
18	Victor Valley Family Resource Center	65	

Rank Organization**Points / Notes**

Disqualified (did not meet committee standards)

19	Call for Life Pregnancy Help Center	—	Application did not meet committee standards (no official bylaws submitted).
20	Holy Family Food Pantry	—	Application did not meet committee standards (no official bylaws submitted, Articles of Incorporation missing, and IRS nonprofit letter not provided).

ATTACHMENT 3 AVAILABLE FOR REVIEW IN THE CITY CLERK'S OFFICE