

RESOLUTION NO. 2025-40

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT
ESTABLISHING A FACILITY USE POLICY**

WHEREAS, San Miguel Community Services District ("District") is a community services district formed under California Government Code section 61000 et. seq. to provide community services within the District's service area, including water, sewer, lighting, solid waste, and fire protection services; and

WHEREAS, California Government Code section 61060 provides District the power to hold, use, enjoy, lease, or dispose of any of its property and expressly authorizes the Board of Directors ("Board") to enforce rules and regulations governing the use of District facilities. The Board has legal authority to permit temporary use or rentals of District owned property and to establish policies, rules, and fees for such use; and

WHEREAS, the District owns and maintains certain real properties and facilities for public benefit, and the Board desires to allow use of District facilities by outside groups when such use benefits the community and complies with the law; and

WHEREAS, the California Constitution Article XVI, section 6, prohibits any gift of public funds meaning the District cannot give away the use of public resources for private benefit without receiving fair value or serving a public purpose. Accordingly, any non-District use of District property must either (a) serve a public purpose that benefits the community or (b) provide fair compensation to the District, to avoid an unlawful gift of public resources; and

WHEREAS, the Board finds that allowing use of District facilities by community groups, public agencies, non-profits, and local residents for meetings, events, and activities can serve a valid public purpose such as promoting community engagement, recreation, education, and cultural enrichment provided that the District is compensated for costs or that the event is aligned with community benefits. This policy is intended to facilitate community use of District facilities on fair and equitable terms; and

WHEREAS, the Board has determined that it is in the public interest to establish a formal Facility Use Policy setting forth when and how outside groups may use District facilities, the security deposits, insurance requirements, and the approval process for such uses, in order to ensure transparency, consistency, and protection of the District's assets and financial integrity; and

WHEREAS, the Board has reviewed the proposed Facility Use policy and determined that its adoption is in the best interest of the District and the community by establishing clear administrative procedures and ensuring compliance with applicable legal requirements governing the use of District property, excluding those areas which are needed for District's operational needs or are otherwise inappropriate for public access.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt the following District Use Policy:

Section 1. Eligible Users and Permitted Uses.

District Facilities may be made available for temporary use by outside organizations, groups, or individuals (“Users”) for purposes that benefit the community or are consistent with the District’s mission. Eligible Users include local residents, community groups, nonprofit organizations, other public agencies, and private parties, provided that the proposed use is lawful and appropriate for the facility. Typical permitted uses may include community meetings, classes, workshops, ceremonies, private events such as baby showers or birthday parties, and other social, educational, or recreational events open to the community or privately hosted. The General Manager shall determine whether a proposed use serves a community purpose or is otherwise in the public interest. Under no circumstances shall District Facilities be used for any illegal activities or for purposes that pose safety hazards or could damage District property. The Board may establish further guidelines prioritizing certain uses. All Users must comply with any capacity limits, noise ordinances, or other regulations applicable to the facility.

Section 2. Application and Approval Process

Any outside party wishing to use a District Facility must submit a Facility Use Application to the District. The application should contain details of the proposed event (date, time, facility requested, nature of event, expected attendance, etc.) and must be submitted no less than seven (7) days in advance of the event. District staff, under direction of the General Manager, will review each request for consistency with this policy. The District may develop a standard Facility Use Agreement form to be signed by the User upon approval, outlining the terms, fees, and user obligations. If a requested use involves exceptional circumstances, the Board of Directors approval may be required on a case-by-case basis. The District reserves the right to deny any application if the proposed use is deemed inconsistent with the public interest, would unduly interfere with District operations, or if the applicant has previously violated District facility rules. Approved applicants will receive a permit or agreement specifying the approved use, required deposit, and any special conditions. Users shall not advertise or finalize event plans until official approval is granted.

Section 3. Security Deposits

Users shall be required to pay a refundable security deposit in an amount set by the District. The deposit is intended to cover any potential damage repair, extra cleaning, or overtime costs that result from the User’s event. If the facility is returned in a clean, undamaged condition and all terms of use were followed, the deposit will be refunded in full. If there is damage, missing equipment, or unusual clean-up required, the District may retain all or part of the deposit to cover those costs, and will provide an itemized explanation. Users are responsible for any costs of damage or cleaning that exceed the deposit. The District’s Facility Use Agreement shall include a statement of the User’s responsibility to leave the facility in the same condition as received, and conditions for forfeiture of deposit if obligations are not met.

Section 4. Cost Recovery

The District shall recover its reasonable costs associated with the review, processing, and administration of Facility Use applications. Such costs may include, but are not limited to, staff time, public safety review, site inspections, technical or legal review, and any other services necessary to evaluate the application. Applicants shall pay all applicable fees established by the District's adopted fee schedule, as well as any additional actual costs incurred by the District that exceed the standard application fee. The District may require payment of an application deposit or the execution of a cost recovery agreement prior to initiating review. No Facility Use application shall be approved until all required fees and costs have been paid in full, unless waived pursuant to Section 7 of this policy.

Section 5. Insurance Requirements

The District may require Users of District Facilities to obtain and provide proof of adequate liability insurance coverage for large events, to protect both the User and the District from claims of injury or property damage. Prior to use, the User shall provide a Certificate of Liability Insurance naming the San Miguel Community Services District as an additional insured for the date(s) of the event. The minimum liability coverage shall be in the amount of one million dollars (\$1,000,000). The insurance certificate must be delivered to the District via email or regular post 30 days before the event. Failure to provide the required insurance documentation in time will result in revocation of the use permit and/or cancellation of the reservation.

Any User, on behalf of itself and its insurers, shall waive any and all rights of recovery against the District, its officers, employees, agents, and volunteers for any loss, damage, or expense covered (or that should have been covered) by the User's insurance required under this Policy or otherwise maintained by the User. Users shall ensure that all required insurance policies include a waiver of subrogation endorsement in favor of the District. The District's acceptance of a certificate of insurance without a waiver of subrogation endorsement shall not be deemed a waiver of this requirement.

Section 6. Indemnification and Liability

Any User of District Facilities must agree, as part of the use agreement, to indemnify, defend, and hold harmless the District, its directors, officers, employees and agents from any liability, claims, or damages arising out of the User's use of the facility. The User assumes responsibility for the safety of its invitees and for any damage or injuries that occur during its event. The District makes no warranties as to the condition or suitability of the facility for the User's intended use, and Users utilize District property at their own risk. The District shall not be liable for any loss, injury, or inconvenience to the User or its guests arising from circumstances beyond the District's control. The Facility Use Agreement shall include a liability waiver acknowledging these conditions. Moreover, Users must comply with all applicable laws and regulations, including fire codes, safety rules, noise regulations, and any required permits. The User is solely responsible for obtaining any such permits or approvals and providing copies to the District upon request. Violation of any laws or of District rules during the event is grounds for immediate termination of the event and forfeiture of deposits, and may result in denial of future use requests.

Section 7. Deposit Waivers and Public Purpose Events

While the District's policy is to charge fees to offset costs, the Board recognizes that some events sponsored by community groups or public service organizations may provide such significant public benefit that it could be appropriate to waive or reduce the normal deposit requirements. Any waiver or reduction of deposits shall require Board approval. In considering a fee waiver, the Board must make a finding that the proposed use serves a public purpose and contributes to the public welfare such that charging the full deposit would be counterproductive or unduly burdensome on the community benefit. Even if deposits are waived, Users may still be required to provide insurance, deposits, and cover any out-of-pocket costs the District incurs. Case-by-case approval allows the Board to ensure waivers are granted only when legally permissible. Absent an approved waiver, all Users shall remit the required deposit pursuant to Section 3.

Section 8. Administration and Enforcement

The General Manager is authorized to implement this Facility Use Policy, including developing application forms, permit agreements, and internal procedures consistent with this policy. District staff shall monitor compliance with all facility use agreements. If a User violates the terms of use or causes significant problems, the General Manager may immediately halt the event and/or deny that User future access to District facilities. The District reserves the right to cancel or reschedule an approved reservation in the event the facility is needed for an emergency or essential District purpose; in such case any fees and deposits would be refunded. District staff shall maintain records of all facility use agreements and ensure that the use of District property under this policy remains consistent with the District's public service mission and legal requirements.

NOW THEREFORE, BE IT FURTHER RESOLVED, the Board does, hereby, find and declare that:

1. The Board hereby approves and adopts the Facility Use Policy as the official policy of the District for governing the use of District property and facilities.
2. The Board finds and determines that the District Facility Use Policy is legally authorized under Government Code section 61060 and serves a valid public purpose.
3. The Board delegates to the General Manager the authority to administer the Facility Use Policy. This delegation includes implementing any necessary administrative procedures, approving standard facility use applications, and enforcing all terms and conditions of the policy. The Board further finds that the procedures set forth in the Policy are fair and in the public interest.
4. This Resolution shall take effect immediately upon its adoption.

Signatures on next page

On the motion of Director **Sangster** seconded by Director **Beatty** and on the following roll call vote, to wit:

AYES: Beatty, Davis, Sangster

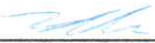
NOES: 0

ABSENT: Smiley

ABSTAINING: 0

VACANCY: 1

The foregoing Resolution is hereby passed and adopted this 18th day of December 2025.




Kelly Dodds, General Manager




Ashley Sangster, Board President

ATTEST:



Tamara Parent
Board Clerk

APPROVED AS TO FORM:



Christina M. Pritchard
District Deputy General Counsel

