

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
JULY 19, 2017**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, July 19, 2017 at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California.

The following Directors were present:

Ken Ayers, President
Pamella Bennett, Vice-President
Mike Terry, Director
Errol Mackzum, Director
Tony Grabow, Director

Also present were the following:

Ryan Gross, General Manager
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor
George Corley, Fire Chief
Mike Vasquez, Fire Battalion Chief
Isaiah Hall, Wastewater Collection Division Supervisor
Trevor Miller, Wastewater Treatment Division Supervisor
Randy Bobroff, Water Division Supervisor

No Visitors Present

MEETING MINUTES

AGENDA ITEMS

1. Call Meeting to Order and Pledge of Allegiance

The meeting was called to order at 9:04 A.M. by President Ayers who also led the assembly in the pledge of allegiance to the flag.

2. Recognize and Hear From Visitors/Public Comment

No visitors present

3. Approval of Consent Items

A. Approve Meeting Minutes

B. Ratify June 2017 Expenditures

The June, 2017 expenditures were discussed and Manager Gross stated District staff will modify future expenditure descriptions for clarity.

C. Receive and File the Fiscal Year 2016/2017 Annual Board and Employee Expense Report

D. Consider Adopting Resolution No. 19-17, Standards for Domestic Water and Sewer Facilities

Manager Gross confirmed that the Department of Public Health merged into the State Water Board and became the Division of Drinking Water. The Standards for Domestic Water and Sewer Facilities were reviewed and editorial revisions will be made to the final document.

E. Consider Adopting Resolution No. 20-17, Certifying Delinquent Charges to be Placed on the Tax Roll for Fiscal Year 2017/2018

F. Consider Adopting Resolution No. 21-17, Finding That Certain Properties Located in the District Constitute a Public Nuisance and Ordering Notification to Property Owners and Setting a Public Hearing

Upon motion by Director Mackzum, second by Director Terry and carried by a 5 to 0 vote, the Consent Items with corrections made to the Standards for Domestic Water and Sewer Facilities document, were approved. (Resolutions No. 19-17, 20-17 and 21-17 on file in the District office)

4. Action Items

A. Consider Reducing Fire Sprinkler Water Meter Monthly Base Charge

Manager Gross explained that Resolution No. 22-17, proposes a reduced monthly rate for fire sprinkler meters. A recent survey indicated that the Running Springs Water District Fire Sprinkler Water Meter fees are high and the District will complete a cost of service study in 2019 to reevaluate all rates. Manager Gross confirmed there are twenty-one (21) customers with fire sprinkler meters. Discussion continued and the Board agreed the fixed monthly Fire Meter Service Charge for the Fiscal Year Ending 2018 will be \$15.00 for a 1 inch and smaller meter and the current rate table was adjusted down for all meter sizes.

Upon motion by Director Grabow, second by Director Terry and carried by a 5 to 0 vote, Resolution No. 22-17, Reducing Rates for District Fire Meter Services, with revisions to the Fire Meter Service Rate Table, was approved.

B. Consider Approving Ordinance No. 49, Adopting Rules and Regulations for Water and Wastewater Service

Manager Gross stated Ordinance No. 49 was an information item at the June Board Meeting and the necessary publication requirements were met. Ordinance No. 49 combines, reorganizes and restates all existing rules, regulations and policies regarding water and wastewater service into one stand alone document.

Upon motion by Director Bennett, second by Director Terry and carried by a 5 to 0 vote, Ordinance No. 49, Rules and Regulations for Water and Wastewater Service, was adopted. (Ordinance No. 49 on file in the District Office)

C. Consider Voting to Elect a Representative to the California Special Districts Association (CSDA) Board of Directors

Upon motion by Director Terry, second by President Ayers and carried by a 5 to 0 vote, the Board of Directors voted for John DeMonaco, Chino Valley Independent Fire District, as a Representative to the CSDA Board of Directors.

D. Consider Awarding Contract for Downtown Sewer Repair

Supervisor Hall reported on the Downtown Sewer Repair Project that is an eight (8) inch damaged sewer pipeline in need of repair. The Wastewater Collections Division Fiscal Year 2017/2018 budget includes \$45,000 for this project which will be funded from the Wastewater Capital Improvement Project Reserve account with a balance of \$202,068. The District received two (2) bids with the low bid received from Sancon Technologies, Inc. (Sancon) in the amount of \$31,620 which was provided to the Board for review. Supervisor Hall stated the Sancon bid includes a foot note stating that additional mobilizations will be billed at \$4,950 but they expect to complete the project in one night. There also may be an additional Caltrans permit fee of approximately \$850 that would be passed through to the District by the contractor. Supervisor Hall stated the project would commence the second week of August and will be conducted in the evening so they will not impact local business.

Upon motion by Director Mackzum, second by Director Grabow and carried by a 5 to 0 vote, the Contract for Downtown Sewer Repair, was awarded to Sancon Technologies, Inc. in the amount of \$31,620.

E. Consider Authorizing Expenditure for Wastewater Treatment Plant Membrane Bioreactor Improvements

Supervisor Miller stated the purpose of this expenditure is to purchase the materials and provide labor to install new OV960's into the Membrane Bioreactor (MBR) at the Treatment Plant with a cost of \$75,000 that will be shared among the upstream users. The expenditure will be funded from the Wastewater System Connection and Capacity

Charge Reserve Fund with a balance of \$119,603 as of June 30, 2017. Discussion continued and Supervisor Miller stated that the majority of work will be done in house and replacing the plates may extend the basin life up to fifteen (15) years with Manager Gross adding that it will save the District approximately 50% on energy costs. There will also be less labor maintenance and the warranty will remain the same with replacement of the new plates.

Upon **motion** by Director Grabow, **second** by Director Terry and **carried by a 5 to 0 vote**, the expenditure for Wastewater Treatment Plant Membrane Bioreactor Improvements, was approved.

F. Consider Authorizing Application to LAFCO for Exemption Determination

Manager Gross reported that the Local Agency Formation Commission (LAFCO) is suggesting that the District apply for an exemption determination from Government Code Section 56133 in relation to adoption of Ordinance No. 47 regarding the upstream rates. There is a \$2,250 filing fee.

Upon **motion** by Director Bennett, **second** by Director Mackzum and **carried by a 5 to 0 vote**, the General Manager was authorized to submit a letter to LAFCO requesting exemption of Ordinance No. 47 from Government Code 56133, was approved.

5. Information Items

A. Quarterly Budget and Financial Report

B. Quarterly Investment Report

C. LA Times Article from July 9, 2017

The Board reviewed and discussed an article in the Los Angeles Times newspaper regarding affordability of water for low income customers.

6. General Manager's Report

Manager Gross reported on the Cap-and-Trade Bill that suspends the CalFire fee and he said the Howard Jarvis Taxpayer Association is still pursuing refunds for the fee.

Discussion turned to District property tax revenue that fluctuates and is received throughout the year. The District will re-evaluate fund balances in January to determine if any funds should be moved and bring any requests to move funds to the Board.

Manager Gross also reported on the Automated Meter Reading (AMR) Loan Project saying the application is complete and concurrently the financial review will take place. The signed fund agreement should be signed in late fall with the project beginning in the spring of 2018.

7. Report from Legal Counsel

Attorney Simmons said the Environmental Impact Report for the Delta Water Tunnel Project was released and the project is currently in litigation.

The Oroville Dam Spillway repairs are ongoing and Attorney Simmons said there is a webcam site available to follow the progress.

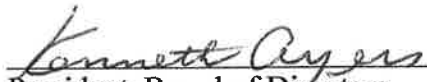
8. Board Member Comments/Meetings

None


9. Meeting Adjournment

The meeting was adjourned at 10:32 A.M.

Respectfully Submitted,



President, Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District